

Company No 355987  
Registered Charity No 226334

THE OXFORD GROUP

*OPERATING AS*

# INITIATIVES OF CHANGE

ANNUAL REPORT 2013

INCLUDING ACCOUNTS FOR THE YEAR

ENDED 31 DECEMBER 2013

Copies of this and previous Annual Reports and Accounts are available for download at  
[www.uk.iofc.org/annual-report](http://www.uk.iofc.org/annual-report)

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## DIRECTORS' REPORT

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### Members of the Board of Trustees at 31 December 2013

Dr Philip Boobbyer (Chair)  
Charles Aquilina  
Andrea Cooper  
Margaret Cosens  
Simon Hicks  
Claire Leggat  
Neil Mackay (resigned 12 February)  
The Rev Lusa Nsenga-Ngoy  
Dr Nirmala Pillay

**Secretary**

Kenneth Noble

**Charity number**

226334 Registered in England and Wales

**Company number**

355987 Registered in England and Wales

**Registered office**

24 Greencoat Place  
London  
SW1P 1RD

**Bankers**

Barclays Bank PLC  
13 Artillery Row,  
London  
SW1P 1RH

**Investment Managers**

Speirs & Jeffrey  
36 Renfield Street  
Glasgow  
G2 1NA

**Auditors**

H W Fisher and Company  
Acre House  
11-15 William Road  
London  
NW1 3ER

**Solicitors**

Bircham Dyson Bell  
50 Broadway  
London  
SW1H 0BL

### The Source of Inspiration

2013 was a significant year for me personally with the publication of my book, *The Spiritual Vision of Frank Buchman*. There were already some excellent accounts of the life of the man who started The Oxford Group and Initiatives of Change, and indeed I drew heavily on these in researching mine. What particularly interested me were the inspiration and ideas behind the man. How did a small-town late 19<sup>th</sup> Century American of German descent come to play such a pivotal role in world events? What attracted people to work with him? From where did he draw his inspiration? Did he have a coherent and consistent vision for the world? Was it original – and to the extent that it was not from whom had he picked up his ideas? How did the Holy Spirit figure in his thinking – and did his undoubted spiritual gifts stem from a particularly intense commitment to seek direction from the Holy Spirit?

As an academic historian, I am naturally interested in such questions. But they are not just academic. If, as I believe, Buchman had latched on to some ideas that could change history for the better, surely the world needs to know far more about them.

An IofC friend wrote to me during the autumn that we need 'a fresh wind of the Spirit'. She had perhaps sensed that those of us who feel part of IofC were not all seeking as assiduously for the Spirit's leading as Buchman would have done (he died in 1961). For, at root, Buchman's ideas did not amount to a methodology for changing the world. Of course, his basic premise – that if men and women change, the world will change – could be looked upon as a 'method'. But the point is that people do not change just because we would like them to. Buchman talked about 'the art of life-changing', not dissimilar in concept from Jesus' phrase about being 'fishers of men'. As in New Testament times, the 'art' requires of us human qualities of compassion, dare and commitment. But it also requires the rather more elusive qualities of inspiration, vision for people, insight, 'fore-knowledge' which, in Christian language at least, are 'gifts of the Spirit'.

If, as Buchman said, 'you can build a new world on paper but you need men [and women] to make it work', the implication is that a better world will come as more and more people turn to the Almighty and make themselves fully available to heed the whispers of the Spirit. This links with the vision that Buchman expressed in his dying moments of a world where people taking responsibility for public affairs sought Divine direction in their lives and decision-making. That would indeed be evidence of 'a fresh wind of the Spirit'.

Listening for God's guidance is in itself an art – one to which I devote a full chapter in *The Spiritual Vision of Frank Buchman*. Like marriage, it is not something to be undertaken 'lightly or wantonly... but reverently, discreetly, advisedly, soberly, and in the fear of God'. It requires discipline. It will almost certainly require sacrifice. But the gifts which are available are not to be missed. They enrich not just the individual but the world around them.

**Philip Boobyer**

*Chair of Trustees*

17 May 2014

## **DIRECTORS' REPORT**

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### **COMPANY INFORMATION**

The Board of Trustees presents its report with the audited accounts of The Oxford Group operating as Initiatives of Change ('the charity' or 'lofC') for the year ended 31 December 2013. The financial statements have been prepared in accordance with relevant accounting policies and in compliance with the charity's governing document and applicable law – in particular the Companies Acts of 1985 and 2006, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Charities SORP 2005 and later updates.

#### **Name and Objects**

The Oxford Group was incorporated as a company limited by guarantee on 15 August 1939 (Company No. 355987). It is a registered charity in England and Wales, number 226334. The charity now operates under the name 'Initiatives of Change' and is a member of the International Association of Initiatives of Change, registered in Switzerland, which coordinates the lofC network world-wide.

The Trustees are responsible for the governance of the charity and serve as Directors of the company. The Trustees who have served during the year and since the year-end are set out on pages 4 and 20.

The Objects of the charity, as set out in the Articles of Association are: 'the advancement of the Christian religion, and in particular by the means and in accordance with the principles of the Oxford Group movement, founded in or about the year 1921 by Frank Nathan Daniel Buchman'.

Dr Buchman was a pioneer who reached out to people of different faiths as well as many who were agnostic or even militantly atheist. He expressed truths in ways that were unconventional and sometimes did not sound religious – although they all sprang from his personal Christian faith. The Trustees follow in that tradition and view all the activities described in the remainder of this Report as practical expressions of Christ's commands and thereby advancing the Christian religion in accordance with the charity's Objects.

The charity's members have agreed a statement of the faith basis of lofC, as follows:

*Initiatives of Change is faith-based in its work and lifestyle and is open to all.*

*Frank Buchman's aim from the beginning was to help each person find their calling in life. He invited everyone to face the wrong in their lives in the light of absolute moral standards, to ask for forgiveness, to make appropriate restitution, and to surrender their self-will to God or the highest they knew.*

*For many, the result of this spiritual cleansing has been to trigger a life-long sense of what it means to live with a clear conscience.*

*Daily morning quiet times refresh this experience and give direction. From this come the renewal of relationships, new energy, and clarity about purpose in life.*

*This approach has become an effective basis for people of different cultures, religious beliefs or none, to work together to respond to urgent world needs.*

*lofC is a challenge to everyone to live this out and to express their experiences sensitively as an enrichment to others.*

## **DIRECTORS' REPORT**

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### **Public Benefit**

In compliance with their duty under the Charities Act 2011, the Trustees have had due regard to guidance on public benefit published by the Charity Commission. In particular, the Act requires the Trustees to explain how the activities of the charity benefit the public or a section of it.

The Trustees believe that the fundamental purpose of Initiatives of Change – to help individuals search for God's plan for their lives and to live by the highest moral values – is, *per se*, of benefit to society at large. More specific benefits to the public are highlighted under the various sections of the report of activities. It is the Trustees' aim constantly to seek ways of increasing the impact and effectiveness of the charity so that they can expand the benefits provided by the charity as widely as possible.

### **Appointment and induction of Trustees**

Between general meetings, the Board may appoint new Trustees from amongst the membership of the company. Any Trustees appointed in this way must stand down at the next general meeting of the company but may offer themselves for re-election at that meeting. At every annual meeting, one-third of the Trustees must retire from office but may be re-elected by members of the company. Any person that subscribes to the objects may become a member of the company, subject to nomination by existing members and the endorsement of the Trustees.

The Board of Trustees appoints a Nominations Committee to identify and propose potential new Trustees. The Committee gives an information pack to potential candidates and gives induction and training as appropriate to newly elected Trustees.

In addition to this, the Board has a policy of offering funding for any Trustee to undertake relevant training. The Nominations Committee also has the responsibility of assessing the skills offered by the Board and identifying areas which need strengthening. During the year members of this committee were Dr Philip Boobbyer and Claire Leggat. The Company Secretary acts in an advisory role.

### **Organisation**

The charity is based in the United Kingdom and has its headquarters in London. It undertakes activities in the UK and around the world, often in collaboration with other IofC national bodies. Each summer, a number of the charity's staff and volunteers participate in conferences in Caux, Switzerland, which advance the mission of Initiatives of Change.

The Board of Trustees meets at least quarterly. Committees and working groups reporting to the Board of Trustees meet at appropriate intervals to plan, assess and review the charity's activities.

The day-to-day running of the charity's affairs is undertaken by a management team which meets weekly. The management team includes permanent staff, consultants and volunteers. The Chair of the management team is Francis Evans, who works on a voluntary basis. The management team includes the Company Secretary and Chief Accountant, the Centre Manager of the charity's headquarters building, and members with responsibility for HR, communications, spiritual development and other aspects of the charity's operations and outreach. Some members do not hold a specific portfolio.

The Board believes that this management structure has served the charity well since it was set up in early 2010. In particular it has offered a significant saving on salary costs as compared to a conventional structure with an employed Chief Executive. This results in a higher proportion of the charity's funds being used to provide public benefit. However, as envisaged when this management arrangement was first set up, the Board carried out a thorough review of its workings and effectiveness during 2013.

## **DIRECTORS' REPORT**

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This review involved sending a questionnaire to a cross-section of the charity's stakeholders. Respondents identified a number of issues that needed addressing. As a result, the Board has agreed a number of measures with the Chair of the management team. These will be implemented during the coming year. Internal communications were also identified as a priority. In April 2014 a new Head of Communications, Davina Patel, was appointed and this will be one of the areas that she will be addressing.

### **Articles of Association**

The Articles were comprehensively revised in 2012 and the Trustees did not see the need to make any amendments during 2013.

### **Properties**

Throughout 2013, the charity owned four residential houses in addition to its headquarters building at 24 Greencoat Place in Victoria, central London. Three of these houses, in Sheffield, Oxford and London, are used as centres for the work of the charity and provide a base for outreach and a venue for meetings and fellowship. In accordance with the wishes of the late Doris Jenkins, who generously left it to the charity in her will, the fourth residential property, in Wandsworth, south-west London, has been made available for the use of an elderly couple who devoted their full time to voluntary Christian work throughout their long working lives. The ground floor of the house is a semi-autonomous flat, rental income from which covers the running costs of the whole property.

