

Company No 355987
Registered Charity No 226334

THE OXFORD GROUP

OPERATING AS

INITIATIVES OF CHANGE

ANNUAL REPORT 2014

INCLUDING ACCOUNTS FOR THE YEAR

ENDED 31 DECEMBER 2014

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

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COMPANY INFORMATION**Members of the Board of Trustees at 31 December 2014**

Dr Philip Boobbyer (Chair)
Charles Aquilina
Margaret Cosens
Simon Hicks
Claire Leggat
The Rev Lusa Nsenga-Ngoy
Dr Nirmala Pillay

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Kenneth Noble

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226334 Registered in England and Wales

Company number

355987 Registered in England and Wales

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CHAIR'S INTRODUCTION

We live in troubled times. There is political upheaval, economic uncertainty, ideological conflict and a worrying flexing of muscles by countries with unfettered leaders. But perhaps the thing which should concern us most is the widespread promotion of the idea that morality is no longer important, and, perhaps not unconnected, that spiritual truth is a life-style choice. Isaiah was no stranger to such worries. Many centuries before Christ he wrote: '... so truth is lost to sight, and whoever shuns evil is thought a madman.'

A community leader on a large housing estate in northern England said recently that there had been no teaching of right and wrong in schools for six or seven generations of pupils. When he visited the homes of trouble-makers he invariably found that the child's father was absent. Politicians were not trusted, churches had been closing. In such circumstances, it was little wonder that there are disaffected young people, street violence and drugs. 'Where there is no vision, the people perish,' he quoted.

The danger is at least two-fold. First, we easily forget that civilisation is not a given – it depends on the quality of life and the sense of responsibility of its citizens. Second, we become so besotted by the allure of a high-tech, glamorous and consumer-oriented world that we put our own gratification before any thought for the needs of those around us. Society cannot work if most of us are out for ourselves for most of the time.

It's a cliché but nonetheless true that when all else fails it's a good idea to look at the manufacturer's instructions. Even though many people deny that there is a Creator, he was gracious enough to give us an inner compass that can guide us in the right direction. Any one of us, as often as we need, can search within for direction. 'Turn the searchlight inwards,' as one person expressed it. If we are willing to start to think of the needs of others, to forgive those who have hurt us and to ask forgiveness from those whom we have hurt, to do our best to avoid the temptations of cheating, lies and dishonest relationships; in short, if we are prepared to make a fresh start, not only will we begin to see a vision of what our lives are meant to be used for, we will find inner peace and satisfaction.

In this election year, whatever the outcome of the poll, our country's needs will only be met if we choose the right paths individually as well as collectively.



Philip Boobbyer
Chair of Trustees
9 May 2015

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 'IofC') for the year ended 31 December 2014. The financial statements have been prepared in accordance with relevant accounting policies and in compliance with the charity's governing document and applicable law – in particular the Companies Acts of 1985 and 2006, the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the Charities SORP 2005. A new SORP will come into force for 2015. The Charity will use 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 IofC network world-wide.

The Trustees are responsible for the governance of the charity and serve as Directors of the company. The Trustees who served during the year and at the year-end are set out on pages 4 and 21 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.

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

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

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

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

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

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

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

Public Benefit

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

The Trustees believe that the fundamental purpose of Initiatives of Change – to help individuals search for God’s plan for their lives and to live by the highest moral values – is, *per se*, of benefit to society at large. Put negatively, the damage done by greed, selfishness and immorality of every kind is obvious from even the most superficial analysis of a typical daily newspaper. Faith is important because it is so often the motivating factor in enabling people to turn their lives around; and, what is more, it provides the tools that enable people to do so. More specific benefits to the public are highlighted under the various sections of the report of activities. It is the Trustees’ aim constantly to seek ways of increasing the impact and effectiveness of the charity so that they can expand the benefits provided by the charity as widely as possible.

Appointment and induction of Trustees

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

The Board of Trustees appoints a Nominations Committee to identify and propose potential new Trustees. The Committee gives 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 Boobyer and Claire Leggat. The Company Secretary acted in an advisory role.

Organisation

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

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

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

The Board believes that this management structure has served the charity well since it was set up in early 2010. In particular it has offered a significant saving on salary costs as compared to a conventional structure with an employed Chief Executive. This results in a higher proportion of the charity's funds being used to provide public benefit. As reported last year, the Board carried out a review of the structure's effectiveness during 2013. A number of adjustments were proposed at the Board's annual retreat in September 2014. Following a wide-ranging consultation with the charity's stakeholders, a smaller Executive Committee of six people was appointed after the end of the year being reported on, and a new post of National Coordinator was advertised. The outcome of these changes will be described in the report for 2015.

Articles of Association

The Articles were comprehensively revised in 2012 and the Trustees did not see the need to make any amendments during 2014.

Properties

Throughout 2014, 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 an elderly couple who devoted their full time to voluntary Christian work throughout their long working lives. The ground floor of the house is a semi-autonomous flat, rental income from which covers the running costs (excluding depreciation) 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, some 15 years after the charity acquired the freehold of the building, extensive refurbishment was carried out. It is envisaged that the improved office accommodation will give rise to greater rental income as well as being more welcoming and practical for lofC staff and visitors. The Trustees would like to record their particular thanks to Scott Darby, a short-term contractor with lofC, for the considerable part he played in organising the refurbishment work.

During the year the Trustees decided to rent a flat at 9, Albert Embankment, in Lambeth. This was in order to develop 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 Trustees carried out a thorough review of the proposal and considered the relative risks and opportunities of renting or buying a property in Central London. Their united view was that, at this stage, renting was the right option. This will enable a thorough review of the effectiveness of the programme to be carried out without having made a major capital commitment.

