

DELVES CHARITABLE TRUST

England & Wales · Charity number 231860

Details

Other names	THE DELVES CHARITABLE TRUST (OTHERWISE THE GEORGE BREEZE SECTION CHARITABLE TRUST)
Status	Registered
Legal form	Other
Registered	1964-05-08
Register	View on the Charity Commission register

Contact

Address	Po Box 135 Longfield Kent DA3 8WF
Phone	01732822114

Activities

Objects: FOR OR TO SUCH CHARITABLE OBJECTS, PURPOSES, INSTITUTIONS, OR SOCIETIES AS THE TRUSTEES MAY IN THEIR DISCRETION THINK FIT.

Activities: To make charitable grants.

Classification

- **How:** Makes Grants To Organisations
- **What:** General Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-04-05	£222,363	£374,011	-	-
2024-04-05	£227,571	£343,619	-	-
2023-04-05	£207,013	£301,148	-	-
2022-04-05	£228,437	£297,867	-	-
2021-04-05	£252,373	£195,148	-	-

Trustees

Name	Role	Appointed
WILLIAM BREEZE	Chair	2010-11-24
Dr CHARLES BREEZE		1972-07-15
Dr ELIZABETH BREEZE		1972-07-15
GEORGE BREEZE		1969-10-23
JOHN BREEZE		1966-12-08
MARK BREEZE		2008-11-26

DELVES CHARITABLE TRUST

England & Wales - Charity number 231860

Accounts

DELVES CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

YEAR-ENDED 5 APRIL 2025

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

C Breeze
E Breeze
G Breeze
J Breeze
M Breeze
W Breeze (Chair)

Trust Administrator

Luminary Finance LLP
PO Box 135
Longfield
DA3 8WF

This is also the registered address of the Trust

Auditor

Warner Wilde Limited
4 Marigold Drive
Bisley
GU24 9SF

Banker

CAF Bank Limited
25 Kings Hill Avenue
West Malling
ME19 4JQ

Investment Adviser

Rathbones Investment Management Ltd
30 Gresham Street
London
EC2V 7QN

TRUSTEES' ANNUAL REPORT

The Trustees of the Delves Charitable Trust present their annual report covering the Trust's activities for the year ended 5 April 2025.

Structure

The Trust was established under a Deed of Appropriation and Appointment of new Trustees, dated 5 October 1955, in respect of an indenture dated 6 March 1922 known as the original Trust deed. A deed of appointment dated 5 October 1946 was also relevant.

The Trust is a registered charity, number 231860.

The Trust deed states the objects as being "for or to such charitable objects, purposes, institutions or societies as the Trustees may in their discretion think fit," with no defined beneficial area.

Governance and Management

The names of the Trustees who have acted during the year are set out on page 1. One of the Trustees serves as the Chair, elected by the other Trustees, for a 3-year term. There are no term limits on the tenure of Trustees or the number of terms a Chair can serve. The Trustees can appoint new Trustees at any time by deed, up to a maximum of 7.

All Trustees give their time freely; no remuneration is paid. The notes to the financial statements disclose details of Trustee expenses reimbursed (note 5) and related party transactions (note 14).

Trustees are required to disclose all relevant interests and these are recorded on a central register. They are required to withdraw from any decision where there is a recorded potential conflict of interest.

The Trustees meet annually in June to approve the previous year's accounts and reporting, and to plan their grant making for the coming year. Additional meetings are held during the year as required for specific matters.

Trustees are able to receive training as appropriate.

Luminary Finance LLP is engaged as the Trust Administrator, to support the Trustees and for the day-to-day administration of the Trust's affairs.

The Trust is a member of the Association of Charitable Foundations. The ACF provides helpful information on good practice and changes in the law affecting charities. It also acts as an authoritative body to speak for charitable foundations with the government and regulators.

Objectives and Activities

The Trust supports objectives at the Trustees' discretion, via grants to charitable institutions.

The bulk of the Trust's grants are made by way of defined term programmes (also referred to as subscriptions.) Grant programmes seek to maximise the impact the Trust's grants have on outcomes. This will often lead to supporting smaller charities.

The Trust does not have any geographical restriction on the ambit of its activities

Applications for funding

The Trust does not accept unsolicited applications for funding.

Public Benefit

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's objectives and activities.

The Trustees only release grants to organisations with charitable or Community Interest Company status; in practice almost exclusively UK registered charities. As all UK registered charities are required to operate for the public benefit, the Trustees can have a higher level of confidence that the Trust's resources will be effectively used.

The objective and anticipated outcomes of each proposed grant programme are considered by the Trustees before adoption, progress is reviewed annually, and final outcomes are reviewed on completion of the grant term.

ANNUAL REPORT [Continued]

Achievements

During the year, in furtherance of the Trust's objectives:

- a total of £262,925 was paid to 24 different charities in support of the Trust's adopted grant programmes,
- a one-off donation of £15,000 was made to Avoncroft Museum of Historic Buildings, and
- a donation of £10,000 was made to Médecins Sans Frontières.

The largest grants made in the year were:

Charity	Amount	Comprising
Macular Disease Society	£17,000	1 grant to a specific service provision
Avoncroft Museum of Historic Buildings	£15,000	1 grant to a specific project
ChemTrust	£15,000	1 grant to a specific area of their work
Future Talent Musicians	£15,000	1 grant to a specific programme
QUNO Geneva	£15,000	1 unrestricted grant
Samaritans	£15,000	1 grant towards general costs
Tree Aid	£15,000	1 unrestricted grant
World Land Trust	£15,000	1 grant to a specific project

Financial Review

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments. The statements have been prepared in accordance with the rules of the Trust and the current Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102.

Over the last year, there has not been any significant change in the Trust's activities or the manner in which these activities have been carried out.

The investment income for the year was £222,363, a decrease on the previous year of £5,208.

Grants totalling £287,925 (2024 - £261,325) were made in the year. An overview is given in the Achievements section above and details are disclosed in note 4 of the financial statements, starting on page 15 below.

In managing and administering the Trust, investment advisers' fees of £47,191 (2024 - £45,287), costs of grant-making of £6,200 (2024 - £4,400), governance costs of £32,301 (2024 - £31,765), and other support costs of £394 (2024 - £842) were incurred in the year.

The value of the Trust's investments decreased by £562,096 during the year, comprised of £111,183 of net realised losses, £550,907 of net unrealised losses, and £6 of foreign exchange losses on uninvested cash (2024 – the value increased by £754,277, comprised of £13,678 of net realised gains, £739,344 of net unrealised gains, and £1,255 of foreign exchange gains on uninvested cash).

The overall deficit for the year of £713,744 was deducted from reserves brought forward from the previous year (2024 - £638,229 surplus added to reserves).

Investment policy

The Trustees' investment powers are defined by the general power of investment granted by the Trustee Act 2000. The Trustees are empowered to use the investments in the same manner as income and there is therefore no fixed endowment fund and no restricted investment.

The Trust's investment portfolio is professionally managed by their investment adviser, Rathbones, on a discretionary basis.

The investment adviser operates under a written mandate, the Trustees' Statement of Investment Principles, which is reviewed regularly.

The Trustees' working premise is that the Trust will continue in perpetuity and hence they take a long-term perspective.

A total return approach to investment returns has been adopted: the Trustees are indifferent whether the investment return arises from income or capital, and the Trust's charitable activities can be funded from income or capital.

ANNUAL REPORT [Continued]

The Trustees seek a sustainable annual drawdown which, net of the investment adviser's fees, allows it to fund the Trust's charitable activities. The drawdown and the value of investments should at least maintain their values in real terms over the long term. They seek this from a diversified portfolio which does not take undue risk. These are the core objectives of the investment mandate.

The Trustees' Socially Responsible Investment policy forms part of the investment adviser's written mandate and limits investments in companies significantly engaged in armaments, environmental damage, the manufacture or irresponsible marketing of alcohol, gambling, the manufacture or sale of tobacco, or human rights abuses.

Each quarter the Trust's investment adviser reports on the performance of the investments. Twice a year, representatives of the Board of Trustees meet with the investment adviser to consider strategy, policy and performance, and discuss developments.

The Trustees use a number of measures to appraise the investment adviser's financial performance:

- The value added compared to market returns

Performance is compared to a bespoke metric: the total return before fees of the weighted-average performance of representative indices for each relevant asset class, where the weighting is determined by the Trust's strategic asset allocation.

This is the regulatory performance benchmark. The Trust's investments under-performed this benchmark during the year: while the Trust's portfolio recorded a total return of -3.4% before fees, the benchmark return was -0.8%.

The Trustees also monitor the volatility expected of the strategic asset allocation versus the actual volatility of the portfolio. This seeks to illuminate if any undue risk has been taken to deliver the returns
- The performance of peer portfolios under the care of the manager's peers

The Trustees monitor the ARC Charities Steady Growth index to provide context to the actual performance
- Over the long term, achievement of the core financial objectives of the mandate (as above)

The Trustees review the cumulative total return of the portfolio net of fees versus the cumulative impact of inflation plus target drawdown

The Trust's investments are held in nominee accounts of the Trust's investment adviser at Rensburg Client Nominees Limited, Ferlim Nominees Limited, CREST or Euroclear, or to the investment adviser's order at the Bank of New York.

Designated funds

Designated funds are amounts that have been put aside out of unrestricted funds at the discretion of the Trustees for particular purposes. The designation is for administrative purposes only and does not legally restrict the Trustees' discretion to apply the funds.

The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities.

The remaining funds of the Trust comprise a general fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust.

Such funds may be held in order to finance both working capital and capital investments.

Details of movements in the funds are set out in note 11 on page 19.

Reserves

The Trustees' policy is to maintain free reserves of £20,000. This policy is formed with regard to the nature of the Trust's operations and expenditure commitments, experience of the requirement to draw on reserves, and the designated Investment fund available.

The actual free reserves at 5 April 2025 were £20,915 (the balance on the unrestricted general fund.)

The Trustees are satisfied that sufficient reserves are held.

ANNUAL REPORT [Continued]

The Trustees note the strength of the Trust's Investment Fund and lack of other commitments or liabilities. At 5 April 2025, the Trust's funds stood at £10,080,654, comprising an Investment fund of £10,059,739 and a general fund of £20,915.

Risk Management

Having regard to the Trust's organisation and activities, it is the Trustees' view that the major risks to which the Trust may be exposed are largely financial in nature.

The primary financial risk would be events causing a significant and/or sustained reduction in the return on the investments. The investment policy, expressed in the written mandate to the investment adviser, combined with the investment adviser's expertise, seeks to avoid, manage or mitigate such risks. The regular meetings and contact with the Trust's investment adviser also assist with understanding, preparing for, and reacting to such events. In addition, the Trustees seek to maintain free reserves at the levels indicated above.

To mitigate risks to effective grant-making, the Trustees dedicate time to understanding and reviewing the Trust's grant programmes, before and after adoption. Each programme has to pass an annual review before any further grant is authorised for payment.

The Trustees review the major risks that the Trust faces on a regular basis.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

Future Plans

The Trustees intend to continue to make grants, out of the resources provided by the Investment fund, to pursue the Trust's objectives.

There are a number of grant programmes in progress. At 5 April 2025, the phasing of planned future grants to those programmes is, in aggregate:

- £179,000 in 2025/26
- £125,000 in 2026/27

Further grant programmes were adopted at the 2025 AGM.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Statement of Recommended Practice 'Accounting and Reporting by Charities';
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ANNUAL REPORT [Continued]

Auditor

A resolution to re-appoint Warner Wilde Limited as the Trust's auditor was passed at the Annual General Meeting.

Approved by the Board of Trustees and signed on its behalf by

W Breeze
Chair of the Board of Trustees
18.12.25

INDEPENDENT AUDITOR'S REPORT

Warner Wilde Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Opinion

We have audited the financial statements of Delves Charitable Trust (the 'Trust') for the year ended 5 April 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the Notes to the financial statements including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 5 April 2025 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AUDITOR'S REPORT [Continued]**Matters on which we are required to report by exception**

The Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Annual Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in this respect.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements, for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable matters related to going concern, and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Engagement Partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with Trustees and other management, and from our knowledge and experience of the charity and faith sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011 and taxation, data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- we identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

AUDITOR'S REPORT [Continued]

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- testing controls with walk through procedures and substantive transaction testing.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and relevant regulators such as the Charity Commission

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

F J Wilde
For and on behalf of Warner Wilde Limited
Chartered Certified Accountants and Statutory Auditor
Bisley
03.02.26

STATEMENT OF FINANCIAL ACTIVITIES
Year ended 5 April 2025

	Note	2025 £	2024 £
Income from			
Investments	3	<u>222,363</u>	<u>227,571</u>
Expenditure on			
Raising funds: investment adviser's fees		47,191	45,287
Charitable activities	4	326,820	298,332
Total expenditure		<u>374,011</u>	<u>343,619</u>
Net (expenditure) before gains and losses on investments		(151,648)	(116,048)
Net (losses)/gains on investments	7	(562,096)	754,277
Net movement in funds		(713,744)	638,229
<u>Reconciliation of funds</u>			
Total funds brought forward		10,794,398	10,156,169
Total funds carried forward	11	<u><u>10,080,654</u></u>	<u><u>10,794,398</u></u>

All activities derive from continuing operations.

All of the funds are unrestricted and designated.

There was no recognised gain or loss other than as shown in this statement.

BALANCE SHEET
As at 5 April 2025

	Note	£	2025 £	£	2024 £
Fixed Assets					
Investments	8		10,048,173		10,759,444
Current Assets					
Debtors	9	22,931		25,350	
Bank balances and deposits		26,373		25,793	
		<u>49,304</u>		<u>51,143</u>	
Liabilities					
Creditors: amounts falling due within one year	10	(16,823)		(16,189)	
Net Current Assets			32,481		34,954
Net Assets			<u>10,080,654</u>		<u>10,794,398</u>
The funds of the charity					
Unrestricted designated Investment fund			10,059,739		10,773,204
Unrestricted general fund			20,915		21,194
Unrestricted income funds	11		<u>10,080,654</u>		<u>10,794,398</u>

Approved by the Board of Trustees on and signed on its behalf by

W Breeze
Chair of the Board of Trustees
18.12.25

J Breeze
Trustee
13.11.25

STATEMENT OF CASH FLOWS
Year ended 5 April 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	12	(224,190)	(233,154)
Cash flows from investing activities			
Dividends and interest from investments		224,770	231,691
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		580	(1,463)
Cash and cash equivalents at the beginning of the year		25,793	27,256
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		<u>26,373</u>	<u>25,793</u>

NOTES TO THE FINANCIAL STATEMENTS**Year ended 5 April 2025****1. General information**

Delves Charitable Trust is a charity registered with the Charity Commission for England & Wales. Its registered address is The Trust Administrator, Luminary Finance LLP, PO Box 135, Longfield, DA3 8WF.

2. Accounting policiesBasis of preparation

The financial statements have been prepared in accordance with:

- the Charities Act 2011;
- United Kingdom Generally Accepted Accounting Practice ('GAAP') as it applies from 1 January 2015, in particular the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'); and
- the Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102, which was published in October 2019 and effective for periods commencing on or after 1 January 2019 ('Charities SORP FRS 102').

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities SORP FRS 102, rather than the equivalent Statement of Recommended Practice effective from 1 April 2005 but which has since been withdrawn.

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments.

The functional currency of the Trust is considered to be Pounds Sterling and amounts are rounded to the nearest whole pound.

The Trust constitutes a Public Benefit Entity as defined by FRS 102.

Fund accounting

Designated funds are amounts which have been put aside out of unrestricted funds. The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities. The remaining funds of the Trust comprise a general fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. Such funds may be held in order to finance both working capital and capital investments.

