

Charity Commission no: 306070
Office of the Scottish Charity Regulator no: SC040357

FIELDS IN TRUST
TRUSTEES' REPORT AND ACCOUNTS
for the year ended
31 December 2010

Fields in Trust is the operating name of the National Playing Fields Association

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Administrative Details, Trustees and Advisers

Patron

HM The Queen

President

HRH The Duke of Edinburgh KG KT

Vice Presidents

Gyles Brandreth
Christopher Laing OBE

Derek Forbes
The Rt Hon the Earl of Stockton

Trustees and members of the Council

The Lord Howard of Rising (Chairman)
Richard Schuster (Vice Chairman)
Jeremy Hammond (Honorary Treasurer)

Tom Barber
Peter Cabrelli
David Elleray (appointed June 2010)
John Greenway MP (retired June 2010)
Arnot Hughes
Ceri Preece (retired March 2010)
Tony Walls (retired March 2010)

Miles Broadbent
Chris Cobley
Paul Garber
Kate Hoey MP
David Jeffels
Tim Smith (appointed June 2010)

Principal Officers

Chief Executive
Deputy Chief Executive
Director of Communications and of The Queen
Elizabeth II Fields Challenge

Alison Moore-Gwyn
Don Earley

Helen Griffiths (appointed June 2010)

Professional Advisers

Bankers

HSBC plc, London
Lloyds Bank plc, London
Clydesdale Bank plc, Edinburgh

Solicitors

Freshfields Bruckhaus Deringer LLP, London
McClure Naismith, Glasgow
Wright Hassall LLP, Leamington Spa
Dundas & Wilson, Glasgow

Auditors

Kingston Smith LLP, London

Investment Managers

M&G Securities Ltd, London

Charity registration number

306070

Company registration number

RC000370 (incorporated by Royal Charter)

Office of Scottish Charity Regulator registration number SC040357

Registered office

15 Crinan Street London N1 9SQ

Fields in Trust (FIT) is the operating name of the National Playing Fields Association founded in 1925 and incorporated by Royal Charter in 1933

Report of the Trustees for the year ended 31 December 2010

Structure, Governance and Management

Fields in Trust (FIT) is the operating name of the National Playing Fields Association, a registered charity established in 1925 and incorporated by Royal Charter in 1933. The Charter, together with subsequent amendments, forms its governing document.

The charity is governed by a Council of a maximum of fourteen Trustees, listed on the previous page, who serve a three-year term and are then eligible to stand for re-election. Trustees are appointed for their relevant experience and for the breadth of contribution they can offer to the charity.

All new Trustees follow a standard induction procedure that briefs them on their duties and obligations under the Charter and highlights their responsibilities as Trustees. During their term of office, they are encouraged to attend relevant external training opportunities.

The Council of Trustees meets at least four times a year and appoints such committees as it deems appropriate to manage the charity's affairs. There are currently four such committees:

- two country committees covering FIT's work in Wales and Scotland
- an audit committee
- a fundraising appeal board

In addition to the committees, the Trustees appoint a Chief Executive who has a delegated authority to implement Council's decisions, and is responsible for the day to day management of the charity and of its highly committed and professional staff members.

Following an amendment to the Royal Charter, allowed by Her Majesty the Queen on 11 February 2009, registration with the Office of the Scottish Charity Regulator (OSCR) is complete.

NPFA Services Limited is the charity's subsidiary trading company and has been dormant in recent years although, due to its purchase of a 50% interest in Team FIT Together Limited in the year, it was technically not dormant in 2010. During 2010 a working partnership was established with Community Values, a concern with similar aims and objectives to FIT, and a new company was formed - FIT Together Limited. This joint venture is owned in equal shares by NPFA Services Limited and Community Values Limited and was set up primarily to facilitate services under a grant from the Future Jobs Fund, a Department of Work and Pensions initiative.

Risk management

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to monitor and manage those risks and to mitigate, where possible, any impact they may have on the charity and on its financial stability. During the year, the Trustees have regularly reviewed the controls that have been put in place and are satisfied that they are sufficient for the safe and continued operation of the charity.

Objectives and activities

FIT's mission is to ensure that everyone – young or old, able or disabled and whether they live in an urban or rural environment – has free access to good quality, local outdoor space for sport, play and recreation. Our legal protection of playing fields ensures that these facilities are available to be enjoyed now and by future generations.

Aims

FIT aims to be the leading independent organisation working throughout the United Kingdom to protect and provide good quality, attractive, local facilities to enable all sections of the community to participate in sport, play and informal recreation. Through our work we aim to improve both the health and quality of life of communities by securing access to recreational space.

Public Benefit

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. FIT's work benefits people of all ages throughout the UK and without restriction of any kind. The facilities that FIT protects are free at the point of access for all and ensure that communities across the country have access to outdoor spaces for sport, play and recreation. We also dispense a range of independent advice through consultations and a wealth of resources that are available to download free of charge from our website. This advice provides communities with information on a range of playing field management issues and how to run a campaign to save a playing field under threat.