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 are mostly related 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 top four risks were:

- a. lack of clear pathways into full commitment to lofC;
- b. Failure to transfer core values to a new generation;
- c. Failure to fill leadership positions (with people who can effectively fulfil their role);
- d. Failure to address the financial structural deficit.

Staff and volunteers

No member of staff left the charity's employment during the year. The service agreement with Changeways International, through which Don de Silva had been contracted part-time, was terminated at the end of the year. The Trustees are grateful for the energetic and imaginative way in which he developed the Sustainable Communities programme.

The fourth in a series of annual national fellowship weekends was held in May at the Hayes Conference Centre in Swanwick, Derbyshire. It brought together around 75 lofC 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. One unexpected bonus was the last-minute participation of Ginn Fourie and Letlapa Mphahlele, the two South Africans about whom the documentary film, *Beyond Forgiving*, was made by lofC in 2013. An account of the impact of the film, and Ginn and Letlapa's visit to the UK, appears later in this report. A similar fellowship weekend is planned for 2015

in Northampton.

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. The Trustees are grateful to all of them.

Investment powers and reserves policy

In order to cater for the charity's long-term needs and to provide against the long-term downwards trend in legacy income, the charity's policy is to build up its investments to the point where they generate sufficient income to cover the administration of the charity. During 2014 investment income covered the cost of governance, legal and finance functions.

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

The Board of Trustees has powers to invest in stocks, shares and property as it sees fit. During the year the charity's investment portfolio was managed by Speirs and Jeffrey. The charity's investment aim is to protect the real value of its investments over time, whilst generating income compatible with that objective. The annual Total Return on the charity's portfolio during 2014 was 3.5 per cent.

The Trustees would like to record their gratitude to all those who remembered Initiatives of Change in their Wills, and to their families. The Board's policy is to invest 75 per cent of all legacy income above what is needed in the year of receipt, to build up the charity's investment base and generate income for the future. In 2014 no fresh investments were made but improvements were made to the headquarters building, as mentioned above, that will generate future income.

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

Activities during 2014

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

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

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

The strategy also recognised the need to discern and nurture inspired initiatives from time to time which can bring together the IofC fellowship in a national move. The speaking tour of the two South Africans, mentioned above was largely undertaken with this in mind.

Financial support for individual initiatives of change is awarded from an Opportunities Fund to which any person from the IofC community may apply. Allocation of the fund in 2014 was determined by a Project Review Panel consisting of two Trustees, members of the management team and volunteers. 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 2015.

Community programmes: Agenda for Reconciliation

Without the awareness of what is in each other's minds, we – as individuals, communities or nations - talk past each other. IofC has for many years been exploring how shared moral and spiritual values can enable people of different cultural and ethnic backgrounds to bridge this communication gap, build trust, and work together on matters of common concern.

A weekly meeting at IofC's London centre on the theme 'Agenda for Reconciliation' (AfR), now in its 15th year, is an example. Those gathering include refugees from Somalia, Eritrea, Ethiopia and Sudan and members of the host community. Numerous initiatives, in the UK and the Horn of Africa, have resulted.

On the conviction of a former Somali Deputy Prime Minister, Osman Jama Ali, Somali Initiatives for Dialogue and Democracy (SIDD), a UK charity was formed in 2006, and a network of Somalis has grown which IofC has supported in many ways. Its aims are to, to promote reconciliation among the several hundred thousand Somali British, and between them and the host community; and to prepare Somalis to contribute to Somalia's reconstruction.

In fulfilment of the second objective, SIDD organised inter-generational dialogue workshops in areas of North and East London which were affected by the 2011 riots. Entitled 'Peace Begins at Home', the workshops were developed in 2010 to address a breakdown of communication between younger and older Somalis. After the riots in 2011, it became clear that this was a wider problem, and that Somalis could contribute from their experience.

Towards the end of 2013 and beginning of 2014 workshops were organised in Haringey in North London where the riots started, and in Hackney. A total of 70 people, of different ages, ethnic and religious backgrounds took part. With the help of first-hand accounts of reconciliation, and the presence of local community leaders, an atmosphere was created in which each generation could express their concerns and grievances to the other, and then start talking about the way forward.

The effect was powerful. A young woman said, 'I have learned that I need to talk honestly to my

parents and stop being angry at them.'

'This was the first time I have had a conversation with an older white person,' said a young woman of Asian background.

Meg Hillier, MP for Hackney who was present, commented, 'We tolerate but are we interested to understand each other? Perhaps the greatest value of inter-generational dialogue is to open our minds to inter-cultural dialogue.' Civic leaders who attended as guests of honour were Cllr Sheila Peacock, the Mayor of Haringey, Cllr Michael Desmond, the Speaker of Hackney Council, and Cllr Catherine West, former Leader of Islington Council.

Osman Jama Ali said, 'I believe that these workshops indicate a new confidence in the Somali community, that we do have something to contribute to this society.' The next phase is to raise the funds to respond to numerous invitations from other cities which also experienced rioting.

Elsewhere, a number of Somalis who received training from IofC are now playing significant roles in the nascent Somali governmental and non-governmental institutions. In 2014, AfR sponsored a further round of training to extend the pool of trained Somali Dialogue Facilitators, who will run trust-building workshops. At the same time SIDD has launched a 'Dialogue for Somalia' pilot project to enable them to go to Somalia to train local Somali Dialogue Facilitators in areas of particular tension.

Among the AfR network are Eritreans who have worked to receive and support asylum seekers, and to improve communication between community leaders. AfR sponsored a second in a series of one-day workshops on Trust-building, Dialogue and Reconciliation for 35 Eritrean students and young professionals in Birmingham in September.

