

Company No 355987
Registered Charity No 226334

THE OXFORD GROUP
OPERATING AS

INITIATIVES OF CHANGE

ANNUAL REPORT 2015

INCLUDING ACCOUNTS FOR THE YEAR
ENDED 31 DECEMBER 2015

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 2015

Dr Philip Boobbyer (Chair)
Charles Aquilina
Nathalie Chavanne
Margaret Cosens
Paul Gutteridge
Claire Leggat
The Rev Lusa Nsenga-Ngoy
Dr Nirmala Pillay

Secretary

Kenneth Noble

Charity number

226334 Registered in England and Wales

Company number

355987 Registered in England and Wales

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CHAIR'S INTRODUCTION

Living in uncertain times

Looking back over history, there have been periods of comparative stability punctuated by times of devastating turmoil. Values and institutions that had seemed permanent are suddenly swept aside. Thus the *Pax Romana*, which had given enough stability for major technical and social advances and had allowed an emergent Christianity to spread across Europe and the Near East, was engulfed by waves of Goths and Vandals in the space of a few short decades. The British Empire and the associated *Pax Britannica* was somewhat unusual. Whatever its shortcomings – and there were many – the British Empire in its somewhat more orderly decline left space for nascent democracies and the underlying moral framework to take root in various parts of the world.

Since World War II there has been equilibrium of sorts, based to a large degree on mutual fear between the world's superpowers. Despite the tensions, there have been huge advances in technology, living standards for many, awareness of environmental challenges, regional cooperation. Yet, at the same time, there is a rising tide of problems that threaten to overwhelm us. It feels as if we could be approaching another period when the forces of 'the dark side' might undermine all that has been achieved and bring about widespread misery and destruction.

Terrorism is the 'headline act' in this encroachment of a new Dark Age. But it is easy to blame particular extremist groups without acknowledging that a world that works depends on every one of us. It has been said that the battle-line between good and evil runs through every human heart. A selfish act here leads to a hurt there. Just as the act of kindness here brings happiness, and perhaps healing, there.

As individuals, we are not powerless in the face of evil. The Bible calls on us to be 'bright lights in the world' and not to be scared and hide that light under a barrel. 'We are hard pressed on every side, but not crushed; perplexed, but not in despair; persecuted, but not abandoned; struck down, but not destroyed. We always carry around in our body the death of Jesus, so that the life of Jesus may also be revealed in our body.'

An American academic, Margaret Smith, expresses similar sentiments in less religious language, calling on us to 'live in the moment'. She writes in her blog: '*Feeling* this emerging world with my whole being seems to be part of the task. Awareness free of judgment, we are told, is the greatest agent for change. Instead of giving fear the upper hand, this is a time to love all the crooked, ugly, dysfunctional and glorious pieces of the planet right now. Of course we must act, but let's act from a place of humility and listening. And let's challenge the temptation to place limits on others in order to feel better about ourselves. It is good to be remembering that in uncertain times, encouraging those working alongside us might be our number one priority.'



Philip Boobyer

Chair of Trustees

14 May 2016

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 2015. 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 20 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 militantly atheist. He expressed truths in ways that were unconventional and sometimes did not sound religious – although they all sprang from his personal Christian faith. The Trustees follow in that tradition and view all the activities described in the remainder of this Report as practical expressions of Christ's commands and thereby advancing the Christian religion in accordance with the charity's Objects.

lofC describes its faith basis 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.

lofC 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 because it is so often the motivating factor in enabling people to turn their lives around; and then equips them to make an effective and relevant contribution 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 that subscribes to the objects may become a member of the company, subject to nomination by existing members and the endorsement of the Trustees.

The Board of Trustees appoints a Nominations Committee to identify and propose potential new Trustees. The Committee gives 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. At the time of writing, the Board is looking for a Trustee with the skills to act as Treasurer.

During 2015, Paul Gutteridge and Nathalie Chavanne were appointed as Trustees, and Simon Hicks retired. We are grateful that Simon has agreed to continue serving on the Finance Committee during 2016.

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 lofC national or regional bodies. Each summer, a number of the charity’s staff and volunteers help run and attend conferences in Caux, Switzerland, which advance the mission of Initiatives of Change.

The Board of Trustees meets at least quarterly. The Executive Committee and the Project Review Panel meet at appropriate intervals to plan and review the charity's activities. They report to and advise the Trustees.

The day-to-day running of the charity's affairs is undertaken by an Executive Committee which meets weekly. This committee was appointed in February 2015 to replace the previous management team following a review of the charity's management structure in 2013 - 14. (See last year's annual report for more details about this process.) The Trustees identified the need for three 'National Coordinators' to develop the strategy and outreach of the charity. The National Coordinators report directly to a Trustee and also serve on the Executive Committee. The National Coordinators are Roddy Edwards (from Suffolk), Peter Riddell (Oxford) and Jodie Marshall (Sheffield). The rest of the Executive Committee consists of the Chair, Francis Evans, who works on a voluntary basis; the Company Secretary; the Chief Accountant; the Head of Communications; and the Knowledge Manager. The National Coordinators were internal appointments except for Jodie, a part-time consultant.

Early indications are that this new structure is serving the charity well. The trustees are particularly grateful to Francis for doing his work in a voluntary capacity. This results in more of the charity's funds being used to provide public benefit.

The trustees appointed Barbara Down as Assistant Secretary in 2015. This was in order to reduce the workload of the Company Secretary who is now also Head of HR. This was an internal appointment.

Properties

Throughout 2015, the charity owned four residential houses in addition to its headquarters building at 24 Greencoat Place in Victoria, central London. Three of these houses, in Sheffield, Oxford and 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. In accordance with the wishes of the late Doris Jenkins, the fourth residential property, also in Wandsworth, has been made available for the use of a couple in their 90s who have devoted their full time to voluntary Christian work throughout their long working lives. The ground floor of the house is a semi-autonomous flat, rental income from which covers the running costs of the whole property.

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

During 2014-15 extensive refurbishment was carried out at Greencoat Place, as described in last year's report. This has been successful and has already led to a rise in rental income as well as being more welcoming and practical for lofC staff and visitors.

During the year the Trustees continued to rent a flat at 9, Albert Embankment, in Lambeth. This was in order to further a programme called 'New Leadership and Accompaniment'. The purpose is to reach out to those taking responsibility in national life and offer them fellowship and spiritual support, whilst at the same time identifying and training future potential leaders in the moral and spiritual values that are needed to underpin society. The Executive Committee carried out an appraisal of how effectively this property was being used in Spring 2015; and the exercise was repeated towards the end of 2015 by a different assessor. Both reviews recommended that the project should continue for the time being. However, renting is not a prudent long-term use of money; and a decision will be made early in 2017 on whether or not the charity would be justified in purchasing a property for this work.

Risk Assessment and Sustainability

The Trustees have reviewed the risks that the charity faces or could face. There has been some progress in addressing the risks identified in previous years and, as a consequence, other risks have moved higher up the list.

The greatest risks currently identified mostly relate to the need to keep Initiatives of Change true to its core values, without which we will not be able to fulfil our calling. The main current risks in the trustees' view are as follows:

- a) Failure to transfer core values to a new generation;
- b) Poor relations between key members of the fellowship;
- c) Lack of coordination between initiatives
- d) Failure to fill leadership positions with people who truly understand IofC.

IofC is essentially a spiritual movement, calling upon people to live their lives in obedience to the Holy Spirit. So, fulfilling the goals of the charity is a matter for prayer; as well as for diligent and intelligent planning. In one sense, all of the charity's programmes aim to pass on the core values of IofC to new people; but the New Leadership and Accompaniment programme has this as one of its core tasks. The Trustees hope that potential future leaders of IofC will emerge as a by-product of this work.

The appointment of three National Coordinators in 2015 was partly in response to the perceived need to help people around the country have more interaction through sharing plans, contacts and knowledge.

