

Charity No. 1053884

Four Acre Trust
Report and Audited Financial
Statements
31 March 2021

Four Acre Trust

Reference and administrative details

For the year ended 31 March 2021

| | |
|----------------------------|---|
| Status | The organisation is a registered charity, registered on 19 March 1996 |
| Charity number | 1053884 |
| Operational address | Treferanon St Weonards Hereford HR2 8QF |
| Trustees | Marion Baker Mary Angela Bothamley John Peter Bothamley Robert Carruthers (appointed 20 October 2020) Taymour Ezzat Stephen Ratcliffe (appointed 15 February 2021) |
| Solicitors | Mayo Wynne Baxter 43-45 Cantelupe House East Grinstead RH19 3BL |
| Bankers | Clydesdale Bank Epsilon House Gloucester Business Park Gloucester Gloucestershire GL3 4AD |
| Auditors | Godfrey Wilson Limited Chartered Accountants & Statutory Auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD |

Four Acre Trust

Report of the trustees

For the year ended 31 March 2021

The trustees present their report and the audited financial statements for the period ended 31 March 2021. The financial statements have been prepared using the accounting policies set out in note 1 to the financial statements and comply with the charity's trust deed, applicable law and the requirements of the Statement of Recommended Practice - Accounting and Reporting by Charities (effective January 2019).

Structure, management and governance

John Bothamley founded the Trust with profits 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 their specific and broad based experience. Trustees met on-line four times this year to assess applications and consider outcomes of existing grants. Formal reviews of policies were postponed as trustees were time limited on Zoom meetings apart from 'Plans for the future' which were discussed at March 2021 meeting.

The trustees who served during the year were John Bothamley, Mary Bothamley, Marion Baker and Taymour Ezzat. During the year two additional trustees, Rob Carruthers and Steve Ratcliffe joined the team, both having served earlier in Four Acre Trust's history and were appointed to help with the final spend out. June Horton is the Trust Administrator.

Activities and objectives

Under our governing trust deed the Trust is able to support any charitable cause but chooses to support those that give children a better start in life. This has been our guiding strapline for the Trust since formed. Further there has been an emphasis to support smaller charities, usually with a turnover of less than one million pounds. Trustees have developed a mature approach to funding, often supporting less high profile projects and regularly paying for core costs including salaries and running costs. Four Acre Trust (4AT) tends not to support larger charities, especially those that are essentially service providers to Local Authorities. However 4AT trustees recognise that the charitable sector continues to pick up the expenses of many operations previously paid for by local authorities.

4AT spends a large proportion of its funding on education projects, many of which are considered to be work that should be part of the Government's responsibility. It sees itself as a partner with education services helping to create positive and confident young adults. Government proposals for improving social mobility seem to be concentrated in just a few special areas, with success based too highly on academic measures. We remain critical of the market based approach to education; especially over academisation which can be divisive and disruptive especially in rural areas.

Over the years the Trust has aimed to spend at least 20 percent of its distribution on charities working internationally. Revenue expenses make up the bulk of our spending both here and abroad.

4AT is essentially closed to new applications preferring to seek out relevant charities through thorough research. However applications from charities that mirror our existing recipients, and meet our other policies, might be acceptable and approaches should first be made to our Administrator with a very short synopsis of the support that is required.

Four Acre Trust

Report of the trustees

For the year ended 31 March 2021

Achievements and performance – Covid 19

As much of the sector we were thrown as how best to support our current recipients on the declaration of the first Lockdown. We were aware that the effects varied across our charities and contact with them all highlighted a surprisingly high level of resilience. We chose not to take applications from new organisations and took an overall view that supporting failing charities was not a good policy and that support should be focused on shoring up the successful. Generally we removed any restrictions on restricted grants so that recipients could spend as they best felt. Some specific Covid support grants were paid through our partners at Dulverton Trust and The Fore.

Whilst we are as intrigued, as many are, by the new ways of working using the internet and home working, we generally feel that soft skills remain best delivered by face to face work. We are concerned that the virtual delivery of work by some charities is not fully evaluated and claims of success might be more about maintaining morale than delivering positive results to clients.

Overall we believe we have to cope with the pandemic whilst maintaining the essentials of normality.