Income recognition

Income is recognised when the conditions for receipt have been met, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Therefore:

- dividends are accrued when the security is quoted as being ex-dividend; and
- interest is accounted for when receivable.

Expenditure recognition

Expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES [Continued]

2. Accounting policies [Continued]

Charitable activities

The expenditure on charitable activities comprises grants plus support costs.

Grants

Financial grants are made to third parties to undertake work that contributes to the Trust's objectives.

Grants comprise programme grants and donations. Programme grants are the predominant form of grant-making, intended to support a particular project or activity; the Trust's grant-making is supplemented by one-off or stand-alone donations.

The grants made in the year are shown in note 4.

Support costs

Costs are incurred in facilitating the Trust's charitable activity and are divided into 3 categories:

- Grant making. These are an apportionment of trust administration costs based on the time spent on grant-making matters, plus any specific costs related to a grant. Most of the time on grant-making activities is spent by Trustees and therefore has no financial cost to the Trust.
- Governance. These include all costs involving the public accountability of the Trust and its compliance with regulation and good practice. They are principally trust administration costs relating to matters such as Trustee meetings, preparation of the financial statements, regulatory reporting, and administrative support provided to the Trustees. Administration costs are apportioned to this category based on the time spent on governance matters. Governance costs also include the cost of the independent audit, and expenses incurred by the Trustees in the performance of their duties.
- Other. These are the remaining support costs, such as professional subscriptions and bank charges.

The analysis of the Trust's support costs between these categories is shown in note 5.

Investments

Listed investments are stated at the closing middle market price immediately prior to the end of the financial year. For fixed interest securities, the market value shown includes accrued interest. All movements in value are shown in the Statement of Financial Activities.

Foreign currencies

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. All exchange differences are shown in the Statement of Financial Activities.

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Amounts receivable and payable

Debtors and creditors with no interest rate and receivable or payable within one year are recorded at transaction price.

NOTES [Continued]

3. Investment Income

	2025 £	2024 £
Dividends and interest from quoted investments	216,293	222,509
Interest on deposits	6,070	5,062
	222,363	227,571
	222,363	227,571

4. Charitable activities

	2025 £	2024 £
<u>Grant programmes</u>		
British Museum	14,000	15,400
ChemTrust	15,000	11,000
ClientEarth	10,000	16,500
Crisis	10,000	6,100
The Forgiveness Project	10,000	11,000
Freedom From Torture	10,000	11,000
Future Talent Musicians	15,000	15,000
Gloucestershire Action for Refugees and Asylum Seekers	7,500	8,250
Headway Thames Valley	3,425	6,825
Institute for European Environmental Policy	10,000	10,000
Macular Disease Society	17,000	16,500
Marine Conservation Society	12,000	12,000
Parkinsons UK	10,000	-
Quaker United Nations Office Geneva	15,000	16,500
Royal Horticultural Society	5,000	5,500
Samaritans	15,000	16,500
Sightsavers (Royal Commonwealth Society for the Blind)	10,000	10,000
Society for the Protection of Ancient Buildings	7,000	6,600
Supporting Sick Newborn And their Parents	9,000	9,900
Survival International	10,000	11,000
Survivor Space Oxfordshire	8,000	-
Tree Aid	15,000	16,500
Trees for Cities	10,000	5,500
World Land Trust	15,000	8,250
Practical Action	-	5,500
	262,925	251,325
Total expenditure on grant programmes	262,925	251,325

NOTES [Continued]

4. Charitable activities [Continued]

	2025 £	2024 £
<u>Donations</u>		
Avoncroft Museum of Historic Buildings	15,000	-
Médecins Sans Frontières	10,000	10,000
	<hr/>	<hr/>
Total expenditure on donations	25,000	10,000
	<hr/>	<hr/>
<u>Grants</u>		
Grant programmes (as above)	262,925	251,325
Donations (as above)	25,000	10,000
	<hr/>	<hr/>
Total Grants	287,925	261,325
	<hr/>	<hr/>
<u>Support costs</u> (note 5)		
Grant making	6,200	4,400
Governance	32,301	31,765
Other	394	842
	<hr/>	<hr/>
Total Support costs	38,895	37,007
	<hr/>	<hr/>
<u>Charitable activities</u>		
Grants (as above)	287,925	261,325
Support costs (as above)	38,895	37,007
	<hr/>	<hr/>
Total Charitable activities	326,820	298,332
	<hr/> <hr/>	<hr/> <hr/>

All grants were made to institutions.

NOTES [Continued]

5. Support costs

The Trust's support costs of £38,895 (2024 - £37,007) are allocated between Grant-making, Governance, and Other as follows:

	Grant making		Governance		Other	
	2025	2024	2025	2024	2025	2024
	£	£	£	£	£	£
Trust administration	6,200	4,400	26,200	26,920	-	-
Auditor's remuneration	-	-	5,802	4,740	-	-
Trustees' expenses	-	-	299	105	-	-
Professional subscriptions	-	-	-	-	330	778
Bank charges	-	-	-	-	64	64
	<u>6,200</u>	<u>4,400</u>	<u>32,301</u>	<u>31,765</u>	<u>394</u>	<u>842</u>

Trust administration costs are apportioned between Costs of grant-making and Governance on the basis of time spent.

The Trustees, as listed on page 1, did not receive any emoluments during the year or the preceding year.

Trustees' expenses: when Trustees incur out-of-pocket expenses for travel on Trust business, they can claim reimbursement by the Trust.

The Trust has no employees (2024 - none).

6. Auditor's remuneration

	2025	2024
	£	£
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	<u>5,802</u>	<u>4,740</u>

7. Net (losses)/gains on investments

	2025	2024
	£	£
Net foreign exchange (losses)/gains on translation of uninvested cash	(6)	1,255
Net realised investment (losses)/gains (note 8)	(11,183)	13,678
Net unrealised investment (losses)/gains (note 8)	(550,907)	739,344
	<u>(562,096)</u>	<u>754,277</u>

NOTES [Continued]

8. Investments

<u>Quoted Investments</u>	2025	2024		
	£	£		
Market value at the start of the year	10,492,818	9,936,340		
Additions	2,763,012	3,057,042		
Disposals	(2,760,360)	(3,253,586)		
Net realised (losses)/gains	(11,183)	13,678		
Net unrealised (losses)/gains	(550,907)	739,344		
	<hr/>	<hr/>		
Market value at the end of the year	9,933,380	10,492,818		
Uninvested cash	114,793	266,626		
	<hr/>	<hr/>		
	<u>10,048,173</u>	<u>10,759,444</u>		
	<hr/>	<hr/>		
Historical cost	<u>9,479,097</u>	<u>9,652,945</u>		
	<hr/>	<hr/>		
The market value is divided:	2025	2024	2025	2024
	£	£	%	%
UK government bonds	383,828	392,264	3.9	3.7
UK corporate bonds	425,492	415,989	4.3	4.0
Non-UK government bonds	132,263	128,849	1.3	1.2
Non-UK corporate bonds	236,496	232,974	2.4	2.2
UK equities	842,316	981,004	8.4	9.4
European (ex UK) equities	1,078,040	1,549,361	10.8	14.8
North American equities	4,602,877	3,826,491	46.3	36.5
North American equity funds	164,709	170,746	1.7	1.6
Rest of World equity funds	830,296	1,467,003	8.4	14.0
Global thematic equity funds	-	223,602	-	2.1
Global equity funds	263,529	155,529	2.7	1.5
Property funds	286,603	280,428	2.9	2.7
Infrastructure funds	337,281	381,867	3.4	3.6
Commodity funds	308,709	242,711	3.1	2.3
Short term money market funds	40,941	44,000	0.4	0.4
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>9,933,380</u>	<u>10,492,818</u>	<u>100</u>	<u>100</u>

There were 26 disposals during the year producing the net losses of £11,183 (2024 – net gains of £13,678).

No investment in the portfolio exceeded 5% of the total portfolio value.

NOTES [Continued]

9. Debtors

	2025 £	2024 £
Accrued investment income	<u>22,931</u>	<u>25,350</u>

10. Creditors: amounts falling due within one year

	2025 £	2024 £
Accrued expenses	<u>16,823</u>	<u>16,189</u>

11. Statement of movements on unrestricted funds

Designation	Balance at 6 April 2024 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2025 £
Investment fund	10,773,204	221,822	(326,000)	(47,191)	(562,096)	10,059,739
General fund	21,194	541	326,000	(326,820)	-	20,915
Unrestricted funds	<u>10,794,398</u>	<u>222,363</u>	<u>-</u>	<u>(374,011)</u>	<u>(562,096)</u>	<u>10,080,654</u>

In 2024 the movements were as follows:

Designation	Balance at 6 April 2023 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2024 £
Investment fund	10,135,131	227,083	(298,000)	(45,287)	754,277	10,773,204
General fund	21,038	488	298,000	(298,332)	-	21,194
Unrestricted funds	<u>10,156,169</u>	<u>227,571</u>	<u>-</u>	<u>(343,619)</u>	<u>754,277</u>	<u>10,794,398</u>

NOTES [Continued]

12. Reconciliation of net income to net cash flow from operating activities

	2025 £	2024 £
Net (expenditure) before gains and losses on investments for the reporting period, per the Statement of Financial Activities	(151,648)	(116,048)
Net (losses)/gains on investments	(562,096)	754,277
	<hr/>	<hr/>
Net (expenditure)/income for the reporting period as per the Statement of Financial Activities	(713,744)	638,229
<u>Adjustments for</u>		
Losses/(gains) on investments	562,096	(754,277)
Deduction of dividends and interest from investments	(222,363)	(227,571)
Decrease/(increase) in debtors	2,419	(275)
Increase/(decrease) in creditors	634	(925)
Transfers between funds	146,768	111,665
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	<u>(224,190)</u>	<u>(233,154)</u>

13. Taxation

Delves Charitable Trust is a registered charity and as such is exempt from tax on income and gains falling within Part 10 Income Tax Act 2007 and Section 256 Taxation of Chargeable Gains Act 1992 respectively, to the extent that they are applied to its charitable objectives.

14. Related PartiesLuminary Finance LLP

Luminary Finance LLP is a related party of the Trust by virtue of the family relationship between a Member of the firm and the Trustees.

Luminary Finance LLP provides administration services to the Trust on an arm's length basis under a standard letter of engagement and terms of business.

The trust administration costs in note 5 above include £32,400 relating to services provided by Luminary Finance LLP in the year, comprised of £27,000 of fees and £5,400 of irrecoverable VAT (2024 - £31,320 total, being £26,100 of fees and £5,220 of VAT). The balance due to Luminary Finance LLP at the end of the year was £nil (2024 - £nil).

15. Going concern

The Trustees consider that there is no material uncertainty about the Trust's ability to continue as a going concern.

DELVES CHARITABLE TRUST

England & Wales - Charity number 231860

Accounts

DELVES CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

YEAR-ENDED 5 APRIL 2024

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

C Breeze
E Breeze
G Breeze
J Breeze
M Breeze
W Breeze (Chair)

Trust Administrator

Luminary Finance LLP
PO Box 135
Longfield
DA3 8WF

This is also the registered address of the Trust

Auditor

Warner Wilde Limited
4 Marigold Drive
Bisley
GU24 9SF

Banker

CAF Bank Limited
25 Kings Hill Avenue
West Malling
ME19 4JQ

Investment Adviser

Investec Wealth & Investment Limited
30 Gresham Street
London
EC2V 7QN

TRUSTEES' ANNUAL REPORT

The Trustees of the Delves Charitable Trust present their annual report covering the Trust's activities for the year ended 5 April 2024.

Structure

The Trust was established under a Deed of Appropriation and Appointment of new Trustees, dated 5 October 1955, in respect of an indenture dated 6 March 1922 known as the original Trust deed. A deed of appointment dated 5 October 1946 was also relevant.

The Trust is a registered charity, number 231860.

The Trust deed states the objects as being "for or to such charitable objects, purposes, institutions or societies as the Trustees may in their discretion think fit," with no defined beneficial area.

Governance and Management

The names of the Trustees who have acted during the year are set out on page 1. One of the Trustees serves as the Chair, elected by the other Trustees, for a 3-year term. There are no term limits on the tenure of Trustees or the number of terms a Chair can serve. The Trustees can appoint new Trustees at any time by deed, up to a maximum of 7.

All Trustees give their time freely; no remuneration is paid. The notes to the financial statements disclose details of Trustee expenses reimbursed (note 5) and related party transactions (note 14).

Trustees are required to disclose all relevant interests and these are recorded on a central register. They are required to withdraw from any decision where there is a recorded potential conflict of interest.

The Trustees meet annually in June to approve the previous year's accounts and reporting, and to plan their grant making for the coming year. Additional meetings are held during the year as required for specific matters.

Trustees are able to receive training as appropriate.

Luminary Finance LLP is engaged as the Trust Administrator, to support the Trustees and for the day-to-day administration of the Trust's affairs.

The Trust is a member of the Association of Charitable Foundations. The ACF provides helpful information on good practice and changes in the law affecting charities. It also acts as an authoritative body to speak for charitable foundations with the government and regulators.

Objectives and Activities

The Trust supports objectives at the Trustees' discretion, via grants to charitable institutions.

The bulk of the Trust's grants are made by way of defined term programmes (also referred to as subscriptions.) Grant programmes seek to maximise the impact the Trust's grants have on outcomes. This will often lead to supporting smaller charities.

The Trust does not have any geographical restriction on the ambit of its activities

Applications for funding

The Trust does not accept unsolicited applications for funding.

Public Benefit

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's objectives and activities.

The Trustees only release grants to organisations with charitable or Community Interest Company status; in practice almost exclusively UK registered charities. As all UK registered charities are required to operate for the public benefit, the Trustees can have a higher level of confidence that the Trust's resources will be effectively used.

The objective and anticipated outcomes of each proposed grant programme are considered by the Trustees before adoption, progress is reviewed annually, and final outcomes are reviewed on completion of the grant term.

ANNUAL REPORT [Continued]

Achievements

During the year, in furtherance of the Trust's objectives:

- a total of £251,325 was paid to 23 different charities in support of the Trust's adopted grant programmes, and
- a donation of £10,000 was made to Médecins Sans Frontières.

The largest grants made in the year were:

Charity	Amount	Comprising
ClientEarth	£16,500	1 grant to a specific area of work
Macular Disease Society	£16,500	1 grant to a specific service provision
QUNO Geneva	£16,500	1 unrestricted grant
Samaritans	£16,500	1 grant towards general costs
Tree Aid	£16,500	1 unrestricted grant
British Museum	£15,400	1 grant to a specific programme
Future Talent Musicians	£15,000	1 grant to a specific programme

Financial Review

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments. The statements have been prepared in accordance with the rules of the Trust and the current Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102.

Over the last year, there has not been any significant change in the Trust's activities or the manner in which these activities have been carried out.

The investment income for the year was £227,571, an increase on the previous year of £20,558.

Grants totalling £261,325 (2023 - £224,000) were made in the year. An overview is given in the Achievements section above and details are disclosed in note 4 of the financial statements, starting on page 14 below.

In managing and administering the Trust, investment advisers' fees of £45,287 (2023 - £43,708), costs of grant-making of £4,400 (2023 - £6,100), governance costs of £31,765 (2023 - £27,135), and other support costs of £842 (2023 - £205) were incurred in the year.

The value of the Trust's investments increased by £754,277 during the year, comprised of £13,678 of net realised gains, £739,344 of net unrealised gains, and £1,255 of foreign exchange gains on uninvested cash (2023 – the value decreased by £714,586, comprised of £278,077 of net realised losses, £440,830 of net unrealised losses, and £4,321 of foreign exchange gains on uninvested cash).

