



Initiatives of Change
United Kingdom

ANNUAL REPORT 2018

INCLUDING ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2018

The Oxford Group
Operating as Initiatives of Change
Company No 355987
Registered Charity No 226334

Building trust across
the world's divides

Copies of this and previous Annual Reports and Accounts are available for download at
www.uk.iofc.org/annual-report

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Members of the Board of Trustees at 31 December 2018

Dr Philip Boobbyer (Chair)
Charles Aquilina
Nathalie Chavanne
Margaret Cosens
Claire Leggat
The Rev Lusa Nsenga-Ngoy
Edward Peters
Dr Nirmala Pillay
Gordon Robinson

Secretary Jacqui Begley

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Company number 355987 Registered in England and Wales

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CHAIR'S INTRODUCTION

A TIME CHOICE FOR BRITAIN

As I write, there is a cloud of uncertainty about our future relationship with the European Union. It is far from clear how the Brexit process will end, and what kind of imprint it will leave on our society and psyche.

One thing that does seem to be clear is that, as a nation, we are in danger of being more divided than before, whatever happens politically.

lofC's calling is to try and foster dialogue and community across political, social and other divides-on the basis of shared humanity and an experience of personal change. In this context, are there any underlying principles that could help us?

One of them is surely an emphasis on forgiveness. The Scriptures from across our different traditions are always returning to this theme. For example, the Bible challenges people to love their enemies, and the Koran calls on us to restrain our anger and pardon others. These things are easy to say, not so easy to do, for on a day-to-day basis most of us have to check our reactions to people and issues. Forgiveness does not mean passivity. 'No resentment, no appeasement,' someone once said.

Small things can matter. Our new National Director, Paul Gutteridge, is fond of saying that big doors swing on little hinges. This resonates with the lofC tradition. Frank Buchman once said that the secret of his success was a 'tremendous attention to detail'. In his mind, absolute moral standards were intended to alert us to those little or big things that absorb us in ourselves and makes us less open to the unexpected opportunities to make a positive difference.

Christ declared that the pure in heart would see God. Purity can be a helpful lens through which to look at our motives. Could we, individually and nationally, put aside self-interest and self-gratification in our relations with others?

Could it be that as we try to redefine our role in the world we will need to renew our inner resources as well as set up new trading relationships? Most of us, politicians included, find it hard to admit our need of inner renewal and fresh inspiration. But the indications are that just carrying on as we have been doing will not lead to a bright future. If we, as individuals and as a country, could choose to look for what is right rather than what is in our own self-interest, we could become a country that wins the gratitude and respect of our European allies, as well as being more at peace with ourselves.



Philip Boobbyer

Chair of Trustees

11 May 2019

DIRECTORS' REPORT

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 2018. 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 latest Charities Statement of Recommended Practice (SORP), using Financial Reporting Standard 102.

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 were in place at year-end and all those who served during the year are set out on pages 4 and 30 respectively.

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 atheistic. 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 faith basis of Initiatives of Change is 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 and beliefs to work together to respond to urgent world needs.

Initiatives of Change is a challenge to everyone to live this out and to express their experiences sensitively as an enrichment to others.

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; to live by the highest moral values; and to find a sense of calling about their contribution in the world – is, per se, of benefit to society at large. As Henry Drummond, author of *The Greatest thing in the World*, put it: 'Next to losing the sense of a personal Christ, the worst evil that can befall a Christian is to have no sense of anything else.... The first great epoch in a Christian's life, after the awe and wonder of its dawn, is when there breaks into his mind some sense that Christ has a purpose for mankind.' Faith is important, not just for its intrinsic value to the individual, but because it is often the motivating factor in enabling people to turn their lives around; and equipping them to make significant contributions to society. More specific benefits to the public are demonstrated, either implicitly or explicitly, 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 Trustee appointed in this way must stand down at the next general meeting of the company but may offer him- or herself 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 who subscribes to the charitable 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 relevant information to potential candidates, and induction and training as appropriate to newly elected Trustees. New Trustees are asked to sign a declaration that they are eligible to act as such, and also to declare any other directorships they hold.

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 this committee comprised Dr Philip Boobbyer and Claire Leggat. The Company Secretary acted in an advisory role.

Initiatives of Change UK has been redefining the role it seeks to play in the world while remaining true to its charitable objects. This means recognising our unique potential and purpose which can be expressed as building trust across the world's divides. Everything Initiatives of Change UK does is aimed at making sure that we are fulfilling our purpose. This includes a review of our operating processes in order to make Initiatives of Change UK fit for a changing world. Part of this is to find new ways of connecting with our supporters to fulfil our purpose.

A vital part of our transformation programme is to review how Initiatives of Change UK creates impact. This process is already underway and will result in a communicable, deliverable and measurable strategy that makes the work of Initiatives of Change UK more effective.

Initiatives of Change UK will continue to nurture its current programmes for as long as they continue to fulfil our objects but will also pilot new ways to make Initiatives of Change UK more effective in fulfilling our charitable objects for the benefit of the public, including finding new sources of income and new partners.

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, normally in collaboration with other Initiatives of Change national or regional bodies. The Board of Trustees meets at least quarterly.

During 2018, the day-to-day running of the charity's affairs continued to be undertaken by an Executive Committee which met weekly and reported to and advised the Trustees.

Three 'National Coordinators' served on this committee. Their role was to develop the strategy and outreach of the charity. Roddy Edwards remains a member of the Committee but Talia Smith and Jodie Marshall left our employment in September and December respectively in order to pursue different interests. The rest of the Executive Committee consisted of the Chair (Francis Evans); the Company Secretary (until September 2018 this was Ken Noble and subsequently Jacqui Begley); from October 2018, the Assistant to the Chair of Trustees (Kenneth Noble); the Chief Accountant (Abrahaley Mebrahtu); the Head of Communications, (Davina Patel); the Knowledge Manager (Aleksandra Shymina), the Head of Personnel (Barbara Down) and Jacqui Daukes (Partnerships Manager).

New Phase

During 2018, after thorough consideration and due diligence, the Trustees decided to implement a New Phase strategy that would begin in early 2019. They decided to create the new position of National Director, to give fresh leadership in the area of outreach and to oversee the day to day running of Initiatives of Change UK. Following a rigorous recruitment process, which attracted a high calibre of applicant, the Trustees appointed Paul Gutteridge to the National Director role. Paul took up his post on 7th January 2019.

The Trustees would like to express their gratitude to Francis Evans, for his hard work and dedication, helping to steward Initiatives of Change UK, in his voluntary role as Chair of the Executive Committee, during the previous nine years.

Committees

The following committees exist to oversee operational matters in relation to finance and staffing and recruitment:

The Investment Committee is responsible for managing Initiatives of Change UK's investment portfolio. In 2018 the committee consisted of Campbell Leggat, Francis Evans and Abrahaley Mebrahtu.

The Finance Committee is responsible for preparing the annual budget for Trustee approval. During 2018, the committee comprised of the Executive Committee and one Trustee. Since 2019, with the introduction of the New Phase, the Finance Committee consists of one Trustee, currently Gordon Robinson, the National Director (Paul Gutteridge), the Chief Accountant (Abrahaley Mebrahtu), the Company Secretary (Jacqui Begley) and the Head of Pastoral Care and Assistant to the Chair of the Board of Trustees (Ken Noble).

The Staffing Committee exists to advise the Board of Trustees in relation to recruitment and remuneration matters, including policies and procedures. It is chaired jointly by two of the Trustees, Margaret Cosens (currently on sabbatical, with Gordon Robinson replacing Margaret in her absence) and Claire Leggat, the Chair of ExCo until January 2019, the Head of Personnel, the Chief Accountant, the lead National Coordinator, the Company Secretary and the Assistant to the Chair of the Board of Trustees. In January 2019, the incoming National Director joined the committee.

The Project Review Panel

The Project Review Panel consisted of two Trustees, the Chief Accountant, The Chair of the Executive Committee, the lead National Coordinator and two representatives of the Irene Prestwich Trust, who generously supported lofC's work. The role of the Panel is to distribute the Opportunities Fund, a sum set aside by the Board of Trustees each year to fund lofC projects. In 2018, the fund consisted of £50,000 from the Trustees (which was mainly for UK-based projects) and £30,000 from the Irene Prestwich Trust, which could have a wider application.

Policies and Procedures

During 2018 the Trustees continued to review our current practices in line with the new Charity Governance Guidelines Code laid down by the Charity Commission, in consultation with our lawyers. We are pleased to report considerable progress, including the adoption of our Safeguarding Policy, in addition to the review and update of other policies that particularly relate to our Safeguarding Policy and the General Data Protection Regulations (GDPR).

The Trustees continue to review our current policies and practices, making appropriate adjustments where required, in consultation with our lawyers.

Governance Staff Changes

In September 2018 Jacqui Begley was appointed Company Secretary, taking over from Kenneth Noble, who became Data Protection Officer in May 2018, in addition to the role of Head of Pastoral Care and Assistant to the Chair of Trustees.

Conflicts of Interest and Related Parties Transactions

The Trustees continue to submit declarations of interest, and any conflicts of interest are identified and managed at meetings of all the above committees and at the Board of Trustees meetings.

In 2018 one of the Trustees, Edward Peters, received a remuneration of £3,794 for consultancy work in relation to making the charity GDPR compliant. The decision to engage Edward was taken at a Board of Trustees meeting, where he was recused from the discussion and decision-making process, to comply with due process.

The Trustees noted that the fee Edward received for his consultancy work was considerably less than the market rate. Please refer to page 39 for an additional note in the accounts.

