

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED
(PARENTS AND CHILDREN TOGETHER)
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR YEAR ENDING 31ST MARCH 2010

Charity No: 285214
Company No: 01636098

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REPORT OF THE DIRECTORS (TRUSTEES) FOR THE YEAR ENDED 31ST MARCH 2010

This report by the Trustees, together with the audited financial statements of the company, is for the year ending 31st March 2010. It includes the Directors Report and the Trustees Annual Report.

I. Reference and administrative details

The Oxford Diocesan Council for Social Work Incorporated is a charitable company limited by Guarantee, incorporated on 17th May 1982 (Company number 1636098) and registered as a charity on 2nd September 1982 (Charity registration number 285214).

The charitable company is also known under its operating name of "Parents And Children Together" hereafter referred to as "PACT", and has one wholly-owned (dormant) subsidiary, PACT Trading Limited.

The Registered Office (which is also the principal place of business) is at 7 Southern Court, South Street, Reading, Berkshire, RG1 4QS. The Adoption Agency registration number is SC049093 and the Responsible Individual registered with Ofsted in accordance with adoption legislation is Jan Fishwick.

Auditors Target Consulting Limited, 6th Floor, Reading Bridge House, Reading, RG1 8LS

Bankers National Westminster Bank PLC, Charing Cross Commercial Centre, P.O. Box 39952, 2 1/2 Devonshire Square, London, EC2M 4XJ

Insurers Ecclesiastical Insurance Group plc, Beaufort House, Brunswick Road, Gloucester, GL1 1JZ

Legal Advisers Blandy and Blandy, 1 Friar Street, Reading, Berkshire RG1 1DA
(general legal matters)
Griffiths Robertson, 7-11 Queen Victoria Street, Reading, Berkshire, RG1 1SY
(legal advice relating to adoption matters)

Directors and trustees

The directors of the company ("the company"), who form the Executive Council of the charity, are its trustees for the purpose of charity law and throughout this report are collectively referred to as trustees. Trustees serving during the year and since the year end are as follows:

Mr M. Fearn	Chair
The Revd R.R.D. Spears	Co-Vice Chair
Mr J. Tennent	Co-Vice Chair
The Revd T. Edge	
Mrs D. Hasting	
Ms S. Johnson	(resigned October 2009)
Mr J. Knight	
The Ven. N. Russell	
Mr R. Shircore	(resigned January 2010)
Dr J. Stillwell	(resigned June 2009)
Mr B. Dwyer	(resigned January 2010)
Mr A. MacArthur	(appointed July 2009)
Mrs S. Prince	(appointed March 2010)

Chief Executive Officer: Mrs Jan Fishwick

II. ***Structure, governance and management***

Governing Document

PACT is a company limited by guarantee governed by its Memorandum of Association dated 17th May 1982, and amended 16th May 1984, 25th January 2005, 19th September 2006 and 18th December 2009.

Members of the charitable company each guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31st March 2010 was 12 (2008/09:12).

Appointment of Trustees

The governing document provides that the President of the Company shall be the Lord Bishop of Oxford, and that the Chair of the trustees, who shall also be Chair of the Executive Council, shall be appointed by the Lord Bishop of Oxford.

The trustees are members of the charitable company and the trustees may from time to time invite any person they think fit to become a member.

Members of the Executive Council are drawn from various sources; some are directly nominated by other boards of the Diocese of Oxford; others have professional skills such as in social work or finance. Other members reflect consumer interest both in the adoption field and also the population which comprises the Diocese. In attendance at the meetings are Mrs Jan Fishwick (Chief Executive), Mr Ian Anderson FCMA (Director of Operations and Company Secretary), and a member of staff to record minutes.

Paragraph 4 of the Company's Articles of Association imposes no limit to the number of Trustees. Paragraph 44 provides for a third of the trustees to retire by rotation at the AGM, in which case they are eligible for re-election. Paragraph 49 gives power to the Executive Council to vary the number of members of the Executive and paragraph 50 gives the Executive Council power to appoint additional members subject to their signing the Register of Members and their endorsement by majority vote at the next Annual General Meeting.

In the year to 31st March 2010 the Executive Council met on four occasions, including the AGM. In addition two further "away day" meetings were held to discuss strategic issues – one as a board; and the second including members of the Senior Management Team.

Representatives of outside bodies

The Diocese of Oxford can nominate a representative who is entitled to attend Executive Meetings but is not entitled to vote. During the year Mr Michael Hardman was so appointed and attended three Executive Meetings.

Trustee induction and training

New trustees undergo an induction process, and are given an induction pack. They are encouraged to attend appropriate external training events, where these will facilitate the undertaking of their role.

Senior Management Team (SMT)

Day-to-day company business is undertaken by the Senior Management Team. This consists of the Chief Executive; the Director of Operations, and those staff members who head each of the operating and support divisions, namely Education (this area of work ceased at the end of January 2010); Adoption & Fostering; Communities (previously, "Housing and Community") and Central Services.

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Sub Committees

The Executive Council has formed three Committees (previously five sub-committees) made up of Trustees and co-opted members. These committees consider, make recommendations, and report to the Executive Council on matters relating to Performance Improvement; Business Development; and Communications, Marketing & Fundraising (previously, Adoption; Finance; Staffing; Communities' and Education).

The Trustees serving on the original five sub-committees during the year to 31st March 2010 and since year end were as follows: -

Adoption Consultative Committee

Revd R. R. D. Spears (Chair)
Dr J. Stillwell (to June 2009)
Mrs D. Hasting

Finance

Mr J. Tennent (Chair)
Mr J. Knight
Mr M. Fearn

Staffing

Mr B. Dwyer (Chair) (to Jan 2010)
Mr R. Shircore (to Jan 2010)
Revd R.R. D. Spears
Mr M. Fearn

Housing and Community

Revd. T. Edge (Chair)
Dr J. Stillwell (to June 2009)
Mr M. Fearn

PACT (Education)

Mr B. Dwyer (Chair) (to Jan 2010)
Mr M. Fearn

These sub-committees were replaced by three new committees from 1st April 2010, and the Trustees serving on those committees are as follows:-

Performance Management Committee

Mr J. Tennent (Chair)
Mr M. Fearn
Revd RRD Spears
Mr A. MacArthur
Mr J. Knight

Business Development Committee

Mr A. MacArthur (Chair)
Mr M. Fearn
Mr J. Tennent
Mr J. Knight
Mrs S. Prince

Communication, Marketing & Fundraising Committee

Revd. T. Edge (Chair)
Mr M. Fearn
Mrs D. Hasting
Revd RRD Spears
Mrs S. Prince

Adoption and Permanency Panel

The agency operated one Adoption and Permanence Panel throughout the period. This panel is made up of independent lay and professional representatives.

