

**THE GLASS-HOUSE TRUST**

ANNUAL REPORT

5 APRIL 2011

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

**THE GLASS-HOUSE TRUST**  
**5 April 2011**

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**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**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 (retired 12 July 2011) Jessica Sainsbury (retired 12 July 2011) 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	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>	Crowe Clark Whitehill LLP St Bride's House, 10 Salisbury Square London EC4Y 8EH	
<b>Investment Advisers</b>	Berry Asset Management Plc 79 Pall Mall London SW1Y 5ES	

**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**  
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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.

**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. There have been no significant changes in the grant making policies of the Trust in the current year.

**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 £110,943. 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 2011 was £174,686 (2010: £75,891) which 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 and confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to it. They consider the full information which follows in this annual report, about the Trust's aims, activities and achievements in the many areas of interest that the Trust supports demonstrates the benefit to its beneficiaries, and through them to the Public, that arise from those activities.

**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**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 investment portfolio fell slightly in the year but this was due to cash from investment sales not being reinvested until after the year end. On a total return basis, the return for the year was around 6.2%. 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.

**Review of the Past Year**

During the year the asset value of the Trust increased from £11,071,856 at 5 April 2010 to £11,227,052 at 5 April 2011, an increase of 1.4%. The net unrestricted income of the Trust for the year after charging support and governance costs was £388,762, down on the previous year's figure of £467,499, as the Trust moved into stocks offering a higher capital value increase but lower income yields.

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 £206,000 were approved.

Grants paid in 2010/11 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.

**THE GLASS-HOUSE TRUST**  
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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	3	222,500
Child Development	2	87,500
Older People	1	35,000
Social Policy	1	25,000
Art	4	52,000
Overseas Development	1	7,500
General	1	5,741
	<b>13</b>	<b>435,241</b>

**GRANTS PAID**

**BUILT ENVIRONMENT – £222,500**

**Glass-House Community-Led Design – £187,500**

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.

**Landmark Trust - £5,000**

Towards the restoration of Astley Castle, Warwickshire.

Astley Castle is a site of great complexity and resonance. A contemporary house designed by Witherford Watson Mann will be built into the medieval heart of the ruined castle.

**National Communities Resource Centre - £30,000**

Refurbishment of Trafford Hall.

Participants in the workshops at Trafford Hall leave the pressures of their home environments in order to address issues affecting their communities within a positive and comfortable atmosphere. Trafford Hall has not had the opportunity to refurbish the common parts for over a decade. This grant enabled a significant enhancement of the comfort and attraction of the centre.

**THE GLASS-HOUSE TRUST**  
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**CHILD DEVELOPMENT – £87,500**

**A Space – £72,500**

Director's salary and a researcher based at the University of Essex to explore and develop outcome measures.

A Space provides therapeutic support for children within primary and secondary schools in Hackney. This pioneering project was set up by Trustees in 1998 and aims to foster children's emotional expression and development, especially through creative activities.

**Best Beginnings – £15,000**

Core costs.

Best Beginnings is a new charity which aims to disseminate DVDs and other sources of advice to expectant mothers on optimum maternal and infant health.

**OLDER PEOPLE - £35,000**

**HACT: The Housing Action Charity – £35,000**

Small grants programme for social housing providers in north-west England and east London to develop local intergenerational projects.

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 – £25,000**

**Transform Drug Policy Foundation – £25,000**

Core costs. Trustees also funded and oversaw the publication of "After the War on Drugs: Blueprint for Regulation" – a major policy initiative.

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.

**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**ART - £52,000**

**Barbara Steveni - £7,000**

Towards the recording and dissemination of Barbara Steveni's archive.

Artist Placement Group (APG) was one of the most important initiatives by British artists in the 1960s and 70s. It broke radically new ground in formulating means for artists to engage in the public realm, with commerce, industry and Government. APG was conceived by Barbara Steveni. Her archive records much of the collaboration she brokered between leading artists of the day and leaders in industry and later British Government Departments. (The remainder of the APG archive is housed at Tate Britain).