Key objectives for the year

Stabilisation

At the outset of 2010, the overriding objective for the Trustees was to maintain the greater financial stability of the charity that had been achieved by measures taken in 2009 and, subject to that ongoing stability, to invest in the work for launching and furthering The Queen Elizabeth II Fields Challenge.

Core Work

The Trustees tasked the Executive to continue to work towards achieving the core aim of the organisation: ensuring that future generations have access to permanently protected outdoor space for sport, play and recreation. During 2010 it was accepted that the main vehicle for achieving this aim will be The Queen Elizabeth II Fields Challenge.

Our strategy for achieving those objectives

Stabilisation

The Trustees' strategy for achieving stabilisation was:

- To instil within the charity a disciplined business culture, ensuring cost-effectiveness and efficiency, responding to the needs of beneficiaries and stakeholders
- To develop and progress ideas for the expansion of the membership scheme
- To invest in The Queen Elizabeth II Fields Challenge only with the security of prior funding
- To use the marketing advantage of The Queen Elizabeth II Fields Challenge to attract greater funding

Core Work

The Queen Elizabeth II Fields Challenge

The Queen Elizabeth II Fields Challenge is an exciting initiative to protect 2,012 outdoor recreational spaces in communities all across the UK by the year 2012 to mark both the Diamond Jubilee and the London 2012 Olympics. The Challenge is being led by Prince William as Patron and was the first programme to be endorsed officially by Her Majesty The Queen as a Diamond Jubilee project.

Our aim to protect outdoor space is motivated by a desire to increase participation in sport, play and recreation by providing a platform for these activities to be built upon. We also want to harness volunteer activities within communities and the opportunities that outdoor spaces provide for this.

In addition to seeking Local Authority engagement, The Queen Elizabeth II Fields Challenge will also be asking for the participation of the public. We will encourage Local Authorities to nominate a selection of sites that they would be happy to protect as Queen Elizabeth II Fields. These outdoor spaces will then be listed on our website and during 2011 the public will be invited to vote for the sites that they would most like to see protected as Queen Elizabeth II Fields in their area.

Town and Parish Councils and other landowners will also be able to nominate their community space, but as it is likely they will be nominating single sites and so a choice of fields will not exist, then the voting process will be bypassed and providing the site satisfies a number of criteria it will automatically become a Queen Elizabeth II Field. A whole range of sites, from sports pitches to public gardens, parks to play areas and woodlands to bicycle trails will be included as part of this ambitious programme.

The Queen Elizabeth II Fields Challenge has a particular resonance and continuity for the charity as it mirrors the memorial project created following King George V's death in 1936. The 471 King George V Playing Fields still exist today and are much loved and well used by the communities they serve and our aim is that The Queen Elizabeth II Fields Challenge will create a 21st century version of this great, tangible legacy that has brought real benefit to thousands of people in the UK.

Direct Protection

Our 'Acre a Day' target has been superseded by our work to engage local authorities to participate in The Queen Elizabeth II Fields Challenge. This programme has immense potential to far exceed this previous strategy. We do, of course, continue to honour existing commitments and pursue active leads.

Indirect Protection

Through lobbying and campaigning we aim to ensure that the protection of playing fields is strengthened throughout the United Kingdom using both the planning process and legislation.

This work is aided by our involvement in the development plan system opposing, where appropriate, planning applications for development on playing fields and acting as an adviser to the Department of Children, Schools and Families, more recently renamed the Department for Education, as a member of the National School Playing Fields Advisory Panel.

Improvements

During 2010 we concentrated on building relationships with potential funders to ensure that improvements could be secured as part of The Queen Elizabeth II Fields Challenge and therefore our objective of funding improvements during the year was temporarily set aside.

Information and advice

We offer support to the public when their local playing field and other facilities for sport and play come under the threat of potential development. Our range of publications offers detailed technical books and manuals that provide information on different aspects of planning for sport, outdoor recreation and play. We also recommend a range of technical services that will help grounds staff develop the performance of pitches and other outdoor facilities.

Achievements and Performance**Stabilisation**

The plan to maintain financial stability was successful. Voluntary funding increased over the year and covered overall costs from unrestricted funds. This contributed to the small surplus achieved in these funds. General reserves were further aided by a return to increasing investment values during the latter half of the year.

FIT is fortunate to have the support of many donors and we are grateful for their generosity and ongoing commitment to the importance of our work. We were also extremely pleased to attract new supporters to our mission through fundraising for The Queen Elizabeth II Fields Challenge.

Core Work**The Queen Elizabeth II Fields Challenge**

The Queen Elizabeth II Fields Challenge – formerly FIT for the Future – was renamed in collaboration with Clarence House at the outset of 2010 as we invested the majority of the resource of the organisation into this exciting new flagship programme. During the first six months of the year we worked solidly towards the public launch of the programme and to ensuring that all the necessary groundwork to achieve our aims was on track.

