

**THE GLASS-HOUSE TRUST**

ANNUAL REPORT

5 APRIL 2004

Allington House (1st Floor)  
150 Victoria Street  
London SW1E 5AE

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

<b>CONTENTS</b>		<b>PAGE</b>
<b>1</b>	Report of the Trustees	2-6
<b>2</b>	Statement of Financial Activities	7
<b>3</b>	Balance Sheet	8
<b>4</b>	Cash Flow Statement	9
<b>5</b>	Notes to the Accounts	10-14
<b>6</b>	Statement of Trustees' Responsibilities	15
<b>7</b>	Independent Auditors' Report	16

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**REPORT OF THE TRUSTEES**

**Legal and Administrative**

The Glass-House Trust (No. 1017426) was established under a Trust Deed dated 4 February 1993.

<b>Trustees</b>	Alex Sainsbury Elinor Sainsbury James Sainsbury Jessica Sainsbury Judith Portrait	
<b>Registered Office</b>	Allington House (1st Floor) 150 Victoria Street London SW1E 5AE	
<b>Principal Officers</b>	Mr M Pattison CBE Mr P Spokes Miss H Marriott	Director Finance Director Executive
<b>Bankers</b>	Child & Co 1 Fleet Street London EC4Y 1BD	
<b>Solicitors</b>	Portrait Solicitors 1 Chancery Lane London WC2A 1LF	
<b>Auditors</b>	Horwath Clark Whitehill 25 New Street Square London EC4A 3LN	
<b>Investment Advisers</b>	Merrill Lynch Investment Managers 33 King William Street London EC4R 9AS	

**Investment Powers**

The Trust Deed empowers the Trustees to appoint investment advisers who have discretion to invest the funds of the Trust within guidelines established by the Trustees.

**Objects**

The objects of the Trust as given in the Trust Deed are for general charitable purposes.

## THE GLASS-HOUSE TRUST

### 5 April 2004

#### **REPORT OF THE TRUSTEES (continued)**

#### **Organisation**

The Trust is one of the Sainsbury Family Charitable Trusts which share a common administration. The other Sainsbury Family Charitable Trusts which are administered from the Registered Office are as follows:

The Ashden Trust	The Linbury Trust
The Alan and Babette Sainsbury Charitable Fund	The Mark Leonard Trust
The Elizabeth Clark Charitable Trust	The Monument Historic Buildings Trust
The Gatsby Charitable Foundation	The Monument Trust
The Headley Trust	The Staples Trust
The Indigo Trust	The Tedworth Charitable Trust
The J J Charitable Trust	The Three Guineas Trust
The Jerusalem Trust	The True Colours Trust
The Kay Kendall Leukaemia Fund	The Woodward Charitable Trust

#### **Policies**

Proposals are generally invited by the Trustees or initiated at their request. The Trustees prefer to support innovative schemes that can be successfully replicated or become self-sustaining. Grants are not normally made to individuals.

#### **Reserves Policy**

It is the policy of the Trustees to approve grants for payment over a period of years, subject to certain conditions over the life of the grant. Those expected to be paid within twelve months of the year end are accrued in the accounts. Those due to be paid later than this are not accrued. They represent funds earmarked for continued support to certain existing beneficiaries, although formal commitments have not yet been made. Cash flow projections for income and expenditure are regularly reviewed to ensure that the level of available funds is adequate and that the Trust is in a position to meet all its commitments.

The Trustees consider that when possible it is appropriate to hold free funds, both to meet the short-term working capital needs of the Trust and in anticipation of the potential payment of subsequent grant instalments. The deficit on unrestricted reserves at 5 April 2004 was £383,808 (2003: £445,377) and is expected to be met from future income flows. However, in the unlikely event that the Trustees find themselves unable to meet current commitments from unrestricted reserves, they would be willing to draw on expendable endowment in order to meet those commitments, as they see fit.