The Greencoat Place centre has a number of function and conference rooms that are used for the Group's charitable activities and are also available for rent to external organisations. Income from this source contributes increasingly towards the running costs of the centre.

### **Archives**

During 2013, the charity's archives continued to be housed in premises belonging to Chris Evans who was Chair of Trustees until he resigned from the Board in June, 2012. This involved the dedicated use of over 600 square feet of floor space. In accordance with a decision made in his absence, the Board of Trustees decided in 2007 to pay his wife, Anne Evans, £3,000 per year for this space, recognising that such payment was below the market rate. The Board would like, once again, to record its gratitude to Anne Evans for her meticulous work in keeping the archives in good order and assisting with enquiries.

A new development during 2013 was that the charity negotiated with the Bodleian Library to transfer the archives into their care. This is scheduled to happen during 2014. The Trustees were grateful to receive a number of generous gifts from within the UK and the USA to help make this possible.

### **Risk Assessment and Sustainability**

The Trustees have given consideration to the risks to which the charity is exposed. They are satisfied that systems and procedures are established to manage those risks that can be managed or to ameliorate the effects of those which cannot. Initiatives of Change is, essentially, about a quality of life shared by people of diverse backgrounds and ages. The Trustees believe that continuing effectively to foster this faith-based life will go a long way towards addressing the main risks identified, which were as follows:

1. Lack of co-ordination and/or poor working relationships between initiatives
2. Lack of 'knowledge transfer', especially of IofC core values
3. Number and value of legacies reduces over time

It is a continuing challenge to move beyond a series of isolated initiatives, often dependent on individual volunteers, to an effective strategy which will have a maximum public benefit within the UK and beyond. The Trustees recognise that in a largely voluntary organisation where many have devoted a life-time to following their individual sense of calling, this cannot be just a top-down process. As in any organisation (dating back to the time when St Paul was writing to the Corinthians) people do not always find it easy to work as part of a team. The Trustees have engaged Roddy Edwards to Chair an Action Group which has the dual purpose of a) focussing outreach activity in the core strategic directions agreed by the Board and endorsed by the fellowship and b) encouraging people to engage with and trust each other.

The Management Team has appointed Sasha Shymina with the specific remit of 'induction training' and 'knowledge management'. Her role will be to make sure that everyone who works with the charity (whether as a volunteer, a member of staff or a contractor) is given a thorough insight into the values, people, structures and activities of Initiatives of Change. The pastoral care team also puts on occasions to foster spiritual growth and the sharing of experience and wisdom.

The Trustees recognise that, with most of them being active professionals living in different regions of the UK, it has not always been possible to find enough time to allow for good two-way communication with members of the Management Team. They will continue strenuously to work at improving this.

The charity has been greatly blessed with some generous legacies in recent years. Such giving comes not so much from appeals as the gratitude of individuals who have found a satisfying faith through their contacts with Initiatives of Change. Clearly, the fruits of such commitment are unpredictable and often long-term. But, as throughout the charity's history, the Trustees expect that sacrificial giving – of both money and talents – will remain a key component of keeping the charity viable.

In addressing these risks, the charity is not losing sight of its belief, borne out by experience over 80 years, that when people seek to undertake God's work, solutions can often be provided in unexpected ways. These are therefore matters for prayer as well as for responsible planning. In particular, the Board urges all involved with Initiatives of Change to pray for new life in people, which will lead to new initiatives and unlock new resources.

### **Staff and volunteers**

No member of staff left the charity's employment during the year. Additional staff were contracted on a part-time consultancy basis for part of the year in order to enhance the outreach work of the charity.

A third annual national fellowship weekend was held in May at the Hayes Conference Centre in Swanwick, Derbyshire, bringing together around 75 staff and volunteers together with some who were relatively new to the work of the charity. This proved to be an effective weekend for building teamwork and common purpose; and the feedback from attendees was overwhelmingly positive. Graham Turner, author of *The Power of Silence*, made a significant contribution at two of the main sessions. The film *Beyond Forgiving* (see later) also had a great impact. A similar weekend event is planned for 2014.

Reference is made in various places within this Report to the notable contribution of volunteers to the work of the charity. This is difficult to quantify but volunteer activities range from promoting and helping to organize public events to offering individual counselling, fellowship and Bible studies; from introducing people to the work of the charity to contributing money. It is no exaggeration to say that Initiatives of Change could not function without the goodwill, generosity and inspiration of around 100 volunteers. The Trustees are grateful to all of them.

### **Investment powers and reserves policy**

In order to cater for the charity's long-term needs and to provide against the long-term downwards trend in legacy income, the charity's policy is to build up its investments to the point where they generate sufficient income to cover the administration of the charity. During 2013 investment income covered the cost of governance, legal and finance functions.

The Trustees have agreed a reserves policy that strikes a balance between responsibility for the charity's capital and their duty to use its assets for the furtherance of its objects. The policy states that the charity will always hold in liquid form the equivalent of at least two months' expenditure.

The Board of Trustees has powers to invest in stocks, shares and property as it sees fit. During the year the charity's investment portfolio was managed by Speirs and Jeffrey. The charity's investment aim is to protect the real value of its investments over time, whilst generating income compatible with that objective. The annual Total Return on the charity's portfolio during 2013 was 15.9 per cent.

The Trustees would like to record their gratitude to all those who remembered Initiatives of Change in their Wills, and to their families. The Board's policy is to invest 75 per cent of all legacy income above what is needed in the year of receipt, to build up the charity's investment base and generate income for the future. In 2013 no investment was made as there was an overall deficit.

The Board has delegated oversight of the charity's investments to a committee consisting of Campbell Leggat, Francis Evans, Kenneth Noble and Abrahaley Mebrahtu (Chief Accountant). The charity's investment managers are instructed not to invest in companies whose businesses rely on income from tobacco, alcohol, gambling or armaments.

### ACTIVITIES DURING 2013

The charity undertakes a wide range of activities, projects and programmes led by individuals and teams with a shared sense of purpose. The charity's vision, mission and values are outlined in the strategic plan, which was adopted in February 2012. It identifies three priorities for action in the years ahead:

- Creating sustainable communities;
- Helping young people with leadership potential to find and follow their vocation;
- Building trust and integrity in business and economic life.

These themes are evident throughout the work of the charity – and they were given priority in terms of funding and other resources. The Trustees believe that these are completely in line with the charity's objects and that they are being delivered in a way that is of considerable public benefit.

The strategy also recognised the need to discern and nurture inspired initiatives which could bring together the IofC fellowship in a national move. It is hoped that a planned speaking tour for two South Africans will fall into this category. There is further information later in this report under the heading *Beyond Forgiving*.

Financial support for individual 'initiatives of change' is awarded from an Opportunities Fund to which any person from the IofC community is able to apply. Allocation of the fund was determined by a Project Review Panel consisting of two Trustees, management team members and volunteers.

### Sustainable Communities

Promoting 'Sustainable Communities' was one of the main recommendations of the 'After the Riots Forum' held in London on 1 February 2012 in response to the UK riots of August 2011. The Forum identified lack of community vision, moral compromise, family breakdown, government inaction and dwindling opportunities for people, as contributory factors to the riots.

In response, during 2013, Initiatives of Change UK launched Sustainable Communities as a values-based programme, to mobilise urban and rural communities to tackle critical issues. These issues have included: building and strengthening community initiatives; empowering disadvantaged communities; social issues, such as knife crime, serial offending, drugs and the treatment of prisoners; and highlighting the moral challenge posed by human trafficking.

A team drawn from around the country coordinates the activities of the programme. The team aims to facilitate life choices based on personal change, assisting individuals to make a positive difference in society; encourage individuals to sustain their commitment to positive action; build and restore relationships leading to teamwork; and connect the dots, through effective partnerships and working relationships between concerned organisations, charities, national and local authorities, youth and faith groups.

Addressing critical needs in inner cities against the backdrop of severe budget cuts for community services was the main focus of the Sustainable Communities network meeting in Wythenshawe, Manchester from 20 - 21 May. Wythenshawe is one of the most deprived communities in the UK. Some 30 community leaders, education specialists and social entrepreneurs attended the workshop. The first evening, the team visited the Copperdale

## DIRECTORS' REPORT

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Trust, which works to rehabilitate young serial offenders. The following day, the meeting took place at the United Estates of Wythenshawe (UEW), a social cultural centre. In the keynote address, Esther Davidson talked about the challenges of eliminating human trafficking in her community in another city. Her theme was 'faith, advocacy and change'.

On 9 April, at Greencoat Place, Raven Kaliana, a survivor of human trafficking, presented her autobiographical film *Hooray for Hollywood*, which gave an insight through puppetry into the mechanisms of human trafficking. The screening was followed by a Talkback panel discussion with Raven (Outspiral), Adam Weiss (Advice on Individual Rights in Europe), and Esther Davidson (Oxford Community Against Trafficking). Many appreciated Raven's powerful personal story. The event highlighted the need for those in spiritual and faith groups to work together to tackle the growing demand among the general public for services provided by trafficked individuals.

Zahra Hassan (Somali Initiative for Dialogue and Democracy), Lul Seyoum (President of the International Centre for Eritrean Refugees and Asylum Seekers), and Don de Silva (Head of Programme Administration, IofC) conducted a three-day training course (25 - 27 April) on women and leadership for 19 Norwegian Somali women, brought to London by the Nansen Centre for Peace and Dialogue in Norway.

Don de Silva, together with Andy Gregg (CEO of Race on the Agenda), helped the Eritrean Education and Publications Trust to organise a consultation for key Eritrean NGO representatives, based in the UK. The main aim of the event was to discuss the emerging humanitarian crisis in Eritrea. Representatives of 12 Eritrean community groups agreed to work together and established the Eritrean Humanitarian Forum.