In June 2010 we launched the Challenge with a press conference at St James's Palace using a film featuring our Patron, Prince William, talking about the Challenge and its importance to him and the nation during the landmark year of 2012 that will see both the Diamond Jubilee and the 2012 Olympics. The project website www.ge2fields.com also went live on this day and we received nationwide coverage including pieces on BBC, ITV, C4 and Sky Evening News and the majority of tabloids and broadsheets.

This gave us an public platform to begin our engagement work with all 425 principal Local Authorities to secure nominations of possible sites for inclusion in the Challenge. This work has been time consuming due to limited staff resources and has taken longer than we initially anticipated but it is now beginning to bear fruit. In addition to that strand of work we also began to approach other landowners such as town and parish councils and to use the network of CPFAs to help achieve this at the grassroots level.

The Queen Elizabeth II Fields Challenge is providing a whole new profile for the organisation and opening doors to different organisations who want to be involved in the initiative. One of the key areas we have been focusing on during 2010 is the engagement of the major National Governing Bodies of Sport to whom we would like to have closer links in the future to help us expedite the nomination of sites through their country structures. Currently this work is most advanced with the Football Association, who will roll out their programme at the beginning of 2011, but we are also in conversation with the English Cricket Board and Rugby Football League to replicate this model and will be approaching the Rugby Football Union and the Lawn Tennis Association in the New Year.

The Challenge has proven an extremely attractive funding proposition and we were delighted to sign our first Local Sponsor at the end of 2010 – Liverpool Victoria – who will be sponsoring a number of sites local to their offices and encouraging their employees to get active on these sites. The increase in income from charitable trusts during 2010 has also been significant, showing a 68% increase over 2009.

We have also been identifying potential partners for the programme who cannot fund our core work but can help to bring it to life. In October we signed a partnership with SITA Trust for them to create a ring fenced £1 million Queen Elizabeth II Fields Fund to provide improvement grants to fields specifically protected as part of the Challenge.

Following negotiations with Sport England we agreed on a solution to enable some of the fields protected as part of the Challenge to benefit from the Places People Play Legacy through the £10 million Protecting Playing Fields fund. We hope that a grant from this fund will be awarded to help achieve the core work of the Challenge.

The Sun continues to give ongoing support to the Challenge and we received additional coverage in October 2010 with an article by Prince William on the progress made thus far. We are grateful for Freshfield Bruckhaus Deringer's continued pro bono legal support for the programme.

FIT Together

Fields in Trust's work in partnership with Community Values, under the banner of FIT Together, was rolled out through the Department of Work and Pensions' Future Jobs Fund scheme. We secured a grant to employ 50 long-term unemployed people to work in and around playing fields in Hounslow and at Fields in Trust's head office. The interns were employed for six months, during which they received training and experience of the working environment. Some went on to full-time employment, including one who stayed on at Fields in Trust to assist with The Queen Elizabeth II Fields Challenge. The contribution that those working in Fields in Trust's offices made to this project was considerable.

Direct Protection

In 2010 we made positive progress by directly protecting an additional 214 acres across 10 sites. FIT now protects in total 8,798 acres across 1,281 sites. Our work on the FIT Memorial Playing Fields Initiative continues and the Queen Elizabeth II Fields Challenge will result in very substantial protection for hundreds more fields, and thousands more acres, of open spaces of all shapes, sizes and types, including playing fields, recreation grounds, play spaces, nature reserves and country parks.

Indirect Protection

We have continued our work in helping the Department for Education to protect school playing fields. As the school and educational landscape continues to change with an increase in academies and the introduction of free schools it is important that the protection of school playing fields is also extended and afforded to these schools. We continue to have concerns about the existence of the 5-year loophole for planning applications relating to playing fields (ie that they should have been in use within the last 5 years) though whether the Government is yet persuaded of the need for change is debateable. We await with interest further

development of the localism agenda and its implications for open space protection, development and management and the Coalition Government's intentions in regard to the need to introduce a new planning policy statement relating, inter alia, to open space, sport and recreation. We will continue to encourage Sport England, in its capacity as statutory consultee for playing fields, to align its own policies with the policy of the Government of the day.

Financial Review

2010 has seen increased activity, together with the relocation of the London office to larger premises in Kings Cross. These new premises will accommodate the Fit Together project and facilitate the growth necessary for The Queen Elizabeth II Fields Challenge.

Unrestricted voluntary income receipts have almost doubled since last year thanks to the launch of The Queen Elizabeth II Challenge. This has enabled us to increase our charitable activity considerably over the year and the resulting improvement in free reserves will provide a sound base for the progress of our work during 2011.

Funding sources

Voluntary income

Grants and donations from Trusts and Foundations remain the major source of voluntary funding, although income from individuals; clubs and associations; and corporate donations all showed a greater than two-fold increase since 2009.

Income from charitable activities

Some of the work we carry out on advice and provision of information on the protection and improvement of fields provides us with earned income:

- Sales of our range of publications – includes advice on play and technical data and recommendations on standards for the provision of recreational facilities.
- Consultancy fees from providing strategic advice on the long term protection of fields and recreation areas.

Income from these sources, particularly consultancy and advice, has seen a tremendous increase since the previous year. This was in part due to the programme of work with FIT Together, funded by the Department of Work and Pensions, which will cease early in 2011.

