

**FOUR ACRE TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2012**

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
Castle Chambers
43 Castle Street
Liverpool
L2 9SH

Bankers

Clydesdale Bank
Gloucester Financial Solutions Centre
Ground Floor, Epsilon House
The Square, Gloucester Business Park, Brockworth
Gloucester
GL3 4AD

Solicitors

Mayo Wynne Baxter
43 - 45 Cantelupe House
East Grinstead
RH19 3BL

FOUR ACRE TRUST

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FOUR ACRE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2012

The trustees present their report and accounts for the year ended 31 March 2012.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Trust's Trust Deed, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

The trust was established on 6th March 1996, is governed by a Trust Deed and was registered as a charity number 1053884 on 19 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
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 15 Field Officers who are experienced people with business backgrounds. They are all pro bono, usually early retired, and maintain an ongoing relationship with recipients, reviewing and encouraging progress.

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.

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

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

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 and will continue to be considered for ongoing funding, and their applications will be considered in the usual way. It is envisaged that the number of recipients will decline as the spend-out progresses. A small number of current recipients were invited to put forward longer term proposals for additional funding and some of these have been agreed and are currently running successfully. For example, The Roberts Centre's Boost programme for young people leaving care, the introduction of Stage 2 Youth Theatre's mentoring programme into other organisations, increased salary funding at The Archway Project, Cranfield Trust, Read International and ReachOut Youth and many others.

Schools Programme

Trustees supported Speakers Trust to run a pilot of their Speak Out Challenge programme in Herefordshire schools and this was so successful that the programme has been increased to all Year 10 pupils in all Herefordshire schools and in schools across Powys, Shropshire, Monmouthshire, Blaenau Gwent, Merthyr Tydfil, Torfaen and Rhondda.

Trustees continue to support the Youth and Philanthropy Initiative (YPI) and are considering further involvement.

Taking the involvement in schools programmes one step further, the trustees are pleased to be funding the Baker Dearing Trust, in supporting them to open four University Technical Colleges specialising in the Built Environment and based at Greenwich, Southwick, Bedfordshire and Burnley.

Early Intervention

Trustees have increased their support of early intervention projects. Additional crisis funding was offered to Home-Start schemes who were in financial difficulty due to their statutory funding being withdrawn, severely cut and/or delayed and £138,873 was granted through this initiative in addition to the regular Home-Start funding.

Trustees are pleased to be involved in the Impetus Trust/Sutton Trust Early Years programme and to be funding RippleZ Family Nurse Partnership project through this initiative. Trustees believe early intervention can make a big difference in a child's life and will continue to explore initiatives in this field of work.

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 agreed to consider funding areas that would normally be considered the responsibility of the statutory services and will continue to look at such cases on an individual basis. The practice of this was evidenced in the support of Home-Start schemes through the Crisis Funding Initiative referred to above.

FOUR ACRE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2012

Achievements and performance

The Four Acre Trust had another positive year with £1,643,417 of grants actually being 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 Committee guidelines. This amount is up on the previous year's funding and although the number of applicants has fallen the average grant amount has increased. Twenty three 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.

Trustees met formally on six occasions and all attended the two day Field Officers meeting in May 2011. 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 £1,169,440 (2011; £844,257). Expenditure £1,834,446 (2011; £1,516,749) for the year resulted in net outgoing resources of £665,006 (2011; £672,492). 146 registered charities were supported by Four Acre with grants totalling £1,831,096 including promised grants for next year of £603,107. John Newlands Ltd continue to provide grants and the investments are regularly reviewed both by the Trustees and an Investment Committee comprising one financial professional 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 2012 total £4,820,562 (2011; £6,179,981).

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: 25 June 2012

FOUR ACRE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2012

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 2012 set out on pages 7 to 13. 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 144 of the Charities Act 2011 and regulations made under section 154 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 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. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012 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 2011.

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 2011 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

Castle Chambers
43 Castle Street
Liverpool
L2 9SH

Dated: 25 June 2012

BWMacfarlane LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

FOUR ACRE TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
<u>Incoming resources from generated funds</u>			
Donations and legacies	2	934,061	563,394
Investment income	3	235,379	280,863
Total incoming resources		1,169,440	844,257
<u>Resources expended</u>	4		
Charitable activities			
Grants to institutions (146 grants) (2011; 175)		1,831,096	1,513,479
Governance costs		3,350	3,270
Total resources expended		1,834,446	1,516,749
Net outgoing resources		(665,006)	(672,492)
Other recognised gains and losses			
(Losses)/gains on investment assets		(694,412)	741,378
Net movement in funds		(1,359,418)	68,886
Fund balances at 1 April 2011		6,179,980	6,111,095
Fund balances at 31 March 2012		4,820,562	6,179,981