The Sustainable Communities programme commissioned the production of *A Spark that Changed a Community*. This short documentary depicts the work of Richard Hawthorne, MBE, a businessman with a vision. It tells of his first moment of inspiration and the impact that he has since had on communities in Nottingham to promote inter-faith dialogue.

On Saturday, 13 July over 400 people attended the Holding Hands around St. Anne's event at the Robin Hood Chase, once a vibrant shopping area, now deserted buildings. Many community organisations set up stalls and showcased their work. This annual event was originally launched by the IofC programme, Hope in the Cities UK. IofC is still actively involved.

During 2013, the IofC Opportunities Fund continued to support the Nottingham IofC team and the Bringing People Together team to launch the *My Story* project. The project provides a safe place for young people, from all walks of life in the inner city areas of St Ann's and Radford, to share their experiences and make life choices. The project reaches about 50 young people.

On 15 October, Carlotta Allum told a packed crowd at the IofC centre how she had moved from smuggling drugs to helping women in prison. Following teenage years in Manchester and student days in London, living a life of drugs, clubs and alcohol, Carlotta got involved with drug trafficking and ended up going to prison in California. When she was released, Carlotta turned her life around. She established Stretch, a charity, which aims to re-engage marginalised groups and increase their life choices through cultural activity. Stretch works mainly with offenders and children who are not being cared for by their parents.

Through its activities, the Sustainable Communities programme is bringing together individuals and communities who are demonstrating that faith and values-based initiatives can bring renewal and hope to those in need. This is of significant benefit to the public.

### **Vocational programmes for young people: School for Changemakers**

27 June 2013 marked the introduction of an enlightening four-day residential programme held at Liverpool Hope University, which brings people together and aims to inspire positive change in their lives. Now in its fourth year, School for Changemakers has given rise to a growing body of alumni, a multicultural, multigenerational mix of people – all of whom are eager to investigate the power of change from a variety of perspectives.

A collaboration between Initiatives of Change UK, Liverpool Hope University and i-Genius, School for Changemakers comprises a range of activities which help people to listen to their 'inner voice' through peaceful reflection, whilst also providing learning tracks on the phenomenon of change within areas such as business, education and society – a combination which encourages both spiritual and practical change.

Led by Krish Raval, Chief Executive of Learn to Lead, School for Changemakers welcomes people of all ages, from infants brought along with their families to people who are into their eighties but claim to be 'young at heart'.

Speaking about his experience at the School for Changemakers, 19 years old Vinay Raniga from Watford said: 'I was sceptical about how much I would learn from the course. However, only after a few hours I met some amazing people who broke so many stereotypes, prejudices and misconceptions I had. Hearing about their experiences was truly a humbling yet thought-provoking experience on how we can implement our very own change on the world.'

The diversity of people at the programme creates a sense of community and harnesses a wonderful energy and spirit, which is one of the many reasons why people are coming back year after year and also why the alumni of School for Changemakers is progressively growing.

Scott Darby, who is from Sheffield but was undertaking a Master's degree in Arid Land Studies in Lubbock, Texas, has been part of School for Changemakers since 2010.

Scott flew over from America to be part of this year's conference and said: 'I've been on a 15-hour flight and literally had about 10 hours sleep in the last three days, as I've had so much to do since I've been here, yet I'm still fully energised because I'm here with the people.'

'Being around all these people just charges you up and gives you the energy you need to keep on going. Life is full of little challenges that wear you down again and again, but when you come here, you instantly become re-energised.'

Sunit Patel, Information Analyst at the Health and Social Care Information Centre, said: 'The weekend allowed me to integrate with people from all walks of life, listening to their stories and ideas of creating a change within the world we live in.... It was a truly an inspiring and a reflective experience both on a spiritual and physical level.'

2014 will mark the fifth year of the annual School for Changemakers conference and whilst it is still a relatively young programme, it continues to grow on a yearly basis due to the infectious and insatiable appetite to inspire positive change that its alumni possess.

These events are open to members of the public and are advertised through the website and at universities.

### **Business programmes: trust and integrity**

TIGERoadshow events, on Trust and Integrity in the Global Economy, were launched by IofC's business programme in 2013. The first two events were held at Liverpool Hope University (LHU) and Sheffield Business School, Sheffield Hallam University. The title of the one-day events was 'Business as *unusual*—because the values are as important as the value'.

The Rev Tony Bradley, Director of the Seed Centre (Social and Ethical Enterprise Development Centre) at LHU, hosted the event on 19 March. It was attended by 'an eclectic mix of people and cultures, in tune with the realities of a diversified city [who] came to listen and debate about new ways of restoring trust and integrity in business, banking and corporate ventures', according to media student Chris Cunningham. Quakers and Business helped sponsor the event.

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Margaret Heffernan, the Texan business woman and author of *Wilful Blindness*, highlighted the serious damage to public trust that has resulted from over a decade of institutional failings. Her research had helped her find the underlying causes of these failings and what prompts organizations and the individuals in them to fail to see the things they are doing wrong. Her talk prompted the audience to start seeing conflict, challenge and difference of opinions as an engine for constructive change rather than a bothersome restraint.

Peter Neville Lewis, Founder of Principled Consulting, which specialises in mitigating reputational risks for big businesses, aimed to clear up confusion surrounding the term 'integrity', so often used by businesses without real understanding. He proposed correlations between organisational structures and their failings, and personal behaviours. He argued the case against blind obedience and for workplaces where care and reason have a more substantial place—where sustainability overrides immediate gains. He presented the audience with a model of self-questioning to be able to do what is right.

Tony Bradley argued that the old model of 'dino-capitalism', where huge inflexible corporations rule, was slowly changing in favour of smaller, more agile and hopefully more moral models of businesses—the 'furry animals in the undergrowth'—such as the two local social enterprises which presented their work. The Women's Organisation has successfully helped thousands of women to set up independent businesses over the past 17 years, and the Social Audit Network helps social enterprises to measure the impact of their work. Both organizations proved that profit can be made in systems ruled not by shareholder interest but by social profitability.

'TIGE focuses on the true heart of effective leadership and encourages "conscience-based" decision-making leading to organizational changes in business and economic life,' wrote media student Jiawen Zhou, reporting the TIGERoadshow held in Sheffield on 12 September.

Among the speakers were Margaret Heffernan, Tony Bradley, Professor John Carlisle, an advisor to the government on large-scale infrastructure projects, and Rikki Griffiths, Area Commercial Director at HSBC in Liverpool.

The Dean of Sheffield Business School, Professor Adrian Hopgood, opened the event. He quoted from a Sheffield Hallam University report: 'In the past there had been a tendency to seek and expect heroic leadership, especially from the "top", but many now felt that there had been a move away from this aspiration toward a more "collective leadership culture" in which a more dispersed or distributed view of leadership can flourish.'

'Every organization has issues and concerns which are known about by many people who choose to remain silent,' suggested Margaret Heffernan. 'So what goes wrong? We are conflict averse as our education system encourages obedience and conformity. Most people want to be part of the crowd while whistle-blowers are often demonized.'

She proposed that the quality of dissent within an organization showed how well it ran—no dissent, no good. 'Every smart organization should design systems and processes that make it easy and safe for any employee to ask questions, raise concerns and blow the whistle. This happens only if everyone is watching and telling the truth.'

'The best business model in the future is not to cut the cost but to improve the quality,' said Prof Carlisle. Rikki Griffiths added: 'We have to change our culture to go back to traditional relationship banking which was spending more time understanding customers' needs and not selling products to hit short-term targets.'

The business team played a major role in organising the annual conference on Trust and Integrity in the Global Economy (TIGE) held in Caux, Switzerland, from 13 - 19 July. Eight of the keynote speakers came from the UK, including Joe Garner, former head of HSBC UK Bank; Peter Brew, a former leading figure in the European Business Leaders Forum, from Northern Ireland; and Lawrence Bloom, who had served on the executive board of Intercontinental Hotels. (See reports at: [www.cauxbusiness.org](http://www.cauxbusiness.org))

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At the beginning of the year, IofC contracted Talia Smith to be Project Manager for business programmes. Joe Swann was contracted to be Development Manager. Michael Smith continued as Head of Business Programmes.

Two more TIGERoadshows are being planned for 2014, starting in Edinburgh in May.

### **Agenda for Reconciliation**

From the perspective of some of those in Britain who originate in the Horn of Africa, IofC's contribution to the reconciliation of France and Germany after the Second World War offers valuable lessons for their home countries. To be able to drive across Western Europe without stopping at border posts is a dream for those from countries which are still struggling to come to terms with borders that were drawn by British and other European colonisers.

The weekly Agenda for Reconciliation (AfR) meetings gather people from the Horn of Africa diasporas who are trying to unite their communities, and work together on peace-making initiatives both in the UK and in their home countries. The IofC core values of honesty, purity, unselfishness and love, and the search for divine guidance, make it possible for people of widely different backgrounds and beliefs to work together in close teamwork to address matters of common concern.

A group of British Somalis has been engaged in this process since 2005, principally through the charity, Somali Initiative for Dialogue and Democracy (SIDD) – a partner organisation of IofC-UK - and a group of Eritreans has started a similar process more recently. People from Ethiopia and Uganda also regularly attended the weekly meetings.

### ***British Somalis focus on peace-making in Somalia***

The main goals of the work of the Somali group were set at the beginning of the year when both the President of Somalia, Hassan Sheikh Mohamud, and the Deputy Prime Minister, Fawsia Yusuf Hagi Adan, appealed to SIDD and IofC to move their reconciling work to Somalia. An exploratory mission visited Somalia in March, and concluded that there was widespread support for establishing a programme focusing on reconciliation and good governance.

A further step was a training course for 20 British Somalis in Dialogue Facilitation skills which took place in Greencoat Place in September and October. At the Certificate Award Ceremony a prominent Somali TV presenter said that he had never seen a group of Somalis of different backgrounds working together in this way. The course was delivered by Phoebe Gill and Lawrence Fearon. A short promotional film is being prepared.