Legal Adviser to Adoption Panel

Ian Robertson

Medical Advisers

Dr D.Smyth, MD FRCP DCH
Dr C. H. Cheetham FRCPC

Agency Adviser to Panel

Satwinder Sandhu

Connected charities

PACT has a strong historical connection with the Diocese of Oxford, and receives funding from the Oxford Diocesan Board of Finance (registered charity no. 247954).

Risk Management

The company's Business Plan includes an analysis of the risks to which it is exposed. The trustees monitor progress against the strategic objectives set out in the plan at each Executive Council meeting and the plan is reviewed and updated annually. The trustees are satisfied that systems and procedures are in place to mitigate those risks identified in the plan.

III. ***Objectives and Activities***

The objects of the charitable company as stated in the Memorandum of Association are: -

- a) to promote the moral and spiritual improvement of persons within the Diocese of Oxford and such other places as the Executive Council shall from time to time decide, and
- b) the relief of children in need by providing an approved adoption and fostering service

The main objectives for the year to further these objects are: -

- To improve life chances for children, young people, parents and individuals by identifying and responding to unmet need;
- To ensure that the children and families within the Diocese of Oxford and beyond have a highly professional adoption, fostering and family support agency.

In setting objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

The main areas of activity during the year were: adoption & fostering work; community projects; and the provision of training services (this latter activity ceased in January 2010).

The strategies employed to achieve the charitable company's objectives during the year were as follows:

- Building new families through adoption – the placement of looked after children from the care system. Some of these children will have experienced neglect and/or abuse. All will need security, love and stability to enable them to overcome difficulties;
- Providing a Long Term (Permanent) Fostering service for children from the care system;
- Preparing adoptive parents for children from abroad who cannot be found families in their country of origin (Inter-Country Adoption Service);
- Providing Adoption Support Services - a range of consultation, therapies and training to help families throughout their adoption lives. This includes FACTS (Fostering and Adoption Consultation and Therapeutic Service), a specialist multi-disciplinary team working systemically and therapeutically with children and families. FACTS provides access to professional advisors in creative art therapy, play therapy, homeopathy nutritional consultations and psychological services. The service also includes specialist support for inter-country adoption issues. Other services include out of hours phone service; post-approval workshops; periodic newsletters; an annual family day; a Dad's group and local support groups.
- Helping birth relatives seeking to trace their adopted relatives (Intermediary Services).
- Working in a group or individual setting to support families and children. The Communities team offer both universal and specialised services - amongst those targeted are homeless teenage parents; victims of domestic violence; teen parents; families facing child protection issues; as well as BME families requiring support to integrate into communities. Group work ranges from small, client led groups, and similar programmes supported by volunteers, to the operation of fully developed Children Centres and extended school services.
- Providing a range of training opportunities for workers in the social care sector, via the Education division. (This aspect of PACT's work came to an end in January 2010.)

Role of Volunteers

PACT has volunteers who help out in a variety of ways, such as sitting on Adoption Panel and helping out in projects. There has also been valuable help from corporate supporters. These make a tremendous difference to the work of the charity and are gratefully appreciated.

IV. *Achievements and Performance*

The company as a whole achieved the following during 2009/10:

- Increased the number of new contracts with local authorities in both Domestic and Inter-Country Adoption work;
- Developed new adoption support services;
- Opened a dedicated Women's Centre with funding from the Ministry Of Justice, to reduce crime and re-offending, and to support women who face social exclusion;
- Developed a Family Support programme in Milton Keynes in partnership with Connections;
- Developed a programme to support children who witness domestic abuse – known as "Bounce Back For Kids" or BB4K. This project was funded by the High Sheriff of Oxfordshire (for 09/10) Mr Richard Dick, with additional funding from Oxfordshire Country Council;
- Transferred the contracts, candidates and staff from the Education division to another successful charity with complimentary aims, namely West Berkshire Training Consortium.

Specific achievements by each department are outlined below:

Adoption and Fostering

Despite lower enquiry numbers, interest in domestic adoption over the year has produced a number of excellent families able and prepared to consider children deemed 'hard to place'.

The numbers of families coming forward for fostering has not grown significantly, however, following the appointment of a Recruitment Officer in January 2010 this service has been successfully re-branded and re-launched, leading to a marked improvement in enquiries.

The number of countries sending children to the UK for adoption continues to reduce. The impact of this has been two-fold: the number of applications has reduced to just 19 (from as high as 70 in recent years); and the number of families needing support to manage their long wait for a placement has remained relatively stable. With the reduction of income, the service has had to re-organise and reduce in size, whilst maintaining a high standard of service.

Adoption Activity

UK activity

- 110** enquiries were received;
 - 10** new adoption applications were received;
 - 14** applications were considered by the Adoption & Permanency Panel;
 - 13** children were placed for adoption;
 - 19** adoption orders were made;
- There were 2 placement disruptions during the year;
2 sets of Preparation workshops were run.

Fostering

5 children remained in placement throughout the year though one child has since experienced disruption but remains within the extended foster family.

Inter Country Activity

By the end of the year, PACT was working with **31** local authorities to provide an Inter Country Service.
568 enquiries were received and **19** families went on to make an application;
31 applications were considered by the Adoption & Permanency Panel;
33 children were placed;
17 welfare supervisions were carried out on behalf of local authorities.

Communities

Achievements during the year included:

One-to-one support services

These are programmes where a specialist will work with an individual, or a family, to provide tailored support to meet specific need. Activities of note in this area included:

Domestic Abuse. A programme to support children who witness domestic abuse – known as “Bounce Back For Kids” or BB4K, was developed with funding from the High Sheriff of Oxfordshire (for 09/10) Mr Richard Dick, as well as from Oxfordshire County Council;

Women’s Centre. The Ministry Of Justice have funded a project with the aim providing support specifically for women. The main aim of the project is to reduce the numbers of women for whom problems escalate to the point that they become involved with the criminal justice system.

Group Activities

Typically, specialist programmes are run within Children Centres operated by PACT. However, PACT also provide services to other Centres, and in various community facilities (eg hostels; church halls; etc), often in conjunction with partnership agencies.