In an attempt to bridge the communication gap, the whole AfR team made a presentation to an IofC National Meeting in November on the theme, 'Countering Dis-Integration'. An Englishman, who had served in the British Army in the Horn of Africa, and an Italian student spoke of their responses to their nation's colonial history in the area. Then refugees explained why people are leaving the Horn countries at such risk to themselves, what effect traumatic experiences have on people and what it is like to be a refugee in Britain. Finally, refugees and members of the host community spoke about initiatives they are taking together to contribute either to the refugee communities or to wider society. The team was greatly energised by the experience, and is searching how to reach a wider audience.

In November a new course on 'Qualities and Strategies of Peacemakers' was piloted. Seven modules are based on case-studies using IofC films as resource material. These will continue in 2015.

Sustainable Communities

The Sustainable Communities programme focuses on the moral and spiritual dimension of sustainability, working towards uniting people in common action to make a positive difference to the public, addressing institutional injustice and disregard, and enabling people to think beyond narrow confines.

The lofC Sustainable Communities team acted in two ways. First, it provided network support and coordination with a dozen or more people who are actively engaged in this field. They included:

- Ian Monteague, Chair, Family Action in Rogerfield and Easterhouse (FARE), Glasgow.
- Greg Davis, CEO, United Estates of Wythenshawe, Manchester.
- Maxine Cockett, Bringing People Together, Nottingham
- Alan Dean, CEO, Burning2Learn
- Maria Peters, CEO, Educational Hub Project
- Lul Seyoum, founder, International Centre for Eritrean Refugees and Asylum Seekers (ICERAS)
- John Macaulay, CEO, The Alchemy Agency, based in Manchester.

The leaders of these and other projects came together to provide mutual support and training, arranged by the Sustainable Communities team.

Second, Sustainable Communities organised its own initiatives and events, including training programmes and public forums. One example was the Women Leadership and Sustainable Change project. This leadership programme was held from 25th March – 6th May as part of Women’s History Month. Around 20 women from Black, Asian and Minority Ethnic communities took part, representing a rich ethnic mix of Somali, Eritrean, Pakistani, Afghani, Bengali, African-Caribbean, Egyptian, Filipino and Ethiopian women. Topics included ‘transformational change’, trust building, identification of positive role models, enhancing personal development and leadership qualities, addressing social and economic barriers, creation of inner peace and creation of strategy. The programme was funded by Muslim Hands. The training was provided by a team of 16 mainly women trainers. The programme has led to the formation of an effective team of trainers in transformational change and skills development.

Following the evaluation report and after speaking to workshop participants, Muslim Hands funded a follow-up process from June to December. This enabled Sustainable Communities to follow up each participant on a regular basis. During this period, monthly training days were organized. Regular coffee mornings were organized for small groups, backed by one-to-one life coaching sessions, house events and location visits. These activities were undertaken by Vall Gordon, a qualified life-coach.

Business programmes

lofC’s business programme, Trust and Integrity in the Global Economy (TIGE), encourages spiritual growth which leads to change at the personal, organizational and societal levels. The programme engages in the promotion of integrity in decision-making by people in all areas of economic life in order to build trust in business and the economy, which the Trustees consider has significant public benefit.

One of the vehicles used is the twice-yearly TIGERoadshow, which includes a high-profile panel of speakers with relevant experience.

In May a TIGERoadshow was presented in Edinburgh, hosted by Tods Murray Law Firm’s Women in Business and *3rdi Magazine* (a co-operative magazine for business women). Participants heard from

Lady Susan Rice, MD of Lloyds Banking Group in Scotland; local business leaders such as David Erdal; and others working in business and social justice issues. It was reported by *Scotland on Sunday* newspaper. A further Roadshow was held in partnership with St Ethelburga's Centre for Reconciliation and Peace in London in October. The Roadshows drew together presenters, corporate delegates, social entrepreneurs and other business stakeholders.

- A total of 125 people attended the Roadshows which increased the awareness of IofC and TIGE in Scotland and London 86% of the London Roadshow participants said the content of the event was 'very useful' as did 80% from Edinburgh.
- 53% of Edinburgh respondents said their skills and knowledge had 'improved a great deal'; 50% in London.
- 80% of Edinburgh participants said that the Roadshow was 'very good value for money'; 71% in London.

At both events, the majority of feedback focused on the high quality speakers and design of the programme.

Comments included:

- 'I thought that it was all ideal. Good speakers from a range of perspectives and a wonderful location. I think the size of the event was perfect for interaction and communication.' (Edinburgh participant).
- 'Great event to get business people to remove their "suits" and step into their souls.' (London participant).

The ninth annual TIGE conference held in Caux, Switzerland, explored how to bring humanity into business to address people's needs and create wealth in an equal and sustainable manner. The conference brought together 140 people of 37 nationalities. The charity made a financial contribution. Speakers included Mark Goyder, founder of London think-tank Tomorrow's Company; whistle-blower Geneviève Boast; and Euan Smith of Sky Deutschland.

Three 'TIGE Talk' public events looked at whistle-blowing; the role of business in the new world economy; and rediscovering the human purpose of business.

The outcome of TIGE activities in general is increasing the network of business people that are committed to core moral and ethical values, applied at the workplace, in their personal lives, and with a view to having an impact in the public sphere.

In 2015, the aim is to continue delivering TIGERoadshow events around the UK; to build relationships with other organisations; to plan and implement the international TIGE conference; and hold TIGE Talks in the charity's London centre. If resources can be found, the programme team will arrange a series of ethical values training events for young entrepreneurs.