The overall surplus for the year of £638,229 was added to reserves brought forward from the previous year (2023 - £808,721 deficit deducted from reserves).

Investment policy

The Trustees' investment powers are defined by the general power of investment granted by the Trustee Act 2000. The Trustees are empowered to use the investments in the same manner as income and there is therefore no fixed endowment fund and no restricted investment.

The Trust's investment portfolio is professionally managed by their investment adviser, Investec Wealth and Investment, on a discretionary basis. During the year, Investec became part of the Rathbones Plc group.

The investment adviser operates under a written mandate, the Trustees' Statement of Investment Principles, which is reviewed regularly.

The Trustees' working premise is that the Trust will continue in perpetuity and hence they take a long term perspective.

A total return approach to investment returns has been adopted: the Trustees are indifferent whether the investment return arises from income or capital, and the Trust's charitable activities can be funded from income or capital.

ANNUAL REPORT [Continued]

The Trustees seek a sustainable annual drawdown which, net of the investment adviser's fees, allows it to fund the Trust's charitable activities. The drawdown and the value of investments should at least maintain their values in real terms over the long term. They seek this from a diversified portfolio which does not take undue risk.

The Trustees' Socially Responsible Investment policy forms part of the investment adviser's written mandate and limits investments in companies significantly engaged in armaments, environmental damage, the manufacture or irresponsible marketing of alcohol, gambling, the manufacture or sale of tobacco, or human rights abuses.

Each quarter the Trust's investment adviser reports on the performance of the investments. Twice a year, representatives of the Board of Trustees meet with the investment adviser to review strategy, policy and performance, and discuss developments.

The Trustees use a number of measures to appraise the investment adviser's financial performance:

- The value added compared to market returns. Performance is compared to a bespoke metric: the total return before fees of the weighted-average performance of representative indices for each relevant asset class, where the weighting is determined by the Trust's strategic asset allocation. This is the primary measure and considered the performance benchmark;
- Monitoring the volatility expected of the strategic asset allocation versus the actual volatility of the portfolio. This seeks to illuminate if any undue risk has been taken to deliver the returns;
- Monitoring the ARC Charities Steady Growth index, to be cognisant of the performance of peer portfolios under the care of the manager's peers; and
- Over the long term, achievement of the core mandate objective: maintaining the real terms value of the investments, after drawdowns.

The Trust's investments under-performed the benchmark during the year: while the Trust's portfolio recorded a total return of 9.6% before fees, the benchmark return was 13.8%.

The Trust's investments are held in nominee accounts of the Trust's investment adviser at Rensburg Client Nominees Limited, Ferlim Nominees Limited, CREST or Euroclear, or to the investment adviser's order at the Bank of New York.

Designated funds

Designated funds are amounts that have been put aside out of unrestricted funds at the discretion of the Trustees for particular purposes. The designation is for administrative purposes only and does not legally restrict the Trustees' discretion to apply the funds.

The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities.

The remaining funds of the Trust comprise a general fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust.

Such funds may be held in order to finance both working capital and capital investments.

Details of movements in the funds are set out in note 11 on page 18.

Reserves

The Trustees' policy is to maintain free reserves of £20,000. This policy is formed with regard to the nature of the Trust's operations and expenditure commitments, experience of the requirement to draw on reserves, and the designated Investment fund available.

The actual free reserves at 5 April 2024 were £21,194 (the balance on the unrestricted general fund.)

The Trustees are satisfied that sufficient reserves are held.

The Trustees note the strength of the Trust's Investment Fund and lack of other commitments or liabilities. At 5 April 2024, the Trust's funds stood at £10,794,398, comprising an Investment fund of £10,773,204 and a general fund of £21,194.

Risk Management

Having regard to the Trust's organisation and activities, it is the Trustees' view that the major risks to which the Trust may be exposed are largely financial in nature.

ANNUAL REPORT [Continued]

The primary financial risk would be events causing a significant and/or sustained reduction in the return on the investments. The investment policy, expressed in the written mandate to the investment adviser, combined with the investment adviser's expertise, seeks to avoid, manage or mitigate such risks. The regular meetings and contact with the Trust's investment adviser also assist with understanding, preparing for, and reacting to such events. In addition, the Trustees seek to maintain free reserves at the levels indicated above.

To mitigate risks to effective grant-making, the Trustees dedicate time to understanding and reviewing the Trust's grant programmes, before and after adoption. Each programme has to pass an annual review before any further grant is authorised for payment.

The Trustees review the major risks that the Trust faces on a regular basis.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

Future Plans

The Trustees intend to continue to make grants, out of the resources provided by the Investment fund, to pursue the Trust's objectives.

There are a number of grant programmes in progress. At 5 April 2024, the phasing of planned future grants to those programmes is, in aggregate:

- £189,000 in 2024/25
- £109,000 in 2025/26, and
- £55,000 in 2026/27

Further grant programmes were adopted at the 2024 AGM.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Statement of Recommended Practice 'Accounting and Reporting by Charities';
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution to re-appoint Warner Wilde Limited as the Trust's auditor was passed at the Annual General Meeting.

Approved by the Board of Trustees and signed on its behalf by

W Breeze
Chair of the Board of Trustees
07.01.25

INDEPENDENT AUDITOR'S REPORT

Warner Wilde Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Opinion

We have audited the financial statements of Delves Charitable Trust (the 'Trust') for the year ended 5 April 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the Notes to the financial statements including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 5 April 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AUDITOR'S REPORT [Continued]**Matters on which we are required to report by exception**

The Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Annual Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in this respect.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements, for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable matters related to going concern, and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Engagement Partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with Trustees and other management, and from our knowledge and experience of the charity and faith sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011 and taxation, data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- we identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

AUDITOR'S REPORT [Continued]

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- testing controls with walk through procedures and substantive transaction testing.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and relevant regulators such as the Charity Commission

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

F J Wilde
For and on behalf of Warner Wilde Limited
Chartered Certified Accountants
Statutory Auditor
Bisley
18.01.25

STATEMENT OF FINANCIAL ACTIVITIES
Year ended 5 April 2024

	Note	2024 £	2023 £
Income from			
Investments	3	<u>227,571</u>	<u>207,013</u>
Expenditure on			
Raising funds: investment adviser's fees		45,287	43,708
Charitable activities	4	298,332	257,440
Total expenditure		<u>343,619</u>	<u>301,148</u>
Net (expenditure) before gains and losses on investments		(116,048)	(94,135)
Net gains/(losses) on investments	7	754,277	(714,586)
Net movement in funds		<u>638,229</u>	<u>(808,721)</u>
<u>Reconciliation of funds</u>			
Total funds brought forward		10,156,169	10,964,890
Total funds carried forward	11	<u><u>10,794,398</u></u>	<u><u>10,156,169</u></u>

All activities derive from continuing operations.

All of the funds are unrestricted and designated.

There was no recognised gain or loss other than as shown in this statement.

BALANCE SHEET
As at 5 April 2024

	Note	£	2024 £	£	2023 £
Fixed Assets					
Investments	8		10,759,444		10,120,952
Current Assets					
Debtors	9	25,350		25,075	
Bank balances and deposits		<u>25,793</u>		<u>27,256</u>	
		51,143		52,331	
Liabilities					
Creditors: amounts falling due within one year	10	<u>(16,189)</u>		<u>(17,114)</u>	
Net Current Assets			34,954		35,217
Net Assets			<u>10,794,398</u>		<u>10,156,169</u>
The funds of the charity					
Unrestricted designated Investment fund			10,773,204		10,135,131
Unrestricted general fund			<u>21,194</u>		<u>21,038</u>
Unrestricted income funds	11		<u>10,794,398</u>		<u>10,156,169</u>

Approved by the Board of Trustees on and signed on its behalf by

W Breeze
Chair of the Board of Trustees
07.01.25

J Breeze
Trustee
13.01.25

STATEMENT OF CASH FLOWS
Year ended 5 April 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	12	(233,154)	(203,925)
Cash flows from investing activities			
Dividends and interest from investments		231,691	209,687
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(1,463)	5,762
Cash and cash equivalents at the beginning of the year		27,256	21,494
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		<u>25,793</u>	<u>27,256</u>

NOTES TO THE FINANCIAL STATEMENTS**Year ended 5 April 2024****1. General information**

Delves Charitable Trust is a charity registered with the Charity Commission for England & Wales. Its registered address is The Trust Administrator, Luminary Finance LLP, PO Box 135, Longfield, DA3 8WF.

2. Accounting policiesBasis of preparation

The financial statements have been prepared in accordance with:

- the Charities Act 2011;
- United Kingdom Generally Accepted Accounting Practice ('GAAP') as it applies from 1 January 2015, in particular the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'); and
- the Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102, which was published in October 2019 and effective for periods commencing on or after 1 January 2019 ('Charities SORP FRS 102').

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities SORP FRS 102, rather than the equivalent Statement of Recommended Practice effective from 1 April 2005 but which has since been withdrawn.

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments.

The functional currency of the Trust is considered to be Pounds Sterling and amounts are rounded to the nearest whole pound.

The Trust constitutes a Public Benefit Entity as defined by FRS 102.

Fund accounting

Designated funds are amounts which have been put aside out of unrestricted funds. The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities. The remaining funds of the Trust comprise a general fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. Such funds may be held in order to finance both working capital and capital investments.

Income recognition

Income is recognised when the conditions for receipt have been met, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Therefore:

- dividends are accrued when the security is quoted as being ex-dividend; and
- interest is accounted for when receivable.

Expenditure recognition

Expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES [Continued]

2. Accounting policies [Continued]

Charitable activities

The expenditure on charitable activities comprises grants plus support costs.

Grants

Financial grants are made to third parties to undertake work that contributes to the Trust's objectives.

Grants comprise programme grants and donations. Programme grants are the predominant form of grant-making, intended to support a particular project or activity; the Trust's grant-making is supplemented by one-off or stand-alone donations.

The grants made in the year are shown in note 4.

Support costs

Costs are incurred in facilitating the Trust's charitable activity and are divided into 3 categories:

- Grant making. These are an apportionment of trust administration costs based on the time spent on grant-making matters, plus any specific costs related to a grant. Most of the time on grant-making activities is spent by Trustees and therefore has no financial cost to the Trust.
- Governance. These include all costs involving the public accountability of the Trust and its compliance with regulation and good practice. They are principally trust administration costs relating to matters such as Trustee meetings, preparation of the financial statements, regulatory reporting, and administrative support provided to the Trustees. Administration costs are apportioned to this category based on the time spent on governance matters. Governance costs also include the cost of the independent audit, and expenses incurred by the Trustees in the performance of their duties.
- Other. These are the remaining support costs, such as professional subscriptions and bank charges.

The analysis of the Trust's support costs between these categories is shown in note 5.

Investments

Listed investments are stated at the closing middle market price immediately prior to the end of the financial year. For fixed interest securities, the market value shown includes accrued interest. All movements in value are shown in the Statement of Financial Activities.

Foreign currencies

Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. All exchange differences are shown in the Statement of Financial Activities.

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Amounts receivable and payable

Debtors and creditors with no interest rate and receivable or payable within one year are recorded at transaction price.

NOTES [Continued]

3. Investment Income

	2024 £	2023 £
Dividends and interest from quoted investments	222,509	202,462
Interest on deposits	5,062	4,551
	227,571	207,013

4. Charitable activities

	2024 £	2023 £
<u>Grant programmes</u>		
British Museum	15,400	15,400
ChemTrust	11,000	11,000
ClientEarth	16,500	16,500
Crisis	6,100	6,100
The Forgiveness Project	11,000	11,000
Freedom From Torture	11,000	11,000
Future Talent Musicians	15,000	-
Gloucestershire Action for Refugees and Asylum Seekers	8,250	8,250
Headway Thames Valley	6,825	-
Institute for European Environmental Policy	10,000	-
Macular Disease Society	16,500	16,500
Marine Conservation Society	12,000	-
Practical Action	5,500	5,500
Quaker United Nations Office Geneva	16,500	16,500
Royal Horticultural Society	5,500	5,500
Samaritans	16,500	16,500
Sightsavers (Royal Commonwealth Society for the Blind)	10,000	-
Society for the Protection of Ancient Buildings	6,600	6,600
Supporting Sick Newborn And their Parents	9,900	9,900
Survival International	11,000	11,000
Tree Aid	16,500	8,250
Trees for Cities	5,500	11,000
World Land Trust	8,250	16,500
Alzheimer's Society, for the UK Dementia Research Institute	-	11,000
	251,325	214,000
Total expenditure on grant programmes		

NOTES [Continued]

4. Charitable activities [Continued]

	2024 £	2023 £
<u>Donations</u>		
Médecins Sans Frontières	10,000	10,000
Total expenditure on donations	<u>10,000</u>	<u>10,000</u>
<u>Grants</u>		
Grant programmes (as above)	251,325	214,000
Donations (as above)	10,000	10,000
Total Grants	<u>261,325</u>	<u>224,000</u>
<u>Support costs (note 5)</u>		
Grant making	4,400	6,100
Governance	31,765	27,135
Other	842	205
Total Support costs	<u>37,007</u>	<u>33,440</u>
<u>Charitable activities</u>		
Grants (as above)	261,325	224,000
Support costs (as above)	37,007	33,440
Total Charitable activities	<u><u>298,332</u></u>	<u><u>257,440</u></u>

All grants were made to institutions.

NOTES [Continued]

5. Support costs

The Trust's support costs of £37,007 (2023 - £33,440) are allocated between Grant-making, Governance, and Other as follows:

	Grant making		Governance		Other	
	2024	2023	2024	2023	2024	2023
	£	£	£	£	£	£
Trust administration	4,400	6,100	26,920	22,700	-	-
Auditor's remuneration	-	-	4,740	4,230	-	-
Trustees' expenses	-	-	105	205	-	-
Professional subscriptions	-	-	-	-	778	128
Bank charges	-	-	-	-	64	77
	<u>4,400</u>	<u>6,100</u>	<u>31,765</u>	<u>27,135</u>	<u>842</u>	<u>205</u>

Trust administration costs are apportioned between Costs of grant-making and Governance on the basis of time spent.

The Trustees, as listed on page 1, did not receive any emoluments during the year or the preceding year.

Trustees' expenses: when Trustees incur out-of-pocket expenses for travel on Trust business, they can claim reimbursement by the Trust.

The Trust has no employees (2023 - none).

6. Auditor's remuneration

	2024	2023
	£	£
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	<u>4,740</u>	<u>4,230</u>

7. Net (losses)/gains on investments

	2024	2023
	£	£
Net foreign exchange gains on translation of uninvested cash	1,255	4,321
Net realised investment gains/(losses) (note 8)	13,678	(278,077)
Net unrealised investment gains/(losses) (note 8)	739,344	(440,830)
	<u>754,277</u>	<u>(714,586)</u>

NOTES [Continued]

8. Investments

<u>Quoted Investments</u>	2024	2023		
	£	£		
Market value at the start of the year	9,936,340	10,048,043		
Additions	3,057,042	4,178,134		
Disposals	(3,253,586)	(3,570,930)		
Net realised gains/(losses)	13,678	(278,077)		
Net unrealised gains/(losses)	739,344	(440,830)		
	<hr/>	<hr/>		
Market value at the end of the year	10,492,818	9,936,340		
Uninvested cash	266,626	184,612		
	<hr/>	<hr/>		
	<u>10,759,444</u>	<u>10,120,952</u>		
	<hr/>	<hr/>		
Historical cost	<u>9,652,945</u>	<u>9,327,553</u>		
	<hr/>	<hr/>		
The market value is divided:	2024	2023	2024	2023
	£	£	%	%
UK government bonds	392,264	51,616	3.7	0.5
UK corporate bonds	415,989	409,453	4.0	4.1
Non-UK government bonds	128,849	247,337	1.2	2.5
Non-UK corporate bonds	232,974	233,046	2.2	2.3
UK equities	981,004	1,997,385	9.4	20.1
European (ex UK) equities	1,549,361	741,920	14.8	7.5
European (ex UK) equity funds	-	143,466	-	1.4
North American equities	3,826,491	3,046,173	36.5	30.7
North American equity funds	170,746	-	1.6	-
Rest of World equity funds	1,467,003	1,058,253	14.0	10.6
Global thematic equity funds	223,602	494,551	2.1	5.0
Global equity funds	155,529	-	1.5	-
Property funds	280,428	526,759	2.7	5.3
Infrastructure funds	381,867	472,691	3.6	4.8
Commodity funds	242,711	213,690	2.3	2.2
Short term money market funds	44,000	300,000	0.4	3.0
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>10,492,818</u>	<u>9,936,340</u>	<u>100</u>	<u>100</u>

There were 38 disposals during the year producing the net gains of £13,678 (2023 – net losses of £278,077).