In Buckinghamshire a contract was secured in partnership with Connections, to provide Family Support in Milton Keynes.

PACT (Education)

During the period, a decision was made to close the work of the Education division in order to focus on supporting families via the existing projects. A transfer of this aspect of work, including staff, contracts and learner records, was made to West Berkshire Training Consortium (“WBTC”) at the end of January 2010.

V. Financial Review

The results for the company have been severely impacted by reporting the Local Government Pension Scheme deficit in accordance with FRS 17. The deficit, which had risen from £135,000 to £495,000 in 08/09, rose again in the year to £1,491,000. As a result, the company is insolvent on a balance sheet basis, but the Directors have considered the underlying performance of the company, together with the outlook for the future, and do not consider that the company is unable to meet its debts as they fall due.

There was a surplus of £21k (£43k deficit in 08/09) on operational activities, compared with a budgeted deficit of £35k (£35k in 08/09).

Investment assets have recovered significant value during the period, although an increase of £69k in the year does not offset the loss of £95K in 08/09 (all values are unrealised).

Total funds reduced by £860k. There was an increase in the undesignated general funds (£73k); various funds for Community projects (38k), the Post Adoption restricted fund (£38k); the Endowments (£14k); and the fixed assets designated fund (£5k). These were offset by an increase in the Berkshire Pension Scheme FRS 17 liability (£996k) and a reduction of £32k in other funds.

Incoming resources

Total Incoming Resources from Charitable Activities were £3,112k, a 20.5% increase on 2008/09.

Donation income increased by over 52% year-on-year, and it is hoped that this trend will continue with plans for a full-time fundraiser in 2010 and the centenary celebrations in 2011. Voluntary income also includes the continued financial support from the Diocese; this makes a significant contribution to core costs and the trustees are grateful for this support.

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The trading subsidiary (PACT Trading Limited) was dormant during 2009/10.

Major grants during 2009/10 were as follows:

Grants from local authorities

Oxfordshire County Council	£1,128,574 for Children's Centres in South Oxfordshire, including grants for specific developments or programmes
Bracknell Forest	£73,156 to support a family drop-in centre and the Parents Hostel in Bracknell; £13,462 for homeless teenage parenting support; £55,100 for an outreach service in Bracknell.
Royal Borough of Windsor and Maidenhead	£25,255 for support work with Asian women in Windsor and Maidenhead.

Other funders

The Ministry of Justice	£230,000 to develop the Reading Womens Centre at Alana House
The Diocese of Oxford	£95,000 general grant to support PACT
Children in Need	£33,200 for Early Years work in Coley Park in Reading and £4,397 for activities and salaries in Witney
Connexions	£32,399 for work with young people in Witney.

£1,300 was received from the Hilton Group for food and cooking activities at the Bracknell Hostel, and a further £1,000 was received for leisure activities. £200 was received from Berkshire Community Foundation and used on a farm trip for Bracknell Hostel residents.

Grant support was also received from many other sources including the Rothschild Foundation, West Oxfordshire CAB, CAFCASS and All Saints Church in Wokingham.

Fees were broadly similar to the previous year, with a reduction in Inter-Country income offset by a full year of breakfast, after-school, and holiday club income at the Wantage Children's Centre.

Supporting People contracts continued with Buckinghamshire County Council and with Bracknell Forest BC for resettlement work and for the PACT Parents House project.

Resources expended

Direct charitable expenditure increased from £2,712k in 2008/09 to £3,147k. Pay costs were 63% of total expenditure (68% in 08/09).

Losses resulting from the business of PACT (Education) were £79.6k in the year. This area of work ended on 31st January 2010, and further incomes and costs are not anticipated.

Operating & Investment Restrictions

The charitable company may not undertake any permanent trading activities in raising funds for its primary charitable objects.

The Company may invest moneys "not immediately required for its purposes in or upon such investments, securities or property as may be thought fit, subject nevertheless to such condition (if any) and such consents (if any) as may for the time being be imposed or required by law" (Paragraph J of the Memorandum of Association).

Currently all investments are held in Deposit Accounts or Common Investment Funds with CCLA, who have clearly defined ethical investment policies.

The total return on investments for the year 2009/10 (excluding funds held on deposit), was a gain of 25% (08/09 loss 13%). This includes income from subletting space at 2 Southern Court; together with unrealised capital gains of £69.3k (08/09 unrealised capital losses £95.5k). The outlook for 10/11 suggests that investment returns will remain poor. The building at 2 Southern Court is wholly used for operational use during 10/11, and therefore no further income from sub-letting the space is envisaged.

Reserves Policy

PACT is required by law to retain sufficient levels of Reserves to ensure that any current adoption activity could be completed should the agency be unable to continue to operate. The Department for Children, Schools and Families recommend holding a minimum of six months agency operating expenditure in reserve, and as part of the Inspection procedure, the agency is required to demonstrate financial viability for at least three years from the date of Inspection. Therefore the trustees have deemed it prudent to work towards retaining six months agency operating expenditure in reserve.

At March 2010, the figure representing six months of the unrestricted expenditure of the agency was £530k. Unrestricted funds were £589k of which £440k is tied up in fixed assets, leaving £149k, some of which are designated for specific purposes.

It should be noted that the pension provisions total £1,629k – see note 7 for further detail – which reduces the balance of free reserves significantly. However, this liability has been calculated in accordance with FRS 17 and is not expected to create a cash requirement within the next 12 months. The level of free reserves therefore remains significantly below the six months level, and this is continually monitored by trustees.

VI. Plans for future periods

The Trustees recognise the seriousness of the deficit caused by accounting for the pension liability in accordance with FRS17. This situation is being monitored regularly.

The Trustees and Senior Management Team are conscious of the need to change in response to economic conditions, as well as responding to the needs of the community. There are plans to diversify income streams, and to create a role specifically for business development.

Specific plans for each department are outlined below:

Adoption and fostering

Under the leadership of the new Director (in post since October 2009) the service will undertake a significant review of all services, and continue the drive to expand services and seek out new partnerships and contracts.

PACT's support service has been successfully rebranded as FACTS and is expected to grow, ensuring that all domestic and inter-country adopters and foster carers can access a range of medical and therapeutic support services as soon as there are indicators of need.

Targets for 2010/11 are 21 domestic placement fees, 4 new approved foster families (ideally with a placement identified) and 24 inter-country applications.