Leadership programmes

As noted previously, one of the three priorities in the charity's strategy is 'helping young people with leadership potential to find and follow their vocation'. From this has grown a broader programme called 'New Leadership and Accompaniment' (NLA) which is aimed at developing leadership at all

levels, although there is still a focus on younger people.

One of the main events is the annual School for Changemakers (SfCM). The programme is designed for people aged 18-30 and aims to help participants grow in their leadership skills, and to find a vocation and a sense of moral and spiritual responsibility. In June more than 60 young people attended the event at Liverpool Hope University. They looked at 'the personal, professional, social and spiritual dimensions of change'.

The three-and-a-half-day residential course focused on vocation, spirituality and the values by which we live our lives. Each day started with a shared time of quiet, followed by interactive sessions; participants heard about experiences, hopes and stories of change from a range of speakers and experts of all ages.

The course focused on 'forgiveness', and began with a moving dialogue between Jo Berry, the daughter of Sir Anthony Berry MP who died in the Brighton bombing of 1984, and Pat Magee who given multiple life sentences for his role in the attack. Many participants expressed how they would be applying the lessons they had learned from Jo and Pat to their own relationships and lives.

All the participants are now part of the SfCM Alumni Association, which aims to offer a peer-support system for alumni as they begin to make the changes in their lives which the residential course sparked off. Five reunions were held during 2014.

Six months after the event, a 26-year-old participant said, 'The SfCM offered one of the most significant occasions of my life. I certainly benefited intellectually through stimulating presentations and workshops. Yet even more important were the informal conversations with speakers who were living examples of integrity and reconciliation. Through these, I learned how a change in myself and a change in the world are intimately connected, and since the summer, I have resolved two central relationships. The SfCM creates an environment that is safe and wholesome while tackling subjects that are risky and highly personal. It is still changing me.'

The NLA team also organised a 'Fresh Season' of reflections by faith leaders of renown from different traditions on the four standards of Initiatives of Change. Two speakers on 'absolute purity' were: His Grace Sutapa Das, a Senior Monk from Bhaktivedanta Manor Hindu Temple, and Rabbi Jonathan Wittenberg, Senior Rabbi of the UK Masorti Movement. The first introductory session, on the importance of moral standards, was given by Dr Philip Boobbyer, Chair of Trustees. The series will continue in 2015.

In November, at the request of Dr Muna Ismail, the NLA team delivered two days of leadership training for 12 members of Somali Initiatives for Dialogue and Democracy in Torquay. David Curtis, an IofC volunteer from Sheffield, also delivered a day's training on building partnerships. Participants scored these training events highly and the aim is to hold similar events in the future.

The *Beyond Forgiving* speaking tour

From 18th to 30th May 2014, the charity, in partnership with The Forgiveness Project and The

Wilderness Foundation, hosted Ginn Fourie and Letlapa Mphahlele, the South African protagonists of IofC's award-winning documentary, *Beyond Forgiving*. Fourie had lost her only daughter, Lyndi, during the Heidelberg Tavern attack in Cape Town in December 1993. Letlapa, as director of operations of the Azanian People's Liberation Army, had personally ordered the attack in retaliation for the killing of African children by government forces. The film shows how they began a dialogue and gradually started working together to bring healing in their divided country.

Fourie and Mphahlele spoke at six public screenings of the film. They visited universities, schools and community outreach programmes in Belfast, Bradford, Durham, Liverpool, London and Oxford. They also spoke at The High Commission of South Africa and in the Houses of Parliament, hosted by Stephen Timms MP. The highlight of the Tour was the London public evening held at the Royal Geographical Society, chaired by Terry Waite CBE with an audience of more than 400.

Marking 20 years since the end of Apartheid, the tour gave a chance for people in the UK to hear a moving story of 'tragedy and hope' and how it is possible to go beyond forgiving to break the cycle of vengeance. Some indicators of the impact of the Speaking Tour were:

- 836 people attended events;
- IofC spread a message of the power of forgiveness to break the cycle of vengeance around the UK;
- The film was used to encourage dialogue for peace and reconciliation within communities in six cities in the UK;
- The Tour led to the creation of an on-going outreach and educational programme;
- New forgiveness stories were found which furthered the debate about forgiveness, stirring hearts and stimulating change;
- There were nine pieces of media coverage, including in *The Independent* and being featured on Desmond Tutu's *Global Forgiveness Challenge*.

The film has also been used extensively in other contexts, including a screening at the 'I Will Tell' International Film Festival on 1 September. Screening and discussions took place at 14 Quakers Meeting Houses around the UK, as well as at nine universities and schools including the School of Oriental and African Studies.

Anne Ostrowicz from the Religious Studies and Philosophy Department at King Edward's School, Birmingham, commented, 'The film is utterly inspiring and when I've shown it at school there is not a pupil left unmoved. I think it is one of the most powerfully positive resources I have ever had and I can't imagine ever taking it out of circulation from my teaching.'

During 2015, the *Beyond Forgiving* Initiative aims to further the message of the documentary and use it as a tool to complement existing reconciliation and peace building projects and studies. Outreach using the film will be achieved through running screenings, discussions and workshops with a range of partners.

Screenings of *Beyond Forgiving* and workshops delivered around the film address important issues that face the UK: integration, racism, extremism, conflict and so forth. The film can be applied across

cultures, religions and ethnicities and therefore has a wide potential for use and public benefit in the UK.

