

**THE NYIKA-VWAZA (UK) TRUST**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**6 April 2014 to 5 April 2015.**

**Charity Number 1105105**

# **THE NYIKA-VWAZA (UK) TRUST**

## **TRUST INFORMATION**

<b>Trustees</b>	<b>Thomas Geoffrey Lupton David William Billing Michael John Budgen Jennifer Anne Kettlewell Richard Gordon Wildman Kettlewell Paul Frederick Thomas Langton Jonathan Ralph Timberlake</b>	<b>Chairman Appointed 14 July 2014 Reappointed 24 Jul 2014  Reappointed 14 May 2014 Reappointed 14 May 2014</b>
<b>Hon. Secretary and Treasurer</b>	<b>Peter Richard Lawrance</b>	
<b>Trustees' Consultants</b>	<b>Major Ian A.D Gordon MBE</b>	
<b>Canadian Representatives</b>	<b>Ms. Sigrid Anna Johnson and Mr. Don McMaster</b>	
<b>Banker</b>	<b>TSB</b>	
<b>Investment Manager</b>	<b>Thomas Miller Investment Level 2 Samuel Harris House 5-11 St Georges Street Douglas IM1 1AJ Isle of Man</b>	
<b>Honorary Independent Examiner</b>	<b>Charles F Straughan</b>	
<b>Registered Office</b>	<b>50 Brewery Road Woking GU21 4NA Surrey</b>	
<b>Charity Number</b>	<b>1105105</b>	
<b>HMRC Charities Ref.</b>	<b>XR81083/0</b>	

# **THE NYIKA-VWAZA (UK) TRUST**

## **PATRONS and PATRONI NATURAE**

As at 5 April 2015

### **PATRONS**

Professor Colin A. Baker M.B.E  
Neil Harvey

### **PATRONI NATURAE**

Carl Bruessow  
Francoise Dowsett-Lemaire  
Robert Dowsett  
Cornell Dudley  
David Happold  
Meredith Happold  
Pat Hardcastle  
Sigrid Anna Johnson  
Alison Kitchin  
Isobyl la Croix  
Brian Morris  
Peter Overton  
Marianne Overton  
Jonathan Timberlake  
Denis Tweddle  
Dolf van Bruggen

Reptiles  
Birds and Evergreen Forests  
Birds and Butterflies  
Insects  
Mammals  
Mammals  
Forestry  
General  
Trees  
Orchids  
Ethnobiology  
Biodiversity Research Expeditions  
Biodiversity Research Expeditions  
Vegetation Ecology  
Fish  
Molluscs

## THE NYIKA-VWAZA (UK) TRUST

### THE TRUSTEES' REPORT FOR THE PERIOD 6 APRIL 2014 TO 5 APRIL 2015

#### Report of the trustees for the year ended 5<sup>th</sup> April 2015

The trustees present their annual report and financial statements of the Trust for the year ended 5<sup>th</sup> April 2015. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014.

#### Objectives and activities for the public benefit

**Objects of the Trust.** The objects of the Trust are:

- i) To provide for the benefit of the public the conservation, protection and improvement of the physical and natural environment, particularly but not exclusively of the Nyika National Park and Vwaza Marsh Wildlife Reserve in Malawi, Africa; and
- ii) The advancement of the education of the public in nature conservation generally and in particular but not exclusively of the Nyika National Park and Vwaza Marsh Wildlife Reserve in Malawi, Africa.

**Public Benefit.** The Trust provides public benefit by:-

- (i) Publicising and promoting knowledge around the world about the existence of the two national parks in the remote north of Malawi and about their precious fauna and flora;
- (ii) Providing funds for the conservation of the two national parks for which the Malawi Government lacks the necessary resources;
- (iii) Promoting the education of the public, both within Malawi and around the world, about the fauna, flora and other attributes of the two parks and heightening their appreciation of these assets;
- (iv) Encouraging Malawians to comprehend the importance and value of the two parks as part of their national heritage;
- (v) Developing an archival bibliography and information depository of the assets and other aspects of the two parks;
- (vi) Helping to fund improvements of a social and welfare nature for the people who live in the vicinity of the parks;
- (vii) Assisting to conserve in a healthy condition the habitats of the parks as a major source of water and food (e.g. honey) for the welfare of Malawians.
- (viii) Working to preserve the parks in their natural state for the world and posterity.