Properties

Throughout 2018, the charity continued to own four residential houses, in addition to its headquarters building at 24 Greencoat Place in Westminster. Three of these houses, in Sheffield, Oxford and Wandsworth, London, are used as centres for the work of the charity and provide a base for outreach and a venue for meetings and fellowship. The future of the Wandsworth property is under review. In accordance with the wishes of the late Doris Jenkins who left it to the Charity in her will, the fourth residential property, also in Wandsworth, has been made available for the use of a couple in their 90s, who have devoted their lives to full-time voluntary Christian work with Initiatives of Change UK. The ground floor of the house is a semi-autonomous flat, rental income from which, contributes to the running costs of the property.

The Greencoat Place centre has a number of function and conference rooms that are used for the Group's charitable activities and, when not required by the charity, are available for rent to other organisations. Income from this source contributes increasingly towards the running costs of the centre.

During the year, the Trustees continued to rent a flat at 9, Albert Embankment, in Lambeth. This was in order to further the work of 'New Leadership and Accompaniment', which is described later in this report. The purpose is to reach out to those taking responsibility in national life and offer them fellowship and spiritual support (as well as introducing them to others whom they might not normally meet), whilst at the same time identifying and training future potential leaders in the moral and spiritual values, that are needed to underpin society. The Trustees reviewed the effectiveness of this operation and decided to renew the lease on the flat.

Mitigating and Responding to Risk

Initiatives of Change UK considers that it has a moral obligation to promote safe practice, and accepts that we cannot ever be risk free. Some of the environments where Initiatives of Change UK works have inherent risks and we work hard to pre-empt, mitigate and manage any potential risk. Many external risks are outside our direct control, so our aim is always to mitigate the potential impact of risks that could arise.

The Trustees consider that they have identified the main risks that Initiatives of Change UK faces. Appropriate systems to mitigate risk are under review as a matter of process. The Trustees continuously evaluate the likelihood and potential for risk; aim to anticipate the major risks; and monitor how we manage risk as an ongoing process. We consider that how we manage all types of risk (for instance, financial, operational, reputational, governance and compliance), including the implementation of agreed actions and procedures, will reduce the potential harm of these risks to acceptable levels.

Significant risks are compiled on a risk register which is reviewed by the Executive Committee. The Trustee Board considers risk formally on an annual basis, however emergent and significant risks are discussed on a rolling basis.

Significant risks that were identified in 2018 were as follows:

- i) Making sure the data and information we hold are well protected and that we do not become victims of cyber crime
We have strong data protection processes in place and a Data Protection Officer (Ken Noble) has been appointed to oversee data protection issues. During the year we took steps to become compliant with the new data protection regulations (GDPR), including removing everyone from our database for whom we didn't have written consent to be there. Staff training in data protection is on-going.

We do not sell our data to third parties and our staff who handle data have data protection training. A disaster recovery plan is in place and is regularly reviewed to make sure Initiatives of Change UK is able to keep functioning 365 days a year, should unexpected events impact on us.
- ii) The risks of Brexit
The continued uncertainty of the UK's relationship with the EU is of concern. In terms of risk, we know that there could be an impact on our investment returns due to market volatility and inflation, with potential economic impact. Brexit, and the high feelings that it arouses, suggest a growing sense of division in society. This could potentially make our work of bridging divisions between people and groups more challenging, although it will of course also make it more relevant.
- iii) Making sure our business model supports long term financial sustainability
The Trustees pay close attention to Initiatives of Change UK's financial model, through the finance committee and the investment committee. The New Phase strategy aims to address the long term financial sustainability of Initiatives of Change UK through grant applications to statutory bodies, institutions and organisations who fund the type of programmes in which we engage.

We continue to maximise income from our properties through renting office and meeting space at 24 Greencoat Place, in addition to rental income from our residential properties.

Initiatives of Change UK's tolerance of risk is generally low. In respect of mismanagement or misconduct whether by staff, suppliers or stakeholders, we operate a zero tolerance policy.

Staff remuneration

The Trustees set levels of salary within a banding structure, with senior executives at the highest level. Two members of staff earned more than £40,000 (full time equivalent) per annum.

As in previous years, some members of staff and contractors benefited from living in residential accommodation owned by the charity, which enabled them to carry out their roles, and their salaries have been adjusted to reflect this.

The rates for contractors are determined on the basis of the level of responsibility and experience and prevailing market conditions.

In line with current legislation, all members of staff have been enrolled into a workplace pension scheme approved by the Pension Regulator.

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 2018 investment income covered the cost of the charity's governance, legal and finance functions. Total income from the charity's investments increased in 2018 to £516,858 (2017: £495,288).

The Trustees have agreed a reserves policy, that strikes a balance between the Trustees' responsibility for the charity's long-term future, their duty to use its assets for the furtherance of its objects and the need to meet liabilities as they fall due.

The Board of Trustees has powers to invest in stocks, shares and property as it sees fit, within the constraints of charity law. During 2018, the charity's investment portfolio continued to be managed by Speirs and Jeffrey. Initiatives of Change UK'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 2018 was -6.7%. The main reason for this was that the value of world financial markets had fallen during 2018, in comparison to 2017, mainly due to Brexit fears, in addition to slow growth in both European and USA financial markets. That said, our overall investment portfolio performance was better than the UK's FTSE All Share Index which showed a total return of -9.5%.

The Trustees would like to express their gratitude to all those who remembered Initiatives of Change by leaving a legacy in their will, and to their families. The Board's policy is to invest 75 per cent of all non-restricted legacy income, above what is needed in the year of receipt, to build up the charity's

investment base and to generate future income, although in 2018 we were not able to add to our investments in this way.

The charity's Investment Committee instructs the charity's investment managers to avoid investment in companies whose business model relies significantly on income from tobacco, alcohol, gambling or armaments.

A report of activities during 2018

During 2018 IofC workers and volunteers continued to make a contribution in several areas relevant to national life under the general theme of 'building trust across the world's divides'. Our strategy focuses on three strands: trust building, ethical leadership and sustainable living. In each case the aim is to encourage people to live according to their deepest beliefs and values, so that their lives match the results they would like to see in society as a whole. The activities do not all fall neatly into one category or another but we have divided them accordingly for convenience of presentation.

Trust building

Launch of a new film

Nearly 300 people attended the London launch on 7th June at the Royal Geographical Society of a new film about the peace-building work of Frank Buchman, the man who started Initiatives of Change.

The Man Who Built Peace - The Frank Buchman Story, was directed and produced by Dr Imad Karam, Executive Director of IofC International, and co-produced by Kelly Burks, who, with the assistance of Alena Vasilyeva, went on to coordinate the UK launch of the film.

The film has already won awards internationally, notably at the Illuminate Film Festival in Sedona, Arizona.

The London launch of the film had been widely advertised and was a chance for the public to learn about the moral and spiritual principles which underlay Buchman's internationally recognised peace-building work.

Earlier, there had been a screening in Parliament, hosted by the Duke of Montrose, who said, 'Frank Buchman set out to remake the world and it is only possible to understand his life in the context of that aim. This film concentrates particularly on his contribution to healing animosities after the Second World War, for which he was decorated by France, Germany, Japan and the Philippines.'

Carolyn Hayman, co-founder of Peace Direct, introduced the film to the Members of Parliament, research assistants and others present. 'Buchman was part of a cohort of extraordinary leaders in which I include Mahatma Gandhi, Badshah Khan (known as the Frontier Gandhi), Martin Luther King and Nobel laureate Leymah Gbowee who rallied the women of Liberia to make peace.'

A review of the film in the *Church Times* on 7th June highlighted the scene where 'a delegation of Japanese representatives, including the President of its parliament, visit Manila in the Philippines to ask forgiveness for the atrocities their country perpetrated there during the Second World War'.

Later in the year there were launch occasions in Oxford, Sheffield, Birmingham, Coventry and Thatcham. All of these were publicly advertised.

Refugees as Re-Builders

On World Refugee Day, 20th June, one hundred people, many of them refugees themselves, gathered in a Parliamentary committee room to mark the end of the pilot phase of Initiatives of Change's course, Refugees as Re-Builders. The course is for settled refugees who wish to contribute to the recovery of their countries of origin, as well as to their host country.

Introducing the event, the Rt Hon Tom Brake MP commented that, when horrifying images of fleeing refugees were in the forefront of our minds, it was good to focus on their potential to contribute.

The course manager, IofC worker Dr Muna Ismail, said the course would focus on equipping refugees with the knowledge and skills they might not access through studies or work experience. These included:

- facilitating dialogue in conflicting communities;
- fostering ethical leadership practices to counter corruption and nepotism;
- promoting sustainable livelihoods when local economies have collapsed.

A new Foundation level course was due to begin in early 2019, to be followed by an Intermediate level course and an Advanced course, which will enable participations to pass on their newly-acquired skills.

At the event, two refugees, Dr Teame Mebrahtu, an Eritrean educationalist at Bristol University, and Dr Nagi Barakat, former Libyan Minister of Health, received awards for their outstanding contributions to the recovery of their countries of origin. In addition, three course alumni spoke about their experiences and their vision for how they hoped to contribute to their countries of origin.

Later that evening, Initiatives of Change partnered with other organisations involved with refugees to celebrate World Refugee Day in the IofC centre in Greencoat Place, London. Amina Khalid, who leads IofC's communities programme, opened the evening: 'Tonight is about celebrating the success of refugees and also about the role that each of us can take to make a difference to the situation.' Amina encouraged people to 'take away the labels and to see the human'.

The Refugees as Re-Builders™ course is attended by refugees of different faiths. The essence of what is taught is in line with the ethical and spiritual values at the heart of all the main religions. It is open to members of the public and only a nominal voluntary charge is made.

Another milestone for Refugees as Rebuilders™ is the development of the Curriculum and formation of its faculty which oversees much of the content of the course. The three thematic modules on which the course is based, are being standardised in a systemised framework, with the help of Amanda Clements, a curriculum specialist.