Creators of Peace

Creators of Peace is a grass-roots women's initiative to 'engage women in their role as creators of peace at every level of society'. It is active in many countries, and works through 'peace circles', small groups of women who can talk honestly and build trust. It started the year with a Peace Circle in Oxford, held on six Friday mornings, in order to allow mothers of school-age children to attend. Of the five participants, four had their roots in El Salvador, Russia, South Africa, and West Papua. This group has continued to meet once a month over the course of the year, for further support and friendship.

In October, Creators of Peace held a fundraising 'well-being' event at Greencoat Place in London. New friends were invited, the Centre staff were included, and the evening promoted both outreach and fellowship.

In the autumn a new regular meeting, the Creators of Peace Hub, was established in Oxford. It offers those who have already attended Peace Circles an opportunity to continue the conversation and give support and inspiration. At each occasion one of the group prepared a talk on an area of concern or engagement. So far these have covered environmental activism, the Women's Movement and the Israeli/Palestinian situation.

A weekend Peace Circle is planned for January 2015, and a public event on 7th March, as part of the International Women's Festival. Both events will take place in Oxford.

Films

Dr Alan Channer is a film-maker with a long association with IofC. He is currently contracted to carry out projects for IofC, mainly in Africa, under the name *FLTfilms*. *FLTfilms* produces documentaries that serve as catalysts for reconciliation and the consolidation of peace, and it carries out campaigns to build on the impact of these films.

In Kenya, a project 'to transfer the methodologies depicted in the film *An African Answer*' continued, with support from the United States Institute of Peace and in partnership with the national IofC team. *An African Answer* (*FLTfilms* 2007) tells the story of the reconciliation process led in Kenya by Pastor James Wuye and Imam Muhammad Ashafa, internationally-acclaimed peace-makers from Kaduna, northern Nigeria.

Following successful action in the field in 2013, work was strengthened with grass-roots peace practitioners in the diverse contexts of Eldoret, Baringo and Mombasa, all in Kenya.

The team in Baringo County is made up of community leaders from the area's main ethnic groups. With new-found levels of trust, fostered through the project, the team decided to form one community-building organization (CBO). It is the first of its kind in the county. This CBO will be the partner organization for Excellent Development (a UK-based charity) and Initiatives of Change, Kenya, in a new project to bring sand dams to Baringo. Sand dams are an innovative way of conserving water

in areas with seasonal rivers. The parties involved first met at the Caux Dialogue on Land and Security at the IofC centre in Switzerland (see next section).

In Kenya's port city of Mombasa, the inter-faith 'MIKA Initiative', which was formed as a result of the USIP project, became more active. MIKA stands for 'Mothers in Kenya for Amani [Peace]'. In 2014, the MIKA team reached out to the city's youth, who are prone to religious extremism, drug abuse and hopelessness.

The MIKA team invited Joseph Karanja, from IofC Kenya, to engage with youth in the volatile suburb of Bamburi, where *madrassa* teacher Ustad Ibrahim Omar had been assassinated in 2013, sparking communal clashes.

Karanja said: 'I grew up in a slum. There was one tap for 15,000 people. You often hear people in Kenya saying violence is caused by poverty. I say from my own experience that poverty is not a reason to kill someone. Education is the way out. The Almighty has a plan for your life. People can challenge an ideology but they cannot challenge your own experience. Go out and share your experience to create a better society.'

FLTfilms has produced a short film to promote the MIKA Initiative, which is scheduled to be launched formally in the first half of 2015.

In July, a further FLT film, *Tchad – un Chemin vers l'Espoir (Chad – a Journey to Hope)*, received its *avant-première* at the Caux Dialogue on Land and Security. Production of the film was supported by UNDP and the European Union.

The film depicts an audacious bid, catalysed by Ashafa and Wuye of Nigeria, to forge a national network of Chadian mediators – a network that transcends the ethnic, religious and political divisions that have caused instability in Chad since its inception. The process is facilitated by Chad's national Peace and Reconciliation Network, *Comité de la Suivi à l'Appel pour la Paix et la Réconciliation (CSAPR)* and the United Nations Development Programme.

The use of *Tchad – un Chemin vers l'Espoir* to help consolidate peace and stability in Chad is envisaged in 2015.

These initiatives are of direct public benefit in the countries affected, primarily Chad and Kenya.

Initiatives for Land, Lives and Peace

This programme of Initiatives of Change International has a strong British component in its leadership – four of the six members of its steering group are from the UK. The charity provides in-kind support to the programme.

2014 saw the second annual Caux Dialogue on Land and Security (30th June - 4th July). The United Nations Convention to Combat Desertification (UNCCD) and the International Union for the

Conservation of Nature (IUCN) were partners in organising this event. The leaders of both these organisations, Monique Barbut and Julia-Marton Lefèvre respectively, took part.

The Dialogue brought together 120 people with a professional interest in land restoration and peace-building - farmers, diplomats, business people, security experts, activists, government and UN officials, including representatives of 40 NGOs. The speaker at the opening sessions was Jamie Shea, Assistant Secretary General of NATO.

The purpose was to create an environment where these stakeholders, many of whom rarely meet, could build the trust on which partnerships depend and reflect on the need to address human barriers as well as technical ones. The Dialogue emphasised that good governance and trust-building between communities on the ground are often the factors that determine whether or not land restoration and other development projects succeed.

The outcomes of the Initiatives for Land, Lives and Peace programme are of public benefit in all countries affected by desertification and land degradation. The programme is particularly active in Kenya and Chad.

Financial Review

The charity began 2014 with an anticipated shortfall of £548,000 between budgeted expenditure and anticipated income. At the end of the year, the outcome was a net income of £198,364 thanks in part to the generous legacies referred to above.

