

FOUR ACRE TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2010

FOUR ACRE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J P Bothamley M A Bothamley R Carruthers T Ezzat S Ratcliffe M W Baker
Secretary	J P Bothamley
Charity number	1053884
Registered Office	Newlands House 56 Leslie Grove Croydon CR0 6TG
Correspondence Office	Treferanon St.Weonards Hereford HR2 8QF
Auditors	Macfarlane + Co. Cunard Building Water Street Liverpool L3 1DS
Bankers	Cater Allen 9 Nelson Street Bradford BD1 5AN
Solicitors	Allen Ticehurst 43 - 45 Cantelupe Road East Grinstead RH19 3BL

FOUR ACRE TRUST

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FOUR ACRE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2010

The trustees present their report and accounts for the year ended 31 March 2010.

The accounts 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, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2005.

The Trust was established on 6th March 1996, is governed by a Trust Deed and was registered as a charity number 1053884 on 19th March 1996.

Structure, governance and management

John Bothamley founded the Trust with funds accumulated from business activities in the building industry and property development. He continues to act as pro bono Manager of the Trust. All Trustees are appointed for both the specific and broad based experience they have.

Trustees meet formally six times a year to assess applications and consider outcomes of existing and ongoing projects and annually a two day meeting together with pro bono field officers.

Each Trustee plays a full role in the Trust's work and brings particular areas of expertise to bear.

The trustees who served during the year were:

J P Bothamley

M A Bothamley

R Carruthers

T Ezzat

S Ratcliffe

M W Baker

(Appointed 13 January 2010)

Trust Administrators

Melinda Andrews continues to deal with screening of new applications and June Horton continues as the full time Trust Administrator.

Field Officers

Four Acre Trust has a network of Field Officers who work voluntarily reviewing applications and building relationships with the charities that Four Acre Trust supports. This is an innovative and highly successful arrangement and enables Four Acre to properly assess each application through conducting a face to face onsite visit and review of the charity before reaching a decision as to whether to support. There are currently 18 Field Officers who are experienced people with business backgrounds. They are all pro bono, usually early retired.

The intranet system introduced in 2008 has continued to be an invaluable tool and the system enables all team members - Trustees, the Administrators and Field Officers - to input, update and check data on each charity on the Four Acre database. The system continues to work well and has saved considerable time and expense.

Details of related party transactions are given in the notes to the accounts.

Risk Management

The principal risk is the non-payment of promised grants and these are so small in relation to the Trust's resources as to be considered minimal.

FOUR ACRE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

Objectives and activities

Four Acre Trust exists to help people, especially children, make the most of their lives. The Objects of the charity are to advance education, relieve sickness and poverty and pursue any other charitable purposes as the Trustees in their absolute discretion decide.

Four Acre cannot support work that should properly be undertaken by Government and Local Authorities. Establishing what is currently statutorily funded is a constant challenge.

The Trust is particularly interested in working with smaller charities that are working closely with volunteers and beneficiaries to deliver a worthwhile service at a low cost per recipient. Four Acre rarely supports capital projects but is happy to fund core costs.

It has become evident that any operating charity is only as good as the people working within it and Trustees are increasingly keen to link grant support to individuals.

Breaks and holidays for disadvantaged young people, school holiday activity schemes, mentoring schemes and youth work in local communities remain at the core of Four Acre support.

Full details of grant criteria are shown on www.fouracretrust.org.uk. The website is constantly monitored and regularly updated to ensure that it remains a helpful and positive tool for all who access it.

Achievements and performance

The Four Acre Trust had another positive year, with nearly £2 million of grants actually paid within the year. We prefer to work to this figure rather than the figure shown in our accounts which includes grants agreed to be paid in later years in accordance with Charity Commission guidance.

We have maintained our same areas of support being principally to help individuals make the most of their lives, especially children, and this has been achieved through supporting registered charities on a regular basis. Our Trust prefers to build long term relationships and one of our criteria is to "Back the Person". This often means we fund salaries and other office expenses to support the core costs of these charities.