Every organisation faces personality issues. The fact that we work for reconciliation does not mean that difficulties don't arise. How we address them is a test of our authenticity. The Pastoral Care Team has appointed a small team of experienced mediators to assist where needed. They have also produced guidelines that anyone can use, based on the principle of starting the needed change within oneself. The challenge is to learn to love people despite their real or imagined failings – and to treat others as you would like to be treated. Such principles have to be backed up with grievance and disciplinary procedures – and these are applied where necessary.

Staff and volunteers

Our Finance Officer, Madhvi Jugroo, left the charity's employment during the year to take up a more senior post elsewhere. At year end, we were still seeking a suitable replacement. In early 2016 agency worker Lamesgin Fentie was appointed on a temporary basis.

The fifth in a series of annual national fellowship weekends was held in March at the Kings Centre, Northampton. It brought together around 100 IofC staff and volunteers together with some who wanted to find out about the work and ideas of the charity. This opportunity to share experiences and spiritual reflections; to meet in a relaxed environment; and to welcome some colleagues from overseas has proved invaluable for increasing a sense of fellowship and shared responsibility for the work of the charity. This new venue worked well as we were able to occupy the whole premises. As well as times of reflection and sharing, numerous smaller workshops and discussion groups took place. One learning point was that we had not made sufficient provision for the care of children, which detracted from the experience for some parents. We will address this need at this year's event, which will take place in April at the same place.

Reference is made in various places within this Report to the notable contribution of volunteers to the work of the charity. This is difficult to quantify but volunteer activities range from promoting and helping to organize public events to offering individual counselling, fellowship and Bible studies; from introducing people to the

work of the charity to contributing money. It is no exaggeration to say that Initiatives of Change could not function without the goodwill, generosity and inspiration of around 80 volunteers, many of whom devote a considerable amount of time and resources. The Trustees are grateful to all of them.

Staff remuneration

The Trustees set levels of salary for staff through the use of a banding structure, with senior executives at the highest level. No member of staff earns more than £40,000 per annum although some also benefit from benefits in kind (subsidised accommodation). The salary levels are generally lower than staff could command elsewhere, as is normal in the charity sector. The rates for contractors are determined on the basis of the level of responsibility and experience. Again, day rates are well below the market average with no one being paid more than £150 per day; and most substantially less.

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 2015 investment income covered the cost of governance, legal and finance functions. Total income from the charity's investments increased in 2015 to £476,011 (2014: £432,710)

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 policy states that the charity will always hold in liquid form the equivalent of at least two months' expenditure.

The Board of Trustees has powers to invest in stocks, shares and property as it sees fit, within the constraints of charity law. During the year the charity's investment portfolio continued to be managed by Speirs and Jeffrey. The charity's investment aim is to protect the real value of its investments over time, whilst generating income compatible with that objective. The annual Total Return on the charity's portfolio during 2015 was minus 2.9 per cent, reflecting the poor performance of equity markets during the year.

The Trustees would like to record their gratitude to all those who remembered Initiatives of Change in their Wills, and to their families. The Board's policy is to invest 75 per cent of all legacy income above what is needed in the year of receipt, to build up the charity's investment base and generate income for the future, although in 2015 we were not able to add to our investments in this way. The announcement of a generous legacy towards the end of the year went a long way towards balancing our books.

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

Repatriation of Kenya Fund

During 2015 a restricted fund, The Kenya Fund, was transferred to the Initiatives of Change Association (Kenya). This fund originated in a legacy to The Oxford Group for use in Kenya. The Trustees at that time (1968) decided to leave the fund in Kenya. Since then, the management of the funds has been in the hands of IofC Kenya and they have remained invested in Kenya. On 29th March, 2014, the AGM of the Kenyan Association passed a resolution asking that these funds be repatriated. A formal request to The Oxford Group's trustees to this effect was made in a letter dated 24th March, 2015.

The Trustees considered this request at their meeting of 9th May, 2015, and having established that the lofC body in Kenya had compatible objects, they passed the following resolution:

‘As from 1st January, 2015, The Oxford Group hereby transfers the entire restricted fund, originally given to the Group by Dorothy Alice Humphreys under her will dated 22nd February 1963 “for the specific purpose of furthering its work in the Colony of Kenya” to lofC Kenya, to be used for its charitable purposes without any other restriction.’

Activities during 2015

The charity undertakes a wide range of activities, projects and programmes, all aimed at benefiting either the public as a whole or a significant section of the public. The charity’s vision, mission and values are outlined in the strategic plan, which was adopted in February 2012 and is currently in the process of being reviewed. It identified three priorities for action:

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

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

Seed financial support for individual initiatives of change is awarded from an Opportunities Fund to which any person from the lofC community may apply. Allocation of the fund in 2015 was determined by a Project Review Panel consisting of two Trustees, the Chair of the Executive Committee, the Chief Accountant and a volunteer, Ivan Ssali. The Company Secretary also attended meetings. Among the criteria used to assess awards were: does the project advance the charity’s objects; and is it likely to be sustainable? The Opportunities Fund will continue during 2016 with a budget of £70,000 (2015 £70,000).

A new Strategic Framework (2016 – 2020) was launched at the National Fellowship Weekend in April 2016. It has shifted the emphasis from the three themes outlined above to the need for everyone to seek and follow their inner sense of calling, whilst not neglecting the importance of working as part of a team in most cases. More will be said about this in next year’s report. Many activities will continue as before.

Community programmes: Agenda for Reconciliation

As Europeans oscillate between fear and compassion at the sight of the masses of refugees entering Europe, how many see among these people potential rebuilders of their war-torn countries?

This is already happening in Somalia. After 20 years of statelessness and warlord control, large numbers of Somalis from around the world are returning to rebuild their country. This is despite the challenges of personal security, corruption and the efforts of violent groups to destroy what others rebuild.

Those who return have been shaped, whether consciously or unconsciously, by their experiences of living in the West. lofC, with its aim to ‘inspire, equip and connect people to address world needs, starting with themselves’ has made a positive contribution for many.

Over the last 10 years the weekly Agenda for Reconciliation (AfR) meetings at Greencoat Place have provided a forum for refugees from Somalia and other Horn of Africa countries to meet on a platform of reconciliation. One who has championed lofC among the Somali diaspora is the Hon. Osman Jama Ali, former Deputy Prime

Minister of Somalia. He is currently serving on the Independent Constitutional Review Commission of Somalia, and has distributed copies of his vision for Somalia to many of the leaders.

IofC's concept of four absolute moral standards and the search for divine guidance enables people of different faith traditions to build trust with each other and to address matters of common concern. Also fundamental is a willingness to acknowledge the harm that we have caused each other, as individuals and as nations, and to heal relationships by serving each other.

Partly through the task of rebuilding countries after the Second World War, IofC gained insights into the moral and spiritual foundations of democracy, developing skills of communication, leadership and conflict resolution. These are now highly relevant in countries such as Somalia.

Training in Dialogue Facilitation has been fundamental to this work because refugee communities bring with them all the divisions that caused their countries to collapse. Learning about 'active listening' and 'non-violent communication' are among the first steps to recovery. At a recent AfR meeting, a Somali British said that ever since receiving training in Dialogue Facilitation in 2008, he has been enabling conflicting groups to meet each other in Somalia.

The second stage is to train people to train others in Dialogue Facilitation. Ten Somalis took part in such a course at the beginning of 2015, and they are now seeking funding to enable them to make an exploratory mission to two tense regions of Somalia, to apply what they have learned. In 2016 our aim is to establish a training programme called Refugees as Re-Builders, incorporating these two modules.

Eritreans, too, are working to build trust among their community leaders in exile. In the last year, they have organized several events at Greencoat Place with this aim.