Efforts to break the reliance on legacies and to secure the long-term financial future of the charity continued during 2014. We are grateful to the Irene Prestwich Trust and Muslim Hands for grants received during the year. 2014 saw an increase in rental income as we marketed facilities at the charity's London headquarters. Income from this source will rise further in 2015. The level of investment income was disappointing, owing to dividend cuts by some of the companies held in the charity's portfolio. The charity has invested in improved software for communicating with its supporters and will seek to increase the level of voluntary income during 2015.

Plans for 2015

The charity's aim for 2015 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). This will be achieved by continuing to implement the strategic plan as outlined earlier in the Report, while keeping abreast of opportunities for effective action abroad.

In addition to supporting the annual conferences and meetings at Caux and continuing the series of Greencoat Forums and 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 another School for Changemakers course, and will continue to develop the School for Changemakers Alumni Association. The TIGERoadshows, referred to earlier, will be continued.

The charity's budget for 2015 shows an anticipated deficit of £498,502 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 securing what is needed to enable the activities described in this report to continue and flourish.

STATUTORY INFORMATION

Members of the Board of Trustees

Members of the Board of Trustees who served as directors during 2014 were:

Charles Aquilina	Dr Philip Boobyer (Chair)
Claire Leggat	Simon Hicks
Dr Nirmala Pillay	The Rev Lusa Nsenga-Ngoy
Margaret Cosens	Andrea Cooper (resigned 14 th September)

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 Boobyer

Chair of Trustees

9 May 2015

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 2014 set out on pages 24 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement on page 15, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2014, 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

May , 2015

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Endowment funds £	Total 2014 £	Total 2013 £
Incoming resources from generated funds							
<i>Voluntary income</i>	3	863,097	-	88,126	-	951,223	521,527
<i>Activities for generating funds:</i>							
Letting & catering income	6	140,546	-	-	-	140,546	108,912
<i>Investment income</i>	9	78,825	-	21,027	332,858	432,710	480,582
		<u>1,082,468</u>	<u>-</u>	<u>109,153</u>	<u>332,858</u>	<u>1,524,479</u>	<u>1,111,021</u>
<i>Incoming resources from charitable activities:</i>							
Income from training and sale of film	4	-	-	8,981	-	8,981	6,125
<i>Other incoming resources:</i>							
Other income		3,041	-	76	-	3,117	5,999
Total incoming resources		<u>1,085,509</u>	<u>-</u>	<u>118,210</u>	<u>332,858</u>	<u>1,536,577</u>	<u>1,123,145</u>
Resources expended							
Costs of generating funds							
		<u>In UK</u>	<u>Outside UK</u>				
Fund managers' fees		3,142	-	-	2,460	5,602	4,738
Letting and catering costs	6	53,549	-	-	-	53,549	47,808
Charitable activities							
Campaigns, programmes and other activities	5	1,056,770	-	88,471	-	1,145,241	1,102,647
Trading expenses	4	-	-	91,675	-	91,675	34,210
Governance costs	7	42,146	-	-	-	42,146	39,624
Total resources expended	10	<u>1,155,607</u>	<u>-</u>	<u>180,146</u>	<u>2,460</u>	<u>1,338,213</u>	<u>1,229,027</u>
Net incoming / (outgoing) resources before transfers	8	<u>(70,098)</u>	<u>-</u>	<u>(61,936)</u>	<u>330,398</u>	<u>198,364</u>	<u>(105,882)</u>
Gross transfers between funds		289,060	-	70,940	(360,000)	-	-
Net income/ (expenditure) for the year before other recognised gains and losses		<u>218,962</u>	<u>-</u>	<u>9,004</u>	<u>(29,602)</u>	<u>198,364</u>	<u>(105,882)</u>
Other recognised gains and losses							
<i>Gains on investments</i>							
Realised		(19,219)	-	16,253	74,292	71,326	31,107
Unrealised	12	(33,893)	-	(31,441)	(104,133)	(169,467)	1,351,523
Difference on exchange		-	-	431	-	431	(666)
Other gain/(loss) on amortisation of fixed asset grant		(38,031)	-	-	-	(38,031)	-
Net movement in funds		<u>127,819</u>	<u>-</u>	<u>(5,753)</u>	<u>(59,443)</u>	<u>62,623</u>	<u>1,276,082</u>
Reconciliation of Funds							
Transfer between funds	21	(134,536)	134,536	-	-	-	-
Fund balances at 1 January 2014		347,349	6,802,973	1,078,485	10,599,323	18,828,130	17,552,048
Fund balances at 31 December 2014		<u>340,632</u>	<u>6,937,509</u>	<u>1,072,732</u>	<u>10,539,880</u>	<u>18,890,753</u>	<u>18,828,130</u>

THE OXFORD GROUP
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BALANCE SHEET
AS AT 31 DECEMBER 2014

	Notes	2014		2013	
		£	£	£	£
Fixed assets					
Tangible assets	11		5,026,143		4,849,011
Investments	12		13,209,708		13,247,010
			<u>18,235,851</u>		<u>18,096,021</u>
Current assets					
Stocks	13		60,596		25,444
Debtors	14		83,174		91,928
Short term deposits			388,177		418,112
Cash at bank and in hand			280,312		289,858
			<u>812,259</u>		<u>825,342</u>
Creditors: amounts falling due within one year	15		<u>157,357</u>		<u>93,233</u>
Net current assets			654,902		732,109
Total assets less current liabilities		In UK	Outside UK	18,890,753	18,828,130
Funds					
Unrestricted funds:			340,632		347,349
Designated funds			6,937,509		6,802,973
Restricted funds			1,072,732		1,078,485
Endowment funds			10,539,880		10,599,323
	16		<u>18,890,753</u>		<u>18,828,130</u>

The accounts were approved by the Board of Trustees on 9th May 2015.