No investment in the portfolio exceeded 5% of the total portfolio value.

NOTES [Continued]

9. Debtors

	2024 £	2023 £
Accrued investment income	<u>25,350</u>	<u>25,075</u>

10. Creditors: amounts falling due within one year

	2024 £	2023 £
Accrued expenses	<u>16,189</u>	<u>17,114</u>

11. Statement of movements on unrestricted funds

Designation	Balance at 6 April 2023 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2024 £
Investment fund	10,135,131	227,083	(298,000)	(45,287)	754,277	10,773,204
General fund	21,038	488	298,000	(298,332)	-	21,194
Unrestricted funds	<u>10,156,169</u>	<u>227,571</u>	<u>-</u>	<u>(343,619)</u>	<u>754,277</u>	<u>10,794,398</u>

In 2023 the movements were as follows:

Designation	Balance at 6 April 2022 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2023 £
Investment fund	10,947,596	206,829	(261,000)	(43,708)	(714,586)	10,135,131
General fund	17,294	184	261,000	(257,440)	-	21,038
Unrestricted funds	<u>10,964,890</u>	<u>207,013</u>	<u>-</u>	<u>(301,148)</u>	<u>(714,586)</u>	<u>10,156,169</u>

NOTES [Continued]

12. Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net income/(expenditure) before gains on investments for the reporting period, per the Statement of Financial Activities	(116,048)	(94,135)
Net gains/(losses) on investments	754,277	(714,586)
	<hr/>	<hr/>
Net income for the reporting period as per the Statement of Financial Activities	638,229	(808,721)
<u>Adjustments for</u>		
(Gains)/losses on investments	(754,277)	714,586
Deduction of dividends and interest from investments	(227,571)	(207,013)
(Increase)/decrease in debtors	(275)	3,312
(Decrease)/increase in creditors	(925)	1,384
Transfers between funds	111,665	92,527
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	<u>(233,154)</u>	<u>(203,925)</u>

13. Taxation

Delves Charitable Trust is a registered charity and as such is exempt from tax on income and gains falling within Part 10 Income Tax Act 2007 and Section 256 Taxation of Chargeable Gains Act 1992 respectively, to the extent that they are applied to its charitable objectives.

14. Related PartiesLuminary Finance LLP

Luminary Finance LLP is a related party of the Trust by virtue of the family relationship between a Member of the firm and the Trustees.

Luminary Finance LLP provides administration services to the Trust on an arm's length basis under a standard letter of engagement and terms of business.

The trust administration costs in note 5 above include £31,320 relating to services provided by Luminary Finance LLP in the year, comprised of £26,100 of fees and £5,220 of irrecoverable VAT (2023 - £28,800 total, being £24,000 of fees and £4,800 of VAT). The balance due to Luminary Finance LLP at the end of the year was £nil (2023 - £1,680).

15. Going concern

The Trustees consider that there is no material uncertainty about the Trust's ability to continue as a going concern.

DELVES CHARITABLE TRUST

England & Wales - Charity number 231860

Accounts

DELVES CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

YEAR-ENDED 5 APRIL 2023

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

C Breeze
E Breeze
G Breeze
J Breeze
M Breeze
W Breeze (Chair)

Trust Administrator

Luminary Finance LLP
PO Box 135
Longfield
DA3 8WF

This is also the registered address of the Trust

Auditor

Warner Wilde Limited
4 Marigold Drive
Bisley
GU24 9SF

Banker

CAF Bank Limited
25 Kings Hill Avenue
West Malling
ME19 4JQ

Investment Adviser

Investec Wealth & Investment Limited
30 Gresham Street
London
EC2V 7QN

TRUSTEES' ANNUAL REPORT

The Trustees of the Delves Charitable Trust present their annual report covering the Trust's activities for the year ended 5 April 2023.

Structure

The Trust was established under a Deed of Appropriation and Appointment of new Trustees, dated 5 October 1955, in respect of an indenture dated 6 March 1922 known as the original Trust deed. A deed of appointment dated 5 October 1946 was also relevant.

The Trust is a registered charity, number 231860.

The Trust deed states the objects as being "for or to such charitable objects, purposes, institutions or societies as the Trustees may in their discretion think fit," with no defined beneficial area.

Governance and Management

The names of the Trustees who have acted during the year are set out on page 1. One of the Trustees serves as the Chair, elected by the other Trustees, for a 3-year term. There are no term limits on the tenure of Trustees or the number of terms a Chair can serve. The Trustees can appoint new Trustees at any time by deed, up to a maximum of 7.

All Trustees give their time freely; no remuneration is paid. The notes to the financial statements disclose details of Trustee expenses reimbursed (note 5) and related party transactions (note 14).

Trustees are required to disclose all relevant interests and these are recorded on a central register. In accordance with the Trust's policy, they are required to withdraw from any decision where there is a potential conflict of interest.

The Trustees meet annually in June to approve the previous year's accounts and reporting, and to plan their grant making for the coming year. Additional meetings are held during the year as required for specific matters.

Trustees are able to receive training as appropriate.

Luminary Finance LLP is engaged as the Trust Administrator, to support the Trustees and for the day-to-day administration of the Trust's affairs.

The Trust is a member of the Association of Charitable Foundations. The ACF provides helpful information on good practice and changes in the law affecting charities. It also acts as an authoritative body to speak for charitable foundations with the government and regulators.

Objectives and Activities

The Trust supports objectives at the Trustees' discretion, via grants to charitable institutions.

The bulk of the Trust's grants are made by way of defined term programmes (also referred to as subscriptions.) Grant programmes seek to maximise the impact the Trust's grants have on outcomes. This will often lead to supporting smaller charities.

The Trust does not have any geographical restriction on the ambit of its activities

Applications for funding

The Trust does not accept unsolicited applications for funding.

Public Benefit

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's objectives and activities.

The Trustees only release grants to organisations with charitable or Community Interest Company status; in practice almost exclusively UK registered charities. As all UK registered charities are required to operate for the public benefit, the Trustees can have a higher level of confidence that the Trust's resources will be effectively used.

The objective and anticipated outcomes of each proposed grant programme are considered by the Trustees before adoption, progress is reviewed annually, and final outcomes are reviewed on completion of the grant term.

ANNUAL REPORT [Continued]

Achievements

During the year, in furtherance of the Trust's objectives:

- a total of £214,000 was paid to 19 different charities in support of the Trust's adopted grant programmes, and
- a donation of £10,000 was made to Médecins Sans Frontières.

The largest grants made in the year were:

Charity	Amount	Comprising
ClientEarth	£16,500	1 grant to a specific area of work
Macular Disease Society	£16,500	1 grant to a specific service provision
QUNO Geneva	£16,500	1 unrestricted grant
Samaritans	£16,500	1 grant towards general costs
World Land Trust	£16,500	1 grant to a specific project
British Museum	£15,400	1 grant to a specific programme

Financial Review

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments. The statements have been prepared in accordance with the rules of the Trust and the current Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102.

Over the last year, there has not been any significant change in the Trust's activities or the manner in which these activities have been carried out.

The investment income for the year was £207,013, a decrease on the previous year of £21,424.

Grants totalling £224,000 (2022 - £219,000) were made in the year. An overview is given in the Achievements section above and details are disclosed in note 4 of the financial statements, starting on page 14 below.

In managing and administering the Trust, investment advisers' fees of £43,708 (2022 - £47,841), costs of grant-making of £6,100 (2022 - £2,800), governance costs of £27,135 (2022 - £27,869), and other support costs of £205 (2022 - £357) were incurred in the year.

The value of the Trust's investments decreased by £714,586 during the year, comprised of £278,077 of net realised losses, £440,830 of net unrealised losses, and £4,321 of foreign exchange gains on uninvested cash (2022 – the value increased by £509,402, comprised of £334,960 of net realised gains, £174,117 of net unrealised gains, and £325 of foreign exchange gains on uninvested cash).

The overall deficit for the year of £808,721 was deducted from reserves brought forward from the previous year (2022 - £439,972 surplus added to reserves).

Investment policy

The Trustees' investment powers are defined by the general power of investment granted by the Trustee Act 2000. The Trustees are empowered to use the investments in the same manner as income and there is therefore no fixed endowment fund and no restricted investment.

The Trust's investment portfolio is professionally managed by their investment adviser, Investec Wealth and Investment, on a discretionary basis.

The investment adviser operates under a written mandate, the Trustees' Statement of Investment Principles, which is reviewed regularly.

The Trustees' working premise is that the Trust will continue in perpetuity and hence they take a long term perspective.

A total return approach to investment returns has been adopted: the Trustees are indifferent whether the investment return arises from income or capital, and the Trust's charitable activities can be funded from income or capital.

ANNUAL REPORT [Continued]

The Trustees seek a sustainable annual drawdown which, net of the investment adviser's fees, allows it to fund the Trust's charitable activities. The drawdown and the value of investments should at least maintain their values in real terms over the long term. They seek this from a diversified portfolio which does not take undue risk.

The Trustees' Socially Responsible Investment policy forms part of the investment adviser's written mandate and limits investments in companies significantly engaged in armaments, environmental damage, the manufacture or irresponsible marketing of alcohol, gambling, the manufacture or sale of tobacco, or human rights abuses.

Each quarter the Trust's investment adviser reports on the performance of the investments. Twice a year, representatives of the Board of Trustees meet with the investment adviser to review strategy, policy and performance, and discuss developments.

The Trustees use a number of measures to appraise the investment adviser's financial performance:

- The value added compared to market returns. A bespoke metric is used, the total return before fees of the weighted-average performance of representative indices for each relevant asset class, where the weighting is determined by the Trust's strategic asset allocation. This is the primary measure and considered the performance benchmark;
- Monitoring the volatility expected of the strategic asset allocation versus the actual volatility of the portfolio, to highlight if any undue risk is taken to deliver the returns;
- Monitoring the ARC Charities Steady Growth index, to be cognisant of the performance of peer portfolios under the care of the manager's peers; and
- Over the long term, achievement of the core mandate objective: maintaining the real terms value of the investments, after drawdowns.

The Trust's investments under-performed the benchmark during the year: while the Trust's portfolio recorded a total return of -4.4% before fees, the benchmark return was -3.6%.

The Trust's investments are held in nominee accounts of the Trust's investment adviser at Rensburg Client Nominees Limited, Ferlim Nominees Limited, CREST or Euroclear, or to the investment adviser's order at the Bank of New York.

Designated funds

Designated funds are amounts that have been put aside out of unrestricted funds at the discretion of the Trustees for particular purposes. The designation is for administrative purposes only and does not legally restrict the Trustees' discretion to apply the funds.

The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities.

The remaining funds of the Trust comprise a general fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust.

Such funds may be held in order to finance both working capital and capital investments.

Details of movements in the funds are set out in note 11 on page 18.

Reserves

The Trustees' policy is to maintain free reserves of £20,000. This policy is formed with regard to the nature of the Trust's operations and expenditure commitments, experience of the requirement to draw on reserves, and the designated Investment fund available.

The actual free reserves at 5 April 2023 were £21,038 (the balance on the unrestricted general fund.)

The Trustees are satisfied that sufficient reserves are held.

The Trustees note the strength of the Trust's Investment Fund and lack of other commitments or liabilities. At 5 April 2023, the Trust's funds stood at £10,156,169, comprising an Investment fund of £10,135,131 and a general fund of £21,038.

Risk Management

Having regard to the Trust's organisation and activities, it is the Trustees' view that the major risks to which the Trust may be exposed are largely financial in nature. Primary among these would be events causing a significant

ANNUAL REPORT [Continued]

reduction in the return generated by the investments. Regular meetings and contact are maintained with the Trust's investment adviser to understand, prepare for, and react to such events. In addition, the Trustees seek to maintain free reserves at the levels indicated above.

To mitigate risks to effective grant-making, the Trustees dedicate time to understanding the progress of the Trust's grant programmes. Each programme has to pass an annual review before any further grant is authorised for payment.

The Trustees review the major risks that the Trust faces on a regular basis.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

Future Plans

The Trustees intend to continue to make grants, out of the resources provided by the Investment fund, to pursue the Trust's objectives.

There are a number of grant programmes in progress. At 5 April 2023, the phasing of planned future grants to those programmes is, in aggregate:

- £192,000 in 2023/24
- £145,500 in 2024/25
- £65,000 in 2025/26, and
- £55,000 in 2026/27

Further grant programmes were adopted at the 2023 AGM.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Statement of Recommended Practice 'Accounting and Reporting by Charities';
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution to re-appoint Warner Wilde Limited as the Trust's auditor was passed at the Annual General Meeting.

Approved by the Board of Trustees and signed on its behalf by

W Breeze
Chair of the Board of Trustees
11.11.23

INDEPENDENT AUDITOR'S REPORT

Warner Wilde Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Opinion

We have audited the financial statements of Delves Charitable Trust (the 'Trust') for the year ended 5 April 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the Notes to the financial statements including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 5 April 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AUDITOR'S REPORT [Continued]**Matters on which we are required to report by exception**

The Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Annual Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in this respect.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements, for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable matters related to going concern, and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Engagement Partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with Trustees and other management, and from our knowledge and experience of the charity and faith sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011 and taxation, data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- we identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

AUDITOR'S REPORT [Continued]

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- testing controls with walk through procedures and substantive transaction testing.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and relevant regulators such as the Charity Commission

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

F J Wilde
For and on behalf of Warner Wilde Limited
Chartered Certified Accountants
Statutory Auditor
Bisley
14.11.23

STATEMENT OF FINANCIAL ACTIVITIES
Year ended 5 April 2023

	Note	2023 £	2022 £
Income from			
Investments	3	<u>207,013</u>	<u>228,437</u>
Expenditure on			
Raising funds: investment adviser's fees		43,708	47,841
Charitable activities	4	257,440	250,026
Total expenditure		<u>301,148</u>	<u>297,867</u>
Net (expenditure) before gains and losses on investments		(94,135)	(69,430)
Net (losses)/gains on investments	7	(714,586)	509,402
Net movement in funds		(808,721)	439,972
<u>Reconciliation of funds</u>			
Total funds brought forward		10,964,890	10,524,918
Total funds carried forward	11	<u><u>10,156,169</u></u>	<u><u>10,964,890</u></u>

All activities derive from continuing operations.

All of the funds are unrestricted and designated.

There was no recognised gain or loss other than as shown in this statement.