**Engineers Against Poverty - £10,000**

Towards the Olympic Builders project overseen by Margaret Dickinson.

This project will support skills development for new film makers via a documentary project recording the experience of construction workers on the Olympic Park site, east London.

**Resonance FM – £20,000**

Running costs.

Resonance FM is a sound art radio station. An alternative to commercial and state-funded radio, this unique broadcast and internet radio station reaches a wide audience in greater London and internationally, presenting innovative experimental and educational broadcasts that would otherwise be unavailable.

**Tate Britain – £15,000**

Towards cataloguing and other work on the archive of the Artists Placement Group to make this accessible to the public, other artists and researchers.

Artist Placement Group (APG) was one of the most important initiatives by British artists in the 1960s and 70s. It broke radically new ground in formulating a means for artists to engage in the public realm, with commerce, industry, and Government. Although housed at Tate from 2004, APG's valuable archive has been inaccessible to the public due to a lack of funds to catalogue it. This grant enabled the cataloguing to be done, such that the archive is now publically accessible.



**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**OVERSEAS DEVELOPMENT- £7,500**

**Akany Avoko, Madagascar – £7,500**

Development manager's salary.

Akany Avoko is a community refuge in Madagascar providing education and shelter to girls and young women who would otherwise be in prison awaiting trial to prove their innocence against allegations of petty crime. Akany Avoko aims to encourage a safe return to society and find ways to beat poverty that helps conserve the environment.

**GENERAL - £5,741**

**The Sainsbury Archive – £5,741**

Core costs.

The Sainsbury Archive, housed at the Museum of Docklands, 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 4 October 2011 and signed on their behalf by:

..... TRUSTEE

**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 5 APRIL 2011**

	<i>Notes</i>	<b>Unrestricted Funds</b>	<b>Expendable Endowment</b>	<b>Total Funds 2011</b>	<i>Total Funds 2010</i>
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Investment income	2	421,398	-	421,398	497,803
Bank deposit interest		5,267	-	5,267	6,573
Total incoming resources		<u>426,665</u>	<u>-</u>	<u>426,665</u>	<u>504,376</u>
<b>Resources expended</b>					
Cost of generating funds:					
Investment management fee		-	20,834	20,834	19,876
Charitable activity:					
Grant-making	3	487,557	-	487,557	483,858
Grant related support costs	4	32,699	-	32,699	31,975
Cost of grant-making		520,256	-	520,256	515,833
Governance costs	4	5,204	-	5,204	4,902
Total resources expended		<u>525,460</u>	<u>20,834</u>	<u>546,294</u>	<u>540,611</u>
<b>Net resources expended</b>		(98,795)	(20,834)	(119,629)	(36,235)
<b>Other Recognised Gains and Losses</b>					
Gains on investment assets:					
Realised		-	63,141	63,141	334,255
Unrealised	7, 10	-	211,684	211,684	792,481
<b>Net movement in funds</b>		<u>(98,795)</u>	<u>253,991</u>	<u>155,196</u>	<u>1,090,501</u>
Balances brought forward at 6 April 2010		(75,891)	11,147,747	11,071,856	9,981,355
<b>Balances carried forward at 5 April 2011</b>		<u>(174,686)</u>	<u>11,401,738</u>	<u>11,227,052</u>	<u>11,071,856</u>

The notes on pages 11 to 16 form part of these accounts

**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**BALANCE SHEET****AS AT 5 APRIL 2011**

	<i>Notes</i>	2011	2010
		£	£
<b>FIXED ASSETS</b>			
Tangible Fixed Assets	<b>6</b>	917	1,835
Investments	<b>7</b>	10,535,411	10,822,023
		<u>10,536,328</u>	<u>10,823,858</u>
<b>CURRENT ASSETS</b>			
Debtors	<b>8</b>	13,157	23,037
Cash at bank and in hand		<u>1,015,392</u>	<u>512,243</u>
		1,028,549	535,280
<b>CURRENT LIABILITIES</b>			
<b>Creditors</b> - amounts falling due within 1 year	<b>9</b>	<u>(337,825)</u>	<u>(287,282)</u>
<b>NET CURRENT ASSETS</b>		690,724	247,998
<b>NET ASSETS</b>		<u>11,227,052</u>	<u>11,071,856</u>
<b>CAPITAL FUNDS</b>			
Expendable endowment	<b>10</b>	11,401,738	11,147,747
<b>INCOME FUNDS</b>			
Unrestricted funds	<b>10</b>	(174,686)	(75,891)
		<u>11,227,052</u>	<u>11,071,856</u>