Chair of the Board of Trustees

THE OXFORD GROUP
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CASHFLOW STATEMENT
 FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	2014	2013
		£	£
Net cash outflow from operating activities	19	(119,197)	(330,202)
Returns on investments and servicing of finance			
Dividends received	430,065	479,704	
Interest received	2,645	878	
Net cash inflow from returns on investments and servicing of finance		432,710	480,582
Capital expenditure			
Payments to acquire tangible fixed assets	(291,820)	(84,079)	
Payments to acquire investments	(1,758,295)	(2,460,027)	
Receipts from sale of investments	1,697,121	1,019,958	
Net cash outflow from capital expenditure		(352,994)	(1,524,148)
Net cash outflow before management of liquid resources and financing		(39,481)	(1,373,768)
Management of liquid resources			
Increase in investment in short-term deposits		29,935	1,281,455
Decrease in cash		(9,546)	(92,313)
Net cash resources at 1 January		289,858	382,171
Net cash resources at 31 December	20	280,312	289,858

THE OXFORD GROUP

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2014

1. The Oxford Group

The Oxford Group is a company limited by guarantee (number 355987), the liability of the members of the company being limited to £1 each. At December 2013, there were 87 members of the Association (2013:87). During the year nine people served as Trustees, of whom none received remuneration. Expenses incurred by six Trustees totalling £5,343 (2013: £4,882) by eight Trustees) were reimbursed during the year. These mainly represent travel costs. The Trustees have decided to publish their expenses, which are as follows:

Dr Philip Boobbyer	£	888	Margaret Cosens	£	2,050
Dr Nirmala Pillay	£	-	Charles Aquilina	£	467
Claire Leggat	£	1,648	Lusa Nsenga-Ngoy	£	290

The Oxford Group is a registered charity number 226334.

2. Principal accounting policies

a) Basis of preparation

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

b) Incoming resources

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

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

c) Resources expended and basis of allocation of costs

Expenditure is included when incurred.

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

d) Costs of campaigns, programmes and other activities

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

e) Governance costs

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

THE OXFORD GROUP

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NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2014

In UK Outside UK

f) Capitalisation and depreciation of tangible assets

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

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

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

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

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

g) Fixed asset investments

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

h) Stocks

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

i) Foreign currency translation

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

j) Fund accounting

Funds held by the charity are:

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

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

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

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

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

k) Pensions

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

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2014

3 Voluntary income

Donations and gifts	Unrestricted funds	Restricted funds	Total 2014	Total 2013
	£	£	£	£
Legacies	748,728	-	748,728	340,717
Gifts under covenant	17,334	-	17,334	18,520
Kenya	-	24,049	24,049	32,033
Gift for seminars and conferences	14,653	-	14,653	12,295
Gift for newsletter and booklets	2,130	-	2,130	6,549
Womens' Peace Circle Initiative	949	-	949	1,500
FLTfilms	-	34,331	34,331	8,147
Gift for work in Africa	-	1,300	1,300	-
Gift for reconciliation work	-	13,822	13,822	9,469
Gift for IofC work in Middle East	-	-	-	267
Gift for IofC work for farmer's dialogue	-	300	300	3,060
Donations for travel and Overseas work	500	-	500	-
Gifts for projects and programmes	22,426	6,000	28,426	7,011
Gifts for general purposes	18,182	-	18,182	16,322
Gift Aid tax recovered	6,650	-	6,650	6,195
School for Changemakers	900	8,274	9,174	12,824
Gift for reconciliation training in Kenya	8,947	-	8,947	44,593
Gift for archiving historical documents	19,504	-	19,504	-
Gift towards South Sudan Peace Initiative	-	50	50	1,840
Other gifts	2,194	-	2,194	185
	<u>863,097</u>	<u>88,126</u>	<u>951,223</u>	<u>521,527</u>

In UK Outside UK

4 Activities to further the charity's objects

	FLTfilms	Total 2014	Total 2013
	£	£	£
Income			
Sale and hire of videos	8,981	8,981	6,125
	<u>8,981</u>	<u>8,981</u>	<u>6,125</u>
Donations and gifts	34,331	34,331	8,146
Other income (including interest)	16,333	16,333	346
Total income	<u>59,645</u>	<u>59,645</u>	<u>14,617</u>
Expenses			
Direct costs	50,500	50,500	16,003
Overheads	41,175		18,207
Total costs	<u>91,675</u>	<u>91,675</u>	<u>34,210</u>
Operating profit/ (loss)	<u>(32,030)</u>	<u>(32,030)</u>	<u>(19,593)</u>

