

FOUR ACRE TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2011

FOUR ACRE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J P Bothamley M A Bothamley T Ezzat S Ratcliffe M W Baker
Secretary	J P Bothamley
Charity number	1053884
Registered Office	Treferanon St Weonards Hereford HR2 8QF
Correspondence Office	Treferanon St. Weonards Hereford HR2 8QF
Auditors	BWMacfarlane LLP Cunard Building Water Street Liverpool L3 1DS
Bankers	Clydesdale Bank Gloucester Financial Solutions Centre Ground Floor, Epsilon house The Square, Gloucester Business Park, Brockworth Gloucester GL3 4AD
Solicitors	Allen Ticehurst 43 - 45 Cantelupe Road East Grinstead RH19 3BL

FOUR ACRE TRUST

CONTENTS

	Page
Trustees' report	1 - 3
Statement of trustees' responsibilities	4
Independent auditors' report	5 - 6
Statement of financial activities	7
Balance sheet	8
Notes to the accounts	9 - 14

FOUR ACRE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

The trustees present their report and accounts for the year ended 31 March 2011.

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

(Retired 7 December 2010)

T Ezzat

S Ratcliffe

M W Baker

Trust Administrator

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 16 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 Administrator 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 2011

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 Trust is in a period of spend-out which will occur this decade depending on funding decisions. Trustees took the decision in Autumn 2010 to stop accepting applications from new enquirers, except in those circumstances where they have specifically invited an application. They also decided to use this time to concentrate their efforts and funding in particular areas and as such remaining funds will be concentrated on a selected number of current recipients, newly invited applicants and predominantly for those charities working in schools and in early intervention programmes.

Current Recipients

A number of current recipients have been invited to put forward long-term proposals for additional funding. These proposals will be considered over the coming year. In addition a number of current recipients will be considered for on-going funding and their applications will continue to be considered in the usual way.

Schools Programme

Four Acre Trust's main emphasis has always been on giving children a better start in life and trustees believe they can reach a higher proportion of young people by being involved in charities who are dealing directly with schools. Trustees are pleased to be funding Speakers Trust to run their successful Speakers Challenge in schools across Herefordshire and the Institute for Philanthropy in running their Youth Philanthropy Initiative in a number of London schools.

Early Intervention

Returning to the core of their beliefs, trustees have researched early intervention and feel it can make a big difference in a child's life. As such they are looking forward to working on a number of initiatives currently being progressed.

Historically Four Acre Trust has not supported work that should properly be undertaken by Government and Local Authorities. Establishing what is currently statutorily funded is a constant challenge and has become increasingly difficult in the current climate of cut-backs. Trustees have reviewed this through-out the year and in some circumstances in the future they may consider funding areas that would normally be considered to be the responsibility of the statutory services. Each case will be looked at on an individual basis and assessed accordingly.

Achievements and performance

The Four Acre Trust had another positive year, with £1,469,459 of grants actually paid within the year. We prefer to work to this figure rather than the figure shown in the accounts which includes grants agreed to be paid in later years in accordance with Charity Commission guidelines. This amount is down on previous year's funding and this was due to the cessation of new applications towards the end of the year, some charities failing to reapply and disappointingly, being unable to find well-run, effective and efficient recipients.

Nineteen percent of our funding has been spent abroad on eye, water and education projects. Here we only support organisations that have an in-country presence and an expertise in the work and service provided.

Trustees continued to be disappointed by the poor reporting of some charities and still feel our reporting requirements are light touch. We 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.

FOUR ACRE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2011

Trustees met formally on six occasions and all attended the two day Field Officers meeting in February 2010. 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 £844,257 (2010; £854,926). Expenditure £1,516,749 (2010; £2,022,061) for the year resulted in net outgoing resources of £672,492 (2010; £1,167,335). 175 registered charities were supported by Four Acre with grants totalling £1,513,479 including promised grants for next year of £415,428. 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. The Trustees have sufficient funds available for the grants to be paid over the next 12 months, without any requirement to realise investments. Funds carried forward at 31 March 2011 total £6,179,981 (2010; £6,111,095).

Plans for the future

The Trustees remain committed to working in a supportive and mutually nurturing relationship with applicant charities and to expand their involvement in the areas of schools programmes and early intervention.

On behalf of the board of trustees

J P Bothamley

Trustee

Dated:

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 2011 set out on pages 7 to 14. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of accounts which give a true and fair view.

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 and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charity's affairs as at 31 March 2011 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 1993.

FOUR ACRE TRUST

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE TRUSTEES OF FOUR ACRE TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 requires us to report to you if, in our opinion:

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

BWMacfarlane LLP

Chartered Accountants

Statutory Auditor

Cunard Building

Water Street

Liverpool

L3 1DS

Dated:

FOUR ACRE TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
<u>Incoming resources from generated funds</u>			
Donations and legacies	2	563,394	492,856
Investment income	3	280,863	362,070
		<hr/>	<hr/>
Total incoming resources		844,257	854,926
		<hr/>	<hr/>
<u>Resources expended</u>	4		
Charitable activities			
Activities in furtherance of the charitys objects		1,513,479	2,019,134
		<hr/>	<hr/>
Governance costs		3,270	3,127
		<hr/>	<hr/>
Total resources expended		1,516,749	2,022,261
		<hr/>	<hr/>
Net outgoing resources		(672,492)	(1,167,335)
Other recognised gains and losses			
Gains on investment assets		741,378	1,018,040
		<hr/>	<hr/>
Net movement in funds		68,886	(149,295)
Fund balances at 1 April 2010		6,111,095	6,260,390
		<hr/>	<hr/>
Fund balances at 31 March 2011		6,179,981	6,111,095
		<hr/>	<hr/>