Approved by the Trustees on 4 October 2011 and signed on their behalf by:

..... TRUSTEE

The notes on pages 11 to 16 form part of these accounts

# THE GLASS-HOUSE TRUST

## 5 April 2011

### 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 2008 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**  
**5 April 2011**

**NOTES TO THE ACCOUNTS (Continued)**

**2. INVESTMENT INCOME**

Income received on investments may be analysed as follows:

	<b>2011</b>		<b>2010</b>	
	£	%	£	%
U.K. Fixed Interest	260,619	61.8	298,923	60.0
U.K. Equities	133,074	31.6	157,539	31.7
Overseas Equities	27,705	6.6	41,341	8.3
	<u>421,398</u>	<u>100.0</u>	<u>497,803</u>	<u>100.0</u>

**3. GRANTS PAYABLE**

	<b>2011</b>		<b>2010</b>	
	£	£	£	£
<b>Reconciliation of grants payable:</b>				
Commitments at 6 April 2010		281,508		424,134
Grants not accrued at 6 April 2010	392,500		405,741	
Grants approved in the year	206,000		470,767	
Grants cancelled, refunded or amended	-		(150)	
Grants not accrued at 5 April 2011	<u>(110,943)</u>		<u>(392,500)</u>	
<b>Grants payable for the year</b>		<b>487,557</b>		<b>483,858</b>
Grants paid during the year		(435,241)		(626,484)
Commitments at 5 April 2011		<u>333,824</u>		<u>281,508</u>

**Commitments at 5 April 2011 are payable as follows:**

	<b>2011</b>	<b>2010</b>
	£	£
Within one year (note 9)	<u>333,824</u>	<u>281,508</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 2011 was £110,943 (2010: £392,500).

**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**NOTES TO THE ACCOUNTS (Continued)**

**3. GRANTS PAYABLE (Continued)**

The amount payable in the year included the following: £

**Built Environment**

Glass-House Community-Led Design	250,000
National Communities Resource Centre (NCRC)	30,000

**Child Development**

A Space	32,500
Best Beginnings	10,000
Birth Companions	10,000
University of Essex	20,000

**Older People**

hact (Housing Associations Charitable Trust)	35,000
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**Social Policy**

Transform Drug Policy Foundation	25,000
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**Art**

Engineers Against Poverty	10,000
Resonance FM	20,000
Tate Britain	15,000

**4. ALLOCATION OF SUPPORT COSTS**

	Grant- Making	Governance	2011 Total	2010 Total
	£	£	£	£
Staff costs	17,510	2,190	19,700	20,200
Share of joint office costs	7,000	-	7,000	6,400
Other direct costs	403	-	403	772
Legal and professional fees	6,868	-	6,868	5,826
Depreciation	918	-	918	918
Auditors' remuneration	-	3,014	3,014	2,761
	32,699	5,204	37,903	36,877

Included above is £6,868 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**  
**5 April 2011**

**NOTES TO THE ACCOUNTS (Continued)**

**5. ANALYSIS OF STAFF COSTS**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	15,945	16,328
Social security costs	1,850	1,862
Other pension costs	1,905	2,010
	<u>19,700</u>	<u>20,200</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. 0.7% 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 2010/11. Staff costs equivalent to 0.3 full time employees were charged to The Glass-House Trust, the same as in 2009/10. Included in staff costs are contributions to money purchase pension schemes.

