

# **THE GLASS-HOUSE TRUST**

ANNUAL REPORT

5 APRIL 2009

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

**THE GLASS-HOUSE TRUST**  
**5 April 2009**

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**THE GLASS-HOUSE TRUST**  
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**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 A Bookbinder Mr P Spokes Mr Matthew Williams Miss H Marriott	Director Finance Director Executive 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 LLP St Bride's House, 10 Salisbury Square London EC4Y 8EH	
<b>Investment Advisers</b>	Berry Asset Management Plc 101 The Chambers, Chelsea Harbour London SW10 0XF	

**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.

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**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. The Trustees' objective for the current year is for the Trust to continue its grant-making.

**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, whilst those due to be paid later than this are not accrued. These are referred to in note 3 to the accounts and amount to £405,741. 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 reserves 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 2009 was £59,532 (2008: £97,606) 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.

**Charity and Public Benefit**

Trustees are aware of the Charity Commission guidance on Charity and Public Benefit. They consider the very full information about the Trust's aims, activities and achievements in the many areas of interest that the Trust supports which follows in this annual report, demonstrates the benefit to its beneficiaries, and through them to the Public that arise from carrying out those aims.

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**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 fell during the year in terms of capital value, due to the widely publicised fall in the financial markets. The Trustees normally hold investments for the long term.

**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.

**Environmental Policy**

Since 2004, a sustainability group has been actively trying to reduce the Trusts' carbon footprint. In September 2007, the charity Global Action Plan carried out an environmental audit, whose recommendations both management and staff are committed to implementing.

**Review of the Past Year**

During the year the asset value of the Trust decreased from £12,160,042 at 5 April 2008 to £9,981,355 at 5 April 2009, a fall of 17.9%, largely caused by the fall in investment values as described above. The net unrestricted income of the Trust for the year after charging support and governance costs was slightly down at £555,708, compared with the previous year's figure of £562,524, mostly as a result of falling interest rates on the Trust's cash based investments.

The Trustees met twice during the year to make grants and twice more to review investment activity. During the year, grants to the value of £381,000 were approved.

Grants paid in 2008/09 are given below, together with a brief description of the wider aims of each organisation supported. Trustees believe this emphasises the public benefit which flows from their grant-making.

Trustees are keen that fruits of several years' development of new methods and ideas are realised fully and available widely. Trustees are therefore considering if public benefit is best delivered through a thematic approach, or whether alternatives may deliver more, for example:

- Supporting several projects in a locality to work towards a particular broad goal; or
- Supporting a limited number of organisations over several years to realise fully the benefits of their work.

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**REPORT OF THE TRUSTEES (continued)**

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

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

	<b>Grants Paid</b>	<b>Value £</b>
Built Environment	2	270,000
Child Development	2	67,500
Older People	1	20,000
Social Policy	1	20,000
Art	4	41,000
Overseas Development	1	15,150
General	1	1,483
	12	435,133

**GRANTS PAID**

**BUILT ENVIRONMENT – £270,000**

Glass-House Community Led Design - £250,000

Core costs. This project was set up by trustees in 2000 and established as an independent charity in 2006. It provides design advice to residents participating in the regeneration of social housing.

Supporting local people to participate in the creation of the urban spaces in which they live hopefully results in design projects that enrich rather than impose on local communities. The charity also trains design professionals and members of the public in participatory design for the built environment.

National Communities Resource Centre - £20,000

Maintenance of Trafford Hall, the charity's national training centre for community groups. NCRC offers training and support to people living and working in low-income areas throughout the UK to develop their skills, confidence and capacity to tackle local social and environmental problems and enrich their communities.

**CHILD DEVELOPMENT – £67,500**

A Space - £62,500

Director's salary. A Space is an innovative project in Hackney providing learning and emotional support for children within a number of the Borough's primary and secondary schools.

Best Beginnings - £5,000

Core costs. Best Beginnings is a new charity which aims to promote optimum maternal and infant health.

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**OLDER PEOPLE - £20,000**

hact (Housing Associations Charitable Trust) - £20,000

Small grants programme to assist social housing providers in north-west England and east London develop local intergenerational projects. hact works with housing associations and community organisations to test and promote practical solutions for social inclusion.

Relationships between younger and older people within a community are a matter of great concern. This programme aims to model projects that foster intergenerational cohesion which others may find useful to recreate or adapt in their own neighbourhoods.