FOUR ACRE TRUST

BALANCE SHEET

AS AT 31 MARCH 2012

	Notes	2012		2011	
		£	£	£	£
Fixed assets					
Investments	8		3,910,557		4,940,020
Current assets					
Debtors: amounts falling due within one year	9	62,000		323,650	
Debtors: amounts falling due after more than one year	9	320,000		-	
Term deposits		1,129,497		1,319,045	
Cash at bank and in hand		11,089		18,988	
			<u>1,522,586</u>		<u>1,661,683</u>
Creditors: amounts falling due within one year	10	<u>(612,581)</u>		<u>(421,722)</u>	
Net current assets			<u>910,005</u>		<u>1,239,961</u>
Total assets less current liabilities			<u>4,820,562</u>		<u>6,179,981</u>
Income funds					
Unrestricted funds			<u>4,820,562</u>		<u>6,179,981</u>
			<u>4,820,562</u>		<u>6,179,981</u>

The accounts were approved by the Trustees on 25 June 2012

J P Bothamley
Trustee

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

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

	2012	2011
	£	£
Donations and gifts	934,061	563,394

3 Investment income

	2012	2011
	£	£
Income from listed investments	196,382	221,765
Interest receivable	38,997	59,098
	235,379	280,863

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

4	Total resources expended	Other costs	Grant funding	Total 2012	Total 2011
		£	£	£	£
	Charitable activities				
	<u>Grants to institutions (146 grants) (2011; 175)</u>				
	Grant funding of activities	-	1,831,096	1,831,096	1,513,479
	Governance costs	3,350	-	3,350	3,270
		<u>3,350</u>	<u>1,831,096</u>	<u>1,834,446</u>	<u>1,516,749</u>

Governance costs includes payments to the auditors of £1,240 (2011 £ 1,240) for audit fees and £1,940 (2011 £ 1,940) for accountancy fees.

5	Grants payable	2012	2011
		£	£
	Grants to institutions (146 grants) (2011; 175)	<u>1,831,096</u>	<u>1,513,479</u>
	Reconciliation of grants payable		
	Commitments made in the year	1,831,096	1,513,479
	Commitments made in the previous year	415,428	371,408
	Grants paid during the year	<u>(1,643,417)</u>	<u>(1,469,459)</u>
	Commitments at 31 March 2012	<u>603,107</u>	<u>415,428</u>

Top 50 Grants provided by Four Acre Trust

Organisation	£
Home-Start Schemes	234,325
Sightsavers	104,199
Mission for Vision	100,000
Wells for India	56,041
Baker Dearing Educational Trust	52,000
Vision for the Future	50,000
Speakers Trust	49,547
ReachOut Youth	46,800
Roberts Centre	37,779
Frenford Clubs for Young People	30,369
Archway Project	26,119
Stage 2	24,500

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

XLP	24,340
Willow Centre	23,648
Plan International	22,981
Read International	22,800
Warrington Wolves	22,600
Prism Youth Project	21,958
Rising Sun Domestic Violence Project	20,000
Ellesmere Youth Project	19,868
Sycamore Project	16,500
Durham Area Disability Leisure Group	16,080
UK Youth	15,147
Let Us Play Wolverhampton	14,700
Dorset Youth Association	14,593
Youth of Bettws	13,301
Furniture Recycling Project	13,000
Carers First	12,570
Coventry Boys Club	12,500
Impetus Trust / RippleZ	12,500
Ieuentid Tysul Youth	12,000
Girvan Youth Trust	11,128
Kids Kabin	10,663
Birmingham Clubs for Young People	10,600
Aspatria Dreamscheme	10,500
Door Youth Project	10,000
Enable Ability	10,000
Forest of Dean Children's Opp Centre	10,000
John Fawcett Foundation	10,000
Kids Can Achieve	10,000
Pallion Action Group	10,000
PEEK	10,000
Phoenix Youth Project	10,000
Southern Brooks Community Partnership	10,000
Swan Youth Project	10,000
Clevedon YMCA	9,600
Oxford & District Mencap	9,000
North Staffs Adventure Playground	8,968
Paddocks	8,790
Elgin Youth Development Group	8,775
	<hr/>
	1,330,789

6 Trustees

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

7 Employees

One full time administrator is funded directly by a trustee.

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

8. Fixed asset investments

	£
Market value at 1 April 2011	4,940,020
Disposals at opening book value	(248,612)
Acquisitions at cost	114,949
Change in value in the year	(895,800)
Market value at 31 March 2012	<u>3,910,557</u>
Historical cost:	
At 31 March 2012	<u>4,040,491</u>
At 31 March 2011	<u>4,174,154</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	Ord	100

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

8. Fixed asset investments

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	-

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.

9 Debtors	2012	2011
	£	£
Other debtors	382,000	323,650

Amounts falling due after more than one year and included in the debtors above are:

	2012	2011
	£	£
Other debtors	320,000	-

10 Creditors: amounts falling due within one year	2012	2011
	£	£
Grants payable	603,107	415,428
Other creditors	6,294	3,114
Accruals	3,180	3,180
	612,581	421,722

FOUR ACRE TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2012

11 Related parties

Donations received by the Trust from J P Bothamley during the year amounted to £100,000 (2011; £146,600). 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 £400,000 (2011; £377,250). At the year end there was a short term loan of nil (2011; £250,000) outstanding from John Newlands Ltd

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