Gifts in Kind

The FIT offices in Wales and Scotland are provided at a low, non-market value rent and make a contribution as a gift in kind towards our core costs. Legal work for the Queen Elizabeth II Fields Challenge is provided by Freshfields Bruckhaus Derringer, along with the provision of meeting rooms and facilities. In Scotland Dundas and Wilson have agreed to provide some legal support.

How the funding was spent

The major part of the funding was spent on protecting and improving outdoor recreational space, and in effecting the first phases of The Queen Elizabeth II Fields Challenge. Including information and advice services, 88 pence in every pound was spent on our core work. FIT made every effort to contain costs during 2010 and ancillary costs of administration, finance and management were allocated directly across our projects and charitable activities as disclosed at the end of note 4 to the accounts.

Reserves policy

The Trustees review the charity's anticipated income and expenditure targets and budgets on a regular basis, taking into account planned investment and future operating programmes. Free reserves are those unrestricted funds not invested in fixed assets, earmarked for specific purposes or otherwise committed; the Trustees aim to maintain a level of such reserves that represents 12 months forward expenditure, which is currently budgeted at just over £870,000.

In determining this policy, they have considered carefully the following conditions, some of which are specific to the charity:

- the nature of the work, which is concerned with land protection in perpetuity
- the lack of guaranteed regular income (e.g. from public service level agreements etc)
- future needs, opportunities, contingencies and risks
- responsibilities and obligations to employees

At the close of 2010, the level of unrestricted reserves (general and designated funds) stands at £1.5 million and comprises:

	£000
Funds representing Fixed Assets (designated)	625
Free Reserves	<u>879</u>
	<u>1,504</u>

The Trustees continue to review future fundraising activities in order to maintain the desired level of reserves. It is their view that it is prudent to ensure sufficient free reserves to provide the financial flexibility necessary to manage future developments. They are confident in the justification of their reserves policy but recognise the need for regular review and re-evaluation of that policy.

Investment policy

In accordance with the charity's Royal Charter, the Trustees have the power to invest in such stocks, shares, investments and property as they see fit, provided that professional advice is sought and that the advice is reviewed annually.

The policy of the Trustees is to maximise the total return on the charity's investment portfolio. The charity's funds are invested with M&G Securities and the Trustees are satisfied with the continued performance of these investments, which achieved a total return of over 10% during the year. The portfolio consists of Charibond and Charifund Common Investment Funds and is held in the ratio of approximately 70% growth funds and 30% income funds, in accordance with the investment policy.

Sufficient cash to maintain adequate day to day working capital is placed on short-term deposits and an overnight money market.

Grant making policy

The bulk of FIT's activities are concentrated on the provision of protection and improvement services, along with campaigning and lobbying for greater awareness. Where funds allow, the Trustees may award grants for the improvement and maintenance of playing fields, play areas and recreational schemes, on condition the field is under FIT's protection. This year, no grants were made, following the depletion of the funds from the Landfill Tax Credit Scheme, which were given in earlier years.

Plans for future periods

The Trustees confirm that they plan for the charity to continue through 2011 the work begun in 2010 subject to satisfactory funding. The overriding priority for 2011 remains the financial stability of the charity and in pursuance of this stability we will continue to develop the following projects:

Queen Elizabeth II Fields Challenge

During 2011 our work will continue to focus on this flagship programme to create a grassroots legacy of 2,012 permanently protected outdoor recreational spaces as a tribute to the Diamond Jubilee and the 2012 Olympics. Securing nominations of potential sites for the Challenge during the first two quarters of the year in advance of the public vote in the summer of 2011 will be the immediate priority.

Potential funding avenues – particularly charitable trusts and commercial sponsors – for the core work of the Challenge is a key strategic aim. In addition we will be working with other potential partners to create funds for improvements to be made to these sites. Preparations for an event to mark the programme – 'Have a Field Day' – will begin in earnest in 2011.

2012 will be a seminal year for Fields in Trust with the culmination of the Challenge and a great opportunity to secure our position within the landscape of both third sector organisations and the sport and recreation world. We envisage that the partnerships we forge with a raft of sponsors and organisations will be pivotal to achieving these long term strategic aims.

FIT Together

We will continue to explore ways of working with Community Values to provide a platform to rejuvenate parks in the UK both by improving facilities and by creating sustainable revenue streams from social enterprises operating within the sites.

Consultancy

We will continue to seek opportunities for income to be generated from professional services, always bearing in mind the need for finance from a variety of sources in order to support our charitable activity, and the considerable amount of staff time and priority that is assigned to the Queen Elizabeth II Fields Challenge in the short- and medium-terms.

Membership Scheme

The raft of benefits that we propose to offer to members of FIT will be expanded and implemented during 2011.

Protection

The big push in terms of protecting playing fields and other open spaces will be through The Queen Elizabeth II Fields Challenge and this will extend the focus on protection previously founded on the 'Acre a Day Strategy'. At the same time we will respond positively to proposals that will result in improved facilities and opportunities on the spaces we protect, through land exchanges and reinvestment of any proceeds arising.