Communities

The next few years are likely to prove difficult, due to reduced government spending on the kind of support services delivered by PACT. Therefore, the focus will be on developing a broader range of small, community based projects, to spread the sources of income, and to respond to areas of need.

Responsibilities of the Trustees/Directors in relation to the financial statements

Trustees/directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its result for that period. In preparing those financial statements, the trustees/directors are required to:

- select appropriate accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees/directors are responsible for ensuring that the charitable company keeps accounting records that disclose with reasonable accuracy the financial position of the charitable company and enables them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Target Consulting Limited be re-appointed as auditors for the 2010/11 financial period.

This report has been prepared in accordance with the Special provisions of Part 15 of the Companies Act 2006 relating to small companies, and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

By Order of the Board



M Fearn
Chair

Date: 8th OCTOBER 2010

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF THE
OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED
(a Company limited by guarantee)**

We have audited the financial statements of the Oxford Diocesan Council for Social Work Incorporated, for the year ended 31st March 2010, which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out in Note 1.

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees/directors and auditors

As described in the Statement of Trustees' Responsibilities, the trustees, who are also the Directors of the Oxford Diocesan Council for Social Work Incorporated for the purposes of company law, are responsible for the preparation of the Annual Report and the Financial Statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Charities Statement of Recommended Practice.

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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with those financial statements.

We also report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We are not required to consider whether the statement in the Trustees' Annual Report concerning the major risks to which the charitable company is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charitable company's risk management and control procedures.

We read the Trustees' Annual Report, and 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 judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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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.

Opinion

In our opinion :-

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31st March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been prepared in accordance with the Companies Act, 2006; and
- the information given in the Trustees' Annual Report is consistent with the Financial Statements.



TARGET CONSULTING LIMITED
Chartered Accountants
and Statutory Auditors

6th Floor, Reading Bridge House,
Reading.

Date: 19-10-2010

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED

Statement Of Financial Activities (including Income and Expenditure Account and Statement of Total Recognised Gains and Losses) For The Year Ending 31st March 2010

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2010	Total 2009
		£	£	£	£	£
Incoming resources						
<i>Incoming resources from generated funds:</i>						
<i>Voluntary income</i>						
Donations		21,760	7,938	0	29,698	19,531
Legacies		0	0	0	0	0
Oxford Diocesan Board of Finance		95,000	0	0	95,000	95,000
Total Donations and Gifts		116,760	7,938	0	124,698	114,531
<i>Activities for generating funds</i>						
Other fundraising income		18,339	3,937	0	22,276	27,846
Total activities for generating funds		18,339	3,937	0	22,276	27,846
<i>Investment income</i>						
Rents receivable		8,299	0	-	8,299	23,101
Dividends and interest		10,410	7,747	-	18,157	43,764
Total investment income		18,709	7,747	0	26,456	66,865
<i>Incoming resources from charitable activities:</i>						
Grants		4,337	1,684,115	-	1,688,452	1,219,289
Fees earned		792,191	395,737	-	1,187,928	1,174,004
Housing Benefits and Supporting People income received		131,392	104,716	-	236,108	189,018
Total incoming resources from charitable activities	2	927,920	2,184,568	0	3,112,488	2,582,311
<i>Other incoming resources</i>						
					0	0
Total incoming resources		1,081,728	2,204,190	0	3,285,918	2,791,553
Resources expended						
<i>Cost of generating funds</i>						
Commercial trading operations		-	0	-	-	-
Fund-raising and Publicity	4	49,360	-	-	49,360	49,175
		49,360	0	0	49,360	49,175
Direct charitable expenditure	3	932,683	2,213,972	-	3,146,655	2,712,473
Governance costs	4	67,678	-	-	67,678	73,552
ODBF pension deficit provision		1,284	-	-	1,284	1,312
Total resources expended		1,051,005	2,213,972	0	3,264,977	2,836,512
Net incoming/(outgoing) resources before transfers (Net income/expenditure for the year)		30,723	(9,782)	0	20,941	(44,959)
Transfers between funds	5	(13,592)	13,592		0	(1)
Net Income / (Expenditure) for the year		17,131	3,810	0	20,941	(44,960)
Other recognised gains and losses						
Realised gain (losses) on investments	9	0	0	0	0	0
Net movement in Funds before unrealised gains and losses		17,131	3,810	0	20,941	(44,960)
Unrealised gains (losses) on investments	9	21,544	33,940	13,812	69,296	(95,491)
Actuarial gains (losses) on defined benefit pension schemes	7	(950,000)			(950,000)	(279,000)
Net Movement in Funds		(911,325)	37,750	13,812	(859,763)	(419,451)
Balances brought forward at 1st April 2009		(129,150)	612,900	171,331	655,081	1,074,532
Balances carried forward at 31st March 2010	17	(1,040,475)	650,650	185,143	(204,682)	655,081

The notes on pages 18 to 27 form part of these accounts.

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

1 Accounting Policies

1.1 Basis of accounting

The Financial Statements of the charitable company are prepared under the historical cost convention, as modified by the revaluation of investments, and in accordance with the current Statement of Recommended Practice (SORP 2005) "Accounting and Reporting by Charities"; the Financial Reporting Standard for Smaller Enterprises (FRSSE) effective April 2008; applicable accounting standards; and the Companies Act 2006.

1.2 Capitalisation and depreciation of tangible fixed assets

Individual assets costing £500 or more are capitalised and included at cost, including any incidental expenses of acquisition. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Freehold land	nil
Freehold buildings	over 50 years
Motor vehicle (van)	over 5 years
IT equipment	over 3 years
Other office equipment	over 5 years
Furniture	over 4 years
Partitioning and other internal building work	over 7 years

The value of the freehold office building at 7 Southern Court, South Street, Reading, has been assessed by the trustees as being split into 35% for the land, and 65% the value of the building.

The value of the freehold office building at 2, Southern Court, South Street, Reading, has been assessed by the trustees as being split into 28.2% held for investment purposes and 71.8% held for operational purposes. The operational part of the building has been assessed by the trustees as being split into 35% for land, with the remaining 65% for the operational building.

1.3 Investments

These are valued at market value at 31st March 2010. In the case of the investment property (see note 8 and 9) no revaluation has been made since purchase. Surpluses and deficits on revaluation are allocated to the appropriate fund.