Overall achievements and performance

4AT seeks to maintain progress to a final spend out in three years' time. John Newlands Limited and John Bothamley continue to provide further income into the Trust with total income of £2,062,238 which includes income from investments. Our spending has decreased slightly to £3,037,508.

Much progress has been made by partnering with other grant making trusts. For several years we have supported the Dulverton Trust who spend our funds on charities focusing on youth opportunities. Similarly Tudor Trust are able to increase their spend on a selected number of successful youth and community charities. The Fore has distributed funds for us, together with helpful advice for young charities especially in the area of fundraising. This year Sylvia Adams Charitable Trust joined us and distribute our funds principally to charities working on early intervention.

Programmes in schools were led by the Talk The Talk (TTT) programmes. The success of the project, that we created in 2014, and was floated out of our Trust as a stand-alone charity (charity no. 1161251) in August 2019, was severely impacted by the lockdowns. However it continues to maintain relationships with schools, has delivered some virtual workshops and is hoping for a successful summer in 2021 as schools start to repair the lives of children kept at home for so long. The TTT philosophy is one that centres on the importance of Oracy and, unlike many other positive interventions, TTT programmes use professional trainers who actually deliver the work, usually across a full year cohort. Now, TTT has a suite of courses for students and bespoke ones for school staff and is paid for all its work.

4AT continues to provide a 50% discount on delivery. The challenge for TTT is to build up reserves and find a mixture of charitable and earned income to sustain its popular school work. 4AT has agreed to support TTT into the future reducing its support over the next three years, as TTT becomes self-reliant.

The other very successful school programme supported is Skills Builder Partnership for the expansion of their innovative programme into the South West of England; encouraging skills development, leadership and problem-solving in association with employers.

Four Acre Trust

Report of the trustees

For the year ended 31 March 2021

Inspiring better good practice

Grant making foundations should be continually considering better practices and inspiring positive change. In time exemplar projects might actually become embedded in government policy and funding. Talk The Talk should be part of all schools' curriculum in our view. We have also supported Right to Succeed, seeking to prevent school exclusions and maintain the fabric of the family in Manchester. SHiFT (Whatever It Takes) is a start-up dealing with disillusioned youth and works in league with local authorities.

Early intervention

This work is considered to be particularly important and support continues although much is delivered by local authorities. The description is often confusing, here we consider it is for very young children. Many refer to early intervention as work to prevent further problems after their clients have gone off the rails. Our grants have supported over forty charities including:

- Home-Start Schemes – supporting families with young children through challenging times;
- Family Action – friendship programme with care leavers;
- Cumbria Youth Alliance – support for care leavers;
- Childline – with the NSPCC;
- ReachOut Youth towards the salary of their CEO - supporting their mentoring programmes;
- Farms for City Children – towards their bursary Access Fund allowing school children to take part in farm visits;
- Carlisle and Croydon Youth Zones – supporting their varied support and recreational services for young people; and
- On-side Youth Zones – additional funding to meet high standards across their network.

Internationally

Over 20 percent of our funding goes abroad delivered by UK or US charities including:

- Acumen – supporting SMEs in developing countries to establish and create opportunities in their communities;
- Impact Foundation – dealing with disability through local organisations with the same purpose;
- One Acre Fund – working with farmers to better manage their land and harvests resulting in self sustainable small businesses;
- PEAS – Support for schools in Zambia bringing rigour and improved curricula; and
- Room to Read – instilling a love of reading in children in South Africa working with local authorities.

Matched funding

Matched funding is an aspect of our charitable work which helps to bring in further funds from new donors who are encouraged by the thought that their donation will effectively be doubled by 4AT. The emphasis is on support to find new donors rather than diverting committed philanthropic spend from other charities. We have run several schemes over the past few years with our regular recipients. However trustees are critical of the light touch of some matched funding organisations where due diligence is not necessarily of the highest degree. All our recipients are well known to us and deliver good results.

Risk management

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

Four Acre Trust

Report of the trustees

For the year ended 31 March 2021

Financial review

John Newlands Ltd and John Bothamley continue to provide grants and the investments are regularly reviewed by the Trustees. Trustee Taymour Ezzat administers the investments of the Trust on an arm's length basis, he is an investment manager with Herald Investment Management Ltd. Investment criteria are reviewed annually.