We will continue to work to clarify further the legal status of the King George's Fields, including preliminary work examining the likelihood of new legislation.

We will contribute to the Government's announced review of planning guidance on open space, sport and recreation in England, and policy relating to open space generally throughout the United Kingdom. We will contribute to the Government's localism agenda debate and the future protection of school playing fields, including academies and free schools.

We will build on our work with the County Playing Fields Associations and seek closer relationships with national bodies in the sport, play and green spaces sectors.

Funds held as Custodian Trustee

The charity acts as custodian trustee to other charities whose objects are similar and concerned with the protection and improvement of playing fields. Those charities for which FIT holds investments are listed in note 18 to the accounts. These investments are held separately from FIT's own investments and are not included in the financial statements.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

The law applicable to charities in Scotland requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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, the Charity (Accounts and Reports) Regulations 2008, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 and the provisions of the charity's constitution. 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.



Signed on behalf of the Council
Lord Howard of Rising
Chairman

10 March 2011

Independent Auditor's Report to the Trustees of Fields in Trust (National Playing Fields Association)

We have audited the financial statements of Fields in Trust for the year ended 31 December 2010 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with regulations made under section 43 of the Charities Act 1993 and in accordance with section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken for no purpose other than to draw to the attention of the charity's trustees those matters which we are required to include 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement set out on pages 11 and 12, the trustees are responsible for the preparation of financial statements which provide a true and fair view.

We have been appointed as auditors under section 43 of the Charities Act 1993 and under section 44 (1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with regulations made under that act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Charities Act 1993, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2010 and of its incoming resources and application of resources, including 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 properly prepared in accordance with the requirements of the Charities Act 1993, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 1993 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or

- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Kingston Smith LLP

Kingston Smith LLP

Devonshire House
Statutory Auditor
60 Goswell Road
London EC1M 7AD

Date: 10 March 2011

Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 December 2010

	Notes	Unrestricted funds £	Designated Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming resources						
Voluntary income		611,274	-	300,869	912,143	361,661
Income from charitable activities		81,483	-	344,485	425,968	168,465
Income from fundraising activities		77,801	-	-	77,801	22,770
Investment income		56,995	-	9,089	66,084	66,029
Total incoming resources	2	827,553	-	654,443	1,481,996	618,925
Resources expended						
Costs of generating voluntary income & grants		74,713	-	-	74,713	66,263
Costs of fundraising activities		654	-	-	654	5,532
Charitable activities						
-Land protection & improvement		389,452	-	287,454	676,906	474,915
-Information & advice services		149,879	-	60,724	210,603	170,284
Governance costs		20,793	-	-	20,793	22,652
Total resources expended	4	635,491	-	348,178	983,669	739,646
Net incoming/ (outgoing) resources for the year	6	192,062	-	306,265	498,327	(120,721)
Movement in investment values	9	64,272	-	-	64,272	77,860
Net movement in funds before transfers		256,334	-	306,265	562,599	(42,861)
Transfers between funds	17	31,128	(31,128)	-	-	-
Net movement in funds after transfers		287,462	(31,128)	306,265	562,599	(42,861)
Total funds 1 January 2010		592,186	655,667	579,809	1,827,662	1,870,523
Total funds at 31 December 2010		879,648	624,539	886,074	2,390,261	1,827,662

The notes on the following pages form part of these accounts.

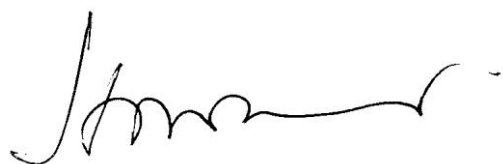
The charity has no gains or losses other than the surpluses or deficits for the two financial years shown above. All amounts relate to continuing activities.

BALANCE SHEET as at 31 December 2010

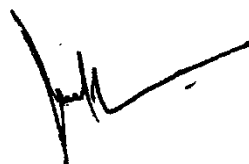
	Note	Unrestricted funds	Designated funds	Restricted funds	2010 £	2009 £
Fixed assets						
Tangible fixed assets	8	-	624,539	-	624,539	655,667
Investments	9	659,608	-	586,074	1,245,682	1,181,410
		659,608	624,539	586,074	1,870,221	1,837,077
Current assets						
Loans to help recreational schemes	10	1,465	-	-	1,465	2,500
Stocks of publications		-	-	-	-	30,092
Debtors	11	186,345	-	-	186,345	56,043
Cash at bank and in hand	12	321,548	-	300,000	621,548	177,344
		509,358	-	300,000	809,358	265,979
Current liabilities						
Creditors	13	289,318	-	-	289,318	275,394
Net current assets/(liabilities)		220,040	-	300,000	520,040	(9,415)
Net Assets						
	15	879,648	624,539	886,074	2,390,261	1,827,662
Represented by						
Restricted funds	16				886,074	579,809
Designated funds	17				624,539	655,667
General funds					879,648	592,186
					2,390,261	1,827,662

The notes on the following pages form part of these accounts.