Migrants and Refugees as Re-Builders online educational resources

'Migrants and Refugees as Re-Builders' is an online educational package for adult educators, which aims to assist them in their work of supporting migrants and refugees in settling into their new countries, and potentially contributing to the recovery of their countries of origin.

Led by IofC-UK, the European Union-funded three-year project is being delivered by a partnership of organisations which are developing innovative training resources. The Turkish partner is the Migration Research Centre at Hasan Kalyoncu University in Gaziantep, a city near the Syrian border which has a high concentration of Syrian refugees. The Swedish partner is the Kista Folkshögskola, a Muslim further education college in a suburb of Stockholm. And the Spanish partner is Progestión which has long experience of providing services to migrants in Madrid.

The project consists of three elements: a curriculum for inclusion and economic integration; a Self-Assessment tool for adult educators to reflect on their competence in delivering the material; and a Social Micro-Indicator tool to assess the effectiveness of the training.

The Curriculum, which was developed by IofC-UK and our Turkish partner, was launched in Turkey in March 2017. The Competence Self-Assessment tool was launched by our Swedish partner in Stockholm in March 2018. And the Social Micro-Indicators tool was due to be launched by our Spanish and Turkish partners in Madrid in March 2019.

The project will come to an end with a 'Festival of Learning' at IofC's London centre in mid-August 2019 when the completed project will be launched. The whole educational package will then be available on the Erasmus+ and partners' websites in English, Swedish, Spanish, Turkish, Somali, Arabic and Tigrina, and in Braille.

During 2018, Catalina Quiroz, the Project Manager and Partnership Coordinator, worked strategically to disseminate the outputs of the project. She promoted the project at the 20th Conference of Commonwealth Education Ministers and its Partners' Integrated Forum in Fiji, in February, and the British Council and United Nations Association's Active Citizens Summit in Canada in April. She also spoke about it at a conference on 'Understanding MENA: the Arab revolutions and the West' at Kingston University, London. She also worked with non-formal NGOs and community-based organizations, piloting the educational resources and supporting those interested in disseminating the material with local funding.

This project is undoubtedly of benefit to the public by helping migrants and refugees realise their contribution to their countries of adoption, and potentially also to their countries of origin. IofC UK is grateful to Catalina Quiroz for conceiving and steering the project and the expertise she brought to it from the Institute of Cultural Affairs, Spain, and to other staff particularly in the Finance and Communications departments who worked on it.

Agenda for Reconciliation

Agenda for Reconciliation (AfR) acts as an umbrella for a range of initiatives undertaken particularly by people from the Somali, Eritrean and Ugandan communities to reconcile their communities as a contribution to reconciling their countries of origin. The focus has been a weekly meeting at IofC's London centre which began in 2000. Many, especially from the Horn of Africa, have found inspiration through these meetings.

A range of visitors have attended various AfR weekly meetings including:

- Abdinasir Mohamed, founder and headteacher of a school in Mogadishu and an alumnus of AfR Dialogue Facilitation courses;
- Hassan Mohamud, one of the first Somalis to engage with lofC, who now works full-time with lofC in Sweden. He had just returned from a reconciliation mission to Somalia with Ahmed Egal, also from Sweden.
- Fanie du Toit, who was responsible for reconciliation programmes in Iraq for UNDP, and who first met fellow black South Africans at a meeting organised by lofC which inspired him to go on to work for an end to Apartheid.

Muna Ismail and Amina Khalid spoke to a group of civil Servants at the Department for Business, Energy and Industrial Strategy (BEIS) on 'How does faith help me live in a multicultural society?' This was at the invitation of Francis Evans.

The Learning to be a Peace-maker (LPM) course for young European Muslims was delivered at lofC's centre in Caux by London-based Imam Ajmal Masroor. The course's aim is to help young Muslims and non-Muslims to understand that peacemaking is at the heart of Islam and the key to living peacefully together. Eleven young Muslims from 10 countries (including a UK Eritrean who had completed the Refugees as Re-Builders pilot course) took part. They then took part in the Caux forum on 'Addressing Europe's Unfinished Business'.

One participant wrote, 'It was incredibly enriching to learn about the peaceful and loving core of my religion and to understand what an inclusive teaching it actually is, contrary to everything I've grown up hearing about.'

The AfR team is currently fund-raising so that this course can be offered in the UK and Caux during 2019.

Clearly, it will be of great public benefit if these ideas can be spread across Europe. It seems entirely in keeping with Christ's teaching that peacemakers are blessed, and 'children of God', to serve people of other faiths in this way. And anything that unites people of different faiths will help stabilise civil society.

In May, AfR and Creators of Peace (see below) co-hosted a group of Lebanese and Syrian lofC colleagues in Oxford and London as part of a collaboration with lofC teams in Sweden and Norway on 'Stories of Hope from the Middle East'.

Assaad Chaftari and Haidar Ammacha, former militia fighters in Lebanon, represented 'Fighters for Peace'. Syrians Iman Al-Ghafari and Ola Al-Darwish have been bringing women of different backgrounds together to take part in Peace Circles (see below) in Damascus. They took part in public events in Parliament and Greencoat Place (in partnership with the Forgiveness Project and the Guerrand-Hermès Foundation for Peace), a briefing of diplomats at the Foreign Office, a Creators of Peace Circle 'taster' event, and an event organised by lofC's Communities Programme in Islington on 'knife-crime and extremism'.

Creators of Peace

Creators of Peace (CoP) is an international programme, launched in 1991, which 'transforms, empowers and engages women in peace creation'. In the UK, two Oxford-based part-time contractors, Miranda Shaw and Elizabeth Laskar, run events under the guidance of a steering committee.

In May they hosted the two Syrian guests, Iman Al-Ghafari and Ola Al-Darwish for a programme in Oxford (see above). On leaving, Iman said, 'This trip was meant to share hope from the middle of crises, initiatives of peace in the middle of bloodshed; and lessons about the importance of peace to build humanity. I came back with stories of making change, inspirations for more activities and ideas for building bridges and joy.'

In March over 40 people of all ages and faiths attended an event arranged by CoP as part of the Oxford Women's International Festival. This year's theme was 'winning the vote', and a team of CoP volunteers brought together an afternoon of inspiring speakers and singers in Oxford Town Hall. They heard from Kate Monkhouse, Executive Coordinator of CoP International, and Lillian Cingo, who managed South Africa's Phelophepa health train, taking medical help to remote parts of the country for 13 years after the end of Apartheid.

A peace circle was held in Oxford over the weekend of 8th – 10th June. The ages of the eight women who took part spanned over 50 years, and their heritage spanned three continents. They explored what it takes to create peace in our own lives, and the world around us, using collage, colour and modelling as well as discussion. They also shared from their own personal stories, spent time in reflection and relaxed over meals prepared by volunteers from earlier peace circles. One participant commented, 'This was one of the best courses I have done over the last 40 years.... I had a sense of being nurtured.' Another woman said, 'I suffer from anxiety. The circle helped me find inner peace and calm.'

A peace circle was also held in Brighton in November in collaboration with Scherto Gill of the Guerrand-Hermès Foundation and six women and two facilitators took part in this, the first CoP event in Brighton.

Miranda and Elizabeth attended the Caux forum on 'Addressing Europe's Unfinished Business' for five days in July. They facilitated community groups and spoke to the forum about Creators of Peace.

The President of CoP International, Amina Dikedi-Ajakaiye, is based in the UK. Coming from Nigeria, Amina has a wide range of contacts across Africa in particular. During the year she took part in a CoP conference in Kenya where she was able to meet some of the activists from Uganda, also. She later visited Nigeria where she took part in training CoP facilitators. She was struck by the enthusiasm of the Nigerian CoP team, who are ready to get into action; and by the difficulties and risks that many of the Kenyan team overcome in running peace circles. Later in the year, Amina attended the Geneva peace week at the invitation of IofC Switzerland. She was one of five 'human books' who shared about their work through their life stories.

CoP UK and CoP International joined a coalition of peace NGOs on Peace Day, 21st September. The partners shared each other's stories, pictures and projects on social media.

This grass-roots initiative is of public benefit because it teaches ordinary people how to become peace practitioners and advocates in their own family and community groups. Members of the public attend many of the CoP activities. And peace-building is central to the purposes of the charity.

Sustainable living

Communities Programme

In March, the Communities Programme in partnership with Somali Initiatives for Dialogue and Democracy (SIDDD) delivered a one-day intergenerational dialogue workshop to 15 mainly North African parents and their primary school children. It took place at the educational charity, Light Project Pro International in Islington and was delivered by Amina Khalid, who runs lofC's communities Programme, and Cllr Michelline Ngongo founder of Light Project. These dialogues aim to build trust and break barriers of communication between the generations, particularly of migrant families. On this occasion, the dialogue led to deep conversations around integration and fear of assimilation. The parents said they were both astonished and encouraged by the depth of sharing and openness of their children. One parent said: 'We have our work cut out. We need to create a safe space such as this to truly listen and respond positively rather than misinterpret what [our children] are telling us.'

Amina has made visits to several cities where groups are taking initiatives based on lofC's principles in order to give practical and pastoral support. She has also organised national network gatherings so that those leading initiatives in different cities can learn from each other.

At a network gathering in May, Amina and Paul Gutteridge, since appointed as National Director of lofC, convened over 40 community representatives for a day to explore how to build trust in communities. The event was hosted by Cllr Michelline and was a 'safe space' for dialogue between police, policy makers, politicians and community activists to address topical issues such as knife crime and extremism. The then Head of Prevent at New Scotland Yard, David Smart, took part. One participant said, 'The community simply does not trust the police; trust building work is desperately needed.' Mark Prince, a former professional boxer, shared his story of losing his 15-year-old son, Kiyon, to knife crime. He spoke about the power of forgiveness and how he had set up the Kiyon Prince Foundation to give young people a sense of purpose. Ian Monteague, Chair of Family Action in Rogerfield and Easterhouse, described his work of tackling gang crime in Glasgow since 1989.