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**REPORT OF THE TRUSTEES (continued)**

**Investment Policy and Performance**

Trustees meet with their investment managers regularly to discuss investment strategy and also to seek to ensure that the Trust's income requirements are met and that long term capital growth is in line with relevant indices.

The value of the Trust's portfolio rose during the year, although by less than the FT All Share Index in terms of capital value. This was due in part to the Trustees retaining shares offering relatively high yields, in order to offset the continuing loss of income as the government phased out compensation following the abolition of advanced corporation tax and the associated recoverable credits. The Trustees normally hold investments for the long term, and expect to continue to diversify their portfolio when market conditions are suitable.

**Risk Assessment**

The Trustees have examined the major strategic, business and operational risks to which the Trust may be exposed. Through the joint office of the Sainsbury Family Charitable Trusts, systems are in place adequate to meet such potential risks as the Trustees have identified. The Trustees continue to be vigilant and to keep processes under review.

**Review of the Past Year**

The net unrestricted income of the Trust for the year after charging support costs and administration was £620,774, which was slightly down on the previous year's figure of £643,359, primarily as a result of the tax changes mentioned above which have now reduced the Trust's income by over £35,000 by comparison with 1998/9. It is estimated that this figure will rise to £43,000 for the coming year. Support costs and administration costs (excluding the investment management fee) represented 6.1% of the unrestricted income.

During the year, grants to the value of £572,500 were approved. Certain grants are payable over more than one year. Those amounts due to be paid after 5 April 2005 are not accrued in these accounts and amounted to £30,000 at the year end.

The Trustees met three times during the year to make grants and review investments.

During the year the asset value of the Trust increased from £10,537,743 at 5 April 2003 to £11,290,427 at 5 April 2004, a rise of 7.1%.

**Post Balance Sheet Event**

J Sainsbury plc announced that subsequent to the sale of Shaw's Supermarkets, a special distribution of 35p per share was paid to all shareholders on 26 July 2004 which for the Glass-House Trust amounted to £350,000. This sum will be added to expendable endowment. The company has also announced a share consolidation of 7 shares for every 8 existing shares held.

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**REPORT OF THE TRUSTEES (continued)**

**Review of the Past Year (continued)**

Grants approved during the year may be analysed by number and by value in the categories set out below;

	<b>Grants Approved</b>	<b>Value £</b>
Parenting, Family Welfare & Child Development	2	62,500
Art/Architecture	5	150,000
Social Housing/Urban Environment	1	300,000
General	3	60,000
	<b>11</b>	<b>572,500</b>

**GRANTS APPROVED**

**PARENTING, FAMILY WELFARE & CHILD DEVELOPMENT – £62,500**

Institute of Education (London Borough of Hackney) - £62,500

To extend support for core costs for the A Space after-school project, £60,000.

To provide fundraising consultancy and strategic support for the project, £2,500.

**ART/ARCHITECTURE - £150,000**

Pier Trust - £82,000

Towards core and project costs.

London Musicians Collective - £30,000

Towards Resonance FM's core costs.

Architecture Foundation - £20,000

Towards the Home Project to research the concept of 'desirability' as an aspect of housing design, social inclusion and regeneration.

Building Exploratory - £10,000

Towards the programme of adult education activities.

Broomhill Trust - £8,000

Towards the Broomhill Opera's appeal to fully restore Wilton's Music Hall.

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**SOCIAL HOUSING/URBAN ENVIRONMENT – £300,000**

Architecture Foundation/National Tenants Resource Centre - £300,000

Part of a two-year grant to allow these two organizations to establish the Glass-House Service to provide design advice for social housing tenants.

**GENERAL - £60,000**

Transform Drug Policy Foundation - £50,000

Towards core costs, £30,000.

Towards the cost of employing an administrator, £20,000.

Ashden Awards for Sustainable Energy - £10,000

Towards core costs.

**Cancelled Grants**

Grants to the value of £1,295 were cancelled or reduced because of changed requirements.