**Trustees.** All the trustees are committed to the objects of the Trust. The Chairman, Tom Lupton, lived and worked in Malawi through the 1970/90's, thereafter returning periodically. All the other trustees have either lived in Malawi or have close connections with the country. One of the three Founding Trustees, Major Ian Gordon, served in the Nyika National Park for six years (1971-77) as Warden. He retired as a trustee in July 2008 but continues to provide the benefit of his knowledge and experience as a Trustees' Consultant. New trustees are appointed by a resolution of the continuing trustees having regard to their appropriate skills, knowledge and experience. They are given copies of the Trust Deed, Regulations made by the trustees and are advised to download the Charity Commission booklet "Trustees and Governance. The Essential Trustee: What you need to know".

### **Retirements and Appointments.**

Jane Gallacher retired as a trustee on 14 July 2014; David Billing was appointed a trustee on 14 July 2014.

The following were reappointed as trustees with effect from:

Michael Budgen	24 July 2014
Richard Kettlewell	14 May 2014
Paul Langton	14 May 2014

### **Patrons**

Lord and Lady Toulson retired as Patrons of the Trust during 2014. Lady Toulson was a Founding Trustee and the first Chairman of the Trust. We are most grateful for the support they have given to the trust since its inception.

### **Governance.**

During the year the trustees held three Ordinary Meetings in London. Day-to-day administration is conducted by the Hon. Secretary and Treasurer, Peter Lawrance, in consultation with the Chairman and trustees as appropriate.

All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 2 to the accounts.

### **Co-operation with the Malawi Nyika-Vwaza Trust.**

The relationship between the Malawi Nyika-Vwaza Trust and this Trust was formalised in a Memorandum of Understanding between both Trusts that was signed in 2004. This included the requirement that we receive regular financial and operational reports about the activities that we fund in Malawi.

Regular communication and exchange of information has been maintained by email and telephone between the trustees and officers of both Trusts. This included monthly activity and financial reports to the trustees of both Trusts from the Trust Managers based at Chilinda in the Nyika National Park and the Administrator, now also based at Chilinda.

As noted below the Trust decided to withdraw from funding the management unit and its day to day programme of activities from the end of December 2014. We are grateful to the Malawi trustees for their contribution to the work carried out over the last ten years, an achievement that both Trusts can be proud of.

### **Relationships with the Malawi Government**

The Malawi Government's appreciation of the contribution being made by the Trust was signalled when we were pleased to welcome the High Commissioner for Malawi at our promotional Evening at the Royal Over-Seas League on 6 November 2014.

We are also pleased to be able to continue to hold meetings of the trustees at the Malawi High Commission.

**Risk Assessment.** The Trust possesses no physical assets. Its principal risks are two, financial and the consequences of inadvertently failing to comply with the requirements of the Charity Commissioners. Safeguards for the former are set out under Accounting Policies in the Financial Matters section of this report. With regard to the latter, we are conscious of the importance of compliance.

An additional risk lies in the performance of the investment portfolio and its capacity to supplement donations with additional income from the sale of securities to carry out the activities of the Trust. This is mitigated by retaining professional investment managers and having a balanced diversified investment portfolio.

## **Financial review**

The Trust's work is entirely reliant on donation income supplemented where necessary by the income from or sale of investment securities, held as unrestricted funds, as detailed in the Notes to the accounts.

The trustees transferred a total of £30,000 from the unrestricted reserve to support the activity programme of the Malawi Nyika Vwaza Trust.

During the year the Trust received a gross income of £54,702 from donations, other income and transfers from investments and remitted £49,180 to Malawi to cover conservation, project activities and education projects on the Nyika and in Vwaza, which after UK costs of £3,279 resulted in a net excess of income over expenditure of £2,243.

No serious incident or other such matter occurred during the year that should have been brought to the attention of the Charity Commission.

**Accounting Policies.** The Financial Statements are prepared on an accruals and going concern basis and have been prepared on the basis of historic cost (except that investments are shown at market value) in accordance with:

- (i) Accounting and Reporting by Charities – Statement of Recommended Practice (SORP 2005),
- (ii) Financial Reporting Standards for Smaller Enterprises (FRSSE) and
- (iii) The Charities Act 2011.