BALANCE SHEET
As at 5 April 2023

	Note	£	2023 £	£	2022 £
Fixed Assets					
Investments	8		10,120,952		10,930,739
Current Assets					
Debtors	9	25,075		28,387	
Bank balances and deposits		27,256		21,494	
		52,331		49,881	
Liabilities					
Creditors: amounts falling due within one year	10	(17,114)		(15,730)	
Net Current Assets			35,217		34,151
Net Assets			10,156,169		10,964,890
The funds of the charity					
Unrestricted designated Investment fund			10,135,131		10,947,596
Unrestricted general fund			21,038		17,294
Unrestricted income funds	11		10,156,169		10,964,890

Approved by the Board of Trustees on and signed on its behalf by

W Breeze
Chair of the Board of Trustees
11.11.23

J Breeze
Trustee
11.11.23

STATEMENT OF CASH FLOWS
Year ended 5 April 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	12	(203,925)	(214,674)
Cash flows from investing activities			
Dividends and interest from investments		209,687	217,751
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		5,762	3,077
Cash and cash equivalents at the beginning of the year		21,494	18,417
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		<u>27,256</u>	<u>21,494</u>

NOTES TO THE FINANCIAL STATEMENTS**Year ended 5 April 2023****1. General information**

Delves Charitable Trust is a charity registered with the Charity Commission for England & Wales. Its registered address is The Trust Administrator, Luminary Finance LLP, PO Box 135, Longfield, DA3 8WF.

2. Accounting policiesBasis of preparation

The financial statements have been prepared in accordance with:

- the Charities Act 2011;
- United Kingdom Generally Accepted Accounting Practice ('GAAP') as it applies from 1 January 2015, in particular the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'); and
- the Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102, which was published in October 2019 and effective for periods commencing on or after 1 January 2019 ('Charities SORP FRS 102').

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities SORP FRS 102, rather than the equivalent Statement of Recommended Practice effective from 1 April 2005 but which has since been withdrawn.

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments.

The functional currency of the Trust is considered to be Pounds Sterling and amounts are rounded to the nearest whole pound.

The Trust constitutes a public benefit entity as defined by FRS 102.

Fund accounting

Designated funds are amounts which have been put aside out of unrestricted funds. The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities. The remaining funds of the Trust comprise a general fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. Such funds may be held in order to finance both working capital and capital investments.

Income recognition

Income is recognised when the conditions for receipt have been met, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Therefore:

- dividends are accrued when the security is quoted as being ex-dividend; and
- interest is accounted for when receivable.

Expenditure recognition

Expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES [Continued]

2. Accounting policies [Continued]

Charitable activities

The expenditure on charitable activities comprises grants plus support costs.

Grants

Financial grants are made to third parties to undertake work that contributes to the Trust's objectives.

Grants comprise programme grants and donations. Programme grants are the predominant form of grant-making, intended to support a particular project or activity; the Trust's grant-making is supplemented by one-off donations.

The grants made in the year are shown in note 4.

Support costs

Costs are incurred in facilitating the Trust's charitable activity and are divided into 3 categories:

- Grant making. These are an apportionment of trust administration costs based on the time spent on grant-making matters, plus any specific costs related to a grant. Most of the time on grant-making activities is spent by Trustees and therefore has no financial cost to the Trust.
- Governance. These include all costs involving the public accountability of the Trust and its compliance with regulation and good practice. They are principally trust administration costs relating to matters such as Trustee meetings, preparation of the financial statements and administrative support provided to the Trustees. Administration costs are apportioned to this category based on the time spent on governance matters. Governance costs also include the cost of the independent audit, and expenses incurred by the Trustees in the performance of their duties.
- Other. These are the remaining support costs, such as professional subscriptions and bank charges.

The analysis of the Trust's support costs between these categories is shown in note 5.

Investments

Listed investments are stated at the closing middle market price immediately prior to the end of the financial year. For fixed interest securities, the market value shown includes accrued interest. All movements in value are shown in the Statement of Financial Activities.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All exchange differences are shown in the Statement of Financial Activities.

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Amounts receivable and payable

Debtors and creditors with no interest rate and receivable or payable within one year are recorded at transaction price.

NOTES [Continued]

3. Investment Income

	2023 £	2022 £
Dividends and interest from quoted investments	202,462	228,422
Interest on deposits	4,551	15
	<hr/>	<hr/>
	207,013	228,437

4. Charitable activities

	2023 £	2022 £
<u>Grant programmes</u>		
Alzheimer's Society, for the UK Dementia Research Institute	11,000	10,000
British Museum	15,400	10,000
ChemTrust	11,000	10,000
ClientEarth	16,500	15,000
Crisis	6,100	5,500
The Forgiveness Project	11,000	8,000
Freedom From Torture	11,000	8,000
Gloucestershire Action for Refugees and Asylum Seekers	8,250	-
Macular Disease Society	16,500	15,000
Practical Action	5,500	5,000
Quaker United Nations Office Geneva	16,500	-
Royal Horticultural Society	5,500	5,000
Samaritans	16,500	10,000
Society for the Protection of Ancient Buildings	6,600	6,000
Supporting Sick Newborn And their Parents	9,900	-
Survival International	11,000	-
Tree Aid	8,250	10,000
Trees for Cities	11,000	10,000
World Land Trust	16,500	-
Médecins Sans Frontières	-	8,000
Motivation	-	5,000
National Star	-	8,000
SHINE	-	12,500
Sightsavers	-	10,000
Woodland Trust	-	6,000
	<hr/>	<hr/>
Total expenditure on grant programmes	214,000	177,000

NOTES [Continued]

4. Charitable activities [Continued]

	2023 £	2022 £
<u>Donations</u>		
Médecins Sans Frontières	10,000	18,500
Disasters Emergency Committee - Emergency Fund	-	18,500
Fine Cell Work	-	5,000
	<hr/>	<hr/>
Total expenditure on donations	10,000	42,000
 <u>Grants</u>		
Grant programmes (as above)	214,000	177,000
Donations (as above)	10,000	42,000
	<hr/>	<hr/>
Total Grants	224,000	219,000
 <u>Support costs (note 5)</u>		
Grant making	6,100	2,800
Governance	27,135	27,869
Other	205	357
	<hr/>	<hr/>
Total Support costs	33,440	31,026
 <u>Charitable activities</u>		
Grants (as above)	224,000	219,000
Support costs (as above)	33,440	31,026
	<hr/>	<hr/>
Total Charitable activities	257,440	250,026

All grants were made to institutions.

In the prior year, there was a grant programme and a donation to Médecins Sans Frontières. The total grants in the year to the Médecins Sans Frontières were £10,000 (2022 – £26,500).

NOTES [Continued]

5. Support costs

The Trust's support costs of £33,440 (2022 - £31,026) are allocated between Grant-making, Governance, and Other as follows:

	Grant making		Governance		Other	
	2023	2022	2023	2022	2023	2022
	£	£	£	£	£	£
Trust administration	6,100	2,800	22,700	23,600	-	-
Auditor's remuneration	-	-	4,230	4,248	-	-
Trustees' expenses	-	-	205	21	-	-
Professional subscriptions	-	-	-	-	128	258
Bank charges	-	-	-	-	77	99
	<u>6,100</u>	<u>2,800</u>	<u>27,135</u>	<u>27,869</u>	<u>205</u>	<u>357</u>

Trust administration costs are apportioned between Costs of grant-making and Governance on the basis of time spent.

The Trustees, as listed on page 1, did not receive any emoluments during the year or the preceding year.

Trustees' expenses: when Trustees incur out-of-pocket expenses for travel on Trust business, they can claim reimbursement by the Trust.

The Trust has no employees (2022 - none).

6. Auditor's remuneration

	2023	2022
	£	£
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	<u>4,230</u>	<u>4,248</u>

7. Net (losses)/gains on investments

	2023	2022
	£	£
Net foreign exchange gains on translation of uninvested cash	4,321	325
Net realised investment (losses)/gains (note 8)	(278,077)	334,960
Net unrealised investment (losses)/gains (note 8)	(440,830)	174,117
	<u>(714,586)</u>	<u>509,402</u>

NOTES [Continued]

8. Investments

<u>Quoted Investments</u>	2023	2022		
	£	£		
Market value at the start of the year	10,048,043	10,349,936		
Additions	4,178,134	4,962,676		
Disposals	(3,570,930)	(5,773,646)		
Net realised (losses)/gains	(278,077)	334,960		
Net unrealised (losses)/gains	(440,830)	174,117		
	<hr/>	<hr/>		
Market value at the end of the year	9,936,340	10,048,043		
Uninvested cash	184,612	882,696		
	<hr/>	<hr/>		
	<u>10,120,952</u>	<u>10,930,739</u>		
	<hr/>	<hr/>		
Historical cost	<u>9,327,553</u>	<u>7,835,381</u>		
	<hr/>	<hr/>		
The market value is divided:	2023	2022	2023	2022
	£	£	%	%
UK government bonds	51,616	-	0.5	-
UK corporate bonds	409,453	518,053	4.1	5.2
Non-UK government bond funds	247,337	358,399	2.5	3.6
Non-UK corporate bonds	233,046	-	2.3	-
UK equities	1,997,385	2,465,642	20.1	24.5
UK equity funds	-	774,384	-	7.7
European (ex UK) equities	741,920	277,036	7.5	2.8
European (ex UK) equity funds	143,466	275,053	1.4	2.7
North American equities	3,046,173	2,228,947	30.7	22.2
North American equity funds	-	883,450	-	8.8
Rest of World equity funds	1,058,253	579,635	10.6	5.7
Global thematic equity funds	494,551	480,248	5.0	4.8
Property funds	526,759	615,401	5.3	6.1
Infrastructure funds	472,691	499,453	4.8	5.0
Commodity funds	213,690	92,342	2.2	0.9
Short term money market funds	300,000	-	3.0	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>9,936,340</u>	<u>10,048,043</u>	<u>100</u>	<u>100</u>
	<hr/>	<hr/>	<hr/>	<hr/>

There were 34 disposals during the year producing the net losses of £278,077 (2022 – net gains of £334,960).

No investment in the portfolio exceeded 5% of the total portfolio value.

NOTES [Continued]

9. Debtors

	2023 £	2022 £
Accrued investment income	<u>25,075</u>	<u>28,387</u>

10. Creditors: amounts falling due within one year

	2023 £	2022 £
Accrued expenses	<u>17,114</u>	<u>15,730</u>

11. Statement of movements on unrestricted funds

Designation	Balance at 6 April 2022 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2023 £
Investment fund	10,947,596	206,829	(261,000)	(43,708)	(714,586)	10,135,131
General fund	17,294	184	261,000	(257,440)	-	21,038
Unrestricted funds	<u>10,964,890</u>	<u>207,013</u>	<u>-</u>	<u>(301,148)</u>	<u>(714,586)</u>	<u>10,156,169</u>

In 2022 the movements were as follows:

Designation	Balance at 6 April 2021 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2022 £
Investment fund	10,449,701	228,434	(192,100)	(47,841)	509,402	10,947,596
General fund	75,217	3	192,100	(250,026)	-	17,294
Unrestricted funds	<u>10,524,918</u>	<u>228,437</u>	<u>-</u>	<u>(297,867)</u>	<u>509,402</u>	<u>10,964,890</u>

NOTES [Continued]

12. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) before gains on investments for the reporting period, per the Statement of Financial Activities	(94,135)	(69,430)
Net (losses)/gains on investments	(714,586)	509,402
	<hr/>	<hr/>
Net income for the reporting period as per the Statement of Financial Activities	(808,721)	439,972
<u>Adjustments for</u>		
Losses/(gains) on investments	714,586	(509,402)
Deduction of dividends and interest from investments	(207,013)	(228,437)
Decrease/(increase) in debtors	3,312	(2,019)
Increase/(decrease) in creditors	1,384	(472)
Transfers between funds	92,527	85,684
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	<u>(203,925)</u>	<u>(214,674)</u>

13. Taxation

Delves Charitable Trust is a registered charity and as such is exempt from tax on income and gains falling within Part 10 Income Tax Act 2007 and Section 256 Taxation of Chargeable Gains Act 1992 respectively, to the extent that they are applied to its charitable objectives.

14. Related PartiesLuminary Finance LLP

Luminary Finance LLP is a related party of the Trust by virtue of the family relationship between a Member of the firm and the Trustees.

Luminary Finance LLP provides administration services to the Trust on an arm's length basis under a standard letter of engagement and terms of business.

The trust administration costs in note 5 above include £28,800 relating to services provided by Luminary Finance LLP in the year, comprised of £24,000 of fees and £4,800 of irrecoverable VAT (2022 - £26,400 total, being £22,000 of fees and £4,400 of VAT). The balance due to Luminary Finance LLP at the end of the year was £1,680 (2022 - £nil).

15. Going concern

The Trustees consider that there is no material uncertainty about the Trust's ability to continue as a going concern.

DELVES CHARITABLE TRUST

England & Wales - Charity number 231860

Accounts

DELVES CHARITABLE TRUST

TRUSTEES' ANNUAL REPORT and FINANCIAL STATEMENTS

YEAR-ENDED 5 APRIL 2022

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

C Breeze
E Breeze
G Breeze
J Breeze
M Breeze
W Breeze (Chair)

Trust Administrator

Luminary Finance LLP
PO Box 135
Longfield
DA3 8WF

This is also the registered address of the Trust

Auditor

Warner Wilde Limited
4 Marigold Drive
Bisley
GU24 9SF

Banker

CAF Bank Limited
25 Kings Hill Avenue
West Malling
ME19 4JQ

Investment Adviser

Investec Wealth & Investment Limited
30 Gresham Street
London
EC2V 7QN

TRUSTEES' ANNUAL REPORT

The Trustees of the Delves Charitable Trust present their annual report covering the Trust's activities for the year ended 5 April 2022.

Structure

The Trust was established under a Deed of Appropriation and Appointment of new Trustees, dated 5 October 1955, in respect of an indenture dated 6 March 1922 known as the original Trust deed. A deed of appointment dated 5 October 1946 was also relevant.

The Trust is a registered charity, number 231860.

The Trust deed states the objects as being "for or to such charitable objects, purposes, institutions or societies as the Trustees may in their discretion think fit," with no defined beneficial area.

Governance and Management

The names of the Trustees who have acted during the year are set out on page 1. One of the Trustees serves as the Chair, elected by the other Trustees, for a 3-year term. There are no term limits on the tenure of Trustees or the number of terms a Chair can serve. The Trustees can appoint new Trustees at any time by deed, up to a maximum of 7.

All Trustees give their time freely; no remuneration is paid. The notes to the financial statements disclose details of Trustee expenses reimbursed (note 5) and related party transactions (note 14).

Trustees are required to disclose all relevant interests and these are recorded on a central register. In accordance with the Trust's policy, they are required to withdraw from any decision where there is a potential conflict of interest.

The Trustees meet annually in June to approve the previous year's accounts and reporting, and to plan their grant making for the coming year. Additional meetings are held during the year as required for specific matters.

Trustees are able to receive training as appropriate.

Luminary Finance LLP is engaged as the Trust Administrator, to support the Trustees and for the day-to-day administration of the Trust's affairs.

The Trust is a member of the Association of Charitable Foundations. The ACF provides helpful information on good practice and changes in the law affecting charities. It also acts as an authoritative body to speak for charitable foundations with the government and regulators.

Objectives and Activities

The Trust supports objectives at the Trustees' discretion, via grants to charitable institutions.

The bulk of the Trust's grants are made by way of defined term programmes (also referred to as subscriptions.) Grant programmes will seek to maximise the impact the Trust's grants have on outcomes. This will often lead to supporting smaller charities.

The Trust does not have any geographical restriction on the ambit of its activities

Applications for funding

The Trust does not accept unsolicited applications for funding.

Public Benefit

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's objectives and activities.

The Trustees only release grants to organisations with charitable or Community Interest Company status; in practice almost exclusively UK registered charities. As all UK registered charities are required to operate for the public benefit, the Trustees can have a higher level of confidence that the Trust's resources will be effectively used.