Approved by the Trustees on ..... and signed on their behalf by:

..... TRUSTEE

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 5 APRIL 2004**

	<i>Notes</i>	<b>Unrestricted Funds</b>	<b>Expendable Endowment</b>	<b>Total Funds 2004</b>	<i>Total Funds 2003 (restated)</i>
		£	£	£	£
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Investment income	2	612,332	-	612,332	624,086
Bank deposit interest		9,991	-	9,991	14,364
Interest on short term deposits		39,732	-	39,732	46,156
<b>Total incoming resources</b>		<b>662,055</b>	<b>-</b>	<b>662,055</b>	<b>684,606</b>
<b>Resources expended</b>					
Cost of generating funds:					
Investment management fee		-	28,674	28,674	28,530
Charitable expenses:					
Grants payable	3	559,205	-	559,205	663,893
Support costs	4	27,009	-	27,009	23,633
Management and administration	5	14,272	(612)	13,660	18,227
<b>Total resources expended</b>	<b>6</b>	<b>600,486</b>	<b>28,062</b>	<b>628,548</b>	<b>734,283</b>
<b>Net incoming resources/(resources expended)</b>		<b>61,569</b>	<b>(28,062)</b>	<b>33,507</b>	<b>(49,677)</b>
<b>Other Recognised Gains and Losses</b>					
Gains/(losses) on investment assets:					
Realised		-	-	-	-
Unrealised	8	-	719,177	719,177	(2,313,858)
<b>Net movement in funds</b>		<b>61,569</b>	<b>691,115</b>	<b>752,684</b>	<b>(2,363,535)</b>
Balances brought forward at 6 April 2003		(445,377)	10,983,120	10,537,743	12,901,278
<b>Balances carried forward at 5 April 2004</b>		<b>(383,808)</b>	<b>11,674,235</b>	<b>11,290,427</b>	<b>10,537,743</b>

The notes on pages 10 to 14 form part of these accounts

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**BALANCE SHEET****AS AT 5 APRIL 2004**

	<i>Notes</i>	2004	2003
		£	£
<b>FIXED ASSETS</b>			
Tangible Fixed Assets	7	7,341	8,564
Investments	8	11,591,434	10,972,257
		<u>11,598,775</u>	<u>10,980,821</u>
<b>CURRENT ASSETS</b>			
Debtors	9	2,443	3,709
Cash at bank and in hand		<u>282,316</u>	<u>256,212</u>
		284,759	259,921
<b>CURRENT LIABILITIES</b>			
<b>Creditors</b> - amounts falling due within 1 year	10	<u>(593,107)</u>	<u>(702,999)</u>
<b>NET CURRENT LIABILITIES</b>		(308,348)	(443,078)
<b>NET ASSETS</b>		<u>11,290,427</u>	<u>10,537,743</u>
<b>CAPITAL FUNDS</b>			
Expendable endowment	11	11,674,235	10,983,120
<b>INCOME FUNDS</b>			
Unrestricted funds	11	(383,808)	(445,377)
		<u>11,290,427</u>	<u>10,537,743</u>

Approved by the Trustees on

and signed on their behalf by :

..... TRUSTEE

The notes on pages 10 to 14 form part of these accounts

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**CASH FLOW STATEMENT**

**FOR THE YEAR ENDED 5 APRIL 2004**

**RECONCILIATION OF NET INCOMING/(OUTGOING)  
RESOURCES TO NET CASH OUTFLOW FROM OPERATING  
ACTIVITIES**

	2004	2003
£	£	£
Net incoming/(outgoing) resources	33,507	(49,677)
Depreciation charge	1,223	612
Decrease/(increase) in debtors	1,266	(3,709)
Decrease in creditors	(109,892)	(93,550)
Net cash outflow from operating activities	<u>(73,896)</u>	<u>(146,324)</u>

**CASH FLOW STATEMENT**

	2004	2003
£	£	£
Net cash outflow from operating activities	(73,896)	(146,324)
Capital expenditure and financial investment		
Purchase of fixed assets	-	(9,176)
Purchase of investments	(100,000)	(200,000)
Sale of investments	200,000	-
	<u>100,000</u>	<u>(209,176)</u>
Increase/(decrease) in cash	<u>26,104</u>	<u>(355,500)</u>