1.4 Incoming resources

(a) Voluntary income

Income from donations, grants of a core funding or general nature, and legacies, is included in incoming resources when these are receivable, there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Such income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting periods; or
- the donor has imposed conditions which must be met before the company has unconditional entitlement.

When donors specify that donations are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

(b) Income from commercial trading activities is recognised as earned, as the related services are provided

(c) Investment income is recognised on a receivable basis

(d) Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions, and is recognised as earned when the related goods and services are provided. Income is deferred when fees or performance related grants are received in advance of the provision of the goods and services to which they relate.

1.5 Volunteers

The value of services provided by volunteers is not incorporated into these financial statements, as this is not quantifiable.

1.6 Resources expended

Resources expended are accounted for on an accruals basis. The irrecoverable element of V.A.T. is included within the item of expense to which it relates.

- costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in trading activities which raise funds. A proportion of the costs of generating funds relates to recruitment of adoptive families.

- charitable activities includes expenditure associated with the provision of adoption & fostering services, community projects, and the provision of training services, and include both direct costs and support costs relating to these activities.

- governance costs include those incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements.

- where possible costs have been charged direct to the project or cost heading concerned. Support costs have been apportioned to charitable activities on the basis of estimated use of those resources in support of those activities.

1.7 Operating leases

Rentals paid under operating leases are charged to revenue as incurred.

1.8 Pension costs

Contributions are payable to a defined benefit scheme, with the Oxford Diocesan Board of Finance (ODBF). It is accounted for as though it is a defined contribution scheme, since the company's underlying assets and liabilities cannot be identified from this multi-employer scheme. Account of the share of underlying deficits is included in the financial statements as detailed in note 7.

The financial statements also take account of the share of the underlying deficit in the Royal County of Berkshire Pension Scheme, in accordance with FRS 17.

The deficits outlined above are shown as a liability in the balance sheet and is represented by the Pensions Reserve.

The current service cost, expected return on pension scheme assets, interest on pension scheme liabilities and loss/(gain) on curtailments & settlements are within the resources expended section of the SOFA. Actuarial gains and losses are recognised in the gains and losses section of the SOFA. More details are included in Note 7 to these accounts.

1.9 Funds accounting

- (a) Permanent endowment funds: these are restricted funds, which must be held permanently, and the capital maintained. A total return approach has been adopted for these funds.
- (b) Restricted income funds: these are funds subject to specific conditions imposed by the funder, or where funds have been raised for a specific purpose.
- (c) Designated funds: these are funds that are legally unrestricted but which the trustees have designated for particular purposes.
- (d) General funds: these are funds available for any purpose within the objects of the charity. The funds are detailed in notes 13-16.

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATEDNotes to the Financial Statements for the year ending 31st March 2010**2 Incoming resources from activities to further the charity's objects**

	Unrestricted Funds £	Restricted Funds £	Total 2010 £	Total 2009 £
Grants				
Grants from local authorities for Community Work	0	1,183,471	1,183,471	943,908
Ministry of Justice	0	200,319	200,319	
Connexions grant (Witney)	0	24,415	24,415	27,128
Children in Need grants	0	16,630	16,630	607
St Mary's & All Saints School for Coley project	0	124,086	124,086	114,078
Comic Relief	0	7,500	7,500	22,500
Other grants	4,337	127,694	132,031	48,053
SRB funding for projects in Milton Keynes	0	0	0	63,015
	<u>4,337</u>	<u>1,684,115</u>	<u>1,688,452</u>	<u>1,219,289</u>
Fees				
Inter agency placement fees - UK adoptions	317,609	0	317,609	305,136
Inter-country fee income:				
- assessments and welfare supervision	197,442	0	197,442	259,195
- income from local authorities	66,119	0	66,119	75,186
Training Services fees	0	249,053	249,053	246,195
Long Term Fostering fees	177,538	0	177,538	175,264
Wiltshire post adoption services	360	0	360	33,529
Other fees	33,123	78,054	111,177	39,719
Post Adoption income	0	68,630	68,630	39,780
Total Fee income	<u>792,191</u>	<u>395,737</u>	<u>1,187,928</u>	<u>1,174,004</u>
Housing Benefits & Supporting People funding				
Income received for supported living and floating support projects	131,392	104,716	236,108	189,018
Total incoming resources from activities in furtherance of the charity's objects	<u>927,920</u>	<u>2,184,568</u>	<u>3,112,488</u>	<u>2,582,311</u>

3 Direct charitable expenditure

	Direct Costs £	Support Costs £	Total 2010 £	Total 2009 £
Adoption and Fostering	650,903	165,413	816,316	910,500
Community projects	1,739,910	258,749	1,998,659	1,457,222
PACT Education	255,332	76,348	331,680	344,751
	<u>2,646,145</u>	<u>500,510</u>	<u>3,146,655</u>	<u>2,712,473</u>

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED

Notes to the Financial Statements for the year ending 31st March 2010

4 Allocation of support costs

Support costs are allocated as shown in the table below, and on a basis consistent with the use of resources, based on estimated allocation of staff time; property usage, etc.

	Adoption & fostering	Communities	PACT Education	Total charitable activities	Costs of generating vol income	Governance costs	TOTAL SUPPORT COSTS
	£	£	£	£	£	£	£
Finance, Personnel & Reception costs	120,715	228,425	37,566	386,706	9,316	26,748	422,770
Marketing and Fundraising					29,470		29,470
Chief Executives Office	33,645	28,839	14,419	76,903	10,574	22,110	109,587
Property/Southern Court allocations	11,053	1,485	24,363	36,901		2,020	38,921
Professional fees						4,631	4,631
Audit Fees						8,050	8,050
AGM and Executive Council costs						2,151	2,151
Bank Charges						1,968	1,968
	<u>165,413</u>	<u>258,749</u>	<u>76,348</u>	<u>500,510</u>	<u>49,360</u>	<u>67,678</u>	<u>617,548</u>

5 Transfers between funds

	Unrestricted £	Designated £	Restricted £	Endowment £
Designated Funds				
(a) Fixed Assets	5,653	(5,653)		
Restricted Funds				
(b) To support lossmaking projects	(13,592)		13,592	
Total Transfers between Funds	<u>(7,939)</u>	<u>(5,653)</u>	<u>13,592</u>	<u>NIL</u>

(a) Transfer required to adjust the value of net assets held in a designated fund