### ***British Somalis organise intergenerational dialogues in North London***

The first of two weekend Intergenerational Dialogue workshops in North London on the theme 'Peace Begins at Home' took place in Hackney at the end of August. It was conceived and organised by Amina Khalid, a young Somali refugee, who witnessed the summer 2011 riots near her home. She had been involved in organising intergenerational dialogues for the Somali community, and realised that this was a tool that the Somalis could offer to the wider community. The event was attended by 40 people of a wide range of ages and backgrounds. Meg Hillier, MP for South Hackney and Shoreditch, was a guest speaker. She strongly welcomed the initiative, and spoke of her wish to see residents in the borough not just tolerating, but showing greater interest in each other. The feedback was unanimously in favour of continuing such encounters. It was a joint SIDD–AfR project funded by grants from Awards for All Big Lottery Fund and the Irene Prestwich Trust. The second workshop will take place in Haringey in early February 2014.

### ***Building trust within the Eritrean community***

A meeting of representatives of UK-based Eritrean Humanitarian Aid organisations took place in April at IofC's London centre to enhance communication between them and consider the implications of the political situation in Eritrea. Also, two meetings of Eritrean elders took place which had the underlying purpose of building trust and communication between widely respected Eritreans who do not seek political position. All three occasions were organised by Berhane Woldegabriel, Director of the Eritrean Education and Publication Trust.

A one-day training in Dialogue and Trust-building took place in Manchester in October for over 50 Eritrean students and postgraduates from Manchester, Birmingham, Leeds and Glasgow. It was organised and hosted

## **DIRECTORS' REPORT**

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by Dr Sarah Ogbay, a university lecturer, and Dr Lul Seyoum, Founding Director of the International Centre for Eritrean Refugees and Asylum Seekers (ICERAS). The programme featured the screening and discussion of the IofC-made films *For the Love of Tomorrow* (a documentary about post-war Franco-German reconciliation ) and *Beyond Forgiving*. One of the participants said that it was the first time that training of this kind had been given to young British Eritreans, and there was unanimous support for the idea of further such training. It was funded by AfR and Sustainable Communities, who jointly delivered it with Dr Seyoum and Dr Ogbay.

### ***Lebanese Peacemakers visit Northern Ireland and England***

Assaad Chaftari, a former senior militia commander in the Lebanese civil war in the 1970s-80s, and his wife Marie Aoun, spent 11 days in Belfast, Manchester, Oxford and London in September as guests of IofC. Chaftari was deputy head of Intelligence of the Lebanese Forces Christian militia. Subsequently, in 2000, he wrote an open letter to the Lebanese people apologising to the relatives of his victims and forgiving his enemies. Since then he and his wife have devoted all their energies to rebuilding relationships between the religious communities in their country. This has taken on increased urgency as the war in neighbouring Syria threatens to spread to Lebanon.

They were hosted in Belfast by members of the IofC group in Northern Ireland, Jim Lynn, and Alec and Gaby McRitchie. Jim had met Assaad on a visit to Lebanon last year, and they had agreed to explore ways in which the Irish and Lebanese could help each other in bringing reconciliation and change to their respective communities.

In Belfast, the Chaftaris briefed Members of the Northern Ireland Assembly on their experiences and perspectives. They met with former combatants from the Nationalist and Loyalist communities, spoke to a Church of Ireland bible study group and met a prominent Methodist minister.

In Oxford, Mrs Aoun spoke about her work in promoting dialogues between women of different faiths at an event organised by Creators of Peace. She spoke about a pioneering development in which they had begun to include Palestinian women from refugee camps.

In London Chaftari visited the Foreign Office and briefed them on responses that IofC and other NGOs in Lebanon are making to respond to the impact on Lebanon of the war in Syria. He also attended the Forgiveness Project Annual Lecture where he spoke about his change of heart and the role of IofC in it.

### **Creators of Peace**

The vision of Creators of Peace is transforming, empowering and engaging women in creating peace. Creators of Peace challenges every woman to embrace her value as a peace creator in her family, community and nation: to find inner peace and to reach out to others and to the needs of the society in which she lives.

Major events of our year were organising a South Sudan themed meal in Oxford for 35 people; a top-up training weekend in Oxford for 12 peace circle facilitators; a Creators of Peace Circle weekend, in London, for 10 women; a film evening in London for 30 people; follow-up evenings every few months for past participants in London and Oxford; a showing of the film *Beyond Forgiving* attended by 12 women; a Creators of Peace day for 16 women in London in December. We have also been working on improving our communications strategy, and are developing a marketing brief to improve our outreach. We have engaged an intern for three months, who is working on expanding our outreach in London.

We support the international Creators of Peace team, were part of the creation of its new governance structure (both outgoing and incoming Treasurers are from the UK) and are part of international working groups which meet on Skype. Kate Monkhouse spent two weeks in Burundi at the invitation of the CoP President, Daphrose Ntaratze, delivering Facilitation Training for a group of women there, and training new Trainers to carry on this work in the region.

After the Creators of Peace Circle weekend which took place in London in July, a participant wrote: 'On a beautiful weekend in July a group of women of diverse ages, backgrounds and experiences came together in London for a life-changing event. We all have our own definition of peace, be it political, international, personal or religious. The Creators of Peace Circle enabled us to contemplate the word "peace". We debated what builds and destroys peace. We told our stories and shared life experiences. We learned how to listen to ourselves and others without judgement. We discussed the qualities of a peace creator and the power of forgiveness and

## **DIRECTORS' REPORT**

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spent valuable time in silence. In this women's Peace Circle an environment was created whereby personal walls came down on the first day.'

In 2014 we are planning for: a Peace Circle for mothers of small children in Oxford; partnership with AfR women in London, starting with a Peace Circle for Eritrean women; supporting the International Women's Day programme in Oxford; furthering partnership opportunities for Peace Circles in Hackney, Newcastle and Bradford; delivering further training days; and creating 'peace circle hubs' for those who wish to deepen and strengthen their experience as Creators of Peace.

These activities are of public benefit because they are establishing firm networks of trust across cultural and generational dividing lines. The participants themselves benefit from deeper understanding of people of other backgrounds – and some go on to learn skills of bridge-building and facilitation.

### **Initiatives for Land, Lives and Peace**

In August 2012 a programme called Initiatives for Land, Lives and Peace (ILLP) was launched by IofC International. Its purpose is to explore and demonstrate how trust-building and changes in human relationships contribute to the restoration of dry and degraded land. Land restoration is increasingly recognised as a key to global issues such as building and sustaining peace, economic development and justice, sharing global resources and mitigating climate change. And the barriers to widespread land restoration are often not technical or financial, but rooted in human behaviour.

The Chair of the programme's Steering Group is Dr Martin Frick, from Germany, and its three other members are British - Dr Alan Channer, Edward Peters and Dr Peter Rundell. The programme's main activity during 2013 was to organise the Caux Dialogue on Land and Security (7 – 11 July), which it did in partnership with the UN Convention to Combat Desertification. This brought together 150 farmers, activists, businesspeople, diplomats, academics and policy-makers. It emerged that in several parts of the world dry land is being restored successfully, and that the challenge now is to scale up these successes.

Many speakers emphasised the role of trust-building in this. Mauritanian statesman, Ahmedou Ould Abdallah, former special representative of the UN in several African countries, said, 'Trust-building within and between communities should remain a priority in policies addressing land restoration.' And Julia Marton-Lefèvre, Director General of the International Union for Conservation of Nature, said, 'Land degradation is a result of poor governance and often a lack of trust between land users and the state.' A delegation from the African Sahel region gained hope from the idea that land restoration could be a way to address the urgent security problems that they face.

Adam Koniuszewski, the COO of Green Cross International, commented: 'Through ingenuity and co-operation we can still restore degraded lands and ecosystems.... The Caux Dialogue has become an important global platform to make this happen.'

With limited resources, ILLP is following up these conclusions. In November IofC UK made available accommodation at its centre in Oxford for James Nikitine, a part-time employee of a TV company, in return for his devoting one day a week to the communications work of the programme.

### **Public events**

IofC organises a series of public events that showcase initiatives to tackle social, economic and moral issues. These events, collectively known as Greencoat Forums after the charity's centre at Greencoat Place in London, are organised so as to give participants the opportunity to discuss among themselves what they have learned and to exchange ideas with the speakers.

In 2013 the average audience for Greencoat Forums was 70 people. The topics included: Food Banks with Kelvin Cheung and others; strategies to combat desertification including Simon Maddrell, Executive Director and Founder of Excellent Development; young people becoming free of addiction through Alcoholics Anonymous (AA); peace-building in Islam; the role of modern technology in creating a sustainable world for all; and 'forgiveness a moral minefield' with Marina Cantacuzino, Founder of the Forgiveness Project.

## DIRECTORS' REPORT

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At the event on addiction, Ollie H gave an impassioned account of AA's history and the synergy with The Oxford Group, which later evolved to become Initiatives of Change. He detailed how AA was indebted to Frank Buchman, whose action and beliefs encouraged the co-founders of AA to 'surrender their lives to God' for a reformed life. This act of surrender to a 'Higher Power' underpinned AA's 12 Steps for recovery and sobriety. Inspired by these early role models, Ollie commented: 'I am a person who's been struck by lightning from being a dying alcoholic. People have been put in places on my path by what I see as the hand of God. I surrendered in 2007 and I haven't taken a drink or drug since that day.'

There was no fixed charge for attending the events, enabling members of the public to attend even if they had limited means.

### **Films**

#### ***Beyond Forgiving***

In 2013 the charity's film unit produced and released the documentary *Beyond Forgiving*. The protagonists, Ginn Fourie and Letlapa Mphahlele, form an unlikely pair: a white Christian woman and a black atheist man. One has suffered directly from actions of the other, but both have been victims – and risen beyond their pain. What brings them together is a profound story of tragedy and hope. In 1993, during the Apartheid era, Letlapa, then director of operations for the military wing of the Pan-Africanist Congress, ordered attacks in response to the killing of black school children. In one of these, Ginn lost her only daughter. Amazingly, she later forgave Letlapa. The film tells of the journey they undertook together to try to bring a new spirit of community and forgiveness in their country and beyond.