We are increasingly partnering with other like-minded organisations such as St Ethelburga's Centre for Reconciliation and Peace, in the City of London, and St Michael's House, the base for Coventry Cathedral's reconciliation ministry. St Ethelburga's and their partner, Search for Common Ground, commissioned Somali Initiative for Dialogue and Democracy (SIDD) and IofC jointly to organise a 'Peace Begins at Home' intergenerational dialogue workshop for the Somali community in Islington, north London in the New Year. St Michael's House invited SIDD and IofC to run an intergenerational dialogue for the wider community in Coventry, also in 2016.

2015 also saw a project led by Dr Muna Ismail, a plant chemist and AfR Project Development Consultant, to re-introduce a food-plant, *yeheb*, into areas of Somaliland, northern Somalia, from which it had become extinct. Scott Darby, a contractor with IofC, and Lewis Wallace, a volunteer with much experience of agricultural projects, joined Muna for a scoping mission in May. This led to a further expedition in September to arrange the planting of seeds which had been donated by a businessman in South/Central Somalia. Her belief is that reconciliation, sustainable livelihoods and just governance are inextricably connected.

Sustainable Communities

The work of the Sustainable Communities programme has been comparatively low-key during 2015 because of the hiatus created by the departure of the former Head of Communities towards the end of 2014 (see last year's report). However, network members continue to do vital work in some of the UK's most challenging situations. The aim is to build on this work in 2016 and Amina Khalid has been engaged as a part-time consultant to help bring people together from different areas for mutual support and encouragement. She will also aim to develop programmes that promote IofC's approach to change, as well as running more 'inter-

generational dialogues', mainly for families from immigrant communities.

Business programmes

IofC-UK's business programme, Trust and Integrity in the Global Economy (TIGE), strengthens the motivation of care and moral commitment in business and economic life. It is for the public benefit because it promotes trust and integrity in all areas of economic life. TIGE enables economic stakeholders to explore a journey of personal, organisational and societal transformation in the best interests of themselves, their companies and the world at large. This is based on the appeal to 'conscience-based' decision-making. It connects and supports new economic models and builds relationships which enable such transformation.

Mark Goyder, Founder Director of Tomorrow's Company think-tank, said, 'Every time I work with IofC I come away strengthened in my belief that business can and must be a force for good.'

During 2015, a programme of public lectures and conferences furthered the aims of TIGE:

- We held a TIGE Talk with Lucy Parker and Jon Miller, co-authors of *Everybody's Business*, and Deborah Henderson, a former banker, addressing the question, 'Can big business help to fix the world?'
- We hosted David Marquand, political philosopher, former MP and author, for a lecture discussing the need to create a 'moral economy', following the general election.
- We took part in a social entrepreneurship conference at York St John University, on 2nd – 3rd September, where we conducted workshops on 'Five pillars of Trust', attended by entrepreneurs from several countries.
- We hosted a TIGE Talk with Charles Wookey, founder of Blueprint for Better Business, and Laura Turkington of Vodafone.
- We launched *Great Company: trust, integrity and leadership in the global economy*, by Mike Smith, Head of the TIGE programme. It draws on the stories of best practice told at the annual TIGE conferences in Caux, Switzerland and from similar conferences in India. People quoted in the book took part, several as speakers. Over 80 people attended and 52 copies were sold.
- On 6 November, TIGE hosted the launch of Halifax Bank of Scotland whistleblower Paul Moore's book, *Crash Bank Wallop*.
- TIGE partnered with the Civil Society Forum to welcome Christian Felber, founder of 'Economy for the Common Good'. He spoke on 'How to create an economy for the common good—can caterpillars fly?' About 40 people took part at IofC's London centre.
- Internationally, the TIGE team: supported IofC USA with their conference on Healing History, in April, in Richmond, Virginia; was part of the organising team for the annual TIGE summer conference in Caux, Switzerland, attended by some 115 people; and supported the development of TIGE chapters in Scotland, Sweden and Switzerland.

The main outcomes of this activity, apart from raising the profile of TIGE (as evidenced by the growing database of contacts) was to strengthen strategic partnerships between people with similar convictions about the need for a new economy based on honesty and unselfishness.

In 2016, the fifth TIGERoadshow (a forum for presenting the ideas and experiences of people committed to TIGE's core principles) will be held in partnership with Manchester Metropolitan University. Further TIGE Talks are being arranged; and this summer's TIGE conference in Caux will be the tenth. There are also plans to launch a 'TIGE Toolkit', a training resource which aims to help organisations operate at peak performance and stimulate discussion on relationships of trust in the workplace.

New Leadership

The programme called 'New Leadership and Accompaniment' (NLA) is something of a hybrid in that it addresses perceived needs in society but also provides support and training to people already working for or involved with Initiatives of Change.

It's 'headline' activity is the annual School for Changemakers (SfCM) gathering. The 2005 school was smaller compared with previous years for various operational reasons. It took place from 3rd – 5th July, at the Initiatives of Change centre in London with the theme, 'changing human attitudes and behaviours'. The format was a structured programme of talks, workshops, group discussions and quiet time. It began with an introductory event where participants shared their experiences of change and answered reflective questions about themselves in order to promote values-based discussions.

Alexander Nunn, Head of Campaigns and Communications for Action for Happiness, delivered a highly self-reflective workshop which directed individuals to reflect on the concepts of wonder, gratitude, hope, love and change. Two older women, Fiona Daukes and Elsa Vogel, who have attended nearly all of the SfCM events, shared their extraordinary life-journeys with the group who averaged at least 50 years younger!

There were also quiet times to allow for reflection. The evening programme consisted of social activities so that participants could connect to each other on a social level, and also find out more about each other's life stories and hopes for the future.

The work of 'accompanying' - providing practical and spiritual support and mentoring to - the young alumni who have attended Schools during the last five years has been constant. As a group the alumni meet, share and support each other as they strive to make the right decisions in life.

The overall aim is to help people, mainly young people, find out what their best contribution is and how they can work for the benefit of society by giving leadership and living with integrity.

The NLA team also organised a 'fresh season' of talks on the absolute moral values of purity and unselfishness, given by noted religious leaders. These were open to the public. These will resume in 2016.

The flat at 9 Albert Embankment in Southwark continues to be heavily used for intimate, off-the-record dinner parties and meetings. Several parliamentarians and religious leaders have come in to meet some of the NLA team and, increasingly, each other.

The flat is a big investment for IofC and the Trustees have continued to monitor its use. While being impressed with the quality and quantity of events being held there, they are still reviewing whether this represents the best use of IofC's resources. They have indicated that they would like to see more collaboration with other IofC activists who might be able to use the flat to further their own goals.

The flat has also been used for training purposes, mostly for people already involved with IofC. Krish Raval and Denny Braggins ran a course in Neuro-linguistic Programming; and they plan to run further training events in 2016.

Creators of Peace

During 2015, Creators of Peace UK continued its work of empowering women 'in their role as creators of peace at every level of society'. Its activities during the year included three Creators of Peace Circles, a public event, and training of facilitators.

The first Peace Circle took place over a weekend in January, in Oxford. Ten women took part, including two from Switzerland, who have since trained to run peace circles there. A second weekend Peace Circle in Oxford in February drew eight participants, four of them staff at Greencoat Place. A third Peace Circle was held in London in October. The women involved in these circles ranged in age from the 20s to the 60s, and included Muslims, Christians and Buddhists, as well as people of no religious faith.

Two women from these Circles received facilitation training in August, and another seven intend to do so in January. Two of them wish to take peace circles to Somalia.

Creators of Peace in Oxford held a public event in March, as part of the International Women's Festival, called 'Fashion Revolution'. Speakers from Oxfam, Trading for Development and IofC addressed issues around the ethical production and trade of clothes, consumption and materialism. 30 people attended this event.