**Analysis of increase in cash during the year**

	2004	2003	Change in year
£	£	£	£
Cash at bank and in hand	<u>282,316</u>	<u>256,212</u>	<u>26,104</u>

The notes on pages 10 to 14 form part of these accounts

# THE GLASS-HOUSE TRUST

## 5 April 2004

### NOTES TO THE ACCOUNTS

#### 1. ACCOUNTING POLICIES

These accounts have been prepared under the historical cost convention as modified by the revaluation of investments, and in accordance with applicable accounting standards and the Statement of Recommended Practice 2000 "Accounting and reporting by Charities".

The principal accounting policies adopted are as follows:

a) Income

- (i) Income is shown gross which includes the associated tax credit unless the tax so deducted is considered irrecoverable.
- (ii) Dividends are included by reference to their due dates.
- (iii) Interest is recorded only when it has been received.

b) Grants payable

Grants for which there is a legally binding commitment are accounted for within the Statement of Financial Activities.

Payments that are due within one year of the year-end date are included within grants payable in the Statement of Financial Activities. Other grants are accounted for in the Statement of Financial Activities when conditions attaching to the grant are fulfilled.

Grants approved subject to conditions that have not been met at the year-end are noted as a commitment but not accrued as expenditure (see note 3).

c) Investments

Net realised and unrealised gains and losses are reflected in the Statement of Financial Activities.

Investments are shown at mid market value.

Partial disposals are accounted for using average book value.

d) Support and administration costs

The Glass-House Trust is one of the Sainsbury Family Charitable Trusts, which share a common administration. Support and administration costs are shared by those Trusts. The basis for allocation is in proportion to time spent on trust matters and relative income. During the year the basis for allocation was revised and the comparatives have been restated to reflect this.

e) Depreciation

Fixed assets are depreciated at rates which reflect their useful life to the Trust.

The following rates have been used:

Leasehold Improvements - 10% per annum

#### 2. INCOME ON INVESTMENTS

Income received on investments may be analysed as follows:

	2004		2003	
	£	%	£	%
U.K. Fixed Interest	329,120	53.7	324,240	52.0
U.K. Equities	283,212	46.3	299,846	48.0
	612,332	100.0	624,086	100.0

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**NOTES TO THE ACCOUNTS (Continued)**

**3. GRANTS PAYABLE**

	2004	2003
	£	£
<b>Reconciliation of grants payable:</b>		
Commitments at 6 April 2003	680,076	773,234
Grants not accrued at 6 April 2003	18,000	166,893
Grants approved in the year	572,500	515,000
Grants cancelled, refunded or amended	(1,295)	-
Grants not accrued at 5 April 2004	(30,000)	(18,000)
<b>Grants payable for the year</b>	<b>559,205</b>	<b>663,893</b>
Grants paid during the year	(665,540)	(757,051)
Commitments at 5 April 2004	<u>573,741</u>	<u>680,076</u>
<b>Commitments at 5 April 2004 are payable as follows:</b>		
	2004	2003
	£	£
Within one year (note 10)	<u>573,741</u>	<u>680,076</u>

**Commitments**

In addition to the amounts committed and accrued noted above, the Trustees have also authorised certain grants that are subject to the recipient fulfilling certain conditions. The total amount authorised but not accrued as expenditure at 5 April 2004 was £30,000 (2003: £18,000)

The amount payable in the year included the following:

	£
Architecture Foundation	320,000
Pier Trust	82,000
Transform Drugs Policy Institute (TDPI)	50,000
Institute of Education (London Borough of Hackney)	32,500
London Musicians Collective	30,000
University of Oxford	18,000
Ashden Awards for Sustainable Energy	10,000
Building Exploratory	10,000
Broomhill Trust	8,000

**Cancelled Grant**

Institute of Education, Social Science Research Unit	(1,295)
--	---------

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**NOTES TO THE ACCOUNTS (Continued)****4. SUPPORT COSTS**