## **Investment policy.**

Discretionary management of the portfolio is entrusted to Thomas Miller Investment, based in the Isle of Man. The Trustees monitor closely the performance of their investment managers. The Portfolio comprises two sections, the first of which constitutes our **Unrestricted Reserve**. At the end of the year its market value was £164,649. The second section constitutes the **Expendable Endowment Fund**. This fund is a Reserve, the intention being to grow it steadily over time by additions and natural growth in order to provide long-term income and financial stability. The Fund had a year-end market value of £60,674.

## **Grant making policy**

Since the establishment of the Trust it has been the policy of the Trust to make periodic grants to the Malawi Nyika Vwaza Trust to support the activities of that Trust. This has included funding a management unit and carrying out conservation and environmental protection activities. Support for these activities stopped at the end of 2014.

In addition since 2013 the Trust has been making periodic grants in support of conservation education among the communities living adjacent to the Nyika National Park and the Vwaza Wildlife Reserve.

## **Activities during the year 2014/15**

The activities for 2014/15 continued to be largely driven by the projects as detailed in the brochure "Supporting our projects".

The Trust is to a large extent dependent on the support of our donors, both individual and institutional, to fund the activities on the Nyika and at Vwaza Marsh Reserve. Some of our benefactors donate money unconditionally (general unrestricted funds); others express a non-binding preference that their donations are used for specific purposes, which we classify as designated unrestricted funds for administrative purposes as none fall within the legal definition of restricted funds where the donor imposes a restriction on the use of the funds by the trustees. During the year the Malawi trustees continued to account to us on a 'project basis' enabling us to report to our benefactors in greater detail the progress of the projects that they are supporting.

**Project Grants Received.** We are most grateful for the very generous project grants totalling £7,000 received from non-personal donors during the year as follows:-

- £5,500 from the Camellia Foundation towards the costs of control of invasive species and road maintenance.
- £1,000 from the M G Blane Will Trust towards the Foot Education Fund.
- £500 from the Miss G.M Marriage Will Trust towards the cost of control of invasive plant species.

In addition a total of £14,859 was donated by individuals, either by regular donation or one-off gifts for which we are most grateful. These donations include gift aid relief where appropriate.

#### **Grants made during the year**

**Money provided to the Malawi Nyika-Vwaza Trust.** During the year under review a total of £46,675 (excluding bank remittance charges) was provided to the Malawi Nyika-Vwaza Trust. Of this amount £19,389 was in respect of conservation work, primarily the running costs of the annual programme of basic conservation work within the two parks. A further £27,286 was in respect of other field and infrastructure projects as requested by the Trust Manager to tie in with the planned work programme.

Since 2011 the activities of the Malawi Nyika Vwaza Trust has been done under the umbrella of the Nyika Trans-Frontier Conservation Area project, an international cross-border project supported by the World Bank, GEF and the Norwegian Government, in conjunction with the Governments of Malawi and Zambia. During the year a mid-term review of that project was carried out, the conclusion of which was that the project was significantly behind schedule, due principally to the lack of effective project management at all levels. One of our trustees was attached to the review mission as an observer. The trustees had expressed concern over the effectiveness of management for a considerable time and at a meeting in late 2014 concluded that the Trust would no longer support the management unit and its programme of conservation activities after the end of December 2014, but that it would continue to meet its objective of conservation and environmental protection by supporting applied research projects and other similar activities through third party organisations, such as academic institutions and appropriate non-governmental organisations (NGOs).

Details of the grants made to institutions can be found in note 4 to the accounts.

**Other donations.** A grant of £2,400 was made to the Wildlife and Environment Society of Malawi from the Foot Educational Fund to conduct two further education projects in schools adjacent to the Nyika and Vwaza areas.

The Trust will continue to support the education programme.