Amina spoke about the work of lofC at the UN Annual Diaspora Forum in Geneva on 18th May. The theme of the forum was 'Migration as an opportunity for development: role of diasporas'.

For the second year, the Communities Programme marked World Refugee Day with five other organisations on 20th June. The event was an opportunity to showcase what lofC is doing to contribute to the wider debate on migration and refugees as well as a chance to reflect on what people can do to support those who have had to leave their countries.

Some of the core communities team took part in a day of prayer in Wythenshawe, Manchester, on 22nd June. This was organised by Greg Davis of United Estates of Wythenshawe, a group working with young people in Wythenshawe. The local MP, Mike Kane, took part, as well as former colleagues of Greg in the security business.

Thirty from the UK involved in communities, including David Smart, took part in a forum on 'Towards an inclusive Peace' at the lofC centre in Caux, Switzerland during the summer. The aim was partly to build a collaborative spirit in order to be able to take action together in the UK.

Mathew Ryder, Deputy Mayor of London for Social Integration, joined a roundtable discussion with 27 people representing different organisations which was hosted by lofC in partnership with City Hall. Community practitioners, faith leaders, policy makers and politicians discussed how to better safeguard the vulnerable, strengthen communities and stop the spread of violent extremist ideologies. Recommendations are being prepared on how to improve current policies and practices around preventing knife-crime and extremism.

Other events celebrated Interfaith Week and International Human Rights Day. More details can be found on our website www.uk.iofc.org. There was also a two-day leadership development workshop run in collaboration with the International Centre for Eritrean Refugees and Asylum Seekers (ICERAS). More than 20 African youths, emerging leaders and others explored the art of leadership and reflected on personal leadership qualities, areas for development, concerns and goals.

The benefit of all of these community activities is that they help people of many backgrounds to build trust and to work for the good of society, reducing the risk of conflict and disillusionment. This aligns closely with lofC's purpose of helping individuals to find their highest inner values and to work for the good of all.

Ethical Leadership

New Leadership and Accompaniment (NLA)

NLA, is primarily aimed at developing the leadership potential in younger people; accompanying them in faith as they negotiate challenges in working, community and home life; and connecting leaders across often divisive boundaries over meals, and home based 'radical' hospitality. The programme is led by Krish Raval OBE and Denny Braggins. Since 2010, they have organised an annual School for Changemakers (SfCM) programme, comprising a residential summer school followed by several get-togethers throughout the year. In 2018, the summer school was replaced by a series of training offerings aimed at capacity building the more than 200 alumni.

In response to demand in the UK and repeated invitations from overseas, the NLA team are considering marking SfCM's tenth anniversary by convening a residential programme in India in early 2020. This has involved Krish and Denny spending time at the lofC centre at Asia Plateau in Panchgani, western India. One of the NLA team, Dr Jacqui Daukes, lofC's Partnering Manager, accompanied five alumni to take part in a conference to mark the 50th anniversary of Asia Plateau as an lofC centre.

Krish was awarded the OBE in the 2018 Queen's Birthday Honours for 'services to leadership education and to interfaith cohesion' in the UK. The honour recognised him as the Founder of Faith in Leadership (FiL). Although FiL is not part of New Leadership and Accompaniment, FiL alumni contribute to Initiatives of Change in countless ways. For example, one of them, the Revd Canon Lusa Nsenga-Ngoy, who works to widen Black and Minority Ethnic (BAME) involvement for the Anglican Church in the Diocese of Leicester, serves as a Trustee of The Oxford Group. Others are contributing to Caux conferences, as speakers and organisers at lofC events such as the annual Fellowship Weekend, and most recently in bids for funding for joint outreach activities in inner cities.

Krish has been quoted as saying: 'Through the FiL and Learn to Lead programmes, we have been privileged to introduce over 2,000 people across the United Kingdom to the qualities of good leadership and the importance of respecting differences while bridge-building for the common good.'

None of that would have been possible without the help of my own mentors, especially the late Bill Jaeger, Betty Gardiner and Keith Wells, whose exemplary lives, greatness and love inspire me every day. I am also indebted to my dear family, including my parents who brought untold strength and resilience when they emigrated here decades ago.'

Krish, with his wife Lucy, and the NLA team continued to host a flat in Lambeth where over one hundred small informal meetings took place, mostly over meals during 2018. Those attending have included Jews and Muslims; BAME and white Anglicans. There were also occasions for lofC staff to meet women role models from business and politics, with visiting international guests. This is all part of 'off the record' programmes to strengthen ties between people from different religious, ethnic and cultural backgrounds in line with lofC's mission. The public benefit will be felt as bonds of friendship are deepened across these potential dividing lines in society.

Business Programmes

The lofC Business Programme aims at changing the mind-set in the business world and the economy by anchoring spirit, values and social engagement into organisations. One aspect is to develop values-based leadership by enabling transformational change in leaders at all levels.

From 2nd – 4th February, a UK delegation of business men (Peter Vickers, Gordon Robinson and James Miller) attended a CEO conclave held at Asia Plateau, the lofC centre in Panchgani, India. Simone Müller, who leads the UK Business Programmes, joined as an observer. The topic, 'Creating Long-Term Value while Managing Short Term Expectations', attracted over 20 high-profile CEOs and managers. Simone spoke with a number of CEOs on the impact of ethics and spirituality on their business efforts.

This event was followed by the 7th Biennial conference of Caux Initiatives for Business (CIB) from 5th – 8th attended by 150 participants from 21 countries. It focussed on 'best practice in sustainability for a turbulent global economy'. Simone was joined by additional UK delegates in order to learn from the longstanding successful engagement of the Indian lofC business team. Peter Vickers, Chairman and CEO of Vickers Oil, was part of the opening panel. In his address, he described 'quiet hunches' in times of silent reflection as being 'in flow like a raft carried downstream. It leads me occasionally to policies, mostly to people. The quiet time is an illuminator.'

In the discussions with conference participants, the need for supporting women in business emerged. Simone was invited to speak at a University in Pune to share her own experience of leaving her international managerial role within a global corporation due to a lack of ethics in the corporate culture.

After the CIB conference the Indian team organised outreach activities in Pune. They visited the Tata Management Training Centre as well as the factory of the Forbes Marshall Group. The lofC delegation engaged in discussions about ethics in business with their hosts and learnt about their strategies to deal with corruption and build a trustworthy corporate culture.

During the conference, an international group of lofC Business Programmes stakeholders from India, Sweden, Switzerland, Austria, Malaysia and the UK met and agreed to align under one umbrella name, Initiative of Change in Business and the Economy (ICBE). The objective is to unite all the existing and future projects and activities in business and the economy in order to leverage synergies, share lessons learnt and existing know-how. As Britain's economy is inextricably

connected to the rest of the world through digitalisation and globalisation, the UK business team felt compelled to support this initiative. During the course of the year, the stakeholders have met twice in Switzerland. A core group including Simone is now holding regular virtual meetings.

Based on the discussions in India, the ICBE team committed to support Annika Hartmann (Managing Director, Ethical Leadership in Business) in increasing the outreach of the ELB conference in Caux (June 28th – July 1st) as speaker or facilitator, through marketing etc. Simone ran one of the four daily community groups for conference participants, sharing her own story. These groups allow participants to reflect on their conference experience by referencing back to their own life in a meaningful way.

Moreover, during 2018 the relationship with various consultants and coaches was strengthened in order to build a team that can eventually run programmes in the UK.

The Trustees would like to congratulate staff member Krish Raval, for being awarded the OBE in the Queen's birthday honours for 'services to leadership education and to interfaith cohesion in the UK'.

Barbara Down's husband, David, was elected Lord Mayor of Newcastle upon Tyne in May for one year and Barbara become Lady Mayoress.

Publications

The communications team continued to produce the biannual colour magazine *Changemakers*. This highlights stories of people who make a difference by making choices in line with their inner leading and conscience. This is freely available on the IofC website. Numerous video clips and short films in similar vein have been distributed via social media.

In addition to the use of *The Man Who Built Peace*, already mentioned, other IofC films continue to be shown and distributed around the world.

Financial Review 2018

The charity began 2018 with an anticipated shortfall of £586,546 between budgeted expenditure and anticipated income. At the end of the year, the outcome was a net use of funds of £372,859 (2017: £286,400). Legacies, although down on previous years, continued to provide a significant percentage of income.

Efforts to break the reliance on legacies and to secure the long-term financial future of the charity continued during 2018. Earnings from the hiring out of the Greencoat Place facilities continued to grow. The overall figure for income from properties in 2018 was £233,939 (2017: £209,808). We are grateful to the Irene Prestwich Trust for generous support with the Fellowship Weekend, also to the Rowland Trust and the Barnabas Charitable Trust, both of which have helped support those of our volunteers who struggle financially, due to the amount of unpaid work that they have done (and in many cases still do) for the charity. Many individuals also contributed generously to the cost of completing a film about the peace-building work of the charity's founder Dr Frank Buchman, which was launched in the UK in June 2018, as described above.

Monitoring and evaluation

Encouraging individuals to seek and follow their own sense of calling, as Initiatives of Change UK does, has strengths but also risks. It gives rise to a large number of initiatives run by highly motivated people, many of which are somewhat loosely connected with the official structures of the charity. The Trustees believe that this approach is in line with Christian teaching. However, it also means that performance evaluation, target setting and impact measurement are to a considerable extent subjective and provisional.

The Charities Statement of Recommended Practice states that the Annual Report should explain 'the Trustees' perspective of the future direction of the charity. It should explain, where relevant, how experience gained or lessons learned from past or current activities have influenced future plans and decisions about allocating resources to their best effect'.