	Unrestricted Funds	Expendable Endowment	2004 Total	2003 Total (restated)
	£	£	£	£
Project research and support	27,009	-	27,009	23,633
	27,009	-	27,009	23,633

**5. MANAGEMENT AND ADMINISTRATION**

	Unrestricted Funds	Expendable Endowment	2004 Total	2003 Total (restated)
	£	£	£	£
Office costs	5,941	(612)	5,329	6,189
Legal and professional fees	6,069	-	6,069	9,841
Auditor's fees	2,262	-	2,262	2,197
	14,272	(612)	13,660	18,227

Included above is £6,069 payable for legal services to Portrait Solicitors, a firm in which Miss J S Portrait is a partner. No Trustees received remuneration or were reimbursed expenses during the year.

**6. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	Staff costs	Other costs	Grants payable	Total 2004	Total 2003 (restated)
	£	£	£	£	£
<b>Direct charitable expenditure</b>					
Support costs	21,759	5,250	-	27,009	23,633
Grants	-	-	559,205	559,205	663,893
Administration	1,408	12,252	-	13,660	18,227
Investment management fee	-	28,674	-	28,674	28,530
<b>Total</b>	23,167	46,176	559,205	628,548	734,283
				2004	2003 (restated)
Staff costs:				£	£
Wages and salaries				19,232	19,635
Social security costs				2,097	1,824
Other pension costs				1,838	1,797
				23,167	23,256

As mentioned in Note 1(d), the Trust is one of the Sainsbury Family Charitable Trusts, which share a joint administration at the Registered Office. 1.57% of the total support and administration costs of these trusts have been allocated to The Glass-House Trust, including a proportionate share of the cost of employing the 26 staff serving in the office in 2003/04 (2002/03 - 26).

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**NOTES TO THE ACCOUNTS (Continued)****7. TANGIBLE FIXED ASSETS**

	<b>Leasehold Improvements</b>
	£
<u>Cost</u>	
<b>At 6 April 2003 and 5 April 2004</b>	9,176
<u>Depreciation</u>	
At 6 April 2003	612
Charge for the year	1,223
<b>Accumulated depreciation at 5 April 2004</b>	1,835
<b>Net book value at 5 April 2004</b>	7,341
Net book value at 5 April 2003	8,564

**8. FIXED ASSET INVESTMENTS**

	<b>2004</b>	<b>2003</b>
	£	£
Market value 6 April 2003	10,972,257	13,086,115
Less: Disposals	(200,000)	-
Add: Acquisitions at cost	100,000	200,000
Net gains/(losses) on revaluation	719,177	(2,313,858)
<b>Market value 5 April 2004</b>	11,591,434	10,972,257
Historical cost 5 April 2004	13,304,095	13,404,095

The investments held as at 5 April 2004 were as follows:

	<b>2004</b>	<b>2003</b>
	<b>Cost</b>	<b>Market Value</b>
	<b>2004</b>	<b>2003</b>
	<b>Cost</b>	<b>Market Value</b>
	£	£
Fixed Interest	5,422,900	5,383,678
U.K. Equities	6,881,195	5,207,756
Short-term securities	1,000,000	1,000,000
	13,304,095	11,591,434
	13,404,095	10,972,257

**9. DEBTORS**

Debtors consist of the following:

	<b>2004</b>	<b>2003</b>
	£	£
Other debtors	2,443	3,709

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**NOTES TO THE ACCOUNTS (Continued)**

**10. CREDITORS**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
Grants payable (note 3)	573,741	680,076
Professional charges	5,010	8,722
Investment management fee	14,303	14,201
Other creditors	53	-
	<u>593,107</u>	<u>702,999</u>

**11. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds</b>	<b>Expendable Endowment</b>	<b>Totals 2004</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fund balances at 5 April 2004 are represented by :			
Tangible fixed assets	-	7,341	7,341
Investments	-	11,591,434	11,591,434
Current assets	194,996	89,763	284,759
Current liabilities	(578,804)	(14,303)	(593,107)
<b>Total net assets</b>	<u>(383,808)</u>	<u>11,674,235</u>	<u>11,290,427</u>