**SOCIAL POLICY – £20,000**

Transform Drug Policy Foundation - £20,000

Core costs. Drug policy is a matter of public concern which impacts on many people's lives directly and indirectly. Transform highlights the negative social and economic costs of wholesale prohibition and encourages rational discussion of alternative approaches.

**ART - £41,000**

Golden Lane School - £5,000

Construction and installation of public art works by Nils Norman on the new Golden Lane Campus, Islington.

Intoart Projects - £5,000

Studio space and materials. Intoart is an artists' collective based in south London consisting of people who have a learning disability and aims to create a space in which new audiences can celebrate the excellence of their artwork.

London Musicians Collective - £15,000

Running costs of Resonance FM, the sound art radio station. An alternative to commercial and state-funded radio, this broadcast and internet radio station reaches a wide audience in greater London and beyond, presenting perspectives and works that would otherwise be unavailable.

Raven Row - £16,000

Residency by international sound art collective Ultra-red, including a practice-based workshop on activism and sound art for UK artists and community organisers. Raven Row is a new non-profit contemporary art exhibition centre in Spitalfields, east London.

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**OVERSEAS - £15,150**

Akany Avoko, Madagascar - £15,150

Development manager's salary. Akany Avoko is a community refuge in Madagascar providing education and shelter to girls and young women.

**GENERAL - £1,483**

The Sainsbury Archive - £1,483

Core costs. The Sainsbury Archive documents the history of J Sainsbury plc from its foundation in Drury Lane in 1869, but also provides a unique record of the history of retailing since the mid-19th century and the impact of this on society.

Approved by the Trustees on 15 September 2009 and signed on their behalf by:

..... TRUSTEE

**THE GLASS-HOUSE TRUST**  
**5 April 2009**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 5 APRIL 2009**

	<i>Notes</i>	Unrestricted Funds	Expendable Endowment	Total Funds 2009	<i>Total Funds 2008</i>
		£	£	£	£
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Investment income	2	564,356	-	564,356	571,102
Interest on short-term deposits		3,972		3,972	
Bank deposit interest		27,715	-	27,715	29,406
Total incoming resources		<u>596,043</u>	<u>-</u>	<u>596,043</u>	<u>600,508</u>
<b>Resources expended</b>					
Cost of generating funds:					
Investment management fee		-	17,595	17,595	22,537
Charitable activity:					
Grant-making	3	517,634	-	517,634	413,958
Grant related support costs	4	35,606	-	35,606	33,376
Cost of grant-making		553,240	-	553,240	447,334
Governance costs	4	4,729	-	4,729	4,608
Total resources expended		<u>557,969</u>	<u>17,595</u>	<u>575,564</u>	<u>474,479</u>
<b>Net incoming resources/(resources expended)</b>		38,074	(17,595)	20,479	126,029
<b>Other Recognised Gains and Losses</b>					
Losses on investment assets:					
Realised		-	(88,662)	(88,662)	(43,437)
Unrealised	7	-	(2,110,504)	(2,110,504)	(1,632,681)
<b>Net movement in funds</b>		<u>38,074</u>	<u>(2,216,761)</u>	<u>(2,178,687)</u>	<u>(1,550,089)</u>
Balances brought forward at 6 April 2008		(97,606)	12,257,648	12,160,042	13,710,131
<b>Balances carried forward at 5 April 2009</b>		<u>(59,532)</u>	<u>10,040,887</u>	<u>9,981,355</u>	<u>12,160,042</u>

The notes on pages 10 to 15 form part of these accounts

**THE GLASS-HOUSE TRUST**  
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**BALANCE SHEET****AS AT 5 APRIL 2009**

	<i>Notes</i>	2009	2008
		£	£
<b>FIXED ASSETS</b>			
Tangible Fixed Assets	<b>6</b>	2,753	3,670
Investments	<b>7</b>	9,325,727	11,844,986
		<u>9,328,480</u>	<u>11,848,656</u>
<b>CURRENT ASSETS</b>			
Debtors	<b>8</b>	25,799	40,497
Cash at bank and in hand		1,056,608	617,913
		<u>1,082,407</u>	<u>658,410</u>
<b>CURRENT LIABILITIES</b>			
<b>Creditors</b> - amounts falling due within 1 year	<b>9</b>	<u>(429,532)</u>	<u>(347,024)</u>
<b>NET CURRENT ASSETS</b>		652,875	311,386
<b>NET ASSETS</b>		<u>9,981,355</u>	<u>12,160,042</u>
<b>CAPITAL FUNDS</b>			
Expendable endowment	<b>10</b>	10,040,887	12,257,648
<b>INCOME FUNDS</b>			
Unrestricted funds	<b>10</b>	(59,532)	(97,606)
		<u>9,981,355</u>	<u>12,160,042</u>

Approved by the Trustees on 15 September 2009 and signed on their behalf by :

..... TRUSTEE

The notes on pages 10 to 15 form part of these accounts

**THE GLASS-HOUSE TRUST**  
**5 April 2009**

## NOTES TO THE ACCOUNTS

### 1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities", applicable accounting standards and the Charities Act 1993, and comply with the Charities (Accounts and Reports) Regulations 2005 issued under the Charities Act 1993.