Reserves policy

The trustees have sufficient funds available for grants to be paid over the next 12 months, from cash reserves and realising investments at appropriate times from the market. Funds carried forward at 31 March 2021 total £4,796,147 (2020: £4,754,152).

Plans for the future

The trustees remain committed to working in a supportive and close relationship with charities and to expand their involvement especially in the areas of school programmes, early intervention and youth work.

Continue to seek out collaboration opportunities with other foundations and back those organisations undertaking exceptionally creditable work. Working with other foundations has been particularly helpful and beneficial in the reach of our disbursements. Partnerships are useful and Trustees are always pleased to hear from competent foundations and social businesses seeking support in our areas of work.

Fundraising

4AT does not engage in any direct fundraising from members of the public and does not employ fundraisers. The trustees are however aware of the fundraising requirements and the code of fundraising practice.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aims and objectives and in planning future activities and setting the grant making policy for the year.

Statement of responsibilities of the trustees

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and the incoming resources and application of resources, including the net income or expenditure, of the charity and the group for the year. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

Four Acre Trust

Report of the trustees

For the year ended 31 March 2021

- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. The trustees 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.

The trustees are responsible for the maintenance and integrity of the corporate 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the group and parent charity during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on

and signed on their behalf by:

John Bothamley - Trustee

Independent auditors' report

To the trustees of

Four Acre Trust

Opinion

We have audited the financial statements of Four Acre Trust (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows, and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its income and expenditure 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

Independent auditors' report

To the trustees of

Four Acre Trust

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

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

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

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

Independent auditors' report

To the trustees of

Four Acre Trust

(2) We reviewed the charity's policies and procedures in relation to:

- Identifying, evaluating and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditors' report

To the trustees of

Four Acre Trust

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and the 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 auditor's 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's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Date:

Godfrey Wilson Limited

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Four Acre Trust

Statement of financial activities

For the year ended 31 March 2021

| | Note | 2021 Total £ | 2020 Total £ |
|--|------|--------------------------------|-------------------------|
| Income from: | | | |
| <i>Donations</i> | 2 | 1,938,637 | 640,501 |
| <i>Charitable activities</i> | 3 | - | 161,880 |
| <i>Investments</i> | 4 | 123,601 | 170,374 |
| Total income | | <u>2,062,238</u> | <u>972,755</u> |
| Expenditure on: | | | |
| <i>Charitable activities</i> | | <u>2,617,508</u> | <u>3,279,111</u> |
| Total expenditure | | <u>2,617,508</u> | <u>3,279,111</u> |
| Net gains / (losses) on investments | 11 | <u>597,265</u> | <u>(160,587)</u> |
| Net expenditure and net movement in funds | 8 | 41,995 | (2,466,943) |
| Reconciliation of funds: | | | |
| Total funds brought forward | | <u>4,754,152</u> | <u>7,221,095</u> |
| Total funds carried forward | | <u><u>4,796,147</u></u> | <u><u>4,754,152</u></u> |

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. All income and expenditure pertains to unrestricted funds.

Four Acre Trust

Balance sheet

As at 31 March 2021

| | Note | 2021 £ | 2020 £ |
|--|------|--------------------------------|-------------------------|
| Fixed assets | | | |
| Investments | 11 | <u>4,453,317</u> | <u>3,859,536</u> |
| | | 4,453,317 | 3,859,536 |
| Current assets | | | |
| Debtors | 12 | 11,883 | 13,604 |
| Cash at bank and in hand | | <u>749,527</u> | <u>1,302,171</u> |
| | | 761,410 | 1,315,775 |
| Liabilities | | | |
| Creditors: amounts falling due within 1 year | 13 | <u>(418,580)</u> | <u>(421,159)</u> |
| Net current assets / (liabilities) | | <u>342,830</u> | <u>894,616</u> |
| Net assets | | <u><u>4,796,147</u></u> | <u><u>4,754,152</u></u> |
| Funds | | | |
| Unrestricted funds: | | | |
| General funds | | <u>4,796,147</u> | <u>4,754,152</u> |
| Total funds | | <u><u>4,796,147</u></u> | <u><u>4,754,152</u></u> |

Approved by the trustees on

and signed on their behalf by:

John Bothamley - Trustee

Four Acre Trust

Statement of cash flows

As at 31 March 2021

| | 2021 £ | 2020 £ |
|---|------------------------------|--------------------------------|
| Net movement in funds | 41,995 | (2,466,943) |
| Adjustments for: | | |
| Gains / (losses) on investments | (597,265) | 160,587 |
| Dividends and interest from investments | (123,601) | (170,374) |
| Decrease / (increase) in debtors | 1,721 | 220,360 |
| Increase / (decrease) in creditors | (2,579) | 229,354 |
| Net cash provided by / (used in) operating activities | <u>(679,729)</u> | <u>(2,027,016)</u> |
| Cash flows from investing activities: | | |
| Dividends and interest from investments | 123,601 | 170,374 |
| Proceeds from the sale of investments | 695,700 | 2,257,661 |
| Purchase of investments | (692,216) | (28,530) |
| Net cash provided by investing activities | <u>127,085</u> | <u>2,399,505</u> |
| Increase / (decrease) in cash and cash equivalents in the year | (552,644) | 372,489 |
| Cash and cash equivalents at the beginning of the year | <u>1,302,171</u> | <u>929,682</u> |
| Cash and cash equivalents at the end of the year | <u><u>749,527</u></u> | <u><u>1,302,171</u></u> |

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Four Acre Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern. Although the COVID-19 pandemic has had a profound impact on the global economy, the trustees have considered the impact of this issue on the charity's current and future financial position and consider that the charity has sufficient reserves to continue as a going concern for a period of at least 12 months from the date on which these financial statements are approved.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

d) Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

e) Funds accounting

The charity holds unrestricted general funds only.

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

f) Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

g) Grants payable

Grants payable are charged in the year in which the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached have been fulfilled. Grants offered subject to conditions at the year end are noted as commitment but are not accrued as expenditure.

h) Listed investments

Investments in quoted shares, traded bonds and similar investments are measured initially at cost and subsequently at fair value (their market value). The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

i) Investment in subsidiary undertakings

The charity had one wholly owned subsidiary, Four Acre Trading, (company number 04550873). The company did not trade during the current or prior year year and was dissolved on 22 September 2020. Four Acre Trust has opted not to prepare consolidated accounts on the basis of immateriality, in application of statutory instrument 2008/629 regulation 19. The accounts of Four Acre Trading are publicly available from Companies House.

The subsidiary undertaking is valued at cost less any cumulative impairments losses.

j) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

k) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

l) Creditors

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

m) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

n) Pension costs

The charity uses a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SOFA.

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

1. Accounting policies (continued)

o) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

There are no key sources of estimation uncertainty that are considered to have a significant effect on the amounts recognised in the financial statements.

2. Income from donations and legacies

| | 2021 | 2020 |
|-----------------------------|-------------------------|----------------|
| | Total | Total |
| | £ | £ |
| John Bothamley | 20,000 | 54,000 |
| John Newlands Limited | 1,912,637 | 585,000 |
| Other donations | 6,000 | - |
| Gift aid | - | 1,501 |
| | <hr/> | <hr/> |
| Total income from donations | <u>1,938,637</u> | <u>640,501</u> |

3. Income from charitable activities

| | 2021 | 2020 |
|---|-----------------|----------------|
| | Total | Total |
| | £ | £ |
| Talk the Talk schools | - | 161,880 |
| | <hr/> | <hr/> |
| Total income from charitable activities | <u>-</u> | <u>161,880</u> |

4. Income from investments

| | 2021 | 2020 |
|-------------------------------|-----------------------|----------------|
| | Total | Total |
| | £ | £ |
| Bank interest | 7,513 | 8,877 |
| Listed equities | 74,060 | 116,789 |
| Charity Property Fund | 42,028 | 44,708 |
| | <hr/> | <hr/> |
| Total income from investments | <u>123,601</u> | <u>170,374</u> |

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

| 5. Total expenditure | Charitable activities £ | 2021 Total £ | 2020 Total £ |
|----------------------------------|-------------------------------|-------------------------|--------------------|
| Grants payable (note 6) | 3,029,666 | 2,609,666 | 3,002,556 |
| Talk The Talk programme expenses | - | - | 260,368 |
| Support costs | 7,842 | 7,842 | 16,187 |
| | <u>3,037,508</u> | <u>2,617,508</u> | <u>3,279,111</u> |

Total governance costs were £3,480 (2019: £3,360).