The annual budgeting process is largely based on previous experience – where an individual or programme has shown effective impact, they are likely to be given more resources. Most of the programmes are given seed funding from the 'Opportunities Fund', which takes into account such factors as whether the programme is likely to be sustainable and whether it is offering something unique. It must, of course, first demonstrate that it will further the charity's objects. The charity aims to ensure that the experience of those who have given a life-time of service to the charity is captured and passed on to future generations. This includes factual knowledge, about the history of the charity for example, but also less tangible 'knowledge' such as insights into how to live a life inspired by the Holy Spirit.

Plans for 2019

2019 will be a year of transition for Initiatives of Change UK and our aim is to continue to build upon our impact in the UK, and to continue to support the initiatives in countries where they have a clear public benefit. Our New Phase commenced in January 2019, with the appointment of our new National Director, Paul Gutteridge. Paul brings a broad set of skills and experience to the role, with strong connections in the faith, political and business sectors. Our desire is that the creation of this role will help to further position lofC UK in these three areas during 2019 and to create new partnerships for projects, along with increased revenue streams. As Paul spends time getting to know lofC UK, he will help to facilitate our existing projects and work collaboratively across the lofC community to develop our strategic vision, along with providing strong and visible leadership to the lofC UK team.

We will continue to support the annual conferences and meetings at Caux, the series of Greencoat Forums and other public meetings at Greencoat Place, and we will run additional workshops and courses along similar lines to those described earlier in this report.

Although our partnership with the Erasmus+ project will come to a close, our 'Refugees as Rebuilders' and 'School for Changemakers' courses will continue to take place along with the development of their alumni association programmes and our work with communities will continue.

The charity's budget for 2019 shows an anticipated deficit of £687,354 excluding legacy income, restricted funds and depreciation. The size of the deficit reflects the charity's commitment to programmes for which funding has not yet been secured. The Board of Trustees envisages that the



shortfall will continue to be made up through fundraising, legacies and gifts, and invites all who value the work of Initiatives of Change to join them in praying and working to secure what is needed to enable the activities described in this report to continue and flourish.

2019 marks a significant time in the history of the United Kingdom and Northern Ireland, as the nation navigates Brexit and its outcomes. This is undoubtedly a time of uncertainty for many in the country. The charity has a long history of relationships and projects at all levels of society and in this time of uncertainty, we are discerning how we deliver projects, accompany individuals and make new partnerships with those who have influence.

STATUTORY INFORMATION

Members of the Board of Trustees who served as directors during 2018 were:

Charles Aquilina

Dr Philip Boobbyer (Chair)

Claire Leggat

Edward Peters

Dr Nirmala Pillay

The Rev Lusa Nsenga-Ngoy

Nathalie Chavanne

Margaret Cosens

Gordon Robinson

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; and
- 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

Finally, we Trustees would like to express our gratitude to the dedicated staff, the many volunteers and those who support lofC financially or remember lofC in their Wills. Without this broad support, the charity would not be able to operate effectively.

Philip Boobbyer

11th May, 2019

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE OXFORD GROUP

Opinion

We have audited the accounts of The Oxford Group for the year ended 31 December 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' Report included within the Trustees Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees Report and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees Responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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
May 2019



For Your Notes

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2018 £	Total 2017 £
<u>Income and endowments from:</u>							
<i>Donations and legacies</i>	3	373,767	-	17,111	-	390,878	388,982
<i>Other trading activities</i>							
Letting & catering income	6	223,938	-	-	-	223,938	209,808
<i>Investment income</i>	9	502,103	-	14,755	-	516,858	495,288
		<u>1,099,808</u>	<u>-</u>	<u>31,866</u>	<u>-</u>	<u>1,131,674</u>	<u>1,094,078</u>
<i>Charitable activities:</i>							
Income from sale of books and film	4	3,168	-	-	-	3,168	4,206
<i>Other income :</i>							
Other income		1,076	-	-	-	1,076	2,126
Total income		<u>1,104,052</u>	<u>-</u>	<u>31,866</u>	<u>-</u>	<u>1,135,918</u>	<u>1,100,410</u>
<u>Expenditure on:</u>							
Raising funds							
Fund managers' fees		17,785	-	-	-	17,785	17,274
Letting and catering costs	6	146,186	-	-	-	146,186	153,972
Fund raising costs		2,006	-	-	-	2,006	485
Charitable activities							
Campaigns, programmes and other activities	5	1,170,283	105,244	49,787	-	1,325,314	1,235,714
Trading expenses	4	1,915	-	-	-	1,915	-
Total expenditure	10	<u>1,338,175</u>	<u>105,244</u>	<u>49,787</u>	<u>-</u>	<u>1,493,206</u>	<u>1,407,445</u>
Net (expenditure)/income for the year		<u>(234,123)</u>	<u>(105,244)</u>	<u>(17,921)</u>	<u>-</u>	<u>(357,288)</u>	<u>(307,035)</u>
Net gains on investments:							
Realised		(6,676)	-	(5,612)	17,830	5,542	81,815
Unrealised	12	(161,078)	-	(46,034)	(1,285,008)	(1,492,120)	1,368,118
Net (expenditure)/income before transfers		<u>(401,877)</u>	<u>(105,244)</u>	<u>(69,567)</u>	<u>(1,267,178)</u>	<u>(1,843,866)</u>	<u>1,142,898</u>
Transfers between funds		70,249	8,980	21,211	(100,440)	-	-
Net (expenditure)/income before other recognised gains and losses		<u>(331,628)</u>	<u>(96,264)</u>	<u>(48,356)</u>	<u>(1,367,618)</u>	<u>(1,843,866)</u>	<u>1,142,898</u>
Other gains/(losses):							
Difference on exchange		1,124	-	-	-	1,124	3,600
Net movement in funds		<u>(330,504)</u>	<u>(96,264)</u>	<u>(48,356)</u>	<u>(1,367,618)</u>	<u>(1,842,742)</u>	<u>1,146,498</u>
Reconciliation of Funds							
Total funds balances at 1 January 2018		617,735	6,565,763	723,220	12,371,966	20,278,684	19,132,186
Total fund balances at 31 December 2018		<u>287,231</u>	<u>6,469,499</u>	<u>674,864</u>	<u>11,004,348</u>	<u>18,435,942</u>	<u>20,278,684</u>

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2018
COMPARATIVE YEAR'S SOFA

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2017 £	Total 2016
<u>Income and endowments from:</u>							
<i>Donations and legacies</i>	3	330,427	-	58,555	-	388,982	345,610
Activities for generating funds		-	-	-	-	-	
<i>Other trading activities</i>							
Letting & catering income	6	209,808	-	-	-	209,808	201,556
<i>Investment income</i>	9	479,571	-	15,717	-	495,288	489,295
		1,019,806	-	74,272	-	1,094,078	1,036,461
<i>Charitable activities:</i>							
Income from sale of books and film	4	4,206	-	-	-	4,206	3,417
<i>Other income :</i>							
Other income		2,126	-	-	-	2,126	1,369
		1,026,138	-	74,272	-	1,100,410	1,041,247
<u>Expenditure on:</u>							
Raising funds							
Fund managers' fees		17,274	-	-	-	17,274	14,290
Letting and catering costs	6	153,972	-	-	-	153,972	110,331
Fund raising costs		485	-	-	-	485	5,331
Charitable activities							
Campaigns, programmes and other	5	1,174,020	-	61,694	-	1,235,714	1,275,138
Trading expenses	5	-	-	-	-	-	8,733
		1,345,751	-	61,694	-	1,407,445	1,413,823
Net (expenditure)/income for the year		(319,613)	-	12,578	-	(307,035)	(372,576)
Net gains on investments:							
Realised		12,360	-	784	68,671	81,815	106,123
Unrealised	12	81,943	-	36,411	1,249,764	1,368,118	1,819,485
Net (expenditure)/income before transfers		(225,310)	-	49,773	1,318,435	1,142,898	1,553,032
Transfers between funds		385,650	-	(103,989)	(281,661)	-	
Net (expenditure)/income before other		160,340	-	(54,216)	1,036,774	1,142,898	1,553,032
Other gains/(losses):							
Difference on exchange		3,600	-	-	-	3,600	(2,973)
Net movement in funds		163,940	-	(54,216)	1,036,774	1,146,498	1,550,059
Reconciliation of Funds							
Total funds balances at 1 January 2017 as previously stated		502,826	6,565,763	777,436	11,335,192	19,181,217	17,613,523
Prior year adjustment		(49,031)				(49,031)	(31,396)
Adjusted balance		453,795	6,565,763	777,436	11,335,192	19,132,186	17,582,127
Total fund balances at 31 December 2017		617,735	6,565,763	723,220	12,371,966	20,278,684	19,132,186

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	11		4,782,470		4,878,734
Investments	12		13,421,335		14,343,502
			<u>18,203,805</u>		<u>19,222,236</u>
Current assets					
Stocks	13	8,669		7,646	
Debtors	14	161,352		165,431	
Short term investments		197,506		928,382	
Cash at bank and in hand		170,716		149,088	
		<u>538,243</u>		<u>1,250,547</u>	
Creditors: amounts falling due within one year	15	306,106		194,099	
Net current assets			232,137		1,056,448
Total assets less current liabilities			<u>18,435,942</u>		<u>20,278,684</u>
Funds					
Unrestricted funds:			287,231		617,735
Designated funds	21		6,469,499		6,565,763
Restricted funds	16		674,864		723,220
Endowment funds	17		11,004,348		12,371,966
			<u>18,435,942</u>		<u>20,278,684</u>

The accounts were approved by the Board of Trustees on 18th May 2019.
Signed on behalf of trustees by:

Dr Philip Boobbyer, Chair

Signature: _____

Date: 18th May 2019

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018	2017
		£	£
Cash flows from operating activities:			
Net cash used in operating activities	19	(653,839)	(792,596)
Cash flows from investing activities:			
Dividends received		516,380	495,075
Interest received		478	213
Payments to acquire tangible fixed assets		(8,980)	(109,456)
Payments to acquire investments		(1,088,546)	(741,585)
Net receipt from liquidation of short-term investments		730,876	(783,115)
Receipts from sale of investments		524,135	1,823,709
Net cash provided by investing activities		<u>674,343</u>	<u>684,841</u>
Change in cash and cash equivalent in the year		20,504	(107,755)
Cash and cash equivalent at 1 January 2018	20	149,088	253,243
Change in cash and cash equivalents due to exchange rate movements		1,124	3,600
Cash and cash equivalents at 31 December 2018	20	<u><u>170,716</u></u>	<u><u>149,088</u></u>

THE OXFORD GROUP

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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 2018, there were 89 members of the Association (2017:89). During the year nine people served as Trustees, of whom one received remuneration. The total expenses reimbursed (which mainly relate to travel costs) and remuneration charged during the year by nine trustees was £16,363 (2017: £8,801 by nine Trustees). The Trustees have decided to publish their expenses, which are as follows:

Dr Philip Boobbyer	£1,113 (2017:£1,687)	Margaret Cosens	£5,485 (2017:£1,335)
Dr Nirmala Pillay	£63 (2017:£84)	Charles Aquilina	£1,377 (2017:£474)
Claire Leggat	£1,216 (2017:£1,990)	Lusa Nsenga-Ngoy	Nil (2017:£632)
Nathalie Chavanne	£529 (2017:£690)	Gordon Robinson	£810 (2017:Nil)
Paul Gutteridge	Nil (2017:£212)	Edward Peters	£5,770(2017:£1,697, of which £3,794 is remuneration.

The Oxford Group is a charity registered in England and Wales, number 226334.

Edward Peters was paid a remuneration of £3,794 in 2018(2017:nil). There were no other related party transactions during the year. Refer to page 12 for detail.

2. Principal accounting policies

a) Basis of preparation

The accounts have been prepared in accordance with the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102)" (as amended for accounting periods commencing from 1 January 2017). The charity is a Public Benefit Entity as defined by FRS102.

The accounts are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

b) Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and is more likely that economic benefits will flow to the charity 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 recognised when the charity knows the existence of a valid will and the death of the benefactor as well as after establishing that the probability of receipt or property transferred is high and the amount involved can be estimated with sufficient accuracy. Gifts-in-kind are included at valuation where their value is ascertainable and material.

Investment income is accounted for when received.

c) Resources expended and basis of allocation of support costs

Expenditure is included when incurred.

The majority of the costs are directly attributable to specific activities. However, there are certain shared costs (known as support costs) incurred by certain support functions that assist the work of the charity but are not direct charitable activities. Support costs include rates, insurance, electricity, repairs and cleaning for the Head Office, and marketing costs. Support costs are 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. The costs of producing films are realised in the year in which they are incurred.

d) Costs of campaigns, programmes and other activities

These costs represent costs incurred for UK and overseas campaigns. They also include allocated costs incurred for governance and marketing, and support costs incurred to co-ordinate campaigns.

e) Preparation of the accounts on a going concern basis

The average monthly operating cash required using three year moving average is £43,950. As the the charity's cash balance and short term investments are more than three times the required operational needs, the trustees therefore are of the view that there are no economic indicators that the charity will not continue as a going concern for the foreseeable future.

THE OXFORD GROUP

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2018

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%

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 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) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

j) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and short term highly liquid investments with a short term maturity of 3 months or less from the date of acquisition or opening of the deposit.

k) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

l) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

m) 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 is 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 (Notes 16, 17 and 21 respectively).

n) Pensions

The charity has approved for its employees the 'Stakeholder Pension Scheme', a unit linked contract issued under the rules of Aviva 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 2018

o) Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The charity has mixed use properties, however the value of the investment property cannot be measured reliably without undue cost or effort and hence the entire property is accounted for as property within tangible fixed assets (Note 11).

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2018

3 Income from donations and legacies

Donations and gifts	Unrestricted funds	Restricted funds	Total 2018	Unrestricted funds	Restricted funds	Total 2017
	£	£	£	£	£	£
Legacies	195,858	-	195,858	206,532	-	206,532
Gifts under covenant	10,654	-	10,654	13,078	-	13,078
Gift for seminars and conferences	13,723	-	13,723	14,601	-	14,601
Womens' Peace Circle Initiative	498	-	498	40	-	40
Gift for reconciliation work	2,530	-	2,530	510	-	510
Gift for IofC work in Middle East	-	16,111	16,111	-	8,411	8,411
Gifts for projects and programmes	105,343	-	105,343	82,652	144	82,796
Gifts for stay and overseas work at Caux-Switzerland	13,637	-	13,637	-	-	-
Gifts for general purposes	2,801	1,000	3,801	7,034	-	7,034
Gift Aid tax recovered	3,028	-	3,028	2,980	-	2,980
School for Changemakers	5,000	-	5,000	-	-	-
Gift for film launch	17,695	-	17,695	-	-	-
Other gifts	3,000	-	3,000	3,000	-	3,000
Gift for Europe work - Austin Trust	-	-	-	-	50,000	50,000
Total donations and gifts 2018	373,767	17,111	390,878	330,427	58,555	388,982

4 Income from charitable activities

	Films and books	
	Total 2018	Total 2017
	£	£
Income		
Sale and hire of films	965	1,751
Sale of books	2,203	2,455
Total income	3,168	4,206
Direct costs	1,915	2,164
Total costs	1,915	2,164
Operating profit	1,253	2,042

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2018

5 Costs of campaigns, programmes and other activities

	2018					Total 2017 £
	Unrestricted Funds			Restricted Funds £	Total 2018 £	
	Activities undertaken directly £	Support costs £	Total unrestricted funds £			
UK campaigns:						
Pastoral work, training and development	67,281	22,363	89,644	-	89,644	81,458
Trust building conferences and seminars	21,466	7,135	28,601	-	28,601	32,184
Education and the schools service	9,743	3,238	12,981	-	12,981	18,218
Work connected with industry	6,278	2,087	8,365	-	8,365	7,599
Forums and public meetings at 24 Greencoat Place	22,008	7,315	29,323	-	29,323	17,188
Knowledge transfer and management	18,495	6,148	24,643	-	24,643	32,548
Support for training and personal development	7,102	2,360	9,462	-	9,462	9,344
Support for film, Art & drama initiatives	8,763	2,913	11,676	810	12,486	14,097
Cost of literature	7,072	2,725	9,797	-	9,797	10,667
Cost of newsletters	14,778	4,912	19,690	-	19,690	15,538
National coordination & team development	57,860	19,232	77,092	-	77,092	67,240
Spiritual development and renewal	671	223	894	-	894	2,202
Communication - internal and external	62,175	20,665	82,840	-	82,840	79,207
Support for young people	-	-	0	3,583	3,583	4,450
Special programmes						
Ireland	6,011	1,998	8,009	5,922	13,931	15,449
Agenda for Reconciliation	69,895	23,231	93,126	400	93,526	74,434
Film promotion and dissemination	27,225	9,312	36,537	-	36,537	32,943
Projects						
Initiatives on sustainable communities	31,283	10,397	41,680	-	41,680	39,767
School for change-makers	30,656	10,190	40,846	-	40,846	34,045
Women's Peace Circle Initiatives	20,910	6,950	27,860	-	27,860	24,005
Business programmes	42,988	14,288	57,276	144	57,420	59,606
Refugees As Rebuilders project	14,638	4,865	19,503	-	19,503	-
Reconciliation/peace training in Horn of Africa	2,838	943	3,781	-	3,781	3,825
	-	-	-	-	-	-
New Leadership and accompaniment initiative	73,165	24,318	97,483	-	97,483	98,220
	-	-	-	-	-	-
Cross national cultural & societal project- Erasmus	88,720	29,488	118,208	-	118,208	88,281
Road show community dialogue	-	-	-	-	-	7,257
Gandhi visit	-	-	-	-	-	22,252
Partnership development	23,745	7,893	31,638	-	31,638	28,199
Overseas campaigns:						
Work connected with Caux	46,387	15,418	61,805	-	61,805	45,924
Amount carried forward	782,153	260,607	1,042,760	10,859	1,053,619	966,147