The financial statements were approved and authorised for issue by the Council and were signed on its behalf on 10 March 2011 by



Lord Howard of Rising
Chairman



Jeremy Hammond
Treasurer

NOTES TO THE ACCOUNTS for the year ended 31 December 2010**1 Accounting policies**

The accounts are prepared under the historical cost convention with the exception of investments which are included at market value. The accounts have been prepared in accordance with the Charities Act 1993, the Charities and the Trustee Investment (Scotland) Act 2005 and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) and with applicable UK accounting standards. The principal accounting policies adopted are set out below.

Funds accounting

Unrestricted funds can be used for any of the charity's objects.

Designated funds have been set aside by the Trustees for use on a specific project or purpose.

Restricted funds have been given to the charity for a particular purpose at the direction of the donor. The funds are ring-fenced until used for that purpose.

Incoming resources

Income from subscriptions, grants, legacies, donations and other sources is included in full in the year in which it is receivable. Dividends and interest on investments are accounted for when received and included gross. All income shown in the financial statements is accounted for gross, i.e. before any associated expenditure has been deducted. Gifts in Kind are valued at their equivalent market rate.

Resources expended

The accounts are prepared on an accruals basis and any grants payable are recognised when approved by the Trustees.

Costs of generating voluntary income are those costs relating to donation appeals; membership generation and revenue collection; applications for grants, and the associated support.

Costs of fundraising activities comprise the direct expenditure associated with activities such as fundraising events, sponsorship, award functions etc., together with associated support costs.

Land protection and improvement include all costs associated with acquiring, protecting and improving recreational space, along with the costs of lobbying and campaigning for land protection and the relevant support activities.

Information and advice services consists of the costs of producing publications and technical advisory notices; support to members and fields managers; and technical services provided to users and managers of recreational land areas.

Governance costs relate to expenditure on audit and accountancy fees, Trustee meetings and other costs associated with the constitutional and statutory requirements of running the charity.

Support costs are those incurred in administering and supporting all activities of the charity, both operational and fundraising. They include general office functions such as payroll, accounting, IT, human resources etc. These costs have been allocated across the charity's activities as shown in note 4 to the accounts.

Depreciation

Long-leasehold property is shown at cost and is depreciated on a straight-line basis over 50 years. Assets not yet in use are not depreciated. Individual fixed assets costing more than £1,000 are capitalised at cost and depreciated over their useful lives as follows:

Office furniture	10 years
Computer and general office equipment	4 years

Investments

Investments are included in the accounts at mid-market value at the balance sheet date and the gain or loss on revaluation is shown on the face of the Statement of Financial Activities. Realised gains represent the difference between the sales proceeds and the opening market value of an investment, or cost if purchased in the year.

Assets

The charity holds a number of playing fields throughout England and Wales, many of which have been held for a number of years. These assets are not valued within the accounts on the basis that:

- Reliable cost information is not available or is inconsistent and
- The significant costs involved in assessing its value would be disproportionate to any clarity that may be derived from its inclusion as an asset in the financial statements.

Costs incurred are written off in the year of acquisition and the land is held indefinitely.

Stocks

Stocks of publications are stated at the lower of cost and net realisable value.

Pension costs

The charity operates a defined contribution pension scheme. The assets of the scheme are held in independently administered funds and the cost of the contributions is recognised in the period in which they are made.

Cash flow statement

The charity qualifies for exemption from preparing a cash flow statement, on the grounds of its size.

Consolidated accounts

The financial statements present information about Fields in Trust as an individual undertaking and not about its group. Its subsidiary undertaking NPFA Services Limited and its joint venture Team Fit Together Limited's assets do not have a material effect on Fields in Trusts' results and thus no consolidation is required.

Operating leases

Rentals on operating leases are charged to the Statement of Financial Activities in equal amounts over the term of the lease.

2 Incoming resources

	unrestricted funds £'000	designated funds £'000	restricted funds £'000	total 2010 £'000	total 2009 £'000
Charitable Trusts	505	-	-	505	300
Grants from public bodies (see note 3)	-	-	300	300	
Donations from individuals and legacies received	38	-	-	38	18
Clubs and Associations	17	-	1	18	7
Corporate donations	35	-	-	35	16
Membership subscriptions	16	-	-	16	20
Voluntary income	611	-	301	912	362
Grants from public bodies (see note 3)	-	-	344	344	60
Technical consultancy	22	-	-	22	31
Publications sales	6	-	-	6	12
Sundry field income	54	-	-	54	65
Income from charitable activities	82	-	344	426	168
Fundraising events & activities	-	-	-	-	1
Sponsorship	40	-	-	40	-
Rental income from long leasehold property	38	-	-	38	22
Income from Fundraising Activities	78	-	-	78	23
Investment income	57	-	9	66	66
Interest on cash deposits & loans	<1	-	-	<1	<1
Investment income	57	-	9	66	66
Total incoming resources	828	-	654	1,482	619