(b) Transfer from unrestricted funds to support loss-making projects

6 Employees

6.1 Analysis of employee costs

The aggregate remuneration and associated costs of employees were:	2009/10 £	2008/09 £
Wages and salaries	1,679,670	1,477,954
Social security costs	117,167	106,552
Pension costs	242,293	244,990
	<u>2,039,130</u>	<u>1,829,496</u>

Number of employees earning between £60,000 and £70,000

	2009/10	2008/09
	1	1

6.2 The average weekly number of employees during the year was:

	2009/10 WTE	2008/09 WTE
Full time	32.8	29.5
Part time	32.8	26.8
	<u>65.6</u>	<u>56.3</u>
These may be further analysed:		
Adoption and Fostering services	5.9	6.9
Community projects	45.0	35.0
Education	3.5	4.4
Support services	11.2	10.1
	<u>65.6</u>	<u>56.3</u>

6.3 Directors emoluments

The directors received no remuneration or emoluments, with the exception of Alasdair MacArthur, who was paid £2,500 during a short period of temporary employment – the cost of which was fully re-imbursed by Vodafone as part of their "World of Difference" campaign to support charities. Travel expenses totalling £1,346 for 5 trustees (2008/09 £996 for 4 trustees) were reimbursed.

7 Pensions

Oxford Diocesan Board of Finance Staff Retirements Scheme (ODBF)

The ODBF Scheme, which is a defined benefits scheme, provides appropriate pension benefits for eligible employees. The trustees have decided that those who have joined continue to be members, but no further employees will be offered the option to join this scheme. There is one current employee of the company who is a member of this scheme.

The scheme is administered by Barnett Waddingham - on behalf of the fund manager EIG - who are responsible for actuarial valuation. The level of employer contribution rates is recommended by EIG. The latest triennial actuarial report issued as at 31st December 2008 showed a deficit of £605,000 (£2,004,000 as at 31.12.05). The company is unable to identify its share of this liability, although the actuary estimated it to be £274,000 of the deficit at the 31.12.05 valuation. The Oxford Diocesan Board of Finance accepted the recommendation of the actuary and introduced a contribution plan to repay the deficit over a period of 2 years 6 months from 1st April 2010. (This contribution increases by 3% per annum on 1st January each year). The company agreed to pay a share of the additional contributions and the total liability has been discounted to £138,472 as at the balance sheet date (2008/09: £137,188).

In the event that the company ceases to have any contributing members in this scheme it would trigger a wind up liability. Should this situation occur an approach will be made to the pension regulator for the liability to be held by the ODBF and if this is acceptable the company will continue to make payments to the ODBF in order to repay the liability. If this approach is not acceptable to the pension regulator the ODBF will loan PACT the funds needed and these will be repaid by means of a reduction in the annual grant made to PACT.

However, the trustees of the scheme have indicated that they intend to cease the purchase of annuities on retirement. This would mean that retired members would be paid a pension out of scheme income, and therefore the above liability will not crystallise when the existing member retires.

Note that the deficit values outlined above are in addition to the ongoing employer's contribution rate of 35.6% of basic salary. (33.6% from 1st April 2010). This rate is reviewed every 3 years in accordance with the actuarial valuation. Such contributions for 2009/10 totalled £14,836 (£14,842 in 2008/09).

The actuary has prepared a valuation for the scheme under FRS 17, as at 31st December 2009. FRS17 uses different assumptions from those used for the actuarial valuation. The funding surplus under FSR17 was £19,000 (31/12/08 surplus of £681,000). The deterioration was due to a decrease in the discount rate and an increased inflation assumption. The full FRS17 surplus has been shown in the Financial Statements of the Oxford Diocesan Board of Finance for the year ending 31st December 2009. (Registered charity number 247954)

The charitable company is unable to identify its share of the underlying assets and liabilities in this scheme on a consistent and reasonable basis, since it is a multi-employer scheme, and therefore it is accounted for as though it is a defined contribution scheme.

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED

Notes to the Financial Statements for the year ending 31st March 2010

Royal County of Berkshire Pension Fund

A number of employees are members of the Royal County of Berkshire Pension Fund, which is a defined benefits scheme. Barnett Waddingham are the actuaries of this scheme and they recommend the level of premiums. The latest actuarial valuation was 31st March 2007, with the next formal valuation due on 31st March 2010. The FRS 17 valuation of the scheme shows a deficit of £1,491,000 (31/03/09 £495,000).

Contributions to this scheme totalled £181,449 (£144,052 in 2008/09), at a contribution rate of 15.6% (15.6% 2008/09).

NOTE: All figures below supplied by the actuary in £K only.

The main assumptions used by the actuary were as follows:

	At 31/03/10	At 31/03/09
Price Increases	3.9%	3.0%
Salary Increases	5.4%	4.5%
Pension Increases	3.9%	3.0%
Discount Rate	5.5%	6.7%

Composition of scheme assets:

	At 31/03/10	At 31/03/09
	£k	£k
Equities	875	806
Gilts	-	123
Other bonds	577	189
Property	139	140
Cash	40	39
Alternative assets	358	-
Total	1,989	1,297

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period, ie as at 01/04/09. The expected long term returns by assets class (% per annum) are as follows:

	At 01/04/10	At 01/04/09
Equities	7.9%	7.4%
Gilts	4.5%	4.0%
Other bonds	5.5%	6.5%
Property Rate	6.0%	5.5%
Cash	3.0%	3.0%
Alternative assets	5.0%	n/a
Expected Return on Assets	6.5%	6.3%

Net Pension Liability as at

	31/03/10	31/03/09
	£k	£k
Estimated Employer Assets	1,989	1,297
Present Value of Scheme Liabilities	3,480	1,792
Net Pension Liability	1,491	495

The reconciliation of assets was:

	31/03/10	31/03/09
	£k	£k
Opening fair value of assets	1,297	1,651
Restatement of assets to bid value	0	(17)

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED

Notes to the Financial Statements for the year ending 31st March 2010

Expected return on assets	88	124
Employer contributions	182	142
Contributions by scheme participants	82	69
Benefits paid (net of transfers in)	(34)	(31)
Actuarial Gains/(Losses)	374	(641)
Fair value of assets carried forward	1,989	1,297

<u>The reconciliation of liabilities was:</u>	31/03/10	31/03/09
	£k	£k
Opening defined benefit obligation	1,792	1,786
Past service cost	-	11
Current service cost	178	194
Interest cost	128	125
Benefits paid	(34)	(31)
Contributions by scheme participants	82	69
Losses (gains) on curtailments	10	0
Actuarial Loss/(Gain)	1,324	(362)
Closing defined benefit obligation	3,480	1,792