Our recipients cover respite care when often young carers are given breaks and other children and youth enjoy opportunities to experience new places and activities. In all cases we insist that beneficiaries contribute to the activity so that a sense of ownership is encouraged and accordingly we are able to support more individuals. Vocational work projects and mentoring schemes help individuals make the right choices about their futures. These two categories often merge into one when an activity away from home encourages and stimulates new directions for career paths.

Approximately thirty percent of our funding has been spent abroad on eye, water and education projects underlining our view that these areas are basic human needs. Here we only support organisations that have an in-country presence and an expertise in the work and service provided. Also we usually restrict our work to smaller organisations believing these to be closer to the action.

We have continued to back similar organisations as in previous years but will continually review our scope over the coming year. Indeed our "Backing the Person" programme will evolve into "who is efficient" as we cope with the world economic crisis. In October we informed recipients that grants would not be increased in line with inflation, foreseeing the economic turmoil and its effect on inflation. We are maintaining all promised grants.

FOUR ACRE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2010

In spite of the close relationship the Trust attempts to build with recipient charities trustees continue to be disappointed by the poor reporting by some of them. The reporting requirements are light touch and require little more than a schedule of expenses paid against budget and a very short narrative on the achievement of the grant. Trustees are surprised that most charities fail to sign off their annual report and accounts within six months of the year end. Whilst the Charity Commission give a longer time limit for reporting, Four Acre Trust considers it unreasonable that those requiring grants are unable to provide a timely report on their activities.

Trustees feel we act as "shareholders" to our recipient charities who continue their good works without the usual checks and balances provided by investors. Accordingly we insist on strict reporting of the spending of our grants and often contribute suggestions that recipients may care to act upon.

Trustees met formally on six occasions and all attended the two day Field Officers meeting in January 2009. The following items were all formally reviewed during the year:

- Risk Assessment
- Financial Review
- Reserves Policy
- Trustee Governance
- Current Year's Performance
- Plans for the Future

Financial review

Total income for the year amounted to £854,926 (2009; £881,954). Expenditure £2,022,261(2009; £2,526,186) for the year resulted in net outgoing resources of £1,167,335 (2009; £1,644,232). 203 registered charities were supported by Four Acre with grants totalling £2,016,664 including promised grants for next year of £371,408. The level of grants paid would have been higher if all recipients had actually achieved what they set out to do and presented an efficient picture of their operations. It is now in a period of spend out that is planned to conclude no earlier than 2015. John Newlands Ltd continue to provide grants and the investments are regularly reviewed both by the Trustees and an Investment Committee comprising two financial professionals working pro bono alongside John Bothamley and Taymour Ezzat. Conservative management of the Trust's investments means that the current financial climate will not have an adverse effect on the level of charitable support the Trust is able to provide. There was a year end revaluation surplus of £1,018,040, reflecting the markets at that time. The Trustees have sufficient funds available for the grants to be paid over the next 12 months, without any requirement to realise investments, especially where this would result in a deficit crystallising. Funds carried forward at 31 March 2010 total £6,111,095 (2009; £6,260,390).

Plans for the future

The Trustees remain committed to working in a supportive and mutually nurturing relationship with applicant charities.

On behalf of the board of trustees

J P Bothamley

Trustee

Dated: 15 June 2010

FOUR ACRE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the Trust's financial activities during the year and of its financial position at the end of the year.

In preparing accounts giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy the financial position of the Trust and which enable them to ascertain the financial position of the charity and which enable them to ensure that the accounts comply with the Charities Act 1993 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.

FOUR ACRE TRUST

INDEPENDENT AUDITORS' REPORT

TO THE TRUSTEES OF FOUR ACRE TRUST

We have audited the accounts of Four Acre Trust for the year ended 31 March 2010 set out on pages 7 to 15. These accounts have been prepared in accordance with the accounting policies set out on page 9. This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under Section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 4, the trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit. We read the Trustees' Report, and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

FOUR ACRE TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE TRUSTEES OF FOUR ACRE TRUST

Opinion

In our opinion:

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Trust's affairs as at 31 March 2010 and of its incoming resources and application of resources in the year then ended;
- the accounts have been properly prepared in accordance with the Charities Act 1993.

Macfarlane + Co.