In November the first of a three-part series of Peace Circle workshops was held at St Michael's House Centre for Reconciliation at Coventry Cathedral, part of a developing partnership between St Michael's House, St Ethelburga's Centre for Reconciliation and Peace in London, and IofC.

Former Peace Circle participants met every month in Oxford. In October this meeting was attended by representatives of Creators of Peace in Romania, Diana Damsa and Diana Topan.

Plans for the New Year include three Peace Circles based in Oxford and London, two more workshops in Coventry, a Facilitation Training Weekend, participation in the Creators of Peace 25th anniversary conference in Caux, and a public event during the Oxford International Women's Festival.

Films

The *Beyond Forgiving* Initiative aims to further the message of the film of that name. It documents the story of how two unlikely people came together to work for reconciliation in South Africa – the mother of a white girl who was shot in a pub 'massacre' towards the end of the Apartheid era and the black liberation fighter who ordered the attack. The film has been widely used in the UK and across the world since it was made by IofC filmmaker Dr Imad Karam. Ginn Fourie and Letlapa Mphahlele, the film's two protagonists, visited the UK in a speaking tour organised by Dr Karam and others in 2014, which was the genesis of this initiative. The purpose is to use the film as a tool to complement existing reconciliation and peace-building projects and studies.

IofC worker, Talia Smith, and Howard Grace, a retired teacher from Newbury, arranged more than 40 showings of the film during 2015. It was seen by over 1,600 people, including 1,100 students. They included church groups, Quaker meetings, University of the Third Age groups, peace groups and schools and university classes. This was done in partnership with groups ranging from Feltham Young Offenders Institute to the UK Progressive Christianity Hub; from Winchester University to the Restorative Justice Hub. In most cases Talia and/or Howard organised discussions afterwards. On 23rd September, International Peace Day, a showing was organised in partnership with Junior Chamber International. DVDs and study guides were on sale at all the events, enabling people to organise further occasions. There has been some press coverage including in *Third Age Matters* and the *Bradford Telegraph & Argus*.

At this time when there is concern about conflict and extremism, the message of *Beyond Forgiving* resonates. The public benefit is that as people put forgiveness and relationship building into practice, it will help bridge society's divides.

This programme will continue into 2016, including events with Horsham Interfaith Group and the World Healing Crusade in Blackpool already arranged.

The peace-building impact of the films *The Imam and the Pastor* and *An African Answer*, were show-cased at the 2015 Nobel Peace Prize Forum in Minneapolis. These documentary films were produced by Dr Alan Channer, director and producer at *FLTfilms* (For the Love of Tomorrow). Dr Channer spoke of how the two films were made to help amplify and sustain a new peace-building dynamic, made possible by the reconciliation between Imam Muhammad Ashafa and Pastor James Wuye from Nigeria, who also spoke at the event. Imam Ashafa and Pastor Wuye received a standing ovation.

Oprah Winfrey's ground-breaking television series *Belief*, which aired in October 2015, featured the reconciliation between Imam Ashafa and Pastor James, and included footage from *The Imam and the Pastor*. Dr Channer served as a consultant for the episode. After it was broadcast, Oprah Winfrey tweeted: 'The Pastor and the Imam represent the possibility of peace in the world. If they can do it, we can.'

The work of *FLTfilms* was further highlighted through the iREP Documentary Film Festival in Lagos, Nigeria, at which Dr Channer gave the keynote lecture on 'Documentary film and conflict resolution', and at a conference at the Centre for International Intervention, Surrey University, where films made in Chad and Kenya were presented.

Peace is Together, a short promotional film on the interfaith women's initiative 'Mothers in Kenya for Amani' (MIKA), was launched in Mombasa, Kenya. The launch was attended by Mombasa County Minister for Youth, Gender and Sport, Mohammed Abbas and Police Commandant Daoud Mohammed.

Commandant Mohammed said: 'No amount of police, no amount of weapons for the police and no amount of public meetings will create peace. Peace must come from within our hearts. The way forward is the peace-building process I see here.'

The MIKA Initiative grew out of a project to transfer the peacebuilding methodologies depicted in *An African Answer*, supported by the United States Institute of Peace and Initiatives of Change.

Two further short films, made during the course of the USIP/IofC project, were also completed in 2015.

Pasture and Peace is set against a backdrop of environmental degradation and violent conflict in Baringo County, Kenya. It depicts the rise of a team of peacebuilders from amongst three pastoralist ethnic groups, who are together addressing the root causes of both conflict and land degradation. The film was inspired by the international IofC programme 'Initiatives for Land, Lives and Peace'. It was launched in December 2015 in Baringo and neighbouring counties, with a series of screenings to County government officials, civil society activists, development NGOs and faith leaders.

The Road Back Home tells the story of Joseph Wainaina, an IDP (Internally Displaced Person), whose home in Eldoret, Kenya, was burnt down, whose uncle was killed and yet who decided to forgive. Joseph has worked full-time for peace and reconciliation with Initiatives of Change since the turning point in his life. The film will be launched in Eldoret in 2016.

In 2016, *FLTfilms* will continue to support inter-religious and inter-ethnic peacebuilding, particularly in Africa.

Initiatives for Land, Lives and Peace

A four-day 'international dialogue' is scheduled to happen in Baringo County, Kenya, in April 2016 as part of the on-going Initiatives for the Land, Lives and Peace programme, which is partly organised by people funded by IofC. The preparatory work began in 2015. The focus will be: 'Enhancing land and water governance for resilient communities in the drylands of the North Rift'.

Other events

'Radical living' was the title of a one-day gathering in Sheffield organised by Initiatives of Change on 24th October.

Welcoming the 70 plus participants to his city, the Lord Mayor, Cllr Talib Hussain, said that examples would be given of 'taking radical actions in positive directions'.

Abdool Kadir Gooljar, South Yorkshire President of the Islamic Society of Britain and a prominent member of the city's Interfaith Group, called on the followers of different religions and faiths to 'join forces and open doors of dialogue and interaction to live peacefully and eliminated terrorism and extremism'. The threat to global peace came from non-state actors who wanted to impose their highly bigoted and radicalised versions of religion on others. 'They use the fair names of religions to justify their otherwise unjustifiable actions. We can defeat these people if we launch interfaith dialogue as a structured movement at the global level and build bridges among people.'

The main part of the day was spent discussing issues where radical living could make a positive difference. Topics ranged from how to offer an alternative to crime and gun culture in tough inner-city estates, led by Greg Davis from the United Estates of Wythenshawe, to 'living within our planet's means', led by Miranda Shaw, who had given up her job in order to become an environmental activist.

By the end of the day everyone had heard new ideas for how they could make a positive impact on the world around them, and many had shared steps that they intended to take.

In London, the series of Greencoat Forums continued. Events included:

- A professor of applied music, a poet from an inner-city estate in south London, and a social entrepreneur from Sheffield addressed a Greencoat Forum on 'the transforming power of art' on 3rd November. The diversity of the speakers and the audience was in itself a testament to the power of art to bring together people of many ethnic groups and ages.

The event was organised by Renewal Arts, a multidisciplinary, international network bringing together artists and art-lovers who share the conviction that the arts can be a positive force for changing our personal lives and the wider world.

The Rev Prof June Boyce-Tillman from the University of Winchester gave an overview of the subject, including many areas where she personally was involved in arts projects – ranging from work with people with dementia, where music might be a person's only memory, to her work as Artistic Convenor of the Winchester Centre for Arts as Wellbeing. The latter initiative had seen a rabbi and an imam chanting together in Winchester Cathedral, a photo of which featured in her PowerPoint presentation.

'Art,' she said, could turn 'the hurt-ness of humanity into a thing of beauty'.

Kwame Reed was the final speaker. He had grown up with a single mother on a tough estate in London. All the young people got drawn into gang culture because that was all they knew. Rap music was the only art that was 'cool'.