The film has been shown at many gatherings around the country; and has already won awards at several international film festivals. The plan is for it to go public in 2014 when Ginn and Letlapa, who is at the time of writing a Member of Parliament, will spend two weeks touring the UK.

With its powerful yet non-prescriptive exploration of 'forgiveness', it is anticipated that *Beyond Forgiving* will be a major focus of IofC's work during 2014. Many who see it will feel challenged to 'look within', which is in line with the charity's stated purpose.

Dr Imad Karam, IofC's Head of Communications, directed the film. Howard Grace is the Executive Producer and Andrew Hinton the Director of Photography.

#### ***FLTfilms – For the Love of Tomorrow***

Dr Alan Channer produces and distributes high quality documentaries that serve as catalysts for reconciliation, peace-building and social renewal, under the banner of *FLTfilms*. This work is part-funded by the charity.

*The Imam and the Pastor* (*FLTfilms* 2006) was hailed by Archbishop Rowan Williams as 'a model of Christian-Muslim relations.' Its sequel, *An African Answer* (*FLTfilms* 2010), was described by Kofi Annan as 'a very important film', depicting 'experiences of healing and reconciliation' which should be multiplied in 'a thousand places'.

In 2013, *FLTfilms* collaborated further with the protagonists of both films, Imam Muhammad Ashafa and Pastor James Wuye. This was achieved with core funding from Initiatives of Change and project funding from the United States Institute of Peace (USIP) and the United Nations Development Programme (UNDP). *FLTfilms* also consolidated a new line of work in 2013 – developing and managing educational projects to maximise the impact of its films.

In Kenya, the USIP-supported project 'to transfer the methodologies depicted in *An African Answer*' moved into a fieldwork phase. Following the successful 'training of trainers' workshops in 2012, three teams of peace practitioners were formed to work in diverse conflict contexts.

In Eldoret, the epicentre of post-election communal clashes in 2008, an inter-ethnic team mobilised a 'peace caravan' to coincide with a visit of Pastor Wuye and Imam Ashafa. The caravan, a large, open-sided truck equipped with a sound-system, was 'flagged off' by County Government officials at Eldoret Town Hall. It moved

## DIRECTORS' REPORT

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into the high density suburbs of the city, including former 'no-go' areas, drawing crowds and advocating the celebration and consolidation of peace.

For team leader Joseph Wainaina, it was a crowning moment. His house had been burnt down during ethnic clashes in 1992 and his family has since lived in another part of the country. After this initiative Wainaina said, 'I will tell my family that, if they wish, they can now come back to Eldoret.'

In Mombasa, Kenya's Muslim-dominated port city, a team of Muslim and Christian women collaborated closely to organise training for women leaders and youth based on the methodologies in the film *An African Answer*. The youth identified 'youths in substance abuse, people living with HIV/AIDS, youths in business and youths in leadership' as areas where they could focus their influence as 'ambassadors of change'.

For the co-leader from the Muslim side, Zuhura Juma, the events were a great success. 'I have worked with many organizations in conflict issues and peace building, within my faith and my society, but never as inter-faith,' she concluded. 'I would love if this initiative can go on, for it can do a lot to our youth and our community.'

In Baringo, infamous for deadly cattle raids between pastoralists, a team of community leaders organized a series of meetings in a bid to foster reconciliation. They brought tribal elders, women and youth leaders together, screened *An African Answer* and explored how to end the scourge of cattle rustling. In particular, they discussed the elements and the process necessary to hold an inter-tribal healing ritual that could redress past wounds and grievances in the county.

As an adjunct to this trust-building process, Dr Channer linked the Baringo team with a local organization, the Rehabilitation of Arid Environments Trust, which works to improve the management of seasonal pasture in Kenya's drylands. With a small grant from IofC International's programme, Initiatives for Land, Lives and Peace (ILLP), a pilot 'land-peace' project was initiated, helping to foster peaceful coexistence amongst pastoralists through a shared approach to better pasture management.

2013 was the 50<sup>th</sup> anniversary of Kenya's independence. As a concluding highlight of the USIP project, a national seminar was held in Nairobi entitled, 'The dynamics of peace and reconciliation in Kenya – past, present and future'. This brought the practitioner teams from Eldoret, Baringo and Mombasa together with a cross-section of Kenyans from government, religious institutions, civil society and the media.

In Chad, UNDP asked *FLTfilms* to build on the impact of its 'Media and Mediation' programme (see the 2012 Annual Report) by producing a half-hour documentary film.

The new film will explore a bid, catalysed by Imam Ashafa and Pastor Wuye, to forge a national network of Chadian mediators – a network that can help bridge the North-South, Muslim-Christian and political divides which have dogged the country since its inception.

The film is being produced in close collaboration with Chad's nationwide Peace & Reconciliation Network, *Comité de la Suivi à l'Appel pour la Paix et la Réconciliation* (CSAPR) - the umbrella group for all civil society peace and reconciliation groups in the country.

2014 should see a harvest reaped from seeds sown in previous years. Three short films are due for completion and release as part of the USIP project: on inter-tribal reconciliation; inter-faith action by women to restore the social fabric; and trust-building amongst pastoralists prone to conflict over access to land.

The UNDP film on mediation in Chad is also due for completion and release.

It is anticipated that the simultaneous release of these films in 2014 will lead to further projects that will in turn maximise the impact of the films and foster positive social change in Kenya and Chad and across the wider region.

### **Books**

#### ***The Power of Silence***

'The reputation of silence – at least in the western world – has now fallen so low that somebody has to speak up for it.' This is how Graham Turner started his introduction of his new book, *The Power of Silence* (Bloomsbury, 2012) at a launch occasion in the London centre of Initiatives of Change on 5 February. The Rt. Rev Richard Chartres, Bishop of London, chaired the evening.

What made Turner write a book on silence? In his mid-twenties he was prodded into a 15 minutes experience of silence, which changed the course of his life. 'Recalling that experience, I decided it could be interesting to talk to people around the world who value silence, to find out what they saw in it,' he said. His publisher asked him to write a book for people who 'prowl on the frontiers of religion'; and that was what he had tried to do. Sharing his own first experience of silence, Turner said: 'I sensed that there was something out there that knew me far better than I knew myself... How you explain that, I don't know... Perhaps because I'd been raised as a Christian, I put it down to a God in whom I never believed.'

He added: 'It seems to me the common experience of those who have thoughts like that and actually obey them that there always seems to be a response of enormous love from wherever these thoughts came from in the first place.'

#### ***The Spiritual Vision of Frank Buchman***

*The Spiritual Vision of Frank Buchman* by Philip Boobbyer (The Pennsylvania State University Press, 2013) is the first major academic study of the ideas and spirituality of the founder of The Oxford Group, which later became Moral Re-Armament and Initiatives of Change. The author, who is Chair of Trustees of the charity, is a lecturer in Modern History at the University of Kent in Canterbury.

### **Financial Review**

The charity began 2013 with an anticipated shortfall of £360,526 between budgeted expenditure and anticipated income. At the end of the year, the outcome was a shortfall of just £75,441 thanks in part to the generous legacies referred to above.

Efforts to break the reliance on legacies and to secure the long-term financial future of the charity continued during 2013. We are grateful to the Irene Prestwich Trust for grants received during the year. 2013 also saw a continuing effort to market facilities at the charity's London headquarters. The charity plans to release further office space for income generation during 2014. Alterations will be carried out to facilitate this.

### **Plans for 2014**

The charity's aim for 2014 is to increase its impact in the UK. At the same time it will continue to support a limited number of initiatives in countries where they have a clear public benefit. This will be achieved by continuing to implement the strategic plan as outlined earlier in the Report, while keeping abreast of opportunities for effective action abroad.

In addition to supporting the annual conferences and meetings at Caux and continuing the series of Greencoat Forums and group meetings at Greencoat Place, the charity will run more workshops and courses along similar lines to those described earlier in this report. The charity will hold another School for Changemakers course in partnership with Liverpool Hope University and others, and will continue to develop the School for Changemakers Alumni Association. The TIGERoadshows, referred to earlier, will be continued.

The charity's budget for 2014 shows an anticipated deficit of £517,357 reflecting the charity's commitment to programmes for which external funding has not yet been secured. The Board of Trustees envisages that the shortfall will be made up through fund-raising, unexpected legacies and spontaneous gifts, and invites all who value the work of Initiatives of Change to join them in securing what is needed to enable the activities described in this report to continue and flourish.

### STATUTORY INFORMATION

#### Members of the Board of Trustees

Members of the Board of Trustees who served as directors during 2013 were:

Charles Aquilina  
Dr Philip Boobbyer (Chair)  
Andrea Cooper  
Margaret Cosens  
Simon Hicks  
Claire Leggat  
Neil Mackay (resigned 12 February)  
The Rev Lusa Nsenga-Ngoy  
Dr Nirmala Pillay

#### Statement of Financial Responsibilities

Company and Charity Law requires the members of the Board of Trustees, who are also directors of the company, to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for that year. It is also the Trustees' responsibility to maintain adequate accounting records, safeguard the assets of the company and take reasonable steps in preventing and detecting fraud and other irregularities.

The Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- 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 accounts
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

#### Disclosure to Auditors

So far as the Board of Trustees is aware:

- (a) there is no relevant audit information of which the charity's auditors are unaware; and
- (b) 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 charity's auditors are aware of that information.

#### Appointment of Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution proposing that H W Fisher & Company be appointed as auditors of the charity and that the Directors be authorised to fix their remuneration will be put to the Annual General Meeting.

*By the order of the Board of Trustees*

**Philip Boobbyer**  
*Chair of trustees*

17 May 2014

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE OXFORD GROUP**

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We have audited the accounts of The Oxford Group for the year ended 31 December 2013 set out on pages 23 to 40. 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 section 144 of Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 its 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 on page 15, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts 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.

#### ***Scope of the audit of the accounts***

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements and inconsistencies we consider the implications for our report.

#### ***Opinion on accounts***

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2012, 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 prepared in accordance with the requirements of the Companies Act 2006.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE OXFORD GROUP**

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***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 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- the charitable company has not kept adequate accounting records; or
- the accounts 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.