Chartered Accountants

Statutory Auditor

Cunard Building

Water Street

Liverpool

L3 1DS

Dated: 15 June 2010

FOUR ACRE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2010 £	2009 £
<u>Incoming resources from generated funds</u>			
Donations and legacies	2	492,856	461,130
Investment income	3	362,070	431,104
		<hr/>	<hr/>
		854,926	892,234
Other incoming resources	4	-	(10,280)
		<hr/>	<hr/>
Total incoming resources		854,926	881,954
		<hr/>	<hr/>
<u>Resources expended</u>			
Charitable activities			
Activities in furtherance of the charity's objects	5	2,019,134	2,522,707
		<hr/>	<hr/>
Governance costs		3,127	3,479
		<hr/>	<hr/>
Total resources expended		2,022,261	2,526,186
		<hr/>	<hr/>
Net outgoing resources		(1,167,335)	(1,644,232)
		<hr/>	<hr/>
Other recognised gains and losses			
Gains/(losses) on investment assets		1,018,040	(1,752,974)
		<hr/>	<hr/>
Net movement in funds		(149,295)	(3,397,206)
		<hr/>	<hr/>
Fund balances at 1 April 2009		6,260,390	9,657,596
		<hr/>	<hr/>
Fund balances at 31 March 2010		6,111,095	6,260,390
		<hr/> <hr/>	<hr/> <hr/>

FOUR ACRE TRUST

BALANCE SHEET

AS AT 31 MARCH 2010

	Notes	2010		2009	
		£	£	£	£
Fixed assets					
Investments	10		5,077,093		3,932,789
Current assets					
Debtors	11	309,571		300,256	
Investments		1,025,000		2,375,000	
Cash at bank and in hand		73,953		6,689	
		1,408,524		2,681,945	
Creditors: amounts falling due within one year	12	(374,522)		(354,344)	
Net current assets			1,034,002		2,327,601
Total assets less current liabilities			6,111,095		6,260,390
Income funds					
Unrestricted funds			6,111,095		6,260,390
			6,111,095		6,260,390

The accounts were approved by the Trustees on 15 June 2010

J P Bothamley
Trustee

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2010

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act 1993.

1.2 Incoming resources

Donations are accounted for when received.

1.3 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

No depreciation is provided before completion of the development of properties.

1.4 Investments

Fixed and current asset investments are stated at market value.

2 Donations and legacies

	2010 £	2009 £
Donations and gifts	<u>492,856</u>	<u>461,130</u>

3 Investment income

	2010 £	2009 £
Income from listed investments	234,442	312,809
Interest receivable	127,628	118,295
	<u>362,070</u>	<u>431,104</u>

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

4 Other incoming resources

	Total 2010 £	Total 2009 £
Net (loss)/gain on disposal of fixed assets	-	(10,280)

5 Total resources expended

	Other costs £	Grant funding £	Total 2010 £	Total 2009 £
Charitable activities				
<u>Activities in furtherance of the charitys objects</u>				
Grant funding of activities	-	2,016,664	2,016,664	2,506,715
Support costs	2,470	-	2,470	15,992
Total	2,470	2,016,664	2,019,134	2,522,707
Governance costs	3,127	-	3,127	3,479
	5,597	2,016,664	2,022,261	2,526,186

Governance costs includes payments to the auditors of £1,219 for audit fees and £1,895 for accountancy fees.

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

6 Grants payable

	Total 2010 £	Total 2009 £
Grants to institutions (203 grants) (2009 270)	2,016,664	2,506,715
<u>Reconciliation of grants payable</u>		
Commitments made in the year	2,016,664	2,506,715
Commitments made in the previous year	351,296	258,958
Grants paid during the year	(1,996,552)	(2,414,377)
Commitments at 31 March 2010	371,408	351,296