At school he had been identified as being 'gifted and talented' in the arts, which had encouraged him. He had then become involved with Intermission Youth Theatre, which targeted young people with low prospects and a high risk of offending. They encouraged Kwame and others to take part in plays based on Shakespeare but expressed in a modern idiom. It was at Intermission's monthly 'hangouts' [informal gatherings] that Kwame had started to compose and read out poems. 'Poetry has given me an identity,' he said. 'I look at art as a fun way to express yourself.'

He had played 'a character called Macbeth' in one of the plays. It had helped him relate to people, turning 'judgement into curiosity'. 'In that sense, art is transformative, because it helps you to understand people,' he said.

- On 4th November, Dr Alan Channer gave a Greencoat Forum sharing his experiences as a film-maker and peace-builder. Alan, a contractor with IofC, has produced a number of films, including *An African Answer* and *The Imam and the Pastor*, that have been used to help reconcile conflicts and foster healing in Kenya, Nigeria and Cambodia, among others. Alan shared his model of peace-building, by amplifying the work of local peacemakers and grassroots organisations.
- Initiatives of Change in partnership with Next Century Foundation facilitated a lively debate on the plight of refugees fleeing from war torn countries on 9th October.

A similar programme of events, also open to the public, will be held in 2016.

Financial Review

The charity began 2015 with an anticipated shortfall of £551,000 between budgeted expenditure and anticipated income. At the end of the year, the outcome was a net use of funds of £1,277,230 (2014 surplus of £62,623). Legacies continued to provide a high percentage of income.

Efforts to break the reliance on legacies and to secure the long-term financial future of the charity continued during 2015. Earnings from the hiring out of the Greencoat Place facilities continued to grow. The overall figure for income from properties in 2015 was £170,343 (2014 £140,545). We are grateful to the Irene Prestwich Trust for generous support with the National 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 because of the amount of unpaid work that they have done (and in many cases still do) for the charity. Many individuals have also contributed generously to the cost of making a film about the work of the charity's founder Dr Frank Buchman, which is due to be launched in 2016.

The charity is benefiting from improved software for communicating with its supporters, installed in 2015. An appeal for regular donations produced some generous responses. One concern was to hear of several of our supporters falling prey to criminal scams, resulting in significant personal loss and, potentially, a loss of income for the charity. Steps have been taken to inform our core supporters about precautions they may take.

Monitoring and evaluation

Encouraging individuals to seek and follow their own sense of calling, as Initiatives of Change does, has strengths but also risks. It gives rise to a large number of initiatives run by highly motivated people, many of which are not part of the official work 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 says 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 appointment of a Knowledge Manager was also part of a bid to make sure 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 wisdom on how to go about living a life inspired by the Holy Spirit.

Plans for 2016

The charity's aim for 2016 is to increase its impact in the UK. At the same time it will continue to support a limited number of initiatives in countries where they have a clear public benefit (usually through modest grants to individuals). In particular, support is being given to a new European initiative which is still taking shape at the time of writing but goes under the title of Addressing Europe's Unfinished Business. This is in line with the Trustees' declaration that they want the UK charity to take more responsibility for IofC internationally.

In addition to supporting the annual conferences and meetings at Caux and continuing the series of Greencoat Forums and other public meetings at Greencoat Place, the charity will run additional workshops and courses along similar lines to those described earlier in this report. The charity will hold a School for Changemakers course in a new venue, and will continue to develop the School for Changemakers Alumni Association. The TIGERoadshows, referred to earlier, will be continued. There are also plans for a 'Heart of Effective Organisations' training programme, designed for business leaders who want to think about their personal motivations and their potential impact on society.

The charity's budget for 2016 shows an anticipated deficit of £465,489 excluding legacy income, allocated and 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 be made up through fund-raising, unexpected legacies and spontaneous gifts, and invites all who value the work of Initiatives of Change to join them in praying and working to secure what is needed to enable the activities described in this report to continue and flourish.

STATUTORY INFORMATION

Members of the Board of Trustees

Members of the Board of Trustees who served as directors during 2015 were:

Dr Philip Boobbyer (Chair)	Charles Aquilina
Nathalie Chavanne (appointed on 18 Feb 2015)	Margaret Cosens
Paul Gutteridge (appointed on 12 Feb 2015)	Simon Hicks (resigned 14 th November 2015)
Claire Leggat	Rev Lusa Nsenga-Ngoy
Dr Nirmala Pillay	

Statement of Financial Responsibilities

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

The Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; 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

Philip Boobbyer

Chair of Trustees

14 May 2016

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE OXFORD GROUP

We have audited the accounts of The Oxford Group for the year ended 31 December 2015 set out on pages 23 to 38. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement on page 20, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2015, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report is inconsistent in any material respect with the accounts; or
- the charitable company has not kept adequate accounting records; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Sailesh Mehta (Senior Statutory Auditor)

For and on behalf of H W Fisher & Company

Chartered Accountants

Statutory Auditor

Acre House

11-15 William Rd

London

NW1 3ER

United Kingdom

16 May 2016

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2015 £	Total 2014 £
Income and endowments from:							
<i>Donations and legacies</i>	3	515,399	-	70,570	-	585,969	951,223
<i>Other trading activities</i>							
Letting & catering income	6	170,344	-	-	-	170,344	140,546
<i>Investment income</i>	9	103,254	-	14,518	358,239	476,011	432,710
		<u>788,997</u>	<u>-</u>	<u>85,088</u>	<u>358,239</u>	<u>1,232,324</u>	<u>1,524,479</u>
<i>Charitable activities:</i>							
Income from sale of books and film	4	2,284	-	2,407	-	4,691	8,981
<i>Other income :</i>							
Other income		5,202	-	292	-	5,494	3,117
		<u>796,483</u>	<u>-</u>	<u>87,787</u>	<u>358,239</u>	<u>1,242,509</u>	<u>1,536,577</u>
Expenditure on:							
Raising funds							
Fund managers' fees		3,807	-	-	8,435	12,242	5,602
Letting and catering costs	6	47,026	-	-	-	47,026	53,549
Charitable activities							
Campaigns, programmes and other activities	5	1,158,900	-	46,271	-	1,205,171	1,187,387
Fund released to Initiatives of Change - Kenya	16	-	-	377,015	-	377,015	-
Trading expenses	4	-	-	22,206	-	22,206	91,675
		<u>1,209,733</u>	<u>-</u>	<u>445,492</u>	<u>8,435</u>	<u>1,663,660</u>	<u>1,338,213</u>
Net gains/(losses) on investments:							
Realised		(4,380)	-	-	26,015	21,635	71,326
Unrealised	12	(142,565)	-	(8,917)	(726,232)	(877,714)	(169,467)
Net (expenditure)/income before transfers	8	<u>(560,195)</u>	<u>-</u>	<u>(366,622)</u>	<u>(350,413)</u>	<u>(1,277,230)</u>	<u>100,223</u>
Transfers between funds	21	559,619	(185,873)	31,641	(405,387)	-	-
Net (expenditure)/income before other recognised gains and losses		<u>(576)</u>	<u>(185,873)</u>	<u>(334,981)</u>	<u>(755,800)</u>	<u>(1,277,230)</u>	<u>100,223</u>
Other gains/(losses):							
Difference on exchange		-	-	-	-	-	431
Loss on amortisation of fixed asset grant		-	-	-	-	-	(38,031)
Net movement in funds		<u>(576)</u>	<u>(185,873)</u>	<u>(334,981)</u>	<u>(755,800)</u>	<u>(1,277,230)</u>	<u>62,623</u>
Reconciliation of Funds							
Total funds balances at 1 January 2015		340,632	6,937,509	1,072,732	10,539,880	18,890,753	18,828,130
Total fund balances at 31 December 2015		<u>340,056</u>	<u>6,751,636</u>	<u>737,751</u>	<u>9,784,080</u>	<u>17,613,523</u>	<u>18,890,753</u>