**Sailesh Mehta (Senior Statutory Auditor)**  
**For and on behalf of H W Fisher & Company**  
Chartered Accountants  
Statutory Auditor  
Acre House  
11-15 William Rd  
London  
NW1 3ER  
United Kingdom

20 May 2014

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2013 £	Total 2012 £
<b>Incoming resources from generated funds</b>							
<i>Voluntary income</i>	3	422,587	-	98,940	-	521,527	3,603,060
<i>Activities for generating funds:</i>							
Letting & catering income	6	108,912	-	-	-	108,912	114,582
<i>Investment income</i>	9	55,795	-	65,257	359,530	480,582	359,205
		<u>587,294</u>	<u>-</u>	<u>164,197</u>	<u>359,530</u>	<u>1,111,021</u>	<u>4,076,847</u>
 <i>Incoming resources from charitable activities:</i>							
Income from training and sale of film	4	-	-	6,125	-	6,125	8,175
<i>Other incoming resources:</i>							
Other income		5,656	-	343	-	5,999	2,944
<b>Total incoming resources</b>		<u>592,950</u>	<u>-</u>	<u>170,665</u>	<u>359,530</u>	<u>1,123,145</u>	<u>4,087,966</u>
 <b>Resources expended</b>							
<b>Costs of generating funds</b>							
Fund managers' fees		4,738	-	-	-	4,738	899
Letting and catering costs	6	47,808	-	-	-	47,808	43,564
<b>Charitable activities</b>							
Campaigns, programmes and other activities	5	921,563	-	181,084	-	1,102,647	1,212,890
Trading expenses	4	-	-	34,210	-	34,210	54,853
<b>Governance costs</b>	7	39,624	-	-	-	39,624	57,187
<b>Total resources expended</b>	10	<u>1,013,733</u>	<u>-</u>	<u>215,294</u>	<u>-</u>	<u>1,229,027</u>	<u>1,369,393</u>
 <b>Net incoming / (outgoing) resources before transfers</b>							
	8	(420,783)	-	(44,629)	359,530	(105,882)	2,718,573
Gross transfers between funds		234,793	-	35,207	(270,000)	-	-
<b>Net income/ (expenditure) for the year before other recognised gains and losses</b>		<u>(185,990)</u>	<u>-</u>	<u>(9,422)</u>	<u>89,530</u>	<u>(105,882)</u>	<u>2,718,573</u>
 <b>Other recognised gains and losses</b>							
<i>Gains on investments</i>							
Realised		2,282	-	1,542	27,283	31,107	69,878
Unrealised	12	(19,363)	-	132,823	1,238,063	1,351,523	897,672
Difference on exchange		-	-	(666)	-	(666)	(2,003)
<b>Net movement in funds</b>		<u>(203,071)</u>	<u>-</u>	<u>124,277</u>	<u>1,354,876</u>	<u>1,276,082</u>	<u>3,684,120</u>
 <b>Reconciliation of Funds</b>							
Transfer between funds	21	94,766	(80,000)	-	(14,766)	-	-
Fund balances at 1 January		455,654	6,882,973	954,208	9,259,213	17,552,048	13,867,928
<b>Fund balances at 31 December</b>		<u>347,349</u>	<u>6,802,973</u>	<u>1,078,485</u>	<u>10,599,323</u>	<u>18,828,130</u>	<u>17,552,048</u>

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2013**

	Notes	2013		2012	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		4,849,011		4,862,336
Investments	12		13,247,010		10,424,310
			<u>18,096,021</u>		<u>15,286,646</u>
<b>Current assets</b>					
Stocks	13		25,444		41,639
Debtors	14		91,928		238,204
Short term deposits			418,112		1,699,567
Cash at bank and in hand			289,858		382,171
			<u>825,342</u>		<u>2,361,581</u>
<b>Creditors: amounts falling due within one year</b>	15		<u>93,233</u>		<u>96,179</u>
<b>Net current assets</b>			732,109		2,265,402
<b>Total assets less current liabilities</b>			<u>18,828,130</u>		<u>17,552,048</u>
<b>Funds</b>					
Unrestricted funds:			347,349		455,654
Designated funds			6,802,973		6,882,973
Restricted funds			1,078,485		954,208
Endowment funds			10,599,323		9,259,213
	16		<u>18,828,130</u>		<u>17,552,048</u>

The accounts were approved by the Board of Trustees on 17th May 2014.

Chair of the Board of Trustees

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

CASHFLOW STATEMENT  
 FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013		2012	
		£	£	£	£
<b>Net cash (outflow)/ inflow from operating activities</b>	<b>19</b>		(330,202)		2,202,452
<b>Returns on investments and servicing of finance</b>					
Dividends received		479,704		356,259	
Interest received		878		2,946	
		<u>          </u>		<u>          </u>	
<b>Net cash inflow from returns on investments and servicing of finance</b>			480,582		359,205
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets		(84,079)		(260,354)	
Payments to acquire investments		(2,460,027)		(2,334,289)	
Receipts from sale of investments		1,019,958		1,010,070	
		<u>          </u>		<u>          </u>	
<b>Net cash outflow from capital expenditure</b>			(1,524,148)		(1,584,573)
<b>Net cash (outflow)/inflow before management of liquid resources and financing</b>			(1,373,768)		977,084
<b>Management of liquid resources</b>					
Increase/(decrease) in investment in short-term deposits			1,281,455		(1,061,365)
			<u>          </u>		<u>          </u>
<b>Decrease in cash</b>			(92,313)		(84,281)
Net cash resources at 1 January			382,171		466,452
			<u>          </u>		<u>          </u>
<b>Net cash resources at 31 December</b>	<b>20</b>		289,858		382,171
			<u>          </u>		<u>          </u>

# THE OXFORD GROUP

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2013

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#### 1. The Oxford Group

The Oxford Group is a company limited by guarantee (number 355987), the liability of the members of the company being limited to £1 each. At December 2013, there were 87 members of the Association (2012:87). During the year nine people served as Trustees, of whom none received remuneration. Expenses incurred by six Trustees totalling £4,882 (2012: £7,687 by eight Trustees) were reimbursed during the year. These mainly represent travel costs. The Trustees have decided to publish their expenses, which are as follows:

Dr Philip Boobbyer	£	1,308	Margaret Cosens	£	966
Dr Nirmala Pillay	£	78	Charles Aquilina	£	591
Claire Leggat	£	1,289	Lusa Nsenga-Ngoy	£	650

The Oxford Group is a registered charity number 226334.

#### 2. Principal accounting policies

##### a) Basis of preparation

The financial statements are prepared under the historic cost convention as modified by the inclusion of investments at market value and in accordance with applicable accounting standards and the Companies Act 2006. In preparing the financial statements The Group follows the best practice in the United Kingdom as set out in the Accounting and Reporting by Charities: Statement of Recommended Practice issued in March 2005.

##### b) Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

In accordance with this policy, legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified. Gifts-in-kind are included at valuation where their value is ascertainable and material.

##### c) Resources expended and basis of allocation of costs

Expenditure is included when incurred.

The majority of the costs are directly attributable to specific activities. Certain shared costs are apportioned to activities in furtherance of the objects of the charity. Rates, insurance, electricity, repairs and cleaning for the Head Office have been allocated as follows: 25% to Administration, 40% to campaigns, 25% to Support and co-ordination and 10% to Establishment costs of unused space at 24 Greencoat Place. 1% was also allocated to Governance costs from administration overheads.

##### d) Costs of campaigns, programmes and other activities

These costs represent costs incurred for UK and overseas campaigns. They also include costs incurred to support and co-ordinate these campaigns.

##### e) Governance costs

This represents all costs attributable to ensuring the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the statutory audit together with an apportionment of overhead costs.

# THE OXFORD GROUP

## (A COMPANY LIMITED BY GUARANTEE)

### NOTES TO THE ACCOUNTS (CONTINUED)

#### FOR THE YEAR ENDED 31 DECEMBER 2013

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#### f) Capitalisation and depreciation of tangible assets

All assets costing more than £1,000 are capitalised.

Freehold land is not depreciated but the depreciation of other tangible fixed assets is provided at the following rates calculated on a straight-line basis to write off the cost of assets over their estimated useful life:

Freehold property (excluding land)	- 2%
Plant and machinery	- 10% to 25%
Fixtures and fittings	- 10% to 25%
Video masters	- 20%
Motor vehicles	- 25%

No depreciation is provided for some contents of the properties because in the opinion of the Board of Trustees their overall value is likely to increase, rather than decrease, as the result of good maintenance and the antique importance of some of the items.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

#### g) Fixed asset investments

Fixed asset investments are included at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

#### h) Stocks

Stocks of literature and stores are valued at the lower of cost and estimated realisable value. Where costs are incurred in advance for film production they are carried forward as stock.

#### i) Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into pound sterling at the rate of exchange ruling at the balance sheet date. Translations in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

#### j) Fund accounting

Funds held by the charity are:

*Unrestricted funds* – these are funds, which can be used in accordance with the charitable objects at the discretion of the Board of Trustees.

*Restricted funds* – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

*Designated funds* – This is the value of all properties and the majority of long-term investments which are essential for the continuation of The Group's activities.

*Endowment funds* – This is the value of the majority of long-term investments the income of which are kept to support the on going essential activities of The Group. The majority (98.3%) are an expendable endowment fund and the remaining 1.7% is permanent. The income from endowment funds may be used to cover the core running of the charity.

Further explanation of the nature and purpose of each fund is included in the notes to the accounts (Note 16).

#### k) Pensions

The charity has approved for its employees the 'Stakeholder Pension Scheme', a unit linked contract issued under the rules of the 'Friends Provident Pension Limited' approved under Chapter IV Part IV ICTA 1988.