FOUR ACRE TRUST

BALANCE SHEET

AS AT 31 MARCH 2011

	Notes	2011 £	£	2010 £	£
Fixed assets					
Investments	9	4,940,020		5,077,093	
Current assets					
Debtors	10	323,650		309,571	
Investments		1,319,045		1,025,000	
Cash at bank and in hand		18,988		73,953	
		<u>1,661,683</u>		<u>1,408,524</u>	
Creditors: amounts falling due within one year	11	<u>(421,722)</u>		<u>(374,522)</u>	
Net current assets		<u>1,239,961</u>		<u>1,034,002</u>	
Total assets less current liabilities		<u><u>6,179,981</u></u>		<u><u>6,111,095</u></u>	
Income funds					
Unrestricted funds					
Unrestricted income funds		6,176,582		6,111,095	
Revaluation reserve		<u>3,399</u>		-	
		<u>6,179,981</u>		<u>6,111,095</u>	
		<u><u>6,179,981</u></u>		<u><u>6,111,095</u></u>	

The accounts were approved by the Trustees on

.....
J P Bothamley
Trustee

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2011

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention modified to include the revaluation of certain fixed assets.

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 Investments

Fixed and current asset investments are stated at market value.

2 Donations and legacies

	2011 £	2010 £
Donations and gifts	<u>563,394</u>	<u>492,856</u>

3 Investment income

	2011 £	2010 £
Income from listed investments	221,765	234,442
Interest receivable	59,098	127,628
	<u>280,863</u>	<u>362,070</u>

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

4 Total resources expended

	Other costs £	Grant funding £	Total 2011 £	Total 2010 £
Charitable activities				
<u>Activities in furtherance of the charity's objects</u>				
Grant funding of activities	-	1,513,479	1,513,479	2,016,664
Support costs	-	-	-	2,470
Total	-	1,513,479	1,513,479	2,019,134
Governance costs	3,270	-	3,270	3,127
	3,270	1,513,479	1,516,749	2,022,261

Governance costs includes payments to the auditors of £1,240 for audit fees and £1,940 for accountancy fees.

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

5 Grants payable

	Total 2011 £	Total 2010 £
Grants to institutions (175 grants) (2010 203)	<u>1,513,479</u>	<u>2,016,664</u>
<u>Reconciliation of grants payable</u>		
Commitments made in the year	1,513,479	2,016,664
Commitments made in the previous year	371,408	351,296
Grants paid during the year	<u>(1,469,459)</u>	<u>(1,996,552)</u>
Commitments at 31 March 2010	<u>415,428</u>	<u>371,408</u>

£

Top 50 grants provided by Four Acre Trust

Sightsavers International	88,941
Vision for the Future	50,000
Busoga Trust	30,000
Essex Boys and Girls Club	30,000
UK Youth	29,555
Youth of Bettws	26,545
Coventry & Warwickshire YMCA	26,104
ReachOut Youth	24,000
Plan International	22,981
Willow Centre	22,750
Warrington Wolves	22,000
Prism Youth Project	21,958
Home-Start Ceredigion	20,675
Farm Africa	17,599
Trinity Centre	17,492
Durham Area Disability Leisure Group	16,080
Bath City Farm	16,000
Forest of Dean Children's Centre	15,000
Kindle Centre	15,000
Read International	15,000
St Teresa's Youth Centre	15,000
Frenford Clubs for Young People	14,960
Wells for India	14,567
Let Us Play Wolverhampton	14,400
Whitehaven Harbour Youth Project	14,000
Rising Sun Domestic Violence Pro	13,448
Nepal Leprosy Trust	13,258
Weston Church Youth Project	13,100
Furniture Recycling Project	13,000

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

Home-Start North Down	12,650
Coventry Boys Club	12,500
Young Gloucestershire	12,500
Young People Matter	12,315
Home-Start Herefordshire	12,300
Ieuenctid Tysul Youth	12,000
Isleworth Explorers Club	12,000
XLP	12,000
Paddocks	11,270
Aspatria Dreamscheme	10,500
YPAC	10,500
Stage 2 Theatre Company	10,460
Ahoy	10,150
Archway Project	10,069
Adventure Unlimited	10,000
Cranfield Trust	10,000
Door Youth Project	10,000
Enable Ability	10,000
Home-Start Epping Forest	10,000
Home-Start Liverpool	10,000
Kids Can Achieve	10,000

Top 50 grants provided by Four Acre Trust 884,627

6 Support costs

	2011	2010
	£	£
Consultancy fees	-	250
Administration fees	-	2,220
	<u>-</u>	<u>2,470</u>

7 Trustees

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

8 Employees

One full time administrator is funded directly by a trustee.

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

9 Fixed asset investments

	£
Market value at 1 April 2010	5,077,093
Disposals at opening book value	(872,948)
Acquisitions at cost	121,549
Change in value in the year	614,326
Market value at 31 March 2011	<u>4,940,020</u>
Historical cost:	
At 31 March 2011	<u>4,174,154</u>
At 31 March 2010	<u>4,925,554</u>

Material fixed asset investments at market value

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.

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	Shares held	
		Class	%
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:

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2011

9 Fixed asset investments (continued)

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

Four Acre Trading Limited has been incorporated in England and Wales as a wholly owned trading subsidiary of the charity. There were no transactions in the year.

10 Debtors	2011	2010
	£	£
Other debtors	323,650	309,571

11 Creditors: amounts falling due within one year	2011	2010
	£	£
Grants payable	415,428	371,408
Sundry creditor	3,114	-
Accruals	3,180	3,114
	421,722	374,522

12 Related parties

Donations received by the Trust from J P Bothamley during the year amounted to £146,600 (2010; £90,285). 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 £377,250 (2010; £380,000). 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.