THE OXFORD GROUP
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BALANCE SHEET
AS AT 31 DECEMBER 2015

	Notes	2015		2014	
		£	£	£	£
Fixed assets					
Tangible assets	11		4,997,155		5,026,143
Investments	12		11,979,147		13,209,708
			<u>16,976,302</u>		<u>18,235,851</u>
Current assets					
Stocks	13		75,172		60,596
Debtors	14		436,304		83,174
Short term investments			117,190		388,177
Cash at bank and in hand			123,342		280,312
			<u>752,008</u>		<u>812,259</u>
Creditors: amounts falling due within one year	15		<u>114,787</u>		<u>157,357</u>
Net current assets			637,221		654,902
Total assets less current liabilities			<u><u>17,613,523</u></u>		<u><u>18,890,753</u></u>
Funds					
Unrestricted funds:			340,056		340,632
Designated funds			6,751,636		6,937,509
Restricted funds	16		737,751		1,072,732
Endowment funds			9,784,080		10,539,880
			<u>17,613,523</u>		<u>18,890,753</u>

The accounts were approved by the Board of Trustees on 14th May 2016.

THE OXFORD GROUP
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CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	2015	2014
		£	Restated £
Cash flows from operating activities:			
Net cash used in operating activities	19	(807,560)	(119,628)
Cash flows from investing activities:			
Dividends received		475,256	430,065
Interest received		755	2,645
Payments to acquire tangible fixed assets		(93,875)	(291,820)
Transfer of funds to Kenya		(377,015)	-
Payments to acquire investments		(972,698)	(1,758,295)
Net receipt from liquidation of short-term investments		270,987	29,935
Receipts from sale of investments		1,347,180	1,697,121
Net cash provided by investing activities		<u>650,590</u>	<u>109,651</u>
Change in cash and cash equivalent in the year		(156,970)	(9,977)
Cash and cash equivalent at 1 January 2015	20	280,312	289,858
Change in cash and cash equivalents due to exchange rate movements		-	431
Cash and cash equivalents at 31 December 2015	20	<u>123,342</u>	<u>280,312</u>

Remark: The net cash used in operating activities of 2014 is restated to (£119,628) to comply with the SORP 2015 - FRS 102. The reconciliation of the restated balance to the previous year's reported accounts is as follows:

Net cash outflow from operating activities as reported in 2014	(£119, 197)
Deduct: difference in exchange rate	(431)
Cashflow from operating activities as shown above	<u>(£119,628)</u>

THE OXFORD GROUP

(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2015

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 2015, there were 89 members of the Association (2014:87). During the year nine people served as Trustees, of whom none received remuneration. Expenses incurred by seven Trustees totalling £7,167 (2014: £5,343 by six Trustees) were reimbursed during the year. These mainly represent travel costs. The Trustees have decided to publish their expenses, which are as follows:

Dr Philip Boobbyer	£	1,278	Margaret Cosens	£	2,119
Dr Nirmala Pillay	£	205	Charles Aquilina	£	872
Claire Leggat	£	1,394	Lusa Nsenga-Ngoy	£	1,030
Nathalie Chavanne	£	269			

The Oxford Group is a registered charity number 226334.

2. Principal accounting policies

a) Basis of preparation

The financial statements are prepared under the historic cost convention as modified by the inclusion of investments at market value and in accordance with applicable accounting standards and the Companies Act 2006. In preparing the financial statements The Group follows the best practice in the United Kingdom as set out in the Accounting and Reporting by Charities: Statement of Recommended Practice 2015 -FRS 102.

b) Incoming resources

Income is recognised in the period in which the charity is entitled to receipt; it 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.

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 functions that assist the work of the charity but do not directly undertake 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.

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 yearly cash increase for the past five years (2010-2014) is £12,218. Based on this, the trustees are of the view that there is no economic indicators that jeopardise the going concern of the charity for foreseeable years.

THE OXFORD GROUP

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NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2015

f) Capitalisation and depreciation of tangible assets

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

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

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

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

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

g) Fixed asset investments

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

h) Stocks

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

i) 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) 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.

k) 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 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 (Note 16).

l) Pensions

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

THE OXFORD GROUP
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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2015

3 Income from donations and legacies

Donations and gifts	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legacies	425,387	22,880	448,267	748,728
Gifts under covenant	16,007	-	16,007	17,334
Kenya	-	-	-	24,049
Gift for seminars and conferences	16,829	-	16,829	14,653
Gift for newsletter and booklets	275	-	275	2,130
Womens' Peace Circle Initiative	150	-	150	949
FLTfilms	-	19,568	19,568	34,331
Gift for work in Africa	-	570	570	1,300
Gift for reconciliation work	-	11,724	11,724	13,822
Gift for IofC work in Middle East	-	2,114	2,114	-
Gift for IofC work for farmer's dialogue	-	-	-	300
Donations for travel and Overseas work	-	-	-	500
Gifts for projects and programmes	41,510	3,130	44,640	28,426
Gifts for general purposes	5,338	-	5,338	18,182
Gift Aid tax recovered	7,843	-	7,843	6,650
School for Changemakers	60	-	60	9,174
Gift for reconciliation training in Kenya	-	-	-	8,947
Gift for archiving historical documents	-	-	-	19,504
Gift towards South Sudan Peace Initiative	-	-	-	50
Gift for film making for peace in Uganda-UNDP	-	10,584	10,584	-
Other gifts	2,000	-	2,000	2,194
Total donations and gifts 2015	515,399	70,570	585,969	
Total donations and gifts 2014	863,097	88,126		951,223

4 Income from charitable activities

	FLTfilms and books	
	Total 2015 £	Total 2014 £
Income		
Sale and hire of videos	2,407	8,981
Sale of books	2,284	-
	4,691	8,981
Donations and gifts	3,315	34,331
Other income (including interest)	16,548	16,333
Total income	24,554	59,645
Direct costs	20,595	50,500
Overheads	1,611	41,175
Total costs	22,206	91,675
Operating profit/ (loss)	2,348	(32,030)

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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2015

5 Costs of campaigns, programmes and other activities

	Unrestricted Funds			Restricted Funds	Total 2015	Total Restated 2014
	Activities undertaken directly	Support costs	Total unrestricted funds			
	£	£	£	£	£	£
UK campaigns:						
Pastoral work, training and development	53,714	16,355	70,069	-	70,069	65,934
Trust building conferences and seminars	30,649	4,120	34,769	-	34,769	25,632
Education and the schools service	12,821	3,904	16,725	-	16,725	519
Work connected with industry	10,134	3,085	13,219	-	13,219	9,366
Forums and public meetings at						
24 Greencoat Place	15,321	4,665	19,986	-	19,986	35,660
UK website costs	747	-	747	-	747	1,384
Support for training and personal development	6,195	-	6,195	-	6,195	5,574
Support for film, Art & drama initiatives	11,279	3,434	14,713	4,699	19,412	10,883
Cost of literature	9,918	3,152	13,070	-	13,070	10,058
Cost of newsletters and world bulletin	15,743	4,793	20,536	-	20,536	20,225
National coordination, transfer of knowledge & team development	58,102	10,447	68,549	-	68,549	23,404
Spiritual development and renewal	1,463	445	1,908	-	1,908	1,460
Communication - internal and external	45,188	13,541	58,729	-	58,729	41,457
Special programmes						
Ireland	9,918	3,020	12,938	4,012	16,950	21,562
Agenda for Reconciliation	60,827	18,521	79,348	14,270	93,618	63,500
Film production	21,161	3,743	24,904	-	24,904	24,867
Projects						
Initiatives on sustainable communities	20,347	6,195	26,542	5300	31,842	85,993
School for change-makers	55,160	16,796	71,956	-	71,956	87,565
Women Peace Circle Initiatives	18,879	5,749	24,628	-	24,628	10,480
Trust and integrity in the global economy	61,518	18,433	79,951	2,223	82,174	88,167
Beyond Forgiving film launch and campaign	12,725	3,875	16,600	-	16,600	9,551
Reconciliation training based on AAA - Kenya	29,921	5,523	35,444	-	35,444	58,811
Reconciliation training based on AAA - Chad	-	-	-	-	-	7,093
Project development & Support	-	-	-	-	-	1,184
Cost of archiving historical documents	-	-	-	-	-	59,759
Film making on peace in Uganda - UNDP	36,763	7,137	43,900	3,615	47,515	-
New Leadership and accompaniment initiative	73,217	10,743	83,960	-	83,960	29,349
Project on sustainable living in Somaliland	14,468	-	14,468	-	14,468	-
Strategy implementation and alignment	-	-	-	-	-	22,238
Overseas campaigns:						
Work connected with Caux	55,779	12,503	68,282	-	68,282	70,126
Amount carried forward	741,957	180,179	922,136	34,119	956,255	891,801