**Unrealised losses included in the above**

On investment assets (see note below)	-	(1,712,661)	(1,712,661)
Total unrealised losses at 5 April 2004	<u>-</u>	<u>(1,712,661)</u>	<u>(1,712,661)</u>

**Reconciliation of movements in unrealised losses on investment assets**

Unrealised losses at 6 April 2003	-	(2,431,838)	(2,431,838)
Add in respect of disposals in year	-	-	-
		<u>(2,431,838)</u>	<u>(2,431,838)</u>
Add: net gains arising on revaluation in year	-	719,177	719,177
Unrealised losses at 5 April 2004, as above	<u>-</u>	<u>(1,712,661)</u>	<u>(1,712,661)</u>

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE ACCOUNTS**

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any 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 charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud.

# THE GLASS-HOUSE TRUST

## 5 April 2004

### INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE GLASS-HOUSE TRUST

We have audited the financial statements of The Glass-House Trust for the year ended 5 April 2004 which comprise of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes set out on pages 10 to 14. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 10.

This report is made solely to the charity Trustees, as a body, in accordance with Regulation 6(2) of the Charities (Accounts and Reports) Regulations 1995 (SI 1995/2724) as amended by Regulation 4(a) of the Charities (Accounts and Reports) Regulations 2000 (SI 2000/2868). Our audit work has been undertaken so that we might state to the charity 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 Trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

#### **Respective responsibilities of trustees and auditors**

The Trustees' responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on page 15.

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 financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements 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 financial statements, 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 other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements 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 financial statements.

#### **Unqualified opinion**

In our opinion the financial statements give a true and fair view of the state of affairs of the charity as at 5 April 2004 and of its incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Charities Act 1993.

Horwath Clark Whitehill  
Chartered Accountants and Registered Auditors  
Date

25 New Street Square  
London  
EC4A 3LN

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**SCHEDULE OF INVESTMENTS****Schedule 1****HOLDINGS AT 5 APRIL 2004**

<u>INVESTMENTS QUOTED</u>	<u>Nominal</u>	<u>Cost or Value</u>	<u>Market Value</u>
		£	£
<b>Fixed Interest</b>			
Charinco Distribution Units	660,000	1,224,539	1,237,500
Charity Funds Fixed Income COIF	1,565,000	2,108,176	2,055,628
M&G Securities Ltd Charibond Income	1,650,000	2,090,185	2,090,550
		<u>5,422,900</u>	<u>5,383,678</u>
<b>U.K. Equities</b>			
Cazenove Investment Fund	904.32	100,000	104,349
Charishare	225,000	622,055	754,200
M&G Securities Limited Charifund Income	101,500	1,184,050	1,103,457
ML Defined Returns Income	250,000	246,923	212,500
J Sainsbury plc	1,100,000	4,728,167	3,033,250
		<u>6,881,195</u>	<u>5,207,756</u>
<b>Short term securities</b>			
Bank of Scotland MMD		1,000,000	1,000,000
		<u>1,000,000</u>	<u>1,000,000</u>
<b>SUMMARY</b>			
Fixed Interest		5,422,900	5,383,678
U.K. Equities		6,881,195	5,207,756
Short term securities		<u>1,000,000</u>	<u>1,000,000</u>
		<u>13,304,095</u>	<u>11,591,434</u>

**THE GLASS-HOUSE TRUST**  
**5 April 2004**

**SCHEDULE OF INVESTMENTS - DISPOSALS****Schedule 2****FOR THE YEAR ENDED 5 APRIL 2004**

	<b>Nominal</b>	<b>Cost or Market Value</b>	<b>Proceeds</b>	<b>Profit/ (Loss)</b>
		£	£	£
Bank of New York Money Market Deposits		200,000	200,000	-