3 Grants from public bodies (included in note 2 above)

	unrestricted funds £'000	designated funds £'000	restricted funds £'000	total 2010 £'000	total 2009 £'000
Scottish Executive	-	-	29	29	23
Future Jobs Fund (DWP)	-	-	305	305	-
Welsh Assembly Government	-	-	10	10	-
WREN (Landfill Tax transfers)	-	-	300	300	-
Big Lottery Fund	-	-	-	-	37
Total grants from public bodies	-	-	644	644	60

4 Resources expended

	2010 £'000	2009 £'000
Costs of generating voluntary income		
Staff costs	60	60
Consultancy	12	-
Other costs	3	6
	75	66
Costs of fundraising activities		
Other costs	1	6
	1	6
Land protection and improvement		
Staff costs	288	269
Fields inspections and associated costs	3	5
Fields insurance	13	20
Legal advice -see below (a)	-	10
Long-term protection/acquisition of specific sites	18	10
Improvements to fields and facilities	261	100
Depreciation	24	25
Other costs	70	35
	677	475
Information and advice services		
Staff costs	73	55
Publications costs – see below (b)	30	3
Training and development of community support	58	80
Depreciation	7	8
Other costs	42	24
	210	170
Governance costs		
Trustee expenses and meeting costs	3	2
Trustee Indemnity Insurance	4	4
Audit costs	8	9
Legal and professional costs	6	8
	21	23
Total resources expended	984	740

- (a) The cost of legal advice for land protection has reduced following a strategic decision to protect land by legal deed, rather than by ownership. In addition, the charity seeks to recharge legal costs wherever appropriate.
- (b) During the year, there was a review of the publications stock. Potential changes in legislation may render much of the stock either redundant or subject to a fall in demand and it was decided that the historic cost value should be written-off.

Prior year re-allocation

The allocation of individual cost headings within the two headings 'Land Protection and improvement' and 'Information and advice services' was incorrectly applied in the notes to the 2009 financial statements. These figures are correctly shown above but the changes have no net effect on the income or expenditure for the year.

Support costs

Support costs of £156,537 are included within the total cost of resources expended shown above (2009: £120,795). Where possible, these costs are allocated directly to the relevant activity at the time they are incurred. The remaining costs that contribute to more than one activity, or where it is impracticable to specifically attribute the costs to a specific project, have been allocated as follows:

Support cost	Land Protection & Improvement £'000	Information & Advice £'000	Total support costs £'000	Basis of allocation
Support staff costs	39	12	51	Allocated according to the type of projects undertaken, consistent with the use of resources.
Consultancy	12	4	16	
IT	6	2	8	
General office	20	8	28	
Accommodation	39	12	51	
Depreciation	3	-	3	
	119	38	157	
2009	89	32	121	

5 Grants payable

No grants were made during 2010 following the depletion of Landfill Tax Credit funding received in earlier years.

6 Net outgoing resources for the year

The net surplus for the year is after charging:

	2010 £'000	2009 £'000
Staff salaries	341	311
National Insurance Contributions	37	33
Pension costs	8	12
Total staff costs	386	356
Depreciation	31	27
Audit fee (audit work only)	8	9
Rentals under operating leases	8	8

7 Trustee and employee emoluments

No Council member received any remuneration during the year. Trustees were reimbursed travelling costs for attendance at meetings during the year amounting to £576 (2009 £1,077).

The average number of employees during the year, calculated on full-time equivalents, was as follows:

	2010	2011
Chief Executive	1	1
Fundraising	1	1
Project work	2	2
Fields work	4	4
Administration & support	1	1
Total	9	9

No employee received emoluments in excess of £60,000 during the year (2009: 1).

8 Tangible fixed assets

	Long leasehold Property £'000	Office/IT Equipment £'000	Office Furniture £'000	Database £'000	Total £'000
Cost					
At 1 January 2010	659	48	29	20	756
Disposals	-	(18)	(27)	-	(45)
At 31 December 2010	659	30	2	20	711
Depreciation					
At 1 January 2010	41	27	27	5	100
Charge for the year	12	12	2	5	31
Written back on disposals	-	(18)	(27)	-	(45)
At 31 December 2010	53	21	2	10	86
Net book value					
At 31 December 2009	618	21	2	15	656
At 31 December 2010	606	9	-	10	625

FIT protects in perpetuity more than 8,800 acres of recreational land on over 1,280 sites in England and Wales. In addition to the above tangible fixed assets, the charity owns the freehold of 175 playing fields under permanent endowments (2009: 182) representing 1,010 acres (2009: 1,010). During 2010, boundary reassessment has reduced the actual number of sites, while the acreage remains constant. No value is given to this land on the basis that:

1. Reliable cost information is not available or is inconsistent and
2. The significant costs involved in assessing its value would be disproportionate to any clarity that may be derived from its inclusion as an asset in the financial statements.

Costs incurred are written off in the year of acquisition and the land is held indefinitely.

9 Investments at market value

The charity's investment portfolio is held in M&G Securities Common Investment Funds, Charibond and Charifund.