The objective and anticipated outcomes of each proposed grant programme are considered by the Trustees before adoption, progress is reviewed annually, and final outcomes are reviewed on completion of the grant term.

ANNUAL REPORT [Continued]

Achievements

During the year, in furtherance of the Trust's objectives:

- a total of £177,000 was paid to 20 different charities in support of the Trust's adopted grant programmes, and
- donations of £42,000 were made to 3 charities.

The largest grants made in the year, aggregated by recipient, were:

Charity	Amount	Comprising
Médecins Sans Frontières	£26,500	2 unrestricted grants
Disasters Emergency Committee	£18,500	1 grant to their Emergency Fund
Macular Disease Society	£15,000	1 grant to a specific project
Client Earth	£15,000	1 grant to a specific project
SHINE	£12,500	1 grant to a specific project

Financial Review

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments. The statements have been prepared in accordance with the rules of the Trust and the current Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102.

Over the last year, there has not been any significant change in the Trust's activities or the manner in which these activities have been carried out. The Trustees did, however, resolve to transition from relying on investment income to fund expenditure, to a total return approach of drawing-down funds from the investment portfolio in order to fund expenditure. A total return approach does not alter how the Trust's activities are carried-out, but will increase the proportion of the Trust's resources deemed appropriate to use for current expenditure.

The investment income for the year was £228,437, a decrease on the previous year of £23,936.

Grants totalling £219,000 (2021 - £119,500) were made in the year. An overview is given in the Achievements section above and details are disclosed in note 4 of the financial statements, starting on page 14 below.

In managing and administering the Trust, investment advisers' fees of £47,841 (2021 - £43,581), costs of grant-making of £2,800 (2021 - £2,400), governance costs of £27,869 (2021 - £29,122), and other support costs of £357 (2021 - £545) were incurred in the year.

The value of the Trust's investments increased by £509,402 during the year, comprised of £334,960 of net realised gains, £174,117 of net unrealised gains, and £325 of foreign exchange gains on uninvested cash (2021 – the value increased by £2,129,336, comprised of £210,552 of net realised gains and £1,918,784 of net unrealised gains).

The overall surplus for the year of £439,972 was added to reserves brought forward from the previous year (2021 - £2,186,561 surplus added to reserves).

Investment policy

The Trustees' investment powers are defined by the general power of investment granted by the Trustee Act 2000. The Trustees are empowered to use the investments in the same manner as income and there is therefore no fixed endowment fund and no restricted investment.

The Trust's investment portfolio is professionally managed by their investment adviser, Investec Wealth and Investment, on a discretionary basis.

The investment adviser operates under a written mandate, the Trustees' Statement of Investment Principles, which is reviewed regularly.

As the Trustees' working presumption is for the Trust to continue in perpetuity, they seek a diversified portfolio, which over the long term provides a sustainable annual return to spend on charitable activities, while maintaining the real terms value (or better) of the investments, in a balanced way and without taking undue risk. In 2021, the Trustees resolved to transition to a total return approach; as such they are now indifferent whether the investment return arises from income or capital, and the funds drawn down to fund charitable activities can come from income or capital.

ANNUAL REPORT [Continued]

The Trustees' Socially Responsible Investment policy forms part of the investment adviser's written mandate and limits investments in companies significantly engaged in armaments, environmental damage, the manufacture or irresponsible marketing of alcohol, gambling, the manufacture or sale of tobacco, or human rights abuses.

Each quarter the Trust's investment adviser reports on the performance of the investments. Twice a year, representatives of the Board of Trustees meet with the investment adviser to review strategy, policy and performance, and discuss developments.

The Trustees use a number of measures to appraise the investment adviser's financial performance:

- The primary measure, considered the benchmark, is the value added compared to market returns. A bespoke metric is used, the total return before fees of the weighted-average performance of representative indices for each relevant asset class, where the weighting is determined by the Trust's strategic asset allocation;
- To highlight if any undue risk is taken to deliver the returns, monitoring the volatility expected of the strategic asset allocation versus the actual volatility of the portfolio;
- Monitoring performance versus the manager's principal peer group, by comparison to the Teknometry CIG Charity Fund Universe; and
- Over the long term, achievement of the core mandate objective: maintaining the real terms value of the investments (excluding draw downs.)

The Trust's investments under-performed the benchmark during the year: while the Trust's portfolio recorded a total return of 6.6%, the benchmark return was 10.9%.

The Trust's investments are held in nominee accounts of the Trust's investment adviser at Rensburg Client Nominees Limited, Ferlim Nominees Limited, CREST or Euroclear, or to the investment adviser's order at the Bank of New York.

Designated funds

Designated funds are amounts that have been put aside out of unrestricted funds at the discretion of the Trustees for particular purposes. The designation is for administrative purposes only and does not legally restrict the Trustees' discretion to apply the funds.

The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities.

The remaining funds of the Trust comprise a general fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust.

Such funds may be held in order to finance both working capital and capital investments.

Details of movements in the funds are set out in note 11 on page 18.

Reserves

The Trustees' policy is to maintain free reserves of £20,000. This policy is formed with regard to the nature of the Trust's operations and expenditure commitments, experience of the requirement to draw on reserves, and the designated Investment fund available.

The actual free reserves at 5 April 2022 were £17,294 (the balance on the unrestricted general fund.)

The Trustees are satisfied that sufficient reserves are held. The Trustees note the strength of the Trust's Investment Fund and lack of other commitments or liabilities. At 5 April 2022, the Trust's funds stood at £10,964,890, comprising an Investment fund of £10,947,596 and a general fund of £17,294.

Risk Management

Having regard to the Trust's organisation and activities, it is the Trustees' view that the major risks to which the Trust may be exposed are largely financial in nature. Primary among these would be events causing a significant reduction in the return generated by the investments. Regular meetings and contact are maintained with the Trust's investment adviser to understand, prepare for, and react to such events. In addition, the Trustees seek to maintain free reserves at the levels indicated above.

ANNUAL REPORT [Continued]

To mitigate risks to effective grant-making, the Trustees dedicate time to understanding the progress of the Trust's grant programmes. Each programme has to pass an annual review before any further grant is authorised for payment.

The Trustees review the major risks that the Trust faces on a regular basis.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

Future Plans

The Trustees intend to continue to make grants, out of the resources provided by the Investment fund, to pursue the Trust's objectives.

At 5 April 2022, there were planned grants to existing grant programmes totalling £66,500 for 2022/23, of which £56,500 is planned to continue into 2023/24. Further grant programmes were adopted at the 2022 AGM.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Statement of Recommended Practice 'Accounting and Reporting by Charities';
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution to re-appoint Warner Wilde Limited as the Trust's auditor was passed at the Annual General Meeting.

Approved by the Board of Trustees and signed on its behalf by

W Breeze
Chair of the Board of Trustees
18.01.23

INDEPENDENT AUDITOR'S REPORT

Warner Wilde Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Opinion

We have audited the financial statements of Delves Charitable Trust (the 'Trust') for the year ended 5 April 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the Notes to the financial statements including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 5 April 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AUDITOR'S REPORT [Continued]**Matters on which we are required to report by exception**

The Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Annual Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in this respect.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements, for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable matters related to going concern, and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Engagement Partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with Trustees and other management, and from our knowledge and experience of the charity and faith sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011 and taxation, data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- we identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

AUDITOR'S REPORT [Continued]

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- testing controls with walk through procedures and substantive transaction testing.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and relevant regulators such as the Charity Commission

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

F J Wilde
For and on behalf of Warner Wilde Limited
Chartered Certified Accountants
Statutory Auditor
Bisley
20.01.23

STATEMENT OF FINANCIAL ACTIVITIES
Year ended 5 April 2022

	Note	2022 £	2021 £
Income from			
Investments	3	<u>228,437</u>	<u>252,373</u>
Expenditure on			
Raising funds: investment adviser's fees		47,841	43,581
Charitable activities	4	<u>250,026</u>	<u>151,567</u>
Total expenditure		<u>297,867</u>	<u>195,148</u>
Net (expenditure)/income before gains and losses on investments		(69,430)	57,225
Net gains on investments	7	<u>509,402</u>	<u>2,129,336</u>
Net movement in funds		439,972	2,186,561
<u>Reconciliation of funds</u>			
Total funds brought forward		<u>10,524,918</u>	<u>8,338,357</u>
Total funds carried forward	11	<u><u>10,964,890</u></u>	<u><u>10,524,918</u></u>

All activities derive from continuing operations.

All of the funds are unrestricted and designated.

There was no recognised gain or loss other than as shown in this statement.

BALANCE SHEET
As at 5 April 2022

	Note	2022	2021
		£	£
Fixed Assets			
Investments	8	10,930,739	10,496,335
Current Assets			
Debtors	9	28,387	26,368
Bank balances and deposits		21,494	18,417
		<u>49,881</u>	<u>44,785</u>
Liabilities			
Creditors: amounts falling due within one year	10	<u>(15,730)</u>	<u>(16,202)</u>
Net Current Assets		34,151	28,583
Net Assets		<u>10,964,890</u>	<u>10,524,918</u>
The funds of the charity			
Unrestricted designated Investment fund		10,947,596	10,449,701
Unrestricted general fund		17,294	75,217
Unrestricted income funds	11	<u>10,964,890</u>	<u>10,524,918</u>

Approved by the Board of Trustees on and signed on its behalf by

W Breeze
Chair of the Board of Trustees
18.01.23

J Breeze
Trustee
13.01.23

STATEMENT OF CASH FLOWS
Year ended 5 April 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	12	(214,674)	(258,239)
Cash flows from investing activities			
Dividends and interest from investments		217,751	245,281
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		3,077	(12,958)
Cash and cash equivalents at the beginning of the year		18,417	31,375
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		<u>21,494</u>	<u>18,417</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2022

1. General information

Delves Charitable Trust is a charity registered with the Charity Commission for England & Wales. Its registered address is The Trust Administrator, Luminary Finance LLP, PO Box 135, Longfield, DA3 8WF.

2. Accounting policiesBasis of preparation

The financial statements have been prepared in accordance with:

- the Charities Act 2011;
- United Kingdom Generally Accepted Accounting Practice ('GAAP') as it applies from 1 January 2015, in particular the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'); and
- the Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102, which was published in October 2019 and effective for periods commencing on or after 1 January 2019 ('Charities SORP FRS 102').

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities SORP FRS 102, rather than the equivalent Statement of Recommended Practice effective from 1 April 2005 but which has since been withdrawn.

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments.

The functional currency of the Trust is considered to be Pounds Sterling and amounts are rounded to the nearest whole pound.

The Trust constitutes a public benefit entity as defined by FRS 102.

Fund accounting

Designated funds are amounts which have been put aside out of unrestricted funds. The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities. The remaining funds of the Trust comprise a general fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. Such funds may be held in order to finance both working capital and capital investments.

Income recognition

Income is recognised when the conditions for receipt have been met, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Therefore:

- dividends are accrued when the security is quoted as being ex-dividend; and
- interest is accounted for when receivable.

Expenditure recognition

Expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES [Continued]

2. Accounting policies [Continued]

Charitable activities

The expenditure on charitable activities comprises grants plus support costs.

Grants

Financial grants are made to third parties to undertake work that contributes to the Trust's objectives.

Grants comprise programme grants and donations. Programme grants are the predominant form of grant-making, intended to support a particular project or activity; the Trust's grant-making is supplemented by one-off donations.

The grants made in the year are shown in note 4.

Support costs

Costs are incurred in facilitating the Trust's charitable activity and are divided into 3 categories:

- Grant making. These are an apportionment of trust administration costs based on the time spent on grant-making matters, plus any specific costs related to a grant. Most of the time on grant-making activities is spent by Trustees and therefore has no financial cost to the Trust.
- Governance. These include all costs involving the public accountability of the Trust and its compliance with regulation and good practice. They are principally trust administration costs relating to matters such as Trustee meetings, preparation of the financial statements and administrative support provided to the Trustees. Administration costs are apportioned to this category based on the time spent on governance matters. Governance costs also include the cost of the independent audit, and expenses incurred by the Trustees in the performance of their duties.
- Other. These are the remaining support costs, such as professional subscriptions and bank charges.

The analysis of the Trust's support costs between these categories is shown in note 5.

Investments

Listed investments are stated at the closing middle market price immediately prior to the end of the financial year. For fixed interest securities, the market value shown includes accrued interest. All movements in value are shown in the Statement of Financial Activities.

Foreign currencies

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. All exchange differences are shown in the Statement of Financial Activities.

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Amounts receivable and payable

Debtors and creditors with no interest rate and receivable or payable within one year are recorded at transaction price.

NOTES [Continued]

3. Investment Income

	2022 £	2021 £
Dividends and interest from quoted investments	228,422	252,363
Interest on deposits	15	10
	<hr/> 228,437 <hr/>	<hr/> 252,373 <hr/>

4. Charitable activities

	2022 £	2021 £
<u>Grant programmes</u>		
Alzheimer's Society, for the UK Dementia Research Institute	10,000	10,000
British Museum	10,000	-
ChemTrust	10,000	5,000
ClientEarth	15,000	-
Crisis	5,500	5,500
The Forgiveness Project	8,000	-
Freedom From Torture	8,000	8,000
Macular Disease Society	15,000	-
Médecins Sans Frontières	8,000	-
Motivation	5,000	5,000
National Star	8,000	8,000
Practical Action	5,000	5,000
Royal Horticultural Society	5,000	-
Samaritans	10,000	10,000
SHINE	12,500	12,500
Sightsavers	10,000	-
Society for the Protection of Ancient Buildings	6,000	4,000
Tree Aid	10,000	10,000
Trees for Cities	10,000	-
Woodland Trust	6,000	6,000
Action Medical Research	-	8,000
Alzheimer's Society	-	5,000
Parkinson's UK	-	12,500
	<hr/> 177,000 <hr/>	<hr/> 114,500 <hr/>
Total expenditure on grant programmes		

NOTES [Continued]

4. Charitable activities [Continued]

	2022 £	2021 £
<u>Donations</u>		
Disasters Emergency Committee - Emergency Fund	18,500	-
Fine Cell Work	5,000	-
Médecins Sans Frontières	18,500	-
British Red Cross – Beirut emergency appeal	-	5,000
	<hr/>	<hr/>
Total expenditure on donations	42,000	5,000
	<hr/>	<hr/>
<u>Grants</u>		
Grant programmes (as above)	177,000	114,500
Donations (as above)	42,000	5,000
	<hr/>	<hr/>
Total Grants	219,000	119,500
	<hr/>	<hr/>
<u>Support costs (note 5)</u>		
Grant making	2,800	2,400
Governance	27,869	29,122
Other	357	545
	<hr/>	<hr/>
Total Support costs	31,026	32,067
	<hr/>	<hr/>
<u>Charitable activities</u>		
Grants (as above)	219,000	119,500
Support costs (as above)	31,026	32,067
	<hr/>	<hr/>
Total Charitable activities	250,026	151,567
	<hr/> <hr/>	<hr/> <hr/>

All grants were made to institutions.

There was a grant programme and a donation in the year to Médecins Sans Frontières. The total grants in the year to the Médecins Sans Frontières were £26,500 (2021 - nil).

In the prior year there 2 separate grant programmes supporting the Alzheimer's Society. The total grants in the year to the Alzheimer's Society were £10,000 (2021 - £15,000).