**Needs and Risks.** We are aware that the health of the Malawi economy can have a major impact on the work of the Malawi Trust and on its need for funds, especially when it is deteriorating as it continued to do during 2014/15, resulting in the Malawi Kwacha depreciating markedly during the year. We are conscious that unless we build up additional reserves through donation we may in due course be unable to continue to fund the conservation activities on the Nyika and in Vwaza. As we do not operate commercially, we will continue to actively seek funds by way of grants, donations and legacies from all who support our activities, and combine this with fund-raising activities. We are most grateful to all our supporters and especially those who themselves raise funds for us through their own individual initiatives.

## **Other Activities during the year**

**Website.** [www.nyika-vwaza-trust.org](http://www.nyika-vwaza-trust.org) The site is maintained voluntarily by Mike Budgen and we are indeed fortunate that Mike possesses this special skill and makes no charge for his IT services. The website is a powerful tool of communication with our supporters and it also enables the whole computerised world to become familiar with our work and how to support us. Jonathan Timberlake continues to add to the Bibliography and bird and plant checklists making it a valuable resource for scientific research as well as tourists. It is our continued intention that our website should become the first port of call for anyone who wishes to learn about the fauna and flora of the parks. i.e. the living animals and plants that we are helping to conserve. The site also provides an important historical record of our times, and some earlier times, through the recording of every issue of Nyika-Vwaza News.

**Patroni Naturae.** The Trust continued to receive invaluable support from its Patroni Naturae, through provision of articles for the Newsletter and assistance in updating the Bibliography and species list.

**Nyika-Vwaza News.** Now in its tenth year, these biannual newsletters continue to be our principal, regular method of informing our supporters of the work that is accomplished within the Nyika National Park and the Vwaza Marsh Wildlife Reserve by the Malawi Nyika-Vwaza Trust. They also contain a variety of interesting articles about the history and conservation of the parks and their environs. We are indebted to the editor, Jennie Kettlewell, assisted by Mike Budgen, for continuing to plan and produce the newsletters. All 20 of the past issues are posted on our website.

**Evening at the Royal Over-Seas League in London.** Our major promotional evening was held in London for the eighth successive year in London, at the Royal Over-Seas League on 6 November 2014. Our Chairman, Tom Lupton, gave the audience of nearly 90 people a brief report on activities and developments during the previous 12 months. We also took the opportunity to make a small presentation to Jane Gallagher to thank her for her contribution as a trustee, and in particular for editing our newsletter since its inception.

We were honoured by the presence of the High Commissioner for Malawi.

Joanna Codrington gave an illustrated talk on her recent visit to Malawi and her perceptions of the country compared to her last visit many years ago.

As always, the success of the evening was dependent upon the many people who gave willingly of their time, energy, practical and financial support – to them all we say “Thank you”.

## **Plans for the future**

The trustees will pursue the path of developing lines of applied research on relevant conservation and environmental issues, based on the experience and information gathered over the last ten years. The intention is to define research needs and to publicise these through the NGO and academic networks.

The trustees will continue to develop the knowledge base using the website with the intention that the facility will become a principal resource of information on the Nyika and Vwaza areas. This includes the publication of the revised and updated “A Visitors Guide to the Nyika National Park”.

The trustees will continue to participate in a programme of education in the communities surrounding the Nyika and Vwaza areas. The trustees are currently in discussion with relevant education focussed third parties to develop improved content and methods of delivery of the programmes.

The trustees will continue their advocacy work in the United Kingdom, raising funds to enable the work programmes to continue.



### **Trustees' responsibilities in relation to the financial statements**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the charity trustees to prepare financial statements for each 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 the financial statements, the trustees are required to:

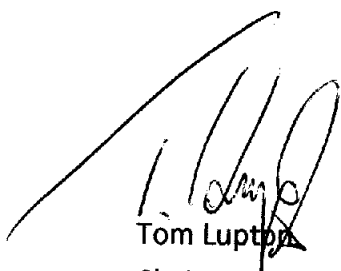
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Thanks.** I would like to record thanks to all the supporters of the trust, the trustees, and to Peter Lawrance, our honorary secretary and treasurer, for their input during the last year.

**Signature.** This Report was approved by the trustees on 16 June 2015 and is signed on their behalf by



Tom Lupton  
Chairman.