The Charity has taken advantage of the exemptions provided under the SORP 2005 and has not prepared a cash flow statement for the year.

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) Grant expenditure
 

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 grant expenditure 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 in shares are shown at mid market value, whilst investments in managed funds are shown at bid value.

Partial disposals are accounted for using average book value.
  
- d) Support costs
 

Most of these costs support the grant-making activity of the Trust and are so allocated. They comprise in the main a share of the staff and office costs of the joint office of the Sainsbury Family Charitable Trusts, which are allocated in proportion to time spent on Trust matters and grants paid.
  
- e) Charitable activity
 

The Trustees consider that grant-making is the Trust's sole charitable activity.
  
- f) Governance costs
 

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include fees for statutory audit, legal fees where relevant, together with an allocation of support costs.
  
- g) Depreciation
 

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

The following rate has been used:

Leasehold Improvements (excluding land)	-	10% per annum
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**THE GLASS-HOUSE TRUST**  
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**NOTES TO THE ACCOUNTS (Continued)**

**2. INVESTMENT INCOME**

Income received on investments may be analysed as follows:

	<b>2009</b>		<b>2008</b>	
	£	%	£	%
U.K. Fixed Interest	313,071	55.5	293,239	51.3
U.K. Equities	182,418	32.3	200,941	35.2
Overseas Equities	68,867	12.2	76,922	13.5
	<u>564,356</u>	<u>100.0</u>	<u>571,102</u>	<u>100.0</u>

**3. GRANTS PAYABLE**

	<b>2009</b>		<b>2008</b>	
	£	£	£	£
<b>Reconciliation of grants payable:</b>				
Commitments at 6 April 2008		341,633		285,986
Grants not accrued at 6 April 2008	542,375		323,769	
Grants approved in the year	381,000		632,575	
Grants cancelled, refunded or amended	-		(11)	
Grants not accrued at 5 April 2009	<u>(405,741)</u>		<u>(542,375)</u>	
<b>Grants payable for the year</b>		<b>517,634</b>		<b>413,958</b>
Grants paid during the year		(435,133)		(358,311)
Commitments at 5 April 2009		<u>424,134</u>		<u>341,633</u>

**Commitments at 5 April 2009 are payable as follows:**

	<b>2009</b>	<b>2008</b>
	£	£
Within one year (note 9)	<u>424,134</u>	<u>341,633</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 2009 was £405,741 (2008: £542,375).

**THE GLASS-HOUSE TRUST**  
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**NOTES TO THE ACCOUNTS (Continued)**

**3. GRANTS PAYABLE (Continued)**

The amount payable in the year comprises the following: £

**Built Environment**

Glass-House Community-led Design	250,000
Hact (Housing Associations Charitable Trust)	55,000

**Child Development**

A Space	90,000
Best Beginnings	5,000

**Social Policy**

Transform Drug Policy Foundation	15,000
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**Overseas**

Money for Madagascar	15,150
WAM Foundation	5,000

**Art**

London Musicians Collective	30,000
Raven Row	16,000

**General**

The Ashden Awards	10,000
National Communities Resource Centre	20,000
The Sainsbury Archive	6,484

**4. ALLOCATION OF SUPPORT COSTS**

	Charitable Activity	Governance	2009 Total	2008 Total
	£	£	£	£
Staff costs	20,825	2,026	22,851	21,337
Office costs	8,472	-	8,472	7,702
Depreciation	917	-	917	918
	30,214	2,026	32,240	29,957
Legal fees	5,392	-	5,392	5,324
Auditor's fees	-	2,703	2,703	2,703
	35,606	4,729	40,335	37,984

Included above is £5,392 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.