6. Grants payable

Grants payable were made to the following institutions:

| | 2021 £ | 2020 £ |
|-------------------------------|-------------------------|------------------|
| Acumen | 100,000 | 100,000 |
| ARK (Whatever It Takes) | - | 20,000 |
| Bulldog Trust (The Fore) | 120,000 | 90,000 |
| Career Ready | 25,000 | 25,000 |
| Childline (NSPCC) | 60,000 | 60,000 |
| Coventry Boys & Girls Club | 20,000 | 5,000 |
| Cumbria Youth Alliance | - | 35,000 |
| Debate Mate | - | 25,000 |
| Dulverton Trust | 600,000 | 400,000 |
| Edge Foundation | - | 280,000 |
| Education for All | - | 20,000 |
| Family Action | 18,800 | 60,000 |
| Farms for City Children | - | 25,000 |
| Impact Foundation | 50,000 | 25,000 |
| John Fawcett Foundation | - | 20,000 |
| Kith and Kids | 21,838 | 10,000 |
| Oakleaf Enterprise | 25,000 | 20,000 |
| One Acre Fund | - | 120,000 |
| Onside Croydon | - | 25,000 |
| Onside Youth Carlisle | - | 31,142 |
| Onside Youth Zones HQ | 100,000 | - |
| Orbis Charitable Trust | 20,000 | - |
| Ormiston Families | 60,000 | - |
| PEAS | 100,000 | 200,000 |
| Subtotal carried to next page | <u>1,320,638</u> | <u>1,596,142</u> |

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

6. Grants payable (continued)

| | 2021 £ | 2020 £ |
|--|------------------|------------------|
| Subtotal brought forward from previous page | 1,320,638 | 1,596,142 |
| ReachOut Youth | - | 72,513 |
| Right to Success | - | 100,000 |
| Rising Sun Domestic Violence | 25,000 | 15,000 |
| Room to Read | 150,000 | 300,000 |
| RSA | - | 19,000 |
| Shakespeare Schools | 25,000 | 25,000 |
| Skills Builder Partnership (Enabling Enterprise) | 158,400 | 70,000 |
| Sylvia Adams Trust | - | 240,000 |
| Talk the Talk | 182,467 | 175,000 |
| Teach a Man to Fish | 25,000 | 20,000 |
| The Big Give | 150,000 | - |
| The Door Youth Project | 20,000 | - |
| The Fore (RAFT) | 50,000 | - |
| Tudor Trust | 400,000 | 250,000 |
| Young Gloucestershire | 25,000 | 10,000 |
| Other (<£20k) (12 grants in 2021, 17 grants in 2020) | 78,161 | 109,901 |
| | <u>2,609,666</u> | <u>3,002,556</u> |

7. Grants commitments

| | 2021 £ | 2020 £ |
|------------------------------------|--------------------|--------------------|
| Grants payable to institutions: | | |
| Grant commitments brought forward | 417,809 | 153,333 |
| Grants committed during the period | 2,609,666 | 3,002,556 |
| Grants paid during the period | <u>(2,612,375)</u> | <u>(2,738,080)</u> |
| Grant commitments carried forward | <u>415,100</u> | <u>417,809</u> |

In addition to the above grant commitments, the charity has made pledges of up to £779,000 of funding for future periods which are subject to satisfactory reporting, and therefore have not been accrued at year end. The charity has also made offers of up to £810,000 in match funding to be paid in 2021/22, amounts of which are subject to grantees raising sufficient funding. As the amount payable cannot be measured with sufficient certainty at 31 March, this has also not been accrued in the year end accounts.

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

8. Net movement in funds

This is stated after charging:

| | 2021 £ | 2020 £ |
|-----------------------------------|-------------------|-------------------|
| Trustees' remuneration | Nil | Nil |
| Trustees' reimbursed expenses | Nil | Nil |
| Auditors' remuneration: | | |
| ▪ Statutory audit (including VAT) | 3,480 | 3,360 |
| ▪ Other services (including VAT) | - | 624 |
| | <u> </u> | <u> </u> |

9. Staff costs and numbers

Staff costs were as follows:

| | 2021 £ | 2020 £ |
|------------------------------|-------------------|-------------------|
| Salaries and wages | - | 78,430 |
| Social security and taxation | - | 4,851 |
| Pension costs | - | 1,892 |
| | <u> </u> | <u> </u> |
| | <u> </u> | <u>85,173</u> |

No employee earned more than £60,000 during the year.