**Independent Examiner's Report to the Trustees of the Nyika Vwaza (UK) Trust on the accounts for the year ended 5 April 2015.**

I report on the accounts of the Nyika Vwaza (UK) Trust for the year ended 5 April 2015 as set out in the annual report on pages 10-17.

**Respective responsibilities of the Trustees and the Examiner.**

The charity's trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under Section 144 (2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- Examine the accounts (under section 145 of the 2011 Act);
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 145 (5) (b) of the 2011 Act); and
- To state whether particular matters have come to my attention.

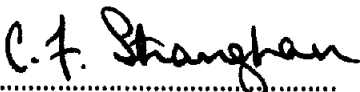
**Basis of independent examiner's statement**

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent Examiner's statement**

In the course of my examination no matter has come to my attention

- which gives me reasonable cause to believe that in any material respect the requirement:
  - to keep accounting records are kept in accordance with section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met ; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed.....

31 May 2015

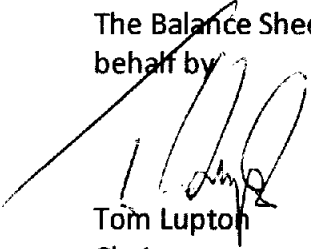
C F Straughan  
Fellow of the Institute of Chartered Accountants in England and Wales  
Rusper House Lodge  
Newdigate Road  
Rusper  
Horsham RH12 4RR

THE NYIKA-VWAZA (UK) TRUST

Balance Sheet as at 5 April 2015

	Notes	Unrestricted funds	Expendable Endowment	Total	2014		
					Unrestricted funds	Expendable Endowment	Total
		£	£	£	£	£	£
<b>FIXED ASSETS</b>							
Investments	6	164,649	60,674	225,323	181,949	55,935	237,884
<b>Total Fixed Assets</b>		<b>164,649</b>	<b>60,674</b>	<b>225,323</b>	<b>181,949</b>	<b>55,935</b>	<b>237,884</b>
<b>Current Assets</b>	7						
Debtors		2,537		2,537	2,610		2,610
Cash at Bank		5,469		5,469	3,059		3,059
<b>Total Current Assets</b>		<b>8,006</b>	<b>-</b>	<b>8,006</b>	<b>5,669</b>	<b>0</b>	<b>5,669</b>
<b>Liabilities</b>							
Creditors falling due within 1 year		102		102	7		7
<b>Net Current Assets</b>		<b>7,904</b>	<b>-</b>	<b>7,904</b>	<b>5,662</b>	<b>0</b>	<b>5,662</b>
<b>TOTAL ASSETS less Current Liabilities</b>		<b>172,553</b>	<b>60,674</b>	<b>233,227</b>	<b>187,611</b>	<b>55,935</b>	<b>243,546</b>
<b>The funds of the Charity</b>	9						
Expendable Endowment Fund			60,674	60,674		55,935	55,935
Unrestricted funds		172,553		172,553	187,611		187,611
<b>Total Charity Funds</b>		<b>172,553</b>	<b>60,674</b>	<b>233,227</b>	<b>187,611</b>	<b>55,935</b>	<b>243,546</b>

The Balance Sheet was approved by the trustees on 16 June 2015 and is signed on their behalf by



Tom Lupton  
Chairman

THE NYIKA-VWAZA (UK) TRUST

Statement of Financial Activities for the period 6 April 2014 to 5 April 2015  
Income and Expenditure