NOTES [Continued]

5. Support costs

The Trust's support costs of £31,026 (2021 - £32,067) are allocated between Grant-making, Governance, and Other as follows:

	Grant making		Governance		Other	
	2022	2021	2022	2021	2022	2021
	£	£	£	£	£	£
Trust administration	2,800	2,400	23,600	24,982	-	-
Auditor's remuneration	-	-	4,248	4,140	-	-
Trustees' expenses	-	-	21	-	-	-
Professional subscriptions	-	-	-	-	258	475
Bank charges	-	-	-	-	99	70
	<u>2,800</u>	<u>2,400</u>	<u>27,869</u>	<u>29,122</u>	<u>357</u>	<u>545</u>

Trust administration costs are apportioned between Costs of grant-making and Governance on the basis of time spent.

The Trustees, as listed on page 1, did not receive any emoluments during the year or the preceding year.

Trustees' expenses: when Trustees incur out-of-pocket expenses for travel on Trust business, they can claim reimbursement by the Trust.

The Trust has no employees (2021 - none).

6. Auditor's remuneration

	2022	2021
	£	£
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	<u>4,248</u>	<u>4,140</u>

7. Net gains on investments

	2022	2021
	£	£
Net foreign exchange gain on translation of uninvested cash	325	-
Net realised investment gains (note 8)	334,960	210,552
Net unrealised investment gains (note 8)	174,117	1,918,784
	<u>509,402</u>	<u>2,129,336</u>

NOTES [Continued]

8. Investments

<u>Quoted Investments</u>	2022	2021		
	£	£		
Market value at the start of the year	10,349,936	8,186,229		
Additions	4,962,676	1,677,457		
Disposals	(5,773,646)	(1,643,086)		
Net realised gains	334,960	210,552		
Net unrealised gains	174,117	1,918,784		
	<hr/>	<hr/>		
Market value at the end of the year	10,048,043	10,349,936		
Uninvested cash	882,696	146,399		
	<hr/>	<hr/>		
	<u>10,930,739</u>	<u>10,496,335</u>		
	<hr/>	<hr/>		
Historical cost	<u>7,835,381</u>	<u>6,851,395</u>		
	<hr/>	<hr/>		
The market value is divided:	2022	2021	2022	2021
	£	£	%	%
UK Government Bonds	-	97,432	-	0.9
UK Corporate Bonds	518,053	654,603	5.2	6.3
Non-UK Government Bond funds	358,399	293,796	3.6	2.8
UK Equities	2,465,642	3,223,969	24.5	31.2
UK Unit & Investment Trusts	774,384	2,003,346	7.7	19.4
Europe (ex UK) Equities	277,036	-	2.8	-
Europe (ex UK) Unit & Investment Trusts	275,053	346,749	2.7	3.4
North America Equities	2,228,947	-	22.2	-
North America Unit & Investment Trusts	883,450	1,663,561	8.8	16.1
Rest of World Unit & Investment Trusts	1,059,883	1,130,676	10.5	10.9
Property funds	615,401	532,907	6.1	5.1
Infrastructure funds	499,453	324,260	5.0	3.1
Commodity funds	92,342	78,637	0.9	0.8
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>10,048,043</u>	<u>10,349,936</u>	<u>100</u>	<u>100</u>

There were 39 disposals during the year producing the net gain of £334,960 (2021 – net gain of £210,552).

No investment in the portfolio exceeds 5% of the total portfolio value.

NOTES [Continued]

9. Debtors

	2022 £	2021 £
Accrued investment income	<u>28,387</u>	<u>26,368</u>

10. Creditors: amounts falling due within one year

	2022 £	2021 £
Accrued expenses	<u>15,730</u>	<u>16,202</u>

11. Statement of movements on unrestricted funds

Designation	Balance at 6 April 2021 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2022 £
Investment fund	10,449,701	228,434	(192,100)	(47,841)	509,402	10,947,596
General fund	75,217	3	192,100	(250,026)	-	17,294
Unrestricted funds	<u>10,524,918</u>	<u>228,437</u>	<u>-</u>	<u>(297,867)</u>	<u>509,402</u>	<u>10,964,890</u>

In 2021 the movements were as follows:

Designation	Balance at 6 April 2020 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2021 £
Investment fund	8,320,365	252,363	(208,782)	(43,581)	2,129,336	10,449,701
General fund	17,992	10	208,782	(151,567)	-	75,217
Unrestricted funds	<u>8,338,357</u>	<u>252,373</u>	<u>-</u>	<u>(195,148)</u>	<u>2,129,336</u>	<u>10,524,918</u>

NOTES [Continued]

12. Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net (expenditure)/income before gains on investments for the reporting period, as per the Statement of Financial Activities	(69,430)	57,225
Net gains on investments	509,402	2,129,336
	<hr/>	<hr/>
Net income for the reporting period as per the Statement of Financial Activities	439,972	2,186,561
<u>Adjustments for</u>		
(Gains)/losses on investments	(509,402)	(2,129,336)
Deduction of dividends and interest from investments	(228,437)	(252,373)
(Increase)/decrease in debtors	(2,019)	(1,888)
Increase/(decrease) in creditors	(472)	3,139
Transfers between funds	85,684	(64,342)
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	<u>(214,674)</u>	<u>(258,239)</u>

13. Taxation

Delves Charitable Trust is a registered charity and as such is exempt from tax on income and gains falling within Part 10 Income Tax Act 2007 and Section 256 Taxation of Chargeable Gains Act 1992 respectively, to the extent that they are applied to its charitable objectives.

14. Related PartiesLuminary Finance LLP

Luminary Finance LLP is a related party of the Trust by virtue of the family relationship between a Member of the firm and the Trustees.

Luminary Finance LLP provides administration services to the Trust on an arm's length basis under a standard letter of engagement and terms of business.

The trust administration costs in note 5 above include £26,400 relating to services provided by Luminary Finance LLP in the year, comprised of £22,000 of fees and £4,400 of irrecoverable VAT (2021 - £27,382 total, being £22,818 of fees and £4,564 of VAT). The balance due to Luminary Finance LLP at the end of the year was £nil (2021 - £1,500).

15. Going concern

The Trustees consider that there is no material uncertainty about the Trust's ability to continue as a going concern.

DELVES CHARITABLE TRUST

England & Wales - Charity number 231860

Accounts

DELVES CHARITABLE TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 5 APRIL 2021

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LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

C Breeze
E Breeze
G Breeze
J Breeze
M Breeze
W Breeze (Chair)

Trust Administrator

Luminary Finance LLP
PO Box 135
Longfield
DA3 8WF

This is also the registered address of the Trust

Auditor

Warner Wilde Ltd
4 Marigold Drive
Bisley
GU24 9SF

Banker

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
ME19 4JQ

Investment Adviser

Investec Wealth & Investment Ltd
30 Gresham Street
London
EC2V 7QN

ANNUAL REPORT OF THE TRUSTEES

The Trustees of the Delves Charitable Trust present their annual report covering the Trust's activities for the year ended 5 April 2021.

Structure

The Trust was established under a Deed of Appropriation and Appointment of new Trustees, dated 5 October 1955, in respect of an indenture dated 6 March 1922 known as the original Trust deed. A deed of appointment dated 5 October 1946 was also relevant.

The Trust is a registered charity, number 231860.

The Trust deed states the objects as being "for or to such charitable objects, purposes, institutions or societies as the Trustees may in their discretion think fit," with no defined beneficial area.

Governance and Management

The names of the Trustees who have acted during the year are set out on page 1. One of the Trustees serves as the Chair, elected by the other Trustees, for a 3-year term. There are no term limits on the tenure of Trustees or the number of terms a Chair can serve. The Trustees can appoint new Trustees at any time by deed, up to a maximum of 7.

All Trustees give their time freely; no remuneration is paid. The notes to the financial statements disclose details of Trustee expenses reimbursed (note 5) and related party transactions (note 13).

Trustees are required to disclose all relevant interests and these are recorded on a central register. In accordance with the Trust's policy, they are required to withdraw from any decision where there is a potential conflict of interest.

The Trustees meet annually in June to approve the previous year's accounts and reporting, and to plan their grant making for the coming year. Additional meetings are held during the year as required for specific matters.

Trustees are able to receive training as appropriate.

Luminary Finance LLP is engaged as the Trust Administrator, to support the Trustees and the day-to-day administration of the Trust's affairs.

The Trust is a member of the Association of Charitable Foundations. The ACF provides helpful information on good practice and changes in the law affecting charities. It also acts as an authoritative body to speak for charitable foundations with the government and regulators.

Objectives and Activities

The Trust supported objectives at the Trustees' discretion, via grants out of the income of the Trust to charitable institutions.

The bulk of the Trust's grants are made by way of defined term programmes (also referred to as subscriptions). The Trust does not have any geographical restriction on the ambit of its activities.

Applications for funding

The Trust does not accept unsolicited applications for funding.

Public Benefit

The Trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Trust's objectives and activities.

The Trustees only release grants to organisations with charitable or Community Interest Company status; in practice almost exclusively UK registered charities. As all UK registered charities are required to operate for the public benefit, the Trustees can have a higher level of confidence that the Trust's resources will be effectively used.

The objective and anticipated outcomes of each proposed grant programme are considered by the Trustees before adoption, progress is reviewed annually, and final outcomes are reviewed on completion of the grant term.

ANNUAL REPORT [Continued]

Achievements

During the year, in furtherance of the Trust's objectives:

- a total of £114,500 was paid to 14 different charities in support of the Trust's adopted grant programmes, and
- a donation of £5,000 was made to 1 charity.

The largest grants made in the year, aggregated by recipient, were:

Charity	Amount	Comprising
Alzheimer's Society	£15,000	2 grants, each to a separate project
Parkinson's UK	£12,500	1 grant to a specific project
SHINE	£12,500	1 grant to a specific project
Tree Aid	£10,000	1 unrestricted grant
Samaritans	£10,000	1 unrestricted grant

Substantial uncertainty over income expectations as the COVID-19 pandemic unfolded meant that grant-making plans for the year had to be significantly restricted.

Financial Review

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments. The statements have been prepared in accordance with the rules of the Trust and the current Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102.

Over the last year, there has not been any significant change in the Trust's activities or the manner in which these activities have been carried out.

The investment income for the year was £252,373, a decrease on the previous year of £8,469.

Grants totalling £119,500 (2020 - £219,000) were made in the year. An overview is given in the Achievements section above and details are disclosed in note 4 of the financial statements, starting on page 14 below.

In managing and administering the Trust, investment advisers' fees of £43,581 (2020 - £42,666), costs of grant-making of £2,400 (2020 - £2,600), governance costs of £29,122 (2020 - £25,554), and other support costs of £545 (2020 - £558) were incurred in the year.

The value of the Trust's investments increased by £2,129,336 during the year, comprised of £210,552 of net realised gains and £1,918,784 of net unrealised gains (2020 – the value decreased by £1,403,300, comprised of £73,375 of net realised losses and £1,329,925 of net unrealised losses).

The overall surplus for the year of £2,186,561 was added to reserves brought forward from the previous year (2020 - £1,432,836 deficit deducted from reserves).

Investment policy

The Trustees' investment powers are defined by the general power of investment granted by the Trustee Act 2000. The Trustees are empowered to use the investments in the same manner as income and there is therefore no fixed endowment fund and no restricted investment.

The Trust's investment portfolio is professionally managed by their investment adviser, Investec Wealth and Investment, on a discretionary basis.

The investment adviser operates under a written mandate, the Trustees' Statement of Investment Principles, which is reviewed regularly.

As the Trustees' working presumption is for the Trust to continue in perpetuity, they seek a diversified portfolio, which over the long term maintains the real terms value (or better) of the investments and annual income, in a balanced way and without taking undue risk.

The Trustees' Socially Responsible Investment policy forms part of the investment adviser's written mandate and limits investments in companies significantly engaged in armaments, environmental damage, the manufacture or irresponsible marketing of alcohol, gambling, the manufacture or sale of tobacco, or human rights abuses.

ANNUAL REPORT [Continued]

Each quarter the Trust's investment adviser reports on the performance of the investments. Twice a year, representatives of the Board of Trustees meet with the investment adviser to review strategy, policy and performance, and discuss developments.

The Trustees use a number of measures to appraise the investment adviser's financial performance:

- The primary measure, considered the benchmark, is the value added compared to market returns. A bespoke metric is used, the total return before fees of the weighted-average performance of representative indices for each relevant asset class, where the weighting is determined by the Trust's strategic asset allocation;
- To highlight if any undue risk is taken to deliver the returns, monitoring the volatility expected of the strategic asset allocation versus the actual volatility of the portfolio;
- Monitoring performance versus the manager's principal peer group, by comparison to the Teknometry CIG Charity Fund Universe; and
- Over the long term, achievement of the core mandate objective: maintaining the real terms value of the investments and annual income.

The Trust's investments out-performed the benchmark during the year: while the Trust's portfolio recorded a total return of 28.9%, the benchmark return was 27.8%.

The Trust's investments are held in nominee accounts of the Trust's investment adviser with Rensburg Client Nominees Ltd, Ferlim Nominees Ltd, CREST and Euroclear.

Designated funds

Designated funds are amounts that have been put aside out of unrestricted funds at the discretion of the Trustees for particular purposes. The designation is for administrative purposes only and does not legally restrict the Trustees' discretion to apply the funds.

The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities.

The remaining funds of the Trust comprise a General fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust.

Such funds may be held in order to finance both working capital and capital investments.

Details of movements in the funds are set out in note 10 on page 18.

Reserves

The Trustees' policy is to maintain free reserves at a level that would cover approximately 1 month's anticipated average expenditure. This policy is formed with regard to the designated Investment fund available, the nature of the Trust's operations and expenditure commitments, and experience of the requirement to draw on reserves. This policy means that the Trustees would wish to hold free reserves of £20,000 at 5 April 2021.

The actual free reserves at 5 April 2021 were £75,217 (the balance on the unrestricted General fund.)

The excess arose during the year, from income significantly exceeding expectations. During 2020/21, the impact of the COVID-19 pandemic made it very difficult to accurately predict income with any confidence. The Trust also received an unexpected special dividend from one of its investments of over £30,000.

The Trustees' expenditure plans for the year ahead take account of the excess reserves.

The Trustees are satisfied that sufficient reserves are held. The Trustees note the strength of the Trust's Investment Fund and lack of other commitments or liabilities. At 5 April 2021, the Trust's funds stood at £10,524,918, comprising an Investment fund of £10,449,701 and a General fund of £75,217.

Risk Management

Having regard to the Trust's organisation and activities, it is the Trustees' view that the major risks to which the Trust may be exposed are largely financial in nature. Primary among these would be events causing a significant reduction in the return generated by the investments. Regular meetings and contact are maintained with the Trust's investment adviser to understand, prepare for, and react to such events. In addition, the Trustees seek to maintain free reserves at the levels indicated above.

ANNUAL REPORT [Continued]

To mitigate risks to effective grant-making, the Trustees dedicate time to understanding the progress of the Trust's grant programmes. Each programme has to pass an annual review before any further grant is authorised for payment. The Trustees also voluntarily limit the number of grant programmes in progress at any one time.

The Trustees review the major risks that the Trust faces on a regular basis.

The Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future.

Future Plans

The Trustees intend to continue to make grants, out of the resources provided by the Investment fund, to pursue the Trust's objectives.

The Trustees have recently simplified their statement of objectives. Future grant programmes will seek to maximise the impact the grants have on outcomes. This will often lead to supporting smaller charities.

At 5 April 2021, there were planned grants to existing grant programmes totalling £69,500 for 2021/22, with a further £10,000 planned for the one programme which continues into 2022/23. New grant programmes were adopted at the 2021 AGM.

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Report and the Financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Statement of Recommended Practice 'Accounting and Reporting by Charities';
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity (Accounts and Reports) Regulations and the provisions of the Trust Deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution to re-appoint Warner Wilde Ltd as the Trust's auditor was passed at the Annual General Meeting.