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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2015

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

	Unrestricted Funds			Restricted Funds	Total 2015	Total Restated 2014
	Activities undertaken directly	Support costs	Total unrestricted funds			
	£	£	£			
Amount brought forward	741,957	180,179	922,136	34,119	956,255	891,801
Work other than Caux for:						
Central, Eastern Europe	5,574	1,697	7,271	-	7,271	9,750
West Europe	5,574	1,697	7,271	-	7,271	10,719
Africa	19,881	6,053	25,934	11,456	37,390	90,272
Middle East	13,050	3,974	17,024	696	17,720	32,583
Asia	9,708	2,955	12,663	-	12,663	19,854
North America	15,677	4,773	20,450	-	20,450	8,876
South America	8,923	2,717	11,640	-	11,640	8,876
Australia/Pacific	9,750	2,969	12,719	-	12,719	9,003
Farmers Dialogue	595	-	595	-	595	777
International Consultation	4,627	-	4,627	-	4,627	11,686
Other Global Activities						
Work connected with the International	100,792	15,778	116,570	-	116,570	93,190
Total costs campaign, programme costs 2015	936,108	222,792	1,158,900	46,271	1,205,171	
Total costs campaign, programme costs 2014	898,261	200,655	1,098,916	88,471		<u>1,187,387</u>

Remark: The 2014 figures are restated to include the allocated costs of governance to comply with SORP 2015 - FRS 102. The restated balance of £1,187,387 = £1,145,241 as reported in 2014 plus £42,146 governance costs of 2014. For method of allocation please refer to Note 7.

6 Activities for generating funds

	Total 2015	Total 2014
	£	£
Income:		
Letting office space	133,426	93,283
Catering service	11,175	27,918
Letting residential space	25,743	19,345
Total income	170,344	140,546
Expenses:		
Direct costs incurred	47,026	53,549
Operating profit for the year	123,318	86,997

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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2015

7 Allocation of support costs

Overhead and support costs for this year are:

<u>Cost type:</u>	2015 Total £	2014 Total £
Marketing and publicity	30,846	20,836
Forums and meetings	29,400	38,330
Administration costs	104,025	99,343
Governance costs	58,521	42,146
	<u><u>222,792</u></u>	<u><u>200,655</u></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:-

	2015 £	2014 £
UK campaigns	67,941	52,328
Overseas campaigns	39,340	40,093
Special programmes and projects	99,734	91,142
Other international activities	15,777	17,092
	<u><u>222,792</u></u>	<u><u>200,655</u></u>

8 Net (expenditure)/income before transfers other recognised gains and losses

This is stated after charging:

	2015 £	2014 £
Auditors' remuneration - statutory audit	12,900	12,568
Depreciation	122,863	114,688

9 Investment income and interest

	UK £	Outside UK £	2015 Total £	2014 Total £
Interest receivable	755	-	755	2,645
Dividends receivable from:				
Fixed interest securities	22,949	-	22,949	21,598
Equity shares	265,818	38,751	304,569	275,794
Investment & unit trusts	88,959	58,779	147,738	132,673
	<u><u>378,481</u></u>	<u><u>97,530</u></u>	<u><u>476,011</u></u>	<u><u>432,710</u></u>

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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2015

10 Total resources expended

	Staff Costs £	Depreciation £	Other Costs £	Total 2015 £	Total 2014 £
<i>Cost of generating funds:</i>					
Fund management fees	-	-	12,242	12,242	5,602
Letting and catering costs	14,941	6,781	25,304	47,026	53,549
<i>Charitable activities:</i>					
Campaigns, programmes & other activities	563,419	97,770	543,982	1,205,171	1,187,387
Fund released to Initiatives of Change - Kenya	-	-	377,015	377,015	-
Trading costs	2,081	18,312	1,813	22,206	91,675
	<u>580,441</u>	<u>122,863</u>	<u>960,356</u>	<u>1,663,660</u>	<u>1,338,213</u>

Analysis of staff costs:

Employees

	2015	2014
Wages and salaries	384,331	363,931
Social security costs	38,325	35,295
Pension costs	10,498	9,709
Total	<u>433,154</u>	<u>408,935</u>

Consultancy fees

Total staff costs including consultancy fees	<u>580,441</u>	<u>589,620</u>
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Analysis of other costs:

Premises running costs excluding depreciation and staff costs	282,858	270,211
Direct campaign cost- travelling, accommodation, telephones	77,691	163,039
Fund released to Initiatives of Change-Kenya (Note 16)	377,015	-
Support costs (Note 7)	222,792	200,655
	<u>960,356</u>	<u>633,905</u>

Staff numbers and salaries

No employee or contractor earns more than £50,000 per annum (2014: 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	2015	2014
Campaigns	5	6
London centre	4	4
Communications	2	2
Finance and administration	3	3
	<u>14</u>	<u>15</u>

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

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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2015

11 Tangible fixed assets

	Freehold land and buildings	Contents of Properties	Video masters	Plant and Machinery	Total
	£	£	£	£	£
Cost					
At 1 January 2015	5,481,769	260,398	230,142	14,489	5,986,798
Additions	34,315	59,560	-	-	93,875
Disposals	-	(4,531)	-	(1,834)	(6,365)
At 31 December 2015	5,516,084	315,427	230,142	12,655	6,074,308
Depreciation					
At 1 January 2015	670,887	81,765	195,657	12,346	960,655
Charge for the year	54,298	50,252	16,170	2,143	122,863
On disposals	-	(4,531)	-	(1,834)	(6,365)
At 31 December 2015	725,185	127,486	211,827	12,655	1,077,153
Net book value					
At 31 December 2015	4,790,899	187,941	18,315	-	4,997,155
At 31 December 2014	4,810,882	178,633	34,485	2,143	5,026,143

The net book amount of land and building comprises:

	2015 £	2014 £
Freeholds	187,941	4,612,882
Leaseholds	198,000	198,000

Land and buildings includes the following at valuation when acquired:

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

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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2015

12	Investments		2015	2014
			£	£
	Market value at 1 January 2015		13,209,708	13,247,010
	Additions at cost		972,698	1,758,295
			<u>14,182,406</u>	<u>15,005,305</u>
	Disposals		(1,325,545)	(1,626,130)
			<u>12,856,861</u>	<u>13,379,175</u>
	Unrealised investment gains			
	General fund	(142,565)		(33,893)
	Special purposes funds	(8,917)		(31,441)
	Endowment fund	(726,232)		(104,133)
			<u>(877,714)</u>	
	Market value at 31 December 2015		<u><u>11,979,147</u></u>	<u><u>13,209,708</u></u>
	Investments at market value comprise:			
	Listed		2015	2014
			£	£
	British Government		221,494	467,845
	Commercial and industrial		11,757,653	12,378,105
	Kenyan investments		-	363,758
			<u>11,979,147</u>	<u>13,209,708</u>

	<u>Investment assets</u>		2015	2014
	<u>In UK</u>	<u>Outside UK</u>	<u>Total</u>	<u>Total</u>
	0	£	£	£
Listed				
Fixed interest securities	571,849	-	571,849	910,871
Equity shares	5,323,099	1,354,514	6,677,613	7,838,830
Investment trusts and unit trusts	1,637,775	3,091,910	4,729,685	4,460,007
	<u>7,532,723</u>	<u>4,446,424</u>	<u>11,979,147</u>	<u>13,209,708</u>

There is no a single investment which comprises 5% or more of the total value of the investment portfolio as at 31 December 2015.