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)  
 FOR THE YEAR ENDED 31 DECEMBER 2013

**3 Voluntary income**

Donations and gifts	Unrestricted funds £	Restricted funds £	Total 2013 £	Total 2012 £
Legacies	340,717	-	340,717	3,413,189
Gifts under covenant	18,520	-	18,520	19,296
Kenya	-	32,033	32,033	37,549
Gift for seminars and conferences	12,295	-	12,295	14,179
Gift for newsletter and booklets	6,549	-	6,549	2,023
Womens' Peace Circle Initiative	1,500	-	1,500	-
FLTfilms	-	8,147	8,147	23,882
Gift for work in Africa	-	-	-	5,990
Gift for reconciliation work	469	9,000	9,469	3,000
Gift for IofC work in Middle East	-	267	267	-
Gift for IofC work for farmer's dialogue	-	3,060	3,060	5,100
Donations for travel and Overseas work	-	-	-	300
Gifts for projects and programmes	7,011	-	7,011	17,408
Gifts for general purposes	16,322	-	16,322	22,777
Gift Aid tax recovered	6,195	-	6,195	3,016
School for Changemakers	12,824	-	12,824	34,350
Gift for reconciliation training in Kenya	-	44,593	44,593	-
Gift for Caux Business fund - Neville Cooper	-	-	-	1,001
Gift towards South Sudan Peace Initiative	-	1,840	1,840	-
Other gifts	185	-	185	-
	<u>422,587</u>	<u>98,940</u>	<u>521,527</u>	<u>3,603,060</u>

**4 Activities to further the charity's objects**

	FLTfilms £	Total 2013 £	Total 2012 £
<b>Income</b>			
Sale and hire of videos	6,125	6,125	8,175
	<u>6,125</u>	<u>6,125</u>	<u>8,175</u>
Donations and gifts	8,146	8,146	23,882
Other income (including interest)	346	346	584
Total income	<u>14,617</u>	<u>14,617</u>	<u>32,641</u>
<b>Expenses</b>			
Direct costs	16,003	16,003	22,456
Overheads	18,207	18,207	32,397
Total costs	<u>34,210</u>	<u>34,210</u>	<u>54,853</u>
Operating profit/ (loss)	<u>(19,593)</u>	<u>(19,593)</u>	<u>(22,212)</u>

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)  
 FOR THE YEAR ENDED 31 DECEMBER 2013

5	Costs of campaigns, programmes and other activities	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
	<b>UK campaigns:</b>				
	Pastoral work, training and development	61,534	-	61,534	82,172
	Trust building conferences and seminars	20,808	-	20,808	1,871
	Education and the schools service	683	-	683	9,544
	Work connected with industry	9,048	-	9,048	8,486
	Forums and public meetings at 24 Greencoat Place				
	24 Greencoat Place	30,959	-	30,959	53,458
	UK website costs	1,530	-	1,530	1,168
	Support for IC Production Division	-	-	-	8,109
	Support for film, Art & drama initiatives	8,707	4,269	12,976	13,842
	Cost of literature	13,581	-	13,581	11,703
	Cost of newsletters and world bulletin	16,408	-	16,408	3,796
	Interns and regional team development	13,415	1,453	14,868	2,502
	Spiritual development and renewal	1,603	-	1,603	1,315
	Communication - internal and external	44,319	-	44,319	35,107
	<b>Special programmes</b>				
	Ireland	8,707	29,835	38,542	16,568
	Agenda for Reconciliation	45,116	11,181	56,297	51,030
	Film production	26,639	-	26,639	30,579
	<b>Projects</b>				
	Initiatives on sustainable communities	67,946	-	67,946	21,515
	School for change-makers	98,461	-	98,461	106,553
	Women Peace Circle Initiatives	20,750	-	20,750	20,004
	Trust and integrity in the global economy	78,382	2,309	80,691	42,906
	Learning to be a peace maker	-	-	-	1,827
	Reconciliation training based on AAA - Kenya	47,619	44,593	92,212	59,108
	Work with Eritrean Education & Public Trust	-	-	-	1,253
	Project development & Support	1,827	-	1,827	7,915
	After The Riots Forum - UK	-	-	-	18,251
	Community related projects	3,321	-	3,321	13,098
	New Leadership and accompaniment initiative	8,389	-	8,389	-
	Strategy implementation and alignment	19,420	-	19,420	-
	<b>Overseas campaigns:</b>				
	Work connected with Caux	48,198	-	48,198	49,514
	Amount carried forward	697,370	93,640	791,010	673,194

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)  
 FOR THE YEAR ENDED 31 DECEMBER 2013

5 Costs of campaigns, programmes and other activities  
 (continued)

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
<b>Amount brought forward</b>	697,370	93,640	791,010	673,194
Work other than Caux for:				
Central, Eastern Europe	9,740	-	9,740	11,145
West Europe	10,594	-	10,594	10,139
Africa	31,354	84,144	115,498	113,327
Middle East	28,474	600	29,074	30,626
Asia	19,765	-	19,765	18,181
North America	8,707	-	8,707	14,924
South America	8,707	-	8,707	8,109
Australia/Pacific	8,739	-	8,739	8,109
Media and communication forums	8,707	-	8,707	8,652
I of C International Website	-	-	-	26,311
Farmers Dialogue	-	2,700	2,700	7,382
International Consultation	4,158	-	4,158	6,596
<b>Other Global Activities</b>				
Work connected with the International Association	85,248	-	85,248	276,195
	<u>921,563</u>	<u>181,084</u>	<u>1,102,647</u>	<u>1,212,890</u>

6 Activities for generating funds

	Total 2013 £	Total 2012 £
<b>Income:</b>		
Letting office space	74,068	82,218
Catering service	13,082	15,324
Letting residential space	21,762	17,040
Total income	<u>108,912</u>	<u>114,582</u>
<b>Expenses:</b>		
Related costs incurred	<u>47,808</u>	<u>43,564</u>
<b>Operating profit for the year</b>	<u>61,104</u>	<u>71,018</u>

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)  
 FOR THE YEAR ENDED 31 DECEMBER 2013

**7 Allocation of support costs**

Overhead and support costs are allocated first between charitable activities and governance on a basis consistent with the usage of resources. Those relating to charitable activities are further apportioned on a pro rata basis.

<u>Cost type:</u>	<b>Charitable Activities</b>	<b>Governance Costs</b>	<b>2013 Total</b>	<b>2012 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Marketing and publicity	20,640	-	20,640	20,020
Forums and meetings	35,532	-	35,532	46,252
Administration costs	93,700	39,624	133,324	149,070
	<u>149,872</u>	<u>44,362</u>	<u>189,496</u>	<u>215,342</u>

The total support costs attributable to charitable activities are then apportioned pro rata to campaigns and other activities as follows.

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
UK campaigns	33,317	36,222
Overseas campaigns	27,985	32,303
Special programmes and projects	75,200	70,051
Other international activities	13,370	19,579
	<u>149,872</u>	<u>158,155</u>

**8 Net incoming / (outgoing) resources before other recognised gains and losses**

This is stated after charging:	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Auditors' remuneration - statutory audit	12,568	12,468
Auditors' other services	-	3,000
Depreciation	97,404	87,183

**9 Investment income and interest**

	<b>UK</b>	<b>Outside UK</b>	<b>2013 Total</b>	<b>2012 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest receivable	878	-	878	2,946
Dividends receivable from:				
Fixed interest securities	81,854	8,250	90,104	34,779
Equity shares	144,066	124,791	268,857	219,821
Investment & unit trusts	114,441	6,302	120,743	101,659
	<u>341,239</u>	<u>139,343</u>	<u>480,582</u>	<u>359,205</u>

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)  
 FOR THE YEAR ENDED 31 DECEMBER 2013

10 Total resources expended

	Staff Costs £	Depreciation £	Other Costs £	Total 2013 £	Total 2012 £
<i>Cost of generating funds:</i>					
Fund management fees	-	-	4,738	4,738	899
Letting and catering costs	7,123	5,448	35,237	47,808	43,564
<i>Charitable activities:</i>					
Campaigns, programmes & other activities	481,456	73,461	547,730	1,102,647	1,212,890
Trading costs	10,243	18,495	5,472	34,210	54,853
<i>Governance costs</i>	24,602	-	15,022	39,624	57,187
	<u>523,424</u>	<u>97,404</u>	<u>608,199</u>	<u>1,229,027</u>	<u>1,369,393</u>

	2013 £	2012 £
<b>Staff costs</b>		
Wages and salaries	485,415	447,627
Social security costs	29,499	25,149
Pension costs	8,510	8,036
	<u>523,424</u>	<u>480,812</u>

**Analysis of other costs:**

Premises	364,642	385,844
Direct campaign cost- travelling, accommodation, telephones	173,268	359,910
Administration costs	70,289	55,644
	<u>608,199</u>	<u>801,398</u>

**Staff numbers and salaries**

No employee or contractor earns more than £50,000 per annum (2012: Nil).

The average weekly number of employees and contractors during the year, calculated on a full time equivalent basis, was as follows:

Number of employees	2013	2012
Finance and administration	6	6
Buildings maintenance	1	1
Catering	1	1
Campaigns	8	9
Film production and management	2	2
	<u>18</u>	<u>19</u>

All employees contributed to campaigns and management and administration of the charity.