	Notes	2014-15				2013-14			
		Unrestricted Funds		Total Unrestricted funds	Expendable Endowment Fund	Total	Unrestricted Funds	Expendable Endowment Fund	Total
		General	Designated	£	£	£	£	£	£
<b>INCOME</b>									
Donations and legacies		8,731	13,128	21,859		21,859	26,360		26,360
Promotional activities		2,841		2,841		2,841	1,755		1,755
Other income		2		2		2	62		62
Transfer from Investments	6	30,000		30,000		30,000	35,750		35,750
<b>Total income</b>		<b>41,574</b>	<b>13,128</b>	<b>54,702</b>	<b>0</b>	<b>54,702</b>	<b>63,927</b>	<b>0</b>	<b>63,927</b>
<b>EXPENDITURE</b>									
Grants Distributed to Malawi	4	39,781	9,399	49,180		49,180	59,316		59,316
Fund Raising and Promotion Costs		2,579		2,579		2,579	4,241		4,241
Other support costs		700		700		700	1,522		1,522
<b>Total expenditure</b>		<b>43,060</b>	<b>9,399</b>	<b>52,459</b>	<b>0</b>	<b>52,459</b>	<b>65,079</b>	<b>0</b>	<b>65,079</b>
<b>Net Income/(Expenditure)</b>		<b>(1,486)</b>	<b>3,729</b>	<b>2,243</b>	<b>0</b>	<b>2,243</b>	<b>(1,152)</b>	<b>0</b>	<b>(1,152)</b>
<b>Other recognised gains/(Losses)</b>									
Movement on other assets		(17,300)		(17,300)	2,496	(14,804)	(21,949)	3,237	(18,712)
<b>Net movement in funds</b>		<b>(18,786)</b>	<b>3,729</b>	<b>(15,058)</b>	<b>2,496</b>	<b>(12,562)</b>	<b>(23,101)</b>	<b>3,237</b>	<b>(19,864)</b>
<b>Reconciliation of funds</b>									
Funds brought forward				187,611	55,935	243,546	210,712	52,698	263,410
<b>Total Funds carried forward</b>				<b>172,553</b>	<b>60,674</b>	<b>233,227</b>	<b>187,611</b>	<b>55,935</b>	<b>243,546</b>

## The Nyika Vwaza (UK) Trust

### Notes to the accounts

#### 1. Accounting Policies

##### (a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16/07/14, the Financial Reporting Standard for Smaller Entities (FRSSE), and the Charities Act 2011 and applicable regulations.

The accounts have been prepared on a going concern basis and under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

##### (b) Funds structure

The charity has a single unrestricted fund, being a legacy in 2009 from the late Ian Hay. Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

At the time of receipt of the legacy the trustees decided to create an expendable endowment fund using part of the funds from the same legacy. This fund is unrestricted as to the use of funds by the trustees but it is the intention of the trustees to let the fund grow to provide income in the future.

Further details of each fund are disclosed in note 6.

##### (c) Income recognition

All income is recognised once the charity has entitlement to the income or there is sufficient certainty of receipt that the income will be received, and the amount of income receivable can be measured reliably. Donations, are recognised when they have been communicated and received in writing with notification of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/ executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliable measurable with a degree of reasonable accuracy and the title to the asset has been transferred to the charity.

Interest on funds held on deposit is included upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend paid. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

##### (d) Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure and it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses, including support costs and governance costs, are allocated or apportioned to the applicable expenditure headings

Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive a grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled conditions attaching to that grant are outside of the control of the Trust.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable.

A provision for a multi-year grant is recognised at its present value where settlement is due over more than one year from the date of the award, there are no unfulfilled performance conditions under the control of the Trust that would permit the Trust to avoid making the future payment(s), settlement is probable, and the effect of discounting is material. The discount rate used is the rate offered on government bonds (Gilts) for a commensurate or similar time period offered in the year in which the grant award is made.

**(e) Irrecoverable VAT**

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

**(f) Allocation of support and governance costs**

Support costs have been differentiated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs relating to trustee Board and sub Committee meetings.

Governance costs and support costs relating to charitable activities have been apportioned based on the number of individual grant awards made in recognition that the administrative costs of awarding, monitoring and assessing grants are broadly equivalent. The allocation of support and governance costs is analysed in note 3.

**(g) Costs of raising funds**

The costs of generating funds consist of investment management.

**(h) Charitable activities**

The expenditure on charitable activities includes grants made, governance costs and an apportionment of support costs as shown in note 4.

**(i) Fixed asset investments**

Investments are initially recognised at their transaction value and subsequently measured at their market value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The Trust does not acquire or use put options, derivatives or other complex financial instruments.

**(k) Realised gains and losses**

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**(l) Contingent liabilities**

A contingent liability is identified and disclosed for those grants resulting from:

- a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or
- a present obligation following a grant offer where settlement is either not considered probable; or
- the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

## 2. Related party transactions and trustees' expenses and remuneration

The trustees all give freely of their time and expertise without any form of remuneration or other benefit in cash or kind (2014: £nil). Expenses paid to the trustees in the year totalled £218 (2014: £1279). These expenses were made up of 1 trustee reimbursed travel expenses of £218 (2014: £1,279).