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 FOR THE YEAR ENDED 31 DECEMBER 2015

		2015	2014
		£	£
13	Stocks		
	Work in progress - film production	66,873	51,677
	Videos	1,701	1,887
	Stores	6,598	7,032
		<u>75,172</u>	<u>60,596</u>
14	Debtors		-
		2015	2014
		£	£
	Sundry debtors	411,658	57,225
	Prepayments	24,646	25,949
		<u>436,304</u>	<u>83,174</u>
15	Creditors: amounts falling due within one year		
		2015	2014
		£	£
	Taxation and social security costs	11,892	-
	Accruals	12,900	19,698
	Deferred income	3,703	-
	Other creditors	86,292	137,659
		<u>114,787</u>	<u>157,357</u>

Deferred income of £3,703 represents advance rent received from our tenants occupying our offices at 24 Greencoat Place.

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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2015

16 Restricted Funds

Movement in Resources

	Balance at 1 Jan 2015	From/(to) unrestricted	Incoming	Outgoing	Gains and (losses)	Balance at 31 Dec 2015
	£	£	£	£		£
Special Purpose Funds:						
Kenya	377,015	-	-	377,015	-	-
Ireland	375,702	-	14,515	4,011	(8,917)	377,289
FLT <i>films</i>	108,134	10,430	22,271	22,206	-	118,629
Art initiatives - films, books and publications	4,650	7,488	-	4,487	-	7,651
Agenda for Reconciliation	7,223	-	11,724	14,270	-	4,677
IofC Schools' Service	776	-	-	-	-	776
Friends of Africa Fund	8,228	10,080	269	10,629	-	7,948
Zimbabwe Fund	1,574	400	300	828	-	1,446
Africa Fund (Loch)	31,007	-	-	-	-	31,007
Middle East Fund (Dumreicher)	2,456	1,600	2,114	696	-	5,474
Farmers' Dialogue Fund	26	-	-	1	-	25
Young People's fund	145,937	-	-	-	-	145,937
Phyllis Konstam Memorial Fund	5,231	1,643	-	211	-	6,663
Sustainable communities fund	3,000	-	2,300	5,300	-	-
Integrity in global economies fund	1,723	-	830	2,223	-	330
South Sudan Peace initiative	50	-	-	-	-	50
IofC work in Ghana & Clean Africa	-	-	22,880	-	-	22,880
Film making on peace in Uganda - UNDP	-	-	10,584	3,615	-	6,969
	<u>1,072,732</u>	<u>31,641</u>	<u>87,787</u>	<u>445,492</u>	<u>(8,917)</u>	<u>737,751</u>

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

The Kenya fund was transferred to Initiatives of Change Kenya as from January 1, 2015 and its value at the time of transfer was £377,015.

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

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

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

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

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

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

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

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

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

South Sudan Peace Initiative – This fund was raised to contribute to a project to bring peace and reconciliation to South Sudan undertaken by the International Association of Initiatives of Change.

Film making for peace in Uganda UNDP - this fund is restricted to support mainly the film that facilitate peace and integrity between people in Uganda. This film will be completed in 2016.

Work in Ghana & Clean Africa Campaign fund – this fund is restricted by the wish of the legator in 2015 for projects in Ghana and Africa that advance the objectives of the charity.

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17 Endowment fund

	Movement in Resources			Transfers	Balance at 31 Dec 2015 £
	Balance at 01 Jan 2015 £	Incoming £	Outgoing £		
Endowment fund	10,539,880	349,804	405,387		10,484,297
Gain on disposal of investments		26,014			26,014
Unrealised gain from investment				(726,231)	(726,231)
	10,539,880	375,818	405,387	(726,231)	9,784,080

18 Analysis of net assets between funds

	Fixed Assets £	Investment Assets £	Net Current Assets £	Total £
Restricted funds:				
<i>Special Purpose funds:</i>				
Ireland	-	361,133	16,156	377,289
FLTfilms	18,314	-	100,315	118,629
<i>Other funds</i>				
Art initiatives-films, & books	-	-	7,651	7,651
Trust and integrity in a global economy fund	-	-	330	330
Agenda for Reconciliation	-	-	4,677	4,677
IofC Schools' Service	-	-	776	776
Friends of Africa Fund	-	-	7,948	7,948
Africa-Zimbabwe Fund	-	-	1,446	1,446
Middle East Fund (Dumreicher)	-	-	5,474	5,474
Phyllis Konstam Memorial Fund	-	-	6,663	6,663
Africa Fund (Loch)	-	-	31,007	31,007
Fund for young people	-	-	145,937	145,937
Farmers' Dialogue	-	-	25	25
Film initiatives for Uganda - UNDP	-	-	6,969	6,969
Work in Ghana & Clean Africa Campaign	-	-	22,880	22,880
South Sudan Peace Initiative	-	-	50	50
	18,314	361,133	358,304	737,751
Endowment fund	-	9,669,475	114,605	9,784,080
Unrestricted funds	-	175,744	164,312	340,056
Designated funds	4,978,841	1,772,795	-	6,751,636
	4,997,155	11,979,147	637,221	17,613,523

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NOTES TO THE ACCOUNTS (CONTINUED)
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19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2015	2014
	£	£
Net (expenditure)/income for the year	(900,215)	100,223
Depreciation charges	122,863	114,688
(Increase)/decrease in stocks	(14,576)	(35,152)
(Increase)/decrease in debtors	(353,130)	8,755
(Decrease)/increase in creditors	(42,570)	64,126
Dividends received	(475,257)	(430,065)
Interest received	(754)	(2,645)
Realised gain from sale of investments	(21,635)	(71,326)
Unrealised loss due to market valuation of investments	877,714	169,467
Amortisation of capital grant for films	-	(37,699)
Net cash used in operating activities	<u>(807,560)</u>	<u>(119,628)</u>

Remark: The operating income for 2014 is restated to £100,223 to comply with the SORP 2015 - FRS 102 and the reconciliation between the restated balance and the 2014 reported accounts is as follows.

Net incoming resources before revaluation and investment asset	198,364
Less: unrealised loss due market valuation of investments	(169,467)
Add: realised gain from sale of investments	71,326
Net income for 2014 as restated above	<u>100,223</u>

20 Analysis of net cash resources

	2015	2014
	£	£
Balance at 1 January 2015	280,312	289,858
Net cash outflow	(156,970)	(9,546)
Balance at 31 December 2015	<u>123,342</u>	<u>280,312</u>

21 Designated fund

	Balance at	Movement of Resources		Balance at
	01 Jan 2015	Increase	Decrease	31 Dec 2015
	£	£	£	£
Tangible assets	5,026,143	93,875	122,863	4,997,155
Investment in progress	1,911,366			(156,885)
	<u>6,937,509</u>	<u>93,875</u>	<u>122,863</u>	<u>(156,885)</u>
				<u>6,751,636</u>

The designated fund consists of £4,997,155 of tangible assets and £1,754,481 of long term investments which are owned by charity to carry out the basic operations of the charity for foreseeable years.

22 Capital commitments

There were no capital commitments at 31 December 2015 (2014: £Nil)