**6. TANGIBLE FIXED ASSETS**

	<b>Leasehold Improvements</b>
	<b>£</b>
Cost	
<b>At 6 April 2010 and 5 April 2011</b>	<u>9,176</u>
Depreciation	
At 6 April 2010	7,341
Charge for the year	918
<b>Accumulated depreciation at 5 April 2011</b>	<u>8,259</u>
<b>Net book value at 5 April 2011</b>	<u>917</u>
Net book value at 5 April 2010	<u>1,835</u>

**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**NOTES TO THE ACCOUNTS (Continued)****7. FIXED ASSET INVESTMENTS**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Market value 6 April 2010	10,822,023	9,325,727
Less: Disposals	(2,683,871)	(2,255,829)
Add: Acquisitions at cost	2,185,575	2,959,644
Net gains on revaluation	211,684	792,481
<b>Market value 5 April 2011</b>	<b>10,535,411</b>	<b>10,822,023</b>
Historical cost 5 April 2011	10,918,218	11,717,079

The investments held as at 5 April 2011 were as follows:

	<b>2011</b>	<b>2010</b>
	<b>Cost</b>	<b>Market Value</b>
	<b>£</b>	<b>£</b>
Fixed Interest	4,299,686	4,093,387
U.K. Equities	5,456,831	5,198,402
Overseas Equities	1,161,701	1,243,622
	<b>10,918,218</b>	<b>10,535,411</b>

  

	<b>2011</b>	<b>2010</b>
	<b>Cost</b>	<b>Market Value</b>
	<b>£</b>	<b>£</b>
Fixed Interest	5,349,277	5,124,938
U.K. Equities	5,753,189	5,100,265
Overseas Equities	614,613	596,820
	<b>11,717,079</b>	<b>10,822,023</b>

Fixed interest investments at 5 April 2011 included the following at market value:

	£
Charity Funds Fixed Income COIF	1,463,901
iShares Index Linked Gilt	902,873
M&G Securities Ltd Charibond Income	1,498,613

UK Equities at 5 April 2011 included the following at market value:

Artemis Income Fund	548,883
Neptune Income B	574,033
Ruffer Total Return	688,639
J Sainsbury plc	914,891

**8. DEBTORS**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Income tax recoverable	-	7,886
Other debtors	13,157	15,151
	<b>13,157</b>	<b>23,037</b>

**9. CREDITORS**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Grants payable (note 3)	333,824	281,508
Professional charges	4,001	5,774
	<b>337,825</b>	<b>287,282</b>



**THE GLASS-HOUSE TRUST**  
**5 April 2011**

**NOTES TO THE ACCOUNTS (Continued)**

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

	<b>Unrestricted Funds</b>	<b>Expendable Endowment</b>	<b>Totals 2011</b>
	£	£	£
Fund balances at 5 April 2011 are represented by :			
Tangible fixed assets	-	917	917
Investments	-	10,535,411	10,535,411
Current assets	163,139	865,410	1,028,549
Current liabilities	(337,825)	-	(337,825)
<b>Total net assets</b>	<b>(174,686)</b>	<b>11,401,738</b>	<b>11,227,052</b>
<b>Unrealised losses included in the above</b>			
On investment assets (see note below)	-	(382,808)	(382,808)
Total unrealised losses at 5 April 2011	-	(382,808)	(382,808)
<b>Reconciliation of movements in unrealised losses on investment assets</b>			
Unrealised losses at 6 April 2010	-	(895,056)	(895,056)
Add in respect of disposals in year	-	300,564	300,564
	-	(594,492)	(594,492)
Add: net gains arising on revaluation in year	-	211,684	211,684
Unrealised losses at 5 April 2011, as above	-	(382,808)	(382,808)

## **THE GLASS-HOUSE TRUST**

### **5 April 2011**

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

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these financial statements, the Trustees are required to:

- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE GLASS-HOUSE TRUST

## 5 April 2011

### 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 2011 set out on pages 9 to 16. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with section 44 of the Charities Act 1993. 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 and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

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

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.

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 if, in our opinion, the information given in the Trustees' Report is not consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding trustees' remuneration and other transactions with the charity is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (United Kingdom 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 the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that 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 2011 and of its incoming resources and application of resources for the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993.

Crowe Clark Whitehill LLP  
Chartered Accountants and Registered Auditors  
Date

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