Analysis of amount charged to resources expended in the SOFA:

	31/03/10	31/03/09
	£k	£k
Service Cost	178	194
Past service cost	-	11
Expected return on assets	(88)	(124)
Interest cost	128	125
Loss (gain) on curtailments & settlements	10	-
Total	228	206
Actual return on scheme assets	463	(517)

Statement of recognised gains and losses:

	31/03/10	31/03/09
	£k	£k
Actuarial Gain/(Loss) in scheme	(950)	(279)

History of experience Gains and Losses:

	Year to 31/03/10	Year to 31/03/09	Year to 31/03/08	Year to 31/03/07
	£k	£k	£k	£k
Defined benefit obligation	(3,480)	(1,792)	(1,786)	(1,218)
Scheme assets	1,989	1,297	1,634	1,183
Surplus/deficit	(1,491)	(495)	(152)	(33)
Experience adjustment on scheme assets	374	(641)	140	1
Experience adjustment on scheme liabilities	-	-	(568)	2

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED

Notes to the Financial Statements for the year ending 31st March 2010

8 Tangible fixed assets

	Freehold land and Buildings £	Partitioning & other works £	Office equipment/ Furniture and fixtures £	Motor Vehicles £	Total £
Cost					
Balance at 1st April 2009	655,740	188,207	348,762	14,461	1,207,170
Additions	-	13,945	64,746	22,489	101,180
Transfers	-	-	-	-	-
Disposals	-	-	(19,646)	-	(19,646)
Balance at 31st March 2010	655,740	202,152	393,862	36,950	1,288,704
Less: Depreciation					
Accumulated at 1st April 2009	58,785	104,249	243,852	482	407,368
Charge for the year	8,525	23,794	49,969	3,341	85,629
Disposals	-	-	(17,056)	-	(17,056)
Accumulated balance at 31st March 2010	67,310	128,043	276,765	3,823	475,941
Net Book Value at 31st March 2010	588,430	74,109	117,097	33,127	812,763
Net Book Value at 31st March 2009	596,955	83,958	104,910	13,979	799,802
Original cost of properties	655,740				

A freehold property was purchased during 2005 for £430,000 as a "mixed-use" building. The split of purchase price between the portion held for operational use - to be included in fixed assets - and the portion held for investment purposes to provide a rental income, has been calculated on the basis of floor area. The portion relating to operational use has a net book value of £287,668 (31/03/09: £291,682) and is included in Note 8 above, and the portion relating to investment property is included in Note 9 below.

9 Investments

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Endowment Funds £	Total £
Market value at 1st April 2009	13,726	60,534	123,522	171,331	369,113
Additions					
Disposals					
Realised gains/(losses) in market value (in the period)					
Unrealised gains/(losses) in market value (in the period)	4,647	16,897	33,940	13,812	69,296
Market value at 31st March 2010	18,373	77,431	157,462	185,143	438,409
Historic Cost at 31st March 2010	6,446	46,676	120,000	145,752	318,874
Analysis of investments at 31/03/10	£	£	£	£	£
Property (2nd floor 2 Southern Court)				121,260	121,260
C.B.F. Investment fund shares	10,638	77,431	99,711	36,354	224,134
C.O.I.F shares			57,751	27,473	85,224
Unit trust	7,635				7,635
Investment in subsidiary	100				100
Cash on deposit				56	56
	18,373	77,431	157,462	185,143	438,409

The historic cost figures have been prepared on the basis that shares transferred to O.D.C.S.W. on the closure of two Deanery Associations have been acquired at zero cost to the agency.

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATEDNotes to the Financial Statements for the year ending 31st March 2010**10 Debtors**

	2010 £	2009 £
Sundry debtors	219,937	308,673
Amounts due from trading subsidiary	-	-
Prepayments	49,178	47,588
	<u>269,115</u>	<u>356,261</u>

11 Creditors**Creditors due within one year**

	2010 £	2009 £
Sundry creditors	205,256	246,063
Futurebuilders loan	3,429	3,429
Long Term Loan	10,595	5,756
Accruals and provisions	131,633	83,660
Deferred income (Note 12)	244,047	225,949
	<u>594,960</u>	<u>564,857</u>

Creditors due after one year

	2010 £	2009 £
Futurebuilders Loan	3,714	6,571
Long Term Loans	109,709	125,143
	<u>113,423</u>	<u>131,714</u>

The long term loans include a mortgage for a 20 year term with NatWest Bank plc, secured on 2 Southern Court. The mortgage was for £150,000, representing approximately 35% of the original purchase cost of the building. Interest on the mortgage is charged at a variable rate of interest at 1.5% over the bank base rate.

12 Deferred income

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2010 £	Total 2009 £
Balance at 1st April 2009 ('08)	66,907	159,042	-	225,949	176,964
Amount deferred in year	336,623	1,406,009	-	1,742,632	1,571,342
Amount released to incoming resources	(330,954)	(1,393,580)	-	(1,724,534)	(1,522,357)
Balance at 31st March 2010 ('09)	<u>72,576</u>	<u>171,471</u>	-	<u>244,047</u>	<u>225,949</u>

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED

Notes to the Financial Statements for the year ending 31st March 2010

13 Endowment funds

	Balance 01/04/09 £	Incoming Resources £	Expenditure £	Gains/ (Losses) £	Transfers £	Balance 31/03/10 £
Wellesley Home Trust Property:						
- Original gift	9,083	-	-	-	-	9,083
- Unapplied total return	12,511	-	-	5,879	-	18,390
Total fund	21,594			5,879	-	27,473
St. Mary's Home Fund:						
- Original gift	28,247	-	-	-	-	28,247
- Unapplied total return	121,490	-	-	7,933	-	129,423
Total fund	149,737	-	-	7,933	-	157,670
Total Endowment Funds	171,331	-	-	13,812	-	185,143

A permanent endowment fund is a capital fund where there is no power to convert the capital into income, i.e. the fund must be held indefinitely. An order was granted by the Charity Commission in 2002 permitting the trustees to adopt a total return approach to the investment of the above two endowment funds.

Wellesley Home Trust Property fund is a permanent trust set up under a Charity Commission Scheme in 1978 from the general assets of the Wellesley Home following closure. The fund's assets are shares in COIF Charities Investment fund.