THE OXFORD GROUP

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

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

	Unrestricted Funds			Restricted Funds	Total 2018 £	Total 2017 £
	Activities undertaken directly	Support costs	Total unrestricted funds			
	£	£	£			
Amount brought forward	782,153	260,607	1,042,760	10,859	1,053,619	966,147
Work other than Caux for:						
Europe (East, central and West)	5,605	1,863	7,468	10,045	17,513	15,380
Africa	8,641	2,872	11,513	10,181	21,694	55,746
Middle East	11,364	3,777	15,141	15,677	30,818	21,754
Asia	5,605	1,863	7,468	-	7,468	6,837
North America	8,642	2,873	11,515	3,000	14,515	11,799
Australia/Pacific	4,939	1,642	6,581	-	6,581	6,837
International Consultation	32,368	10,758	43,126	-	43,126	28,254
South America	4,939	1,642	6,581	-	6,581	6,837
Farmers' dialogue	-	-	-	25	25	0
Other Global Activities						
Work connected with the International Association	92,597	30,777	123,374	-	123,374	116,123
Total costs 2018	956,853	318,674	1,275,527	49,787	1,325,314	
Total costs 2017	869,755	304,265	1,174,020	61,694		1,235,714
	2017					
	Unrestricted Funds			Restricted Funds	Total 2017 £	
	Activities undertaken directly	Support costs	Total unrestricted funds			
	£	£	£			
UK campaigns:						
Pastoral work, training and development	60,072	21,386	81,458	-	81,458	
Trust building conferences and seminars	23,734	8,450	32,184	-	32,184	
Education and the schools service	13,435	4,783	18,218	-	18,218	
Work connected with industry	5,603	1,996	7,599	-	7,599	
Forums and public meetings at 24 Greencoat Place	12,676	4,512	17,188	-	17,188	
Knowledge transfer and management	24,003	8,545	32,548	-	32,548	
Support for training and personal development	6,891	2,453	9,344	-	9,344	
Support for film, Art & drama initiatives	7,998	2,847	10,845	3,252	14,097	
Cost of literature	7,867	2,800	10,667	-	10,667	
Cost of newsletters	11,458	4,080	15,538	-	15,538	
National coordination & team development	49,587	17,653	67,240	-	67,240	
Spiritual development and renewal	1,624	578	2,202	-	2,202	
Communication - internal and external	58,412	20,795	79,207	-	79,207	
Support for young people	-	-	-	4,450	4,450	
Special programmes						
Ireland	5,349	1,904	7,253	8,196	15,449	
Agenda for Reconciliation	54,280	19,324	73,604	830	74,434	
Film promotion and dissemination	28,256	4,687	32,943	-	32,943	
Projects						
Initiatives on sustainable communities	29,327	10,440	39,767	-	39,767	
School for change-makers	25,107	8,938	34,045	-	34,045	
Women's Peace Circle Initiatives	17,703	6,302	24,005	-	24,005	
Business programmes	43,957	15,649	59,606	-	59,606	
Reconciliation/peace training in Horn of Africa	2,821	1,004	3,825	-	3,825	
New Leadership and accompaniment initiative	72,433	25,787	98,220	-	98,220	
Cross national cultural & societal project- Erasmus	65,104	23,177	88,281	-	88,281	
Road show community dialogue	5,352	1,905	7,257	-	7,257	
Gandhi visit	16,410	5,842	22,252	-	22,252	
Partnership development	20,796	7,403	28,199	-	28,199	
Overseas campaigns:						
Work connected with Caux	33,867	12,057	45,924	-	45,924	
Amount carried forward	704,122	245,297	949,419	16,728	966,147	

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

5	Costs of campaigns, programmes and other activities (2017 continued)	Unrestricted Funds			Restricted	Total
		Activities undertaken directly £	Support costs £	Total unrestricted funds £	Funds £	2017 £
	Amount brought forward	704,122	245,297	949,419	16,728	966,147
	Work other than Caux for:					
	Europe (East, central and West)	6,169	2,196	8,365	7,015	15,380
	Africa	15,737	5,602	21,339	34,407	55,746
	Middle East	13,429	4,781	18,210	3,544	21,754
	Asia	5,041	1,796	6,837	-	6,837
	North America	8,701	3,098	11,799	-	11,799
	South America	5,042	1,795	6,837	-	6,837
	Australia/Pacific	5,042	1,795	6,837	-	6,837
	International Consultation	20,836	7,418	28,254	-	28,254
	Other Global Activities					
	Work connected with the International Association	85,636	30,487	116,123	-	116,123
	Total costs 2018	869,755	304,265	1,174,020	61,694	1,235,714
6	Activities for generating funds				Total 2018 £	Total 2017 £
	Income:					
	Letting office space				169,439	160,289
	Catering service				23,391	19,240
	Letting residential space				31,108	30,279
	Total income				223,938	209,808
	Expenses:					
	Direct costs incurred				146,186	153,972
	Operating profit for the year				77,752	55,836

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2018

7 Allocation of support costs

Overhead and support costs for this year are:

Cost type:	2018	2017
	Total	Total
	£	£
Marketing and publicity	44,975	44,519
Forums and meetings	96,637	97,791
Administration costs	70,078	50,103
Governance costs	106,984	111,852
	<u>318,674</u>	<u>304,265</u>

The total support costs attributable to charitable activities are apportioned on a basis consistent with the usage of resources to campaigns and other activities as follows:-

	2018	2017
	£	£
UK campaigns	101,316	100,878
Overseas campaigns	42,707	40,536
Special programmes and projects	143,874	132,364
Other international activities	30,777	30,487
	<u>318,674</u>	<u>304,265</u>

8 Net (expenditure)/income for the year

This is stated after charging:

	2018	2017
	£	£
Auditors' remuneration - statutory audit	12,250	12,000
Depreciation	105,244	121,655

9 Investment income and interest

	UK	Outside UK	Total 2018	UK	Outside UK	Total 2017
	£	£	£	£	£	£
Interest receivable	478	-	478	213		213
Dividends receivable from:						
Fixed interest securities	8,660	973	9,633	8,216	-	8,216
Equity shares	260,048	76,177	336,225	250,130	52,971	303,101
Investment & unit trusts	91,547	78,975	170,522	104,104	79,654	183,758
	<u>360,733</u>	<u>156,125</u>	<u>516,858</u>	<u>362,663</u>	<u>132,625</u>	<u>495,288</u>

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2018

10 Total resources expended

	Staff Costs £	Depreciation £	Other Costs £	Total 2018 £	Total 2017 £
<i>Cost of generating funds:</i>					
Fund management fees	-	-	17,785	17,785	17,274
Fund raising costs	-	-	2,006	2,006	485
Letting and catering costs	75,016	10,229	60,941	146,186	153,972
<i>Charitable activities:</i>					
Campaigns, programmes & other activities	616,225	95,015	614,074	1,325,314	1,235,714
Trading costs	-	-	1,915	1,915	-
	<u>691,241</u>	<u>105,244</u>	<u>696,721</u>	<u>1,493,206</u>	<u>1,407,445</u>

Analysis of staff costs:

Employees

	2018 £	2017 £
Wages and salaries	483,853	426,371
Social security costs	46,457	42,364
Pension costs	17,601	14,292
Total	<u>547,911</u>	<u>483,027</u>

Consultancy fees

Total staff costs including consultancy fees	<u>691,241</u>	<u>674,115</u>
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Analysis of other costs:

Premises running costs excluding depreciation and staff costs	268,443	240,173
Direct campaign cost- travelling, accommodation, telephones	109,604	67,237
Support costs (Note 7)	318,674	304,265
	<u>696,721</u>	<u>611,675</u>

Staff numbers and salaries

No employee or contractor earns more than £60,000 per annum (2017: 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	2018	2017
Campaigns	9	6
London centre	6	5
Communications	2	1
Finance and administration	4	4
	<u>21</u>	<u>16</u>

All employees contributed to campaigns and management and administration of the charity. The total head count of the employees during the year is 26 (2017:18).

The key management personnel of the charity are members of the Executive Team and the members are described at the end of page 7 and beginning of page 8. Whilst only one trustee received remuneration, the total remuneration received by that trustee and nine members of the Executive Committee was £265,769 (2017: £222,620).

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 FOR THE YEAR ENDED 31 DECEMBER 2018

11 Tangible fixed assets

	Freehold land and buildings	Contents of Properties	Video masters	Total
	£	£	£	£
Cost				
At 1 January 2018	5,516,084	394,068	230,142	6,140,294
Additions	-	8,980	-	8,980
Disposals	-	(83,161)	-	(83,161)
At 31 December 2018	5,516,084	319,887	230,142	6,066,113
Depreciation				
At 1 January 2018	833,781	202,130	225,649	1,261,560
Charge for the year	54,297	46,454	4,493	105,244
On disposals	-	(83,161)	-	(83,161)
At 31 December 2018	888,078	165,423	230,142	1,283,643
Net book value				
At 31 December 2018	4,628,006	154,464	-	4,782,470
At 31 December 2017	4,682,303	191,938	4,493	4,878,734

The net book amount of land and building comprises:

	2018 £	2017 £
Freeholds	4,436,606	4,490,903
Leaseholds	191,400	191,400

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12	Investments	2018	2017
		£	£
	Market value at 1 January 2018	14,343,502	13,975,693
	Additions at cost	<u>1,088,546</u>	<u>741,585</u>
		15,432,048	14,717,278
	Disposals	<u>(518,593)</u>	<u>(1,741,894)</u>
		14,913,455	12,975,384
	Unrealised investment gains		
	General fund	(161,078)	81,943
	Special purposes funds	(46,034)	36,411
	Endowment fund	<u>(1,285,008)</u>	<u>1,249,764</u>
		(1,492,120)	
	Market value at 31 December 2018	<u><u>13,421,335</u></u>	<u><u>14,343,502</u></u>
	Investments at market value comprise:		
	Listed	2018	2017
		£	£
	British Government	-	-
	Commercial and industrial	<u>13,421,335</u>	<u>14,343,502</u>
		<u><u>13,421,335</u></u>	<u><u>14,343,502</u></u>
		2018	2017
		£	£
	Listed		
	Fixed interest securities	348,916	-
	Equity shares	5,730,775	1,849,939
	Investment trusts and unit trusts	3,577,041	1,914,664
		<u>9,656,732</u>	<u>3,764,603</u>
		<u><u>13,421,335</u></u>	<u><u>11,504,777</u></u>
			<u><u>2,838,725</u></u>
			<u><u>14,343,502</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 2018.

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 FOR THE YEAR ENDED 31 DECEMBER 2018

		2018	2017
		£	£
13	Stocks		
	Videos	1,069	1,277
	Stores	7,600	6,369
		<u>8,669</u>	<u>7,646</u>
14	Debtors		
		2018	2017
		£	£
	Trade debtors	94,183	98,717
	Sundry debtors	40,288	29,722
	Prepayments	26,881	36,992
		<u>161,352</u>	<u>165,431</u>
15	Creditors: amounts falling due within one year		
		2018	2017
		£	£
	Trade creditors	41,945	55,818
	Taxation and social security costs	15,989	14,583
	Accruals	14,891	14,216
	Deferred income	81,304	49,003
	Other creditors	151,977	60,479
		<u>306,106</u>	<u>194,099</u>
	Deferred income include:-		
	Advance received from Erasmus project	77,679	45,378
	Advance received from office tenants and letting customers	3,625	3,625
	Total	<u>81,304</u>	<u>49,003</u>

The charity received a total of £253,160 to-date from Erasmus for the project to be executed for three years ending on 31/08/19. In 2018 the charity received £127,201. Based on actual activity the charity earned £94,900 (2017 £67,621). The remaining balance of £77,679 is to cover costs expected to be incurred up to the end of the project.