	Income funds £'000	Growth funds £'000	Total £'000
Market value at 1 January 2010	330	851	1,181
Realised & unrealised gains during year	2	63	65
Market value at 31 December 2010	332	914	1,246
Historical cost at 31 December 2010	<u>338</u>	<u>950</u>	<u>1,289</u>

10 Loans to help recreational schemes

	2010 £'000	2009 £'000
At 1 January 2010	2	4
Repaid in the year	(1)	(2)
At 31 December 2010	1	2
Balance at 31 December represents		
Repayments due within one year	1	1
Repayments due after one year	-	1
	1	2

11 Debtors: Amounts falling due within one year

	2010 £'000	2009 £'000
Trade debtors	76	26
Prepayments and accrued income	28	19
Other debtors	83	11
	186	56

12 Cash at bank and in hand

Sufficient cash to maintain adequate day to day working capital is placed on overnight and short-term money markets.

13 Creditors: Amounts falling due within one year

	2010 £'000	2009 £'000
Trade creditors	40	13
Taxation & other social security	20	11
Other creditors	7	1
Accruals and deferred income	38	74
Income Arising from Funds held as Custodian Trustee	184	176
	289	275

14 Operating leases

At the year end, there were annual commitments in respect of operating leases as follows:

	2010 £'000	2009 £000's
Expiring within 2-5 years	5	0

15 Analysis of net assets between funds

	General £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	-	625	-	625
Investments	660	-	586	1,246
Current assets	499	-	300	799
Current liabilities	(279)	-	-	(279)
Total	880	625	886	2,391

16 Restricted funds

	Balance	Movement in		Balance
	1 Jan 2010	Incoming	Outgoing	31 Dec 2010
	£'000	£'000	£'000	£'000
Funds given for:				
Long-term protection of playing fields and play space	346	590	(279)	657
Fields development	140	2	(8)	134
Information and advice in respect of recreational development	94	61	(60)	95
	580	653	(347)	886

The main purposes for the restricted funds are as follows:

Fields protection – these are sums given for specific geographical sites to enable the long-term legal protection process and to maintain those sites, ensuring their continued use by local beneficiaries;

Fields development - these relate to sums given for the installation and improvement of facilities on specific sites, for example playing surfaces, play equipment etc.;

Information and advice - these funds are awarded under a service contract or donated for the purpose of giving advice to recreational users on improving facilities; for providing information on local protection issues or for advising on specialist facilities, for example for disabled children.

Staff costs of £10,359 (2009: £25,370) have been allocated directly to the individual restricted funds as applicable and are included in the outgoing resources shown above.

Sufficient resources are held in an appropriate form to enable each fund to be applied in accordance with the restrictions imposed on those funds.

17 Designated Funds

	Balance	Movement in		Balance
	1 Jan 2010	Incoming	Outgoing	31 Dec 2010
	£'000	£'000	£'000	£'000
Funds designated for:				
Fixed Assets fund	656	-	(31)	625

Designated funds are those funds that have been earmarked for a specific purpose at the discretion of the Trustees. The Trustees consider that the value of the fixed assets (representing in the main the long leasehold building owned by the charity) should be designated as a 'fixed asset fund'. The value of the fixed assets at 31 December 2009, after providing for depreciation, is £624,539(2009: £655,667) and a transfer between general and designated funds to reflect the movement in the year has been made accordingly.

18 Other funds held

The charity acting as custodian trustee holds investments not included in the balance sheet. However income arising from those investments is shown as a creditor on the balance sheets.

	2010	2009
	£'000	£'000
Book value	724	724
Market value	831	808

These investments are held separately from FIT's own assets and are held on behalf of the following:

Brow Edge Playing Field, Backbarrow, Cumbria

Dolwyddelan Playing Field, Gwynedd

Haling Grove, Croydon

Holt Playing Field, Norfolk

Kendal Cricket Club, Cumbria

King George's Fields Residuary Fund

King George's Field, Stepney, London

Lightwater Playing Field, Surrey

Firgrove Playing Field, Rochdale, Manchester

Pen Park, Bristol

Stamford Bridge Playing Field, Yorkshire

Watersfield Playing Field, Sussex

Wedmore Playing Field, Somerset

King George's Field, Worth, Kent

The objects of the above trusts are similar to those of the charity and concerned with the protection and improvement of recreational space.

19 Related parties

Team Fit Together Limited was formed to facilitate the delivery of a training project funded by a grant from the Future Jobs Fund, an initiative of the Department of Work and Pensions. The company is owned in equal shares by FIT's trading subsidiary, NPFA Services Limited and by Community Values Limited, a company with similar aims and objects to FIT.

The aim of the project is to provide training, skills and work experience to young unemployed graduates and will run until 31 January 2011. FIT is the Lead Accountable Body for the grant, being primary recipient of the funds and responsible for their application.

The following transactions were carried out in 2010:

- Payments of trainee salaries and associated costs
- Payments for the provision of training and of fund administration

No remuneration or expenses were paid to Trustees of FIT in respect of these transactions.

	2010	2009
	£'000	£'000
Total payments to related party	188	-
Related party balance at 31 December 2010	(10)	-

The balance is shown as a trade debtor.