The key management personnel of the charity comprise the Trustees. The total employee benefits of the key management personnel were £nil (2020: £nil).

| | 2021 No. | 2020 No. |
|-------------------|-------------------|-------------------|
| Average headcount | <u> </u> | <u> </u> |
| | - | 2 |

There were no staff employed in the year. An average headcount of 5.5 staff was employed by the charity from April to August 2019. Following this, all staff were transferred to Talk the Talk, a related charity.

10. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

11. Investments

| | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| Market value: | | |
| At 1 April | 3,859,536 | 6,249,254 |
| Additions | 692,216 | 28,530 |
| Disposals proceeds | (695,700) | (2,257,661) |
| Realised and unrealised gains / (losses) | 597,265 | (160,587) |
| At 31 March | 4,453,317 | 3,859,536 |

| | 2021 | 2020 |
|--------------------|------------------|------------------|
| | £ | £ |
| Historical cost: | | |
| At 1 April | 4,322,713 | 6,182,600 |
| Additions | 692,216 | 28,530 |
| Disposals | (648,914) | (1,888,417) |
| At 31 March | 4,366,015 | 4,322,713 |

There were no investments assets held outside the UK.

| | 2021 | 2020 |
|--|------------------|------------------|
| | £ | £ |
| Listed UK investments include the following: | | |
| Charities Property Fund | 1,058,574 | 1,076,393 |
| Listed equities | 3,394,743 | 2,783,143 |
| | 4,453,317 | 3,859,536 |

| | 2021 | 2020 |
|---|------|------|
| | £ | £ |
| Shares in group undertakings include the following: | | |
| Four Acre Trading Limited | - | 1 |

Investment in subsidiary company

The investment represented 100% of the ordinary share capital of Four Acre Trading Limited (company number: 04550873). The company did not trade during the current or prior year and was dissolved on 22 September 2020.

The aggregate of the assets, liabilities and funds was:

| | 2021 | 2020 |
|--------------|----------|----------|
| | £ | £ |
| Assets | - | 1 |
| Liabilities | - | - |
| Funds | - | 1 |

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

12. Debtors

| | 2021 £ | 2020 £ |
|--------------------------------|---------------|---------------|
| Accrued income | 11,883 | 11,085 |
| Due from John Newlands Limited | - | 207 |
| Other debtors | - | 824 |
| Gift aid | - | 1,488 |
| | <u>11,883</u> | <u>13,604</u> |

13. Creditors : amounts due within 1 year

| | 2021 £ | 2020 £ |
|---------------------------|----------------|----------------|
| Grants committed (note 7) | 415,100 | 417,809 |
| Accruals | <u>3,480</u> | <u>3,350</u> |
| | <u>418,580</u> | <u>421,159</u> |

14. Financial instruments at fair value

| | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Financial assets measured at fair value | <u>4,453,317</u> | <u>3,859,536</u> |

Financial assets measured at fair value comprise listed investments.

Four Acre Trust

Notes to the financial statements

For the year ended 31 March 2021

15. Related party transactions

John Bothamley, a trustee of Four Acre Trust, made donations during the year of £20,000 (2020: £54,000).

John Newlands Limited, a company under the control of John Bothamley, made donations during the year of £1,912,637 (2020: £585,000). At 31 March 2021 the amount owed by John Newlands Limited to the charity was £nil (2020: £207).

Talk the Talk, a charity of which John Bothamley and Mary Bothamley are Trustees, received grants of £82,467 (2020: £175,000) from Four Acre Trust. A further £275,000 is pledged dependent on charitable activity undertaken by Talk the Talk.

ReachOut Youth, a charity of which Marion Baker is a Trustee, received grants of £nil (2020: £72,513) from Four Acre Trust.

Taymour Ezzat, a trustee of Four Acre Trust, provides investment management services on a pro bono basis.