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FOR THE YEAR ENDED 31 DECEMBER 2018

16 Restricted Funds

Movement in Resources 2018

	Balance at 1 Jan 2018	Incoming	Outgoing	Gains and (losses)	From/(to) unrestricted	Balance at 31 Dec 2018
	£	£	£		£	£
Special Purpose Funds:						
Ireland	467,763	14,755	(5,922)	(51,646)	-	424,950
Art initiatives - films, books and publications	13,827	-	(810)	-	7,488	20,505
Agenda for Reconciliation	2,315	-	(400)	-	-	1,915
IofC Schools' Service	776	-	-	-	-	776
Friends of Africa Fund	4,776	-	(9,744)	-	10,080	5,112
Zimbabwe Fund	233	1,000	(387)	-	400	1,246
Africa Fund (Loch)	31,007	-	-	-	-	31,007
Middle East Fund (Dumreicher)	14,244	16,111	(15,677)	-	1,600	16,278
Farmers' Dialogue fund	25	-	(25)	-	-	-
Young People's fund	135,127	-	(3,583)	-	-	131,544
Phyllis Konstam Memorial Fund	9,948	-	-	-	1,643	11,591
Integrity in global economies fund	144	-	(144)	-	-	-
South Sudan Peace initiative	50	-	(50)	-	-	-
Austin trust fund	42,985	-	(13,045)	-	-	29,940
	<u>723,220</u>	<u>31,866</u>	<u>(49,787)</u>	<u>(51,646)</u>	<u>21,211</u>	<u>674,864</u>

Movement in Resources 2017

	Balance at 1 Jan 2017	Incoming	Outgoing	Gains and (losses)	From/(to) unrestricted	Balance at 31 Dec 2017
	£	£	£		£	£
Special Purpose Funds:						
Ireland	423,049	15,717	(8,197)	37,194	-	467,763
Art initiatives - films, books and publications	9,591	-	(3,252)	-	7,488	13,827
Agenda for Reconciliation	3,146	-	(831)	-	-	2,315
IofC Schools' Service	776	-	-	-	-	776
Friends of Africa Fund	5,206	-	(10,510)	-	10,080	4,776
Zimbabwe Fund	846	-	(1,013)	-	400	233
Africa Fund (Loch)	31,007	-	-	-	-	31,007
Middle East Fund (Dumreicher)	7,776	8,411	(3,543)	-	1,600	14,244
Farmers' Dialogue fund	25	-	-	-	-	25
Young People's fund	139,577	-	(4,450)	-	-	135,127
Phyllis Konstam Memorial Fund	8,306	-	(1)	-	1,643	9,948
Integrity in global economies fund	-	144	-	-	-	144
South Sudan Peace initiative	50	-	-	-	-	50
Film production	125,201	-	-	-	(125,201)	-
IofC Ghana & Clean Africa Campaign	22,880	-	(22,880)	-	-	-
Austin trust fund	-	50,000	(7,015)	-	-	42,985
	<u>777,436</u>	<u>74,272</u>	<u>(61,692)</u>	<u>37,194</u>	<u>(103,990)</u>	<u>723,220</u>

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FOR THE YEAR ENDED 31 DECEMBER 2018

Ireland Fund - this fund arose from a legacy. Under the terms of the Will, the fund is to be used for the work of Initiatives of Change in Ireland.

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.

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

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

Friends of Africa Fund and Africa Fund (Loch) – these funds are 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.

Zimbabwe fund – funds restricted to support IofC work in Zimbabwe.

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

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

Young People's Fund – this fund is restricted to Initiatives of Change's work with young people in UK.

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

Integrity in global economies Fund – this fund is restricted by the donors for the work with business and global economies activities.

Austin trust fund - this fund was set up by HW 'Bunny' Austin and Phyllis Konstam to support IofC work related to Caux.

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17 Endowment fund

	Movement in Resources 2018					Balance at 31 Dec 2018 £
	Balance at 01 Jan 2018 £	Incoming £	Outgoing £	Gains(losses) £	Transfers	
Endowment fund	12,371,966	-	-		(100,440)	12,271,526
Realised gain on disposal of investments	-	-	-	17,830		17,830
Unrealised loss from investment	-	-	-	(1,285,008)		(1,285,008)
	12,371,966	-	-	(1,267,178)	(100,440)	11,004,348

The charity withdraws £30,000 per month from the income of the fund. A further £300,000 was withdrawn to meet operational cash flows needs.

	Movement in Resources 2017					Balance at 31 Dec 2017 £
	Balance at 01 Jan 2017 £	Incoming £	Outgoing £	Gains(losses) £	Transfers	
Endowment fund	11,335,192	-	-		(281,661)	11,053,531
Realised gain on disposal of investments	-	-	-	68,671		68,671
Unrealised gain from investment	-	-	-	1,249,764		1,249,764
	11,335,192	-	-	1,318,435	(281,661)	12,371,966

18 Analysis of net assets between funds

	2018			Total £
	Tangible Fixed Assets £	Investments £	Net Current Assets £	
Restricted funds:				
<i>Special Purpose funds:</i>				
Ireland	-	395,639	29,310	424,949
<i>Other funds</i>				
Art initiatives-films, & books	-	-	20,506	20,506
Trust and integrity in a global economy fund	-	-	-	-
Agenda for Reconciliation	-	-	1,915	1,915
IofC Schools' Service	-	-	776	776
Friends of Africa Fund	-	-	5,112	5,112
Africa-Zimbabwe Fund	-	-	1,246	1,246
Middle East Fund (Dumreicher)	-	-	16,278	16,278
Phyllis Konstam Memorial Fund	-	-	11,591	11,591
Africa Fund (Loch)	-	-	31,007	31,007
Fund for young people	-	-	131,544	131,544
Austin trust fund	-	-	29,940	29,940
	-	395,639	279,225	674,864
Endowment fund	-	10,931,853	72,495	11,004,348
Unrestricted funds	-	406,814	(119,583)	287,231
Designated funds	4,782,470	1,687,029		6,469,499
	4,782,470	13,421,335	232,137	18,435,942

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COMPARATIVE FIGURE

	2017			
	Tangible Fixed Assets	Investments	Net Current Assets	Total
	£.	£.	£.	£.
Restricted funds:				
<i>Special Purpose funds:</i>				
Ireland	-	437,678	30,085	467,763
<i>Other funds</i>				
Art initiatives-films, & books	-	-	13,827	13,827
Trust and integrity in a global economy fund	-	-	144	144
Agenda for Reconciliation	-	-	2,315	2,315
IofC Schools' Service	-	-	776	776
Friends of Africa Fund	-	-	4,776	4,776
Africa-Zimbabwe Fund	-	-	233	233
Middle East Fund (Dumreicher)	-	-	14,244	14,244
Phyllis Konstam Memorial Fund	-	-	9,948	9,948
Africa Fund (Loch)	-	-	31,007	31,007
Fund for young people	-	-	135,127	135,127
Austin trust fund	-	-	42,985	42,985
Farmers' Dialogue	-	-	25	25
South Sudan Peace Initiative	-	-	50	50
	-	437,678	285,542	723,220
Endowment fund	-	12,038,086	333,880	12,371,966
Unrestricted funds	-	180,709	437,026	617,735
Designated funds	4,878,734	1,687,029	-	6,565,763
	<u>4,878,734</u>	<u>14,343,502</u>	<u>1,056,448</u>	<u>20,278,684</u>

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19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net (expenditure)/income before other recognised gains and losses	(1,843,866)	1,142,898
Depreciation charges	105,244	121,655
(Increase)/decrease in stocks	(1,023)	38
Decrease/(increase) in debtors	4,079	(82,276)
Increase/(decrease) in creditors	112,007	(29,690)
Dividends received	(516,858)	(495,288)
Realised gain from sale of investments	(5,542)	(81,815)
Unrealised gain due to market valuation of investments	1,492,120	(1,368,118)
Net cash used in operating activities	(653,839)	(792,596)

20 Analysis of net cash resources

	2018 £	2017 £
Balance at 1 January 2018	149,088	253,243
Net cash outflow	21,628	(104,155)
Balance at 31 December 2018	170,716	149,088

21 Designated fund

	2018			
	Balance at 01 Jan 2018 £	Movement of Resources		Balance at 31 Dec 2018 £
	£	Incoming £	Outgoing £	Transfers
Tangible assets	4,878,734		(105,244)	8,980
Designated investments	1,687,029	-	-	
	<u>6,565,763</u>	<u>-</u>	<u>(105,244)</u>	<u>8,980</u>
				<u>6,469,499</u>

The designated fund consists of £4,782,470 of tangible assets and £1,687,029 of long term investments which are used by the charity to safeguard its operations.

	2017			
	Balance at 01 Jan 2017 £	Movement of Resources		Balance at 31 Dec 2017 £
	£	Incoming £	Outgoing £	Transfers
Tangible assets	4,878,933	109,456	(121,655)	12,000
Designated investments	1,685,830	-	-	1,199
	<u>6,564,763</u>	<u>109,456</u>	<u>(121,655)</u>	<u>13,199</u>
				<u>6,565,763</u>

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22 Capital commitments

There were no capital commitments at 31 December 2018 (2017: £Nil)

23 Pension and other post-retirement benefit commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost of £17,601 (2017: £14,292) represents contributions payable by the charity to the fund. The expenses have been allocated to unrestricted expenditure on the same basis as wages and salaries.