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

NOTES TO THE ACCOUNTS (CONTINUED)  
 FOR THE YEAR ENDED 31 DECEMBER 2013

11 Tangible fixed assets

	Freehold land and buildings	Contents of Properties	Plant and Machinery	Total
	£	£	£	£
<b>Cost</b>				
At 1 January 2013	5,290,325	300,242	210,590	5,801,157
Additions	-	50,038	34,041	84,079
Disposals	-	(175,582)		(175,582)
<b>At 31 December 2013</b>	<b>5,290,325</b>	<b>174,698</b>	<b>244,631</b>	<b>5,709,654</b>
<b>Depreciation</b>				
At 1 January 2013	567,492	203,188	168,141	938,821
Charge for the year	49,783	29,127	18,494	97,404
On disposals		(175,582)		(175,582)
<b>At 31 December 2013</b>	<b>617,275</b>	<b>56,733</b>	<b>186,635</b>	<b>860,643</b>
<b>Net book value</b>				
<b>At 31 December 2013</b>	<b>4,673,050</b>	<b>117,965</b>	<b>57,996</b>	<b>4,849,011</b>
<b>At 31 December 2012</b>	<b>4,722,833</b>	<b>97,054</b>	<b>42,449</b>	<b>4,862,336</b>

The net book amount of land and building comprises:

	2013	2012
	£	£
Freeholds	4,475,050	4,522,633
Leaseholds	198,000	200,200

Land and buildings includes the following at valuation when acquired:

	£
1985	66,500
1999	550,000
2003	220,000
	<u>836,500</u>

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

12 **Investments**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Market value at 1 January 2013	10,424,310	8,132,541
Additions at cost	2,460,027	2,334,289
	<u>12,884,337</u>	<u>10,466,830</u>
Disposals	(988,851)	(940,192)
	<u>11,895,486</u>	<u>9,526,638</u>
Unrealised investment gains		
General fund	(19,363)	
Special purposes funds	132,823	
Endowment fund	<u>1,238,063</u>	
	<u>1,351,523</u>	<u>897,672</u>
Market value at 31 December 2013	<u><u>13,247,010</u></u>	<u><u>10,424,310</u></u>

Investments at market value comprise:

	<b>2013</b>	<b>2012</b>
<b>Listed</b>	<b>£</b>	<b>£</b>
British Government	443,551	667,836
Commercial and industrial	12,410,042	9,480,366
Kenyan investments	393,417	276,108
	<u><u>13,247,010</u></u>	<u><u>10,424,310</u></u>

	<b>Investment assets</b>		<b>2013</b>	<b>2012</b>
	<b>In UK</b>	<b>Outsi</b>	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Listed</b>				
Fixed interest securities	856,184	218,492	1,074,676	1,035,260
Equity shares	5,570,726	2,649,032	8,219,758	6,119,763
Investment trusts and unit trusts	3,683,936	268,640	3,952,576	3,269,287
	<u><u>10,110,846</u></u>	<u><u>3,136,164</u></u>	<u><u>13,247,010</u></u>	<u><u>10,424,310</u></u>

There is no a single investment which comprises 5% or more of the total value of the investment portfolio as at 31 December 2013.

**THE OXFORD GROUP**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2013**

		<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
<b>13</b>	<b>Stocks</b>		
	Work in progress - film production	17,792	32,252
	Videos	1,350	2,508
	Stores	6,302	6,879
		<u>25,444</u>	<u>41,639</u>
<b>14</b>	<b>Debtors</b>		
		<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Sundry debtors	60,705	207,229
	Prepayments	31,223	30,975
		<u>91,928</u>	<u>238,204</u>
<b>15</b>	<b>Creditors: amounts falling due within one year</b>		
		<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Taxation and social security costs	2,218	989
	Accruals	20,034	16,256
	Deferred income	642	11,384
	Other creditors	70,339	67,550
		<u>93,233</u>	<u>96,179</u>

# THE OXFORD GROUP

## (A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2013

### 16 Restricted Funds

	Movement in Resources				Balance at 31 Dec 2013
	Balance at 1 Jan 2013	From/(to) unrestricted	Incoming	Outgoing	
	£	£	£	£	£
Special Purpose Funds:					
Kenya	309,018	-	168,223	57,063	420,178
Ireland	339,363	-	62,764	29,835	372,292
FLT films	56,033	13,996	14,618	34,210	50,437
Art initiatives - films, books and publications	5,752	7,488	-	3,159	10,081
Neville Cooper Scholarship	2,531	-	-	2,309	222
Film production reserve	29,088	-	-	-	29,088
Agenda for Reconciliation	5,661	-	9,000	11,181	3,480
IofC Schools' Service	776	-	-	-	776
Friends of Africa Fund	8,467	15,080	-	20,968	2,579
Zimbabwe Fund	4,227	400	-	-	4,627
Africa Fund (Loch)	40,902	(25,000)	-	-	15,902
Middle East Fund (Dumreicher)	1,802	1,600	266	600	3,068
Farmers' Dialogue Fund	143	-	3,060	2,700	503
Young People's fund	147,390	-	-	1,453	145,937
Phyllis Konstam Memorial Fund	3,055	1,643	-	1,110	3,588
Reconciliation training based in Kenya			44,593	44,593	-
South Sudan Peace Initiative		20,000	1,840	6,113	15,727
	954,208	35,207	304,364	215,294	1,078,485

**Kenya Fund and Ireland Fund** – these funds arose from legacies. Under the terms of the bequests, the funds are to be used only for the work of Initiatives of Change in Kenya and Ireland respectively.

The Kenya fund: the incoming resources of £168,223 include £85,385 of unrealised gain from investment and the outgoing include £666 loss due to foreign exchange difference.

**Agenda for Reconciliation** – this fund supports initiatives in the field of developing values for democracy and reconciliation work.

**FLT films fund** – these funds arose from donations and sales proceeds, and the use of such monies is restricted to the production and distribution of films, DVDs and videos.

**Art initiatives, films books & publications** – this fund is used to support people or groups who produce films, books and publications for the advancement of the objectives of the charity.

**Neville Cooper Scholarship** - this fund arose from donations made in memory of Mr Neville Cooper and is restricted to support people who would like to participate in IofC business or industry related seminars. This fund is normally used for the stay at and fares to/from Caux summer conferences.

**Film production reserve** – is a fund which arose as a donation from an individual and is restricted for the production of IofC related films.

**Schools and young people's service UK** – this fund is restricted for IofC outreach work with schools and young people in the UK.

**Friends of Africa Fund** – this fund is restricted to cover projects in Africa that advance the objectives of the charity and where appropriate the accommodation and travel costs of Africans participating in IofC related seminars, conferences and meetings.

**Africa funds – Zimbabwe and Uganda** – funds restricted to support IofC work in Zimbabwe and Uganda respectively.

**Middle East Fund** – is a fund restricted to finance IofC activities in the Middle East.

**Farmers' Dialogue** – is a fund for IofC work with farmers and agriculturalists throughout the world.

**Phyllis Konstam Memorial Fund** – this fund is restricted to supporting artistic initiatives with an emphasis on stage presentations.

**Reconciliation training in Kenya** – This fund is for reconciliation work in Kenya. It is the USIP-supported project 'to transfer the methodologies depicted in *An African Answer*.

**South Sudan Peace Initiative** – This fund was raised to contribute to a project to bring peace and reconciliation to South Sudan undertaken by the

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NOTES TO THE ACCOUNTS (CONTINUED)  
 FOR THE YEAR ENDED 31 DECEMBER 2013

17 Endowment fund

	Movement in Resources			Balance at 31 Dec 2013 £
	Balance at 01 Jan 2013 £	Incoming £	Outgoing £	
	Endowment fund	9,259,213	1,137,089	
Additions during the year	-	991,820	-	991,820
Disposals during the year	-	-	718,902	(718,902)
Gain on disposal and correction	-	96,300	-	96,300
Unrealised gain from investment	-	1,238,063	-	1,238,063
	<b>9,259,213</b>	<b>3,463,272</b>	<b>2,123,162</b>	<b>10,599,323</b>

18 Analysis of net assets between funds

	Fixed Assets £	Investments £	Net Current Assets £	Total £
Restricted funds:				
<i>Special Purpose funds:</i>				
Kenya	-	393,417	26,761	420,178
Ireland	-	368,292	4,000	372,292
FLT films	57,995	-	(7,558)	50,437
<i>Other funds</i>				
Art initiatives-films, & books	-	-	10,081	10,081
Neville Cooper Scholarship-Caux	-	-	222	222
Film production reserve	-	-	29,088	29,088
Agenda for Reconciliation	-	-	3,480	3,480
IofC Schools' Service	-	-	776	776
Friends of Africa Fund	-	-	2,579	2,579
Africa-Zimbabwe Fund	-	-	4,627	4,627
Middle East Fund (Dumreicher)	-	-	3,068	3,068
Phyllis Konstam Memorial Fund	-	-	3,588	3,588
Africa Fund (Loch)	-	-	15,902	15,902
Fund for young people	-	-	145,937	145,937
Farmers' Dialogue	-	-	503	503
South Sudan Peace Initiative	-	-	15,727	15,727
	57,995	761,709	258,781	1,078,485
Endowment fund	-	10,481,788	117,535	10,599,323
Unrestricted funds	-	-	347,349	347,349
Designated funds	4,791,016	2,003,513	8,444	6,802,973
	<b>4,849,011</b>	<b>13,247,010</b>	<b>732,109</b>	<b>18,828,130</b>

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NOTES TO THE ACCOUNTS (CONTINUED)  
 FOR THE YEAR ENDED 31 DECEMBER 2013

19 Reconciliation of net incoming resources to net cash outflow from operating activities

	2013	2012
	£	£
Net (outgoing)/incoming resources before revaluation and investment asset disposals	(105,882)	2,718,573
Depreciation charges	97,404	87,183
Decrease/(increase) in stocks	16,195	(27,277)
Decrease/(increase) in debtors	146,276	(169,220)
Decrease in creditors	(2,947)	(45,599)
Dividends received	(479,704)	(356,259)
Interest received	(878)	(2,946)
Difference on exchange	(666)	(2,003)
Net cash outflow from operating activities	<u>(330,202)</u>	<u>2,202,452</u>

20 Analysis of net cash resources

	2013	2012
	£	£
Balance at 1 January 2013	382,171	466,452
Net cash outflow	(92,313)	(84,281)
Balance at 31 December 2013	<u>289,858</u>	<u>382,171</u>

21 Designated fund

	Balance at 01 Jan 2013	Increase	Movement of Resources Decrease	Balance at 31 Dec 2013
	£	£	£	£
Properties	6,882,973		-	6,882,973
Investment in progress			80,000	(80,000)
NOTES TO THE ACCOUNTS (CONTINUED)	<u>6,882,973</u>	<u>-</u>	<u>80,000</u>	<u>6,802,973</u>

22 Capital commitments

There were no capital commitments at 31 December 2013 (2012: £Nil)