Approved by the Board of Trustees and signed on its behalf by

W Breeze
Chair of the Board of Trustees
20.01.22

INDEPENDENT AUDITOR'S REPORT

Warner Wilde Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Opinion

We have audited the financial statements of Delves Charitable Trust (the 'Trust') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and the Notes to the financial statements including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 5 April 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

AUDITOR'S REPORT [Continued]**Matters on which we are required to report by exception**

The Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Annual Report of the Trustees; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in this respect.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the financial statements, for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing as applicable matters related to going concern, and using the going concern basis of accounting unless the Trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the Engagement Partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Trust through discussions with Trustees and other management, and from our knowledge and experience of the charity and faith sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Charities Act 2011 and taxation, data protection, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- we identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;

AUDITOR'S REPORT [Continued]

- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- testing controls with walk through procedures and substantive transaction testing.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining any accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and relevant regulators such as the Charity Commission

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

F J Wilde
For and on behalf of Warner Wilde Ltd
Chartered Certified Accountants
Statutory Auditor
Bisley
28.01.22

STATEMENT OF FINANCIAL ACTIVITIES
Year ended 5 April 2021

	Note	2021 £	2020 £
Income from			
Investments	3	<u>252,373</u>	<u>260,842</u>
Expenditure on			
Raising funds: investment adviser's fees		43,581	42,666
Charitable activities	4	151,567	247,712
Total expenditure		<u>195,148</u>	<u>290,378</u>
Net income/(expenditure) before gains and losses on investments		57,225	(29,536)
Net gains/(losses) on investments	7	2,129,336	(1,403,300)
Net movement in funds		<u>2,186,561</u>	<u>(1,432,836)</u>
<u>Reconciliation of funds</u>			
Total funds brought forward		8,338,357	9,771,193
Total funds carried forward	10	<u><u>10,524,918</u></u>	<u><u>8,338,357</u></u>

All activities derive from continuing operations.

All of the funds are unrestricted and designated.

There was no recognised gain or loss other than as shown in this statement.

BALANCE SHEET
As at 5 April 2021

	Note	£	2021 £	£	2020 £
Fixed Assets					
Investments	7		10,496,335		8,295,565
Current Assets					
Debtors	8	26,368		24,480	
Bank balances and deposits		18,417		31,375	
		<u>44,785</u>		<u>55,855</u>	
Liabilities					
Creditors: amounts falling due within one year	9	(16,202)		(13,063)	
Net Current Assets			28,583		42,792
Net Assets			<u>10,524,918</u>		<u>8,338,357</u>
The funds of the charity					
Unrestricted designated Investment fund			10,449,701		8,320,365
Unrestricted General fund			75,217		17,992
Unrestricted income funds	10		<u>10,524,918</u>		<u>8,338,357</u>

Approved by the Board of Trustees on and signed on its behalf by

W Breeze
 Chair of the Board of Trustees
 20.01.22

J Breeze
 Trustee
 20.01.22

STATEMENT OF CASH FLOWS
Year ended 5 April 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	11	(258,239)	(264,785)
Cash flows from investing activities			
Dividends and interest from investments		245,281	274,322
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(12,958)	9,537
Cash and cash equivalents at the beginning of the year		31,375	21,838
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		<u>18,417</u>	<u>31,375</u>

NOTES TO THE FINANCIAL STATEMENTS

Year ended 5 April 2021

1. General information

Delves Charitable Trust is a charity registered with the Charity Commission for England & Wales. Its registered address is The Trust Administrator, Luminary Finance LLP, PO Box 135, Longfield, DA3 8WF.

2. Accounting policiesBasis of preparation

The financial statements have been prepared in accordance with:

- the Charities Act 2011;
- United Kingdom Generally Accepted Accounting Practice ('GAAP') as it applies from 1 January 2015, in particular the Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102'); and
- the Statement of Recommended Practice 'Accounting and Reporting by Charities' applicable to charities preparing their accounts in accordance with FRS 102, which was published in October 2019 and effective for periods commencing on or after 1 January 2019 ('Charities SORP FRS 102').

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Charities SORP FRS 102, rather than the equivalent Statement of Recommended Practice effective from 1 April 2005 but which has since been withdrawn.

The financial statements have been drawn up under the historical cost convention as modified by the revaluation of investments.

The functional currency of the Trust is considered to be Pounds Sterling and amounts are rounded to the nearest whole pound.

The Trust constitutes a public benefit entity as defined by FRS 102.

Fund accounting

Designated funds are amounts which have been put aside out of unrestricted funds. The Trustees have created a designated Investment fund, principally comprising the investments held in the Trust's investment portfolio, to provide the resources necessary to maintain the Trust's charitable activities. The remaining funds of the Trust comprise a General fund, representing unrestricted income expendable at the discretion of the Trustees in the furtherance of the objects of the Trust. Such funds may be held in order to finance both working capital and capital investments.

Income recognition

Income is recognised when the conditions for receipt have been met, it is probable that the income will be received, and the amount of income receivable can be measured reliably. Therefore:

- dividends are accrued when the security is quoted as being ex-dividend; and
- interest is accounted for when receivable.

Expenditure recognition

Expenditure is accounted for on an accruals basis. Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Trust to that expenditure, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

NOTES [Continued]

2. Accounting policies [Continued]

Charitable activities

The expenditure on charitable activities comprises grants plus support costs.

Grants

Financial grants are made to third parties to undertake work that contributes to the Trust's objectives.

Grants comprise programme grants and donations. Programme grants are the predominant form of grant-making, intended to support a particular project or activity; the Trust's grant-making is supplemented by one-off donations.

The grants made in the year are shown in note 4.

Support costs

Costs are incurred in facilitating the Trust's charitable activity and are divided into 3 categories:

- Costs of grant making. These are an apportionment of trust administration costs based on the estimated time spent on grant-making matters, plus any specific costs related to a grant. Most of the time on grant-making activities is spent by Trustees and therefore has no financial cost to the Trust.
- Governance. These include all costs involving the public accountability of the Trust and its compliance with regulation and good practice. They are principally trust administration costs relating to matters such as Trustee meetings, preparation of the financial statements and administrative support provided to the Trustees. Administration costs are apportioned to this category based on the estimated time spent on governance matters. Governance costs also include the cost of the independent audit, and expenses incurred by the Trustees in the performance of their duties.
- Other support costs. These are the remaining support costs, such as professional subscriptions and bank charges.

The analysis of the Trust's support costs between these categories is shown in note 5.

Investments

Listed investments are stated at the closing middle market price immediately prior to the end of the financial year. For fixed interest securities, the market value shown includes accrued interest. All movements in value are shown in the Statement of Financial Activities.

Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Amounts receivable and payable

Debtors and creditors with no interest rate and receivable or payable within one year are recorded at transaction price.

3. Investment Income

	2021 £	2020 £
Dividends and interest from quoted investments	252,363	259,970
Interest on deposits	10	872
	<u>252,373</u>	<u>260,842</u>

NOTES [Continued]

4. Charitable activities

	2021	2020
	£	£
<u>Grant programmes</u>		
Action Medical Research	8,000	8,000
Alzheimer's Society, for the UK Dementia Research Institute	10,000	10,000
Alzheimer's Society	5,000	5,000
CHEM Trust	5,000	5,000
Crisis	5,500	5,500
Freedom From Torture	8,000	8,000
Motivation	5,000	5,000
National Star	8,000	8,000
Parkinson's UK	12,500	12,500
Practical Action	5,000	5,000
Samaritans	10,000	10,000
Society for the Protection of Ancient Buildings	4,000	4,000
SHINE	12,500	12,500
Tree Aid	10,000	11,000
Woodland Trust	6,000	6,000
British Museum	-	6,000
David Sheldrick Wildlife Trust	-	1,500
Forgiveness Project	-	6,000
Friendship Works, part of Family Action	-	3,000
Lifebox	-	3,000
MacMillan Cancer Support	-	8,000
Macular Disease Society	-	10,000
Medecins Sans Frontieres	-	8,000
Orangutan Foundation	-	3,000
Oxford Research Group	-	10,000
Place2Be	-	500
Plantlife	-	4,000
Trees for Cities	-	7,500
World Land Trust	-	10,000
	<hr/>	<hr/>
Total expenditure on grant programmes	114,500	196,000

NOTES [Continued]

4. Charitable activities [Continued]

	2021 £	2020 £
<u>Donations</u>		
British Red Cross – Beirut emergency appeal	5,000	-
Avoncroft Museum of Historic Buildings	-	5,000
Disasters Emergency Committee Emergency Fund	-	8,000
Medecins Sans Frontieres	-	8,000
The Sequal Trust	-	2,000
	<hr/>	<hr/>
Total expenditure on donations	5,000	23,000
	<hr/>	<hr/>
<u>Grants</u>		
Grant programmes (as above)	114,500	196,000
Donations (as above)	5,000	23,000
	<hr/>	<hr/>
Total Grants	119,500	219,000
	<hr/>	<hr/>
<u>Support costs (note 5)</u>		
Costs of grant making	2,400	2,600
Governance	29,122	25,554
Other support costs	545	558
	<hr/>	<hr/>
Total Support costs	32,067	28,712
	<hr/>	<hr/>
<u>Charitable activities</u>		
Grants (as above)	119,500	219,000
Support Costs (as above)	32,067	28,712
	<hr/>	<hr/>
Total Charitable activities	151,567	247,712
	<hr/> <hr/>	<hr/> <hr/>

All grants were made to institutions.

Included above are 2 separate grant programmes supporting the Alzheimer's Society. The total grants in the year to the Alzheimer's Society were £15,000 (2020 - £15,000).

There were no grants to Medecins Sans Frontieres in the year, but in 2020 there was a grant programme and a donation totaling £16,000.

NOTES [Continued]

5. Support costs

The Trust's support costs of £32,067 (2020 - £28,712) are allocated between Costs of grant-making, Governance, and Other support costs as follows:

	<u>Costs of grant making</u>		<u>Governance</u>		<u>Other support</u>	
	2021	2020	2021	2020	2021	2020
	£	£	£	£	£	£
Trust administration	2,400	2,600	24,982	22,500	-	-
Auditor's remuneration	-	-	4,140	3,000	-	-
Trustees' expenses	-	-	-	54	-	-
Professional subscriptions	-	-	-	-	475	470
Bank charges	-	-	-	-	70	88
	<u>2,400</u>	<u>2,600</u>	<u>29,122</u>	<u>25,554</u>	<u>545</u>	<u>558</u>

Trust administration costs are apportioned between Costs of grant-making and Governance on the basis of estimated time spent.

The Trustees, as listed on page 1, did not receive any emoluments during the year or the preceding year.

Trustees' expenses represent reimbursement of the out-of-pocket expenses incurred by Trustees when travelling on Trust business.

The Trust has no employees (2020 - none).

6. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the Trust's auditor for the audit of the Trust's annual accounts	<u>4,140</u>	<u>3,000</u>

NOTES [Continued]

7. Investments

<u>Quoted Investments</u>	2021	2020		
	£	£		
Market value at the start of the year	8,186,229	9,439,518		
Additions	1,677,457	1,234,252		
Disposals	(1,643,086)	(1,084,241)		
Net realised investment gains/(losses)	210,552	(73,375)		
Net unrealised investment gains/(losses)	1,918,784	(1,329,925)		
	<hr/>	<hr/>		
Market value at the end of the year	10,349,936	8,186,229		
Uninvested cash	146,399	109,336		
	<hr/>	<hr/>		
	<u>10,496,335</u>	<u>8,295,565</u>		
	<hr/>	<hr/>		
Historical cost	<u>6,851,395</u>	<u>6,594,358</u>		
	<hr/>	<hr/>		
The market value is divided:	2021	2020	2021	2020
	£	£	%	%
UK Government Bonds	97,432	274,204	0.9	3.3
UK Corporate Bonds	654,603	691,642	6.3	8.4
Non-UK Government Bond funds	293,796	215,306	2.8	2.6
Non-UK Corporate Bonds	-	264,912	-	3.2
UK Equities	3,223,969	2,281,554	31.2	28.0
UK Unit & Investment Trusts	2,003,346	1,381,605	19.4	16.9
Europe (ex UK) Unit & Investment Trusts	346,749	274,551	3.4	3.4
North America Unit & Investment Trusts	1,663,561	1,228,421	16.1	15.0
Rest of World Unit & Investment Trusts	1,130,676	716,814	10.9	8.8
Property funds	532,907	542,606	5.1	6.6
Infrastructure funds	324,260	314,614	3.1	3.8
Commodity funds	78,637	-	0.8	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>10,349,936</u>	<u>8,186,229</u>	<u>100</u>	<u>100</u>

There were 22 disposals during the year producing the net gain of £210,552 (2020 – net loss of £73,375).

No investment in the portfolio exceeds 5% of the total portfolio value.

NOTES [Continued]

8. Debtors

	2021 £	2020 £
Accrued investment income	<u>26,368</u>	<u>24,480</u>

9. Creditors: amounts falling due within one year

	2021 £	2020 £
Accrued expenses	<u>16,202</u>	<u>13,063</u>

10. Statement of movements on unrestricted funds

Designation	Balance at 6 April 2020 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2021 £
Investment fund	8,320,365	252,363	(208,782)	(43,581)	2,129,336	10,449,701
General fund	17,992	10	208,782	(151,567)		75,217
Unrestricted funds	<u>8,338,357</u>	<u>252,373</u>	<u>-</u>	<u>(195,148)</u>	<u>2,129,336</u>	<u>10,524,918</u>

In 2020 the movements were as follows:

Designation	Balance at 6 April 2019 £	Income £	Transfers £	Expenditure £	Gains/ (losses) £	Balance at 5 April 2020 £
Investment fund	9,723,665	260,810	(218,144)	(42,666)	(1,403,300)	8,320,365
General fund	47,528	32	218,144	(247,712)	-	17,992
Unrestricted funds	<u>9,771,193</u>	<u>260,842</u>	<u>-</u>	<u>(290,378)</u>	<u>(1,403,300)</u>	<u>8,338,357</u>

NOTES [Continued]

11. Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income/(expenditure) before gains on investments for the reporting period, as per the Statement of Financial Activities	57,225	(29,536)
Net gains/(losses) on investments	2,129,336	(1,403,300)
	<hr/>	<hr/>
Net income/(expenditure) for the reporting period as per the Statement of Financial Activities	2,186,561	(1,432,836)
<u>Adjustments for</u>		
(Gains)/losses on investments	(2,129,336)	1,403,300
Deduction of dividends and interest from investments	(252,373)	(260,842)
(Increase)/decrease in debtors	(1,888)	15,135
Increase/(decrease) in creditors	3,139	(862)
Transfers between funds	(64,342)	11,320
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	<u>(258,239)</u>	<u>(264,785)</u>

12. Taxation

Delves Charitable Trust is a registered charity and as such is exempt from tax on income and gains falling within Part 10 Income Tax Act 2007 and Section 256 Taxation of Chargeable Gains Act 1992 respectively, to the extent that they are applied to its charitable objectives.

13. Related PartiesLuminary Finance LLP

Luminary Finance LLP is a related party of the Trust by virtue of the family relationship between a Member of the firm and the Trustees.

Luminary Finance LLP provides administration services to the Trust on an arm's length basis under a standard letter of engagement and terms of business.

The Trust administration costs in note 5 above include £27,382 relating to services provided by Luminary Finance LLP in the year, comprised of £22,818 of fees and £4,564 of irrecoverable VAT (2020 - £25,100 total, being £20,917 of fees and £4,183 of VAT). The balance due to Luminary Finance LLP at the end of the year was £1,500 (2020 - £500).

14. Going concern

The Trustees consider that there is no material uncertainty about the Trust's ability to continue as a going concern.