**THE GLASS-HOUSE TRUST**  
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**NOTES TO THE ACCOUNTS (Continued)**

**5. ANALYSIS OF STAFF COSTS**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Wages and salaries	18,602	17,687
Social security costs	2,155	2,061
Other pension costs	2,094	1,589
	<u>22,851</u>	<u>21,337</u>

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. 1.0% 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 total number of staff serving in the office in 2008/09. Staff costs equivalent to 0.3 full time employees were charged to The Glass-House Trust, the same as in 2007/08. Included in staff costs are contributions to money purchase pension schemes.

**6. TANGIBLE FIXED ASSETS**

	<b><u>Leasehold</u></b>
	<b><u>Improvements</u></b>
	<b>£</b>
<u>Cost</u>	
<b>At 6 April 2008 and 5 April 2009</b>	<u>9,176</u>
<u>Depreciation</u>	
At 6 April 2008	5,506
Charge for the year	917
<b>Accumulated depreciation at 5 April 2009</b>	<u>6,423</u>
<b>Net book value at 5 April 2009</b>	<u>2,753</u>
Net book value at 5 April 2008	<u>3,670</u>

**THE GLASS-HOUSE TRUST**  
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**NOTES TO THE ACCOUNTS (Continued)**

**7. FIXED ASSET INVESTMENTS**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Market value 6 April 2008	11,844,986	13,259,103
Less: Disposals	(2,099,585)	(351,436)
Add: Acquisitions at cost	1,690,830	300,000
Net gains on revaluation	(2,110,504)	(1,632,681)
<b>Market value 5 April 2009</b>	<b>9,325,727</b>	<b>11,844,986</b>
Historical cost 5 April 2009	12,215,543	12,616,855

The investments held as at 5 April 2009 were as follows:

	<b>2009</b>	<b>2008</b>
	<b>Cost</b>	<b>Cost</b>
	<b>Market Value</b>	<b>Market Value</b>
	<b>£</b>	<b>£</b>
Fixed Interest	5,545,703	4,806,643
U.K. Equities	5,309,094	3,706,097
Overseas Equities	1,360,746	812,987
	<b>12,215,543</b>	<b>9,325,727</b>
	<b>9,325,727</b>	<b>12,616,855</b>
	<b>12,616,855</b>	<b>11,844,986</b>

Fixed interest investments at 5 April 2009 included the following at market value:

	<b>£</b>
Charity Funds Fixed Income COIF	1,975,813
M&G Securities Ltd Charibond Income	1,879,350

UK Equities at 5 April 2009 included the following at market value:

J Sainsbury plc	858,000
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**8. DEBTORS**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Income tax recoverable	8,648	3,808
Other debtors	17,151	36,689
	<b>25,799</b>	<b>40,497</b>

**9. CREDITORS**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Grants payable (note 3)	424,134	341,633
Professional charges	5,398	5,391
	<b>429,532</b>	<b>347,024</b>

**THE GLASS-HOUSE TRUST**  
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**NOTES TO THE ACCOUNTS (Continued)****10. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted Funds</b>	<b>Expendable Endowment</b>	<b>Totals 2009</b>
	£	£	£
Fund balances at 5 April 2009 are represented by :			
Tangible fixed assets	-	2,753	2,753
Investments	-	9,325,727	9,325,727
Current assets	370,000	712,407	1,082,407
Current liabilities	(429,532)	-	(429,532)
<b>Total net assets</b>	<b>(59,532)</b>	<b>10,040,887</b>	<b>9,981,355</b>
<b>Unrealised losses included in the above</b>			
On investment assets (see note below)	-	(2,889,816)	(2,889,816)
 Total unrealised losses at 5 April 2009	 -	 (2,889,816)	 (2,889,816)
<b>Reconciliation of movements in unrealised losses on investment assets</b>			
Unrealised gains at 6 April 2008	-	(771,869)	(771,869)
Deduct in respect of disposals in year	-	(7,443)	(7,443)
	-	(779,312)	(779,312)
Deduct: net losses arising on revaluation in year	-	(2,110,504)	(2,110,504)
 Unrealised losses at 5 April 2009, as above	 -	 (2,889,816)	 (2,889,816)

**THE GLASS-HOUSE TRUST**  
**5 April 2009**

**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 2009**

**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 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes set out on pages 7 to 14. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the charity trustees, as a body, in accordance with Regulation 7(2) of the Charities (Accounts and Reports) Regulations 2005 (SI 2005/572). 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 16.

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 International Standards on Auditing (UK and Ireland).

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 International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity as at 5 April 2009 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 LLP  
Chartered Accountants and Registered Auditors  
Date

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