£

Top 50 grants provided by Four Acre Trust

Vision for the Future	148,600
Concern Universal	106,706
Room to Read	100,000
Sightsavers International	67,437
Impact	52,540
Essex Association of Boys & Girls Clubs	46,666
Plan International	45,964
Lambourne End	38,550
Exeter Ethiopia	37,357
Whitehaven Harbour Youth Project	28,000
CLAPA	26,400
Stepney Bank Stables	25,196
Tarabai	25,000
Youth Federation for Cheshire	21,000
Action for Youth	20,000
Bettws Boys & Girls Club	20,000
Federation of London Youth Clubs	20,000
Stockport Cerebral Palsy Society	20,000
Frenford Clubs for Young People	19,000
Cramlington Vol Youth Project	18,750
Sycamore Project	18,000
Dreamcatchers	17,200
Peterborough Women's Centre	15,595
Friends of Somerset Young Carers	15,216
Ellesmere Youth Project	15,000
Forest of Dean Children	15,000
St Teresa's Youth Centre	15,000
Wells for India	14,522
Durham Area Disability Leisure Group	14,041
Willow Centre	13,737
ReStore Community Projects	13,400

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

Havering Womens Aid	13,133
Coventry & Warwickshire YMCA	13,052
Furniture Recycling Project	13,000
Basement Studio	12,500
Cumbria Youth Alliance	12,500
Carers First	12,480
Ieuencid Tysul Youth	12,000
Isleworth Youth Club	12,000
Let Us Play Wolverhampton	12,000
Youth Initiatives	11,639
St Cleopas Urban Aid Project	11,376
North Staffs Adventure Playground	11,290
YPAC	10,500
Kids Kabin	10,200
Basement Youth Trust	10,000
Close House Project	10,000
Cricket for Change	10,000
Enable Ability	10,000
Home-Start Ceredigion	10,000
Lancaster Boys and Girls Club	10,000
	<hr/>
Top 50 grants provided by Four Acre Trust	1,281,547
	<hr/>

7 Support costs

	2010	2009
	£	£
Consultancy fees	250	10,590
Administration fees	2,220	5,402
	<hr/>	<hr/>
	2,470	15,992
	<hr/> <hr/>	<hr/> <hr/>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

9 Employees

One full time administrator is funded directly by a trustee and Four Acre Trust pays a part time consultant for screening new applications.

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

10 Fixed asset investments

	£
Market value at 1 April 2009	3,932,789
Acquisitions at cost	126,264
Change in value in the year	1,018,040
Market value at 31 March 2010	5,077,093
Historical cost:	
At 31 March 2010	4,925,554
At 31 March 2009	4,799,289
Material fixed asset investments at market value	
M & G Investments	1,660,296
Charitrak Barclays Global Investors	1,578,430
Charities Property Fund	769,887
Newton Global Growth & Income Fund	1,068,479
	5,077,092

Other than an interest in a subsidiary undertaking Four Acre Trading Limited, fixed asset investments are held in listed common investment funds. Current asset investments relate to cash held as part of the investment portfolio. The trustees have been advised that investment management charges in the region of £35,000 have been levied on the common investment funds.

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

10 Fixed asset investments (continued)

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held
			%
Subsidiary undertakings			
Four Acre Trading Limited	England and Wales	£1 Ords	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

	Principle Activities	Capital and reserves	Profit/(loss) for the year
		£	£
Four Acre Trading Limited	To aid the business of Four Acre Trust	(9,598)	(10,345)

Four Acre Trading Limited has been incorporated in England and Wales as a wholly owned trading subsidiary of the charity. There was £10,285 consultancy fees paid re the land at Ardale, and £60 bank charges paid in the year.

11 Debtors	2010	2009
	£	£
Other debtors	309,571	300,256

12 Creditors: amounts falling due within one year	2010	2009
	£	£
Grants payable	371,408	351,296
Accruals	3,114	3,048
	374,522	354,344

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2010

13 Related parties

Donations received by the Trust from J P Bothamley during the year amounted to £90,285 (2009; £47,000). Gift Aid is recovered on these donations.

J P Bothamley and M A Bothamley are also directors of John Newlands Ltd. Donations received by the Trust from John Newlands Ltd during the year amounted to £380,000 (2009; £400,000). At the year end there was a short term loan of £250,000 outstanding from John Newlands Ltd

Land at Ardale was sold to Four Acre Trading Limited in 2009. £37,000 consideration remained outstanding at the year end.