## 3. Allocation of governance and other support costs

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Total allocated	Governance related	Other support costs	Basis of apportionment
Trustees expenses	218	-	218	Usage
Other costs	482	240	242	Usage
<b>Total</b>	<b>700</b>	<b>240</b>	<b>460</b>	

### Allocation of support costs:

	2015	2014
Grants to Malawi Trust	670	1,492
Education grants	30	30
<b>Total allocated</b>	<b>700</b>	<b>1,522</b>

#### 4. Analysis of charitable expenditure

The charity undertakes its charitable activities through grant making and awarded grants to a number of individuals and institutions in furtherance of its charitable activities.

	<b>Grant funded activity</b>	<b>Support and governance costs</b>	<b>Total</b>	<b>2014</b>
Funded from unrestricted funds:				
Operational Grants to NVT Malawi	46,780	670	47,450	55,975
Education	2,400	30	2,430	3,340
	<u>49,180</u>	<u>700</u>	<u>49,880</u>	<u>59,315</u>

All grants were made to institutions.

The grant to the Nyika Vwaza Trust Malawi was made for the following purposes

	<b>2015</b>		<b>2014</b>	
	<b>Unrestricted funds</b>	<b>Designated funds</b>	<b>Unrestricted funds</b>	<b>Designated funds</b>
General operations	19,389		12,122	
Indigenous Tree nursery		374		847
Early burn programme	8,773		14,296	
Control of invasive plant species		5,067	1,712	2,875
Road maintenance	3,749	1,558	11,279	270
Management support costs			2,674	5,000
Staff duplex house	7,486		2,158	
Staff hostel renovation	384		701	
Solar panel upgrade			310	
Water supply upgrade			1,502	
Road signage			230	
Total	<u>39,781</u>	<u>6,999</u>	<u>46,984</u>	<u>8,992</u>

The Education grants were made from designated funds: £2,400, (2014 £3,340)

#### 5. Auditor's remuneration

The Independent Examiner's remuneration was Nil, (2014: Nil).



## 6. Fixed Asset Investments

Movement in fixed asset investments	2015		2014	
	Unrestricted Fund Investments	Endowment Fund Investments	Unrestricted Fund Investments	Endowment Fund Investments
Market value brought forward at 6 April 2014	181,949	55,935	203,898	52,698
Net additions to investments at cost	4,111	1,471	4,396	1,286
Transfer to income	(30,000)		(35,750)	
Portfolio management fees	(2,008)	(678)	(1,931)	(542)
Net gain on revaluation	10,597	3,946	11,336	2,493
Market value as at 5 April 2015	164,649	60,674	18,1949	55,935
Equities & alternatives	102,846	37,858	117,664	33,454
Fixed interest securities	54,609	18,477	57,424	17,997
Cash held within the investment portfolio	7,194	4,339	6,861	4,484
Total	164,649	60,674	181,949	55,935

All investments are carried at their market value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open ended investment companies are at the bid price. Asset sales and purchases are recognised at the date of trade at their transaction value.

## 7. Current assets

Amounts due relate to unrestricted funds, being gift aid amounts due from HMRC on donations and are all in unrestricted funds.

Cash at bank balances all relate to unrestricted funds.

## 8. Grant commitments

As at the financial year end the Trust had no outstanding commitments

## 9. Analysis of charitable funds

<b>Analysis of Fund movements</b>	<b>Balance b/fwd</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Gains</b>	<b>Fund c/fwd</b>
	£	£	£	£	£	£
Expendable endowment	55,935				4,739	60,674
Unrestricted funds	187,611	54,702	(52,459)	(30,000)	12,699	172,553
<b>Total</b>	<b>243,546</b>	<b>54,702</b>	<b>(52,459)</b>	<b>(30,000)</b>	<b>17,438</b>	<b>233,227</b>

The expendable endowment was established as part of the legacy from the late Ian Hay. The trustees have the power to spend both the income and the capital but it is their intention to grow the fund to support future Trust activity.

The unrestricted funds are available to be spent for any of the purposes of the charity.