The capital in the St. Mary's Home Fund may be applied in or towards providing land and buildings for use as a home for the moral rehabilitation and sustenance of women and girls. The trustees agreed during 2004 that a proportion of the unapplied total return of this fund be used to partly fund the purchase of 2 Southern Court, and this amount (£242,474), was transferred from the endowment fund to the St. Mary's Home Fund Income restricted fund (see note 15).

The interest earned on both Endowment Funds during the year was £2,788 (08/09: £2,704) and is included in the Financial Statements under the item "dividends and interest" within Unrestricted Funds.

14 Unrestricted funds

	Balance 01/04/09 £	Incoming Resources £	Expenditure £	Gains/ (Losses) £	Transfers £	Balance 31/03/10 £
General Fund	41,658	1,066,826	(1,030,373)	4,646	26,756	109,513

Unrestricted funds are expendable at the discretion of the trustees in furtherance of the objects of the charity. The General Fund represents the net free assets of the Company.

Unrestricted funds – pension reserve

	Balance 01/04/09 £	Incoming Resources £	Expenditure £	Gains/ (Losses) £	Transfers £	Balance 31/03/10 £
Pension Reserves	(495,000)			(950,000)	(46,000)	(1,491,000)
ODBF Pension Reserve	(137,188)		(1,284)			(138,472)

The pension reserve relates to the Royal County of Berkshire pension fund liability under FRS17. The ODBF pension reserve relates solely to the provision for the company's commitment to ODBF in respect of the ODBF pension fund deficit. See note 7 for further detail.

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED

Notes to the Financial Statements for the year ending 31st March 2010

15 Unrestricted funds – Designated

	Balance 01/04/09 £	Incoming Resources £	Expenditure £	Gains/ (Losses) £	Transfers £	Balance 31/03/10 £
Mary Turner Bequest	25,238	8,680	(19,349)			14,569
Fixed Assets	313,707				5,652	319,359
Wellesley Home Fund 'for housing'	122,435	6,223		16,898		145,556
	<u>461,380</u>	<u>14,903</u>	<u>(19,349)</u>	<u>16,898</u>	<u>5,652</u>	<u>479,484</u>

These are unrestricted funds (see also Note 13) which the trustees have decided should be used for particular purposes:

- The Mary Turner Bequest is a legacy received in 2005 which has been designated by the trustees as a fund to provide staff bursaries for training as well as annual events.
- The trustees agreed in 2002 that the net value of unrestricted fixed assets held in the general fund should be transferred to a designated fixed assets fund, to enable better understanding of the company's unrestricted reserve position. This excludes any assets held by restricted funds but includes assets financed by long term loans.
- The Wellesley Home Fund for Housing is designated for special projects within the Communities department.

16 Restricted funds

	Balance 01/04/09 £	Incoming Resources £	Expenditure £	Gains/ (Losses) £	Transfers £	Balance 31/03/10 £
St. Mary's Home Fund Income	229,078		(3,152)			225,926
Housing and community projects	115,944	1,774,014	(1,695,970)		(47,587)	146,401
Sonning and Bracknell funds	62,307	100,551	(121,915)	12,603		53,546
Post adoption income	187,098	77,600	(61,258)	21,337		224,777
PACT Education projects	18,473	252,025	(331,677)		61,179	0
	<u>612,900</u>	<u>2,204,190</u>	<u>(2,213,972)</u>	<u>33,940</u>	<u>13,592</u>	<u>650,650</u>

Restricted funds are funds which may only be used in ways that are restricted by the terms under which they were received:

- The income from St. Mary's Home Fund is restricted for use in aid of the moral rehabilitation and sustenance of women and girls. The interest earned from the endowment (see note 13) is shown above, and is transferred to the unrestricted investment income in the Financial Statements;
- Community projects are largely funded from grants and other income received for those activities, and includes the balance of capital grants which are released over the expected life of the assets;
- Sonning and Bracknell funds are funds received on the closure of the Sonning and Bracknell Deanery Association in 1999. These funds are to be used for work in the Sonning and Bracknell Deaneries;
- Post adoption income represents monies received from inter-agency placements. These are funds to be used to finance expenditure in support of the adopted person;
- Education projects came to an end during the year with the cessation of this line of work.

OXFORD DIOCESAN COUNCIL FOR SOCIAL WORK INCORPORATED

Notes to the Financial Statements for the year ending 31st March 2010

17 Analysis of net assets between funds

	Unrestricted Funds			Restricted Funds	Endowment Funds	Total Funds
	General Funds	Designated Funds	Total			
	£	£	£	£	£	£
Fund balances at 31st March 2010 are represented by :						
Tangible fixed assets		439,663	439,663	373,100		812,763
Investments	18,373	77,431	95,804	157,462	185,143	438,409
Current assets	419,983	82,695	502,678	379,323		882,001
Liabilities falling due < one year	(321,700)	(14,025)	(335,725)	(259,235)		(594,960)
Liabilities falling due > one year	(7,143)	(106,280)	(113,423)			(113,423)
Provisions	(1,629,472)		(1,629,472)			(1,629,472)
Total net assets	(1,519,959)	479,484	(1,040,475)	650,650	185,143	(204,682)

18 The results for the year after charging

	2010	2009
	£	£
Audit fees	8,050	9,032
Depreciation	85,629	68,391
Rent receivable	(8,299)	(22,126)
Trustee Indemnity Insurance	4,601	4,289
Operating lease rentals:		
- photocopier	6,362	4,604
- accounts software	6,506	11,063
Total operating lease rentals	12,868	15,667

19 Operating lease commitments

The amounts payable in respect of operating leases for two photocopiers, (in 2009: plus accounts software), are shown below, analysed according to the expiry date of the lease:

	2010	2009
Expiry date:	£	£
Within one year	5,646	12,847
Between two and five years	2,031	7,513
In over five years		
	7,677	20,360

20 Transactions with connected charities

The Oxford Diocesan Board of Finance (ODBF) is a connected charity. Transactions with ODBF were as follows:

	2010	2009
	£	£
Charged by ODBF:		
Pension contributions	14,883	19,900
Other costs	335	335
	15,218	20,235
Amounts owed at year-end for deferred pension costs	1,235	4,886
Received from ODBF:		
Grant	95,000	95,000
Grant- pension fund deficit	-	-
	95,000	95,000