THE OXFORD GROUP
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2014

5	Costs of campaigns, programmes and other activities	Unrestricted Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
	UK campaigns:				
	Pastoral work, training and development	63,395	-	63,395	61,534
	Trust building conferences and seminars	24,230	-	24,230	20,808
	Education and the schools service	499	-	499	683
	Work connected with industry	8,792	222	9,014	9,048
	Forums and public meetings at 24 Greencoat Place				
	24 Greencoat Place	34,701	-	34,701	30,959
	UK website costs	1,331	-	1,331	1,530
	Support for training and personal development	4,659	-	4,659	-
	Support for film, Art & drama initiatives	8,534	2,007	10,541	12,976
	Cost of literature	9,671	-	9,671	13,581
	Cost of newsletters and world bulletin	19,446	-	19,446	16,408
	Interns and regional team development	23,203	-	23,203	14,868
	Spiritual development and renewal	1,404	-	1,404	1,603
	Communication - internal and external	39,860	-	39,860	44,319
	Special programmes				
	Ireland	8,534	12,686	21,220	38,542
	Agenda for Reconciliation	51,363	10,079	61,442	56,297
	Film production	23,909	-	23,909	26,639
	Projects				
	Initiatives on sustainable communities	82,680	-	82,680	67,946
	School for change-makers	76,424	8,274	84,698	98,461
	Women Peace Circle Initiatives	10,076	-	10,076	20,750
	Trust and integrity in the global economy	83,543	1,277	84,820	80,691
	Beyond Forgiving film launch and campaign	9,183	-	9,183	-
	Reconciliation training based on AAA - Kenya	56,794	-	56,794	92,212
	Reconciliation training based on AAA - Chad	6,571	-	6,571	-
	Project development & Support	1,138	-	1,138	1,827
	Cost of archiving historical documents	57,457	-	57,457	-
	Community related projects	-	-	-	3,321
	New Leadership and accompaniment initiative	28,218	-	28,218	8,389
	Strategy implementation and alignment	21,381	-	21,381	19,420
	Overseas campaigns:				
	Work connected with Caux	67,424	-	67,424	48,198
	Amount carried forward	824,420	34,545	858,965	791,010

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 FOR THE YEAR ENDED 31 DECEMBER 2014

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

	Unrestricted Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Amount brought forward	824,420	34,545	858,965	791,010
Work other than Caux for:				
Central, Eastern Europe	9,374	-	9,374	9,740
West Europe	10,306	-	10,306	10,594
Africa	37,823	50,934	88,757	115,498
Middle East	29,198	2,215	31,413	29,074
Asia	19,089	-	19,089	19,765
North America	8,534	-	8,534	8,707
South America	8,534	-	8,534	8,707
Australia/Pacific	8,656	-	8,656	8,739
Media and communication forums	-	-	-	8,707
Farmers Dialogue	-	777	777	2,700
International Consultation	11,236	-	11,236	4,158
Other Global Activities				
Work connected with the International Association	89,600	-	89,600	85,248
	<u><u>1,056,770</u></u>	<u><u>88,471</u></u>	<u><u>1,145,241</u></u>	<u><u>1,102,647</u></u>

6 Activities for generating funds

	Total 2014 £	Total 2013 £
Income:		
Letting office space	93,283	74,068
Catering service	27,918	13,082
Letting residential space	19,345	21,762
Total income	<u>140,546</u>	<u>108,912</u>
Expenses:		
Related costs incurred	<u>53,549</u>	<u>47,808</u>
Operating profit for the year	<u><u>86,997</u></u>	<u><u>61,104</u></u>

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 FOR THE YEAR ENDED 31 DECEMBER 2014

7 Allocation of support costs

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

<u>Cost type:</u>	Charitable Activities £	Governance Costs £	2014 Total £	2013 Total £
Marketing and publicity	20,836	-	20,836	20,640
Forums and meetings	38,330	-	38,330	35,532
Adminstration costs	99,343	42,146	141,489	133,324
	<u>158,509</u>	<u>42,146</u>	<u>200,655</u>	<u>189,496</u>

Governance costs include a fund management fee of £5,602 (2013: £4,738).

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

	2014 £	2013 £
UK campaigns	41,339	33,317
Overseas campaigns	31,671	27,985
Special programmes and projects	71,997	75,200
Other international activities	13,502	13,370
	<u>158,509</u>	<u>149,872</u>

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

This is stated after charging:	2014 £	2013 £
Auditors' remuneration - statutory audit	12,568	12,568
Depreciation	114,688	97,404

9 Investment income and interest

	UK £	Outside UK £	2014 Total £	2013 Total £
Interest receivable	2,645	-	2,645	878
Dividends receivable from:				
Fixed interest securities	20,889	709	21,598	90,104
Equity shares	221,907	53,887	275,794	268,857
Investment & unit trusts	75,490	57,183	132,673	120,743
	<u>320,931</u>	<u>111,779</u>	<u>432,710</u>	<u>480,582</u>

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 FOR THE YEAR ENDED 31 DECEMBER 2014

10 Total resources expended

	Staff Costs	Depreciation	Other Costs	Total 2014	Total 2013
	£	£	£	£	£
<i>Cost of generating funds:</i>					
Fund management fees	-	-	5,602	5,602	4,738
Letting and catering costs	10,119	5,860	37,570	53,549	47,808
<i>Charitable activities:</i>					
Campaigns, programmes & other activities	534,942	87,460	522,839	1,145,241	1,102,647
Trading costs	23,829	21,368	46,478	91,675	34,210
<i>Governance costs</i>	20,730	-	21,416	42,146	39,624
	<u>589,620</u>	<u>114,688</u>	<u>633,905</u>	<u>1,338,213</u>	<u>1,229,027</u>

	2014	2013
	£	£
Staff costs		
Wages and salaries	544,616	485,415
Social security costs	35,295	29,499
Pension costs	9,709	8,510
	<u>589,620</u>	<u>523,424</u>

Analysis of other costs:

Premises	388,341	364,642
Direct campaign cost- travelling, accommodation, telephones	191,789	173,268
Administration costs	53,775	70,289
	<u>633,905</u>	<u>608,199</u>

Staff numbers and salaries

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

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

Number of employees	2014	2013
Finance and administration	6	6
Buildings maintenance	1	1
Catering	1	1
Campaigns	8	9
Film production and management	1	1
	<u>17</u>	<u>18</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 2014

11 Tangible fixed assets

	Freehold land and buildings	Contents of Properties	Plant and Machinery	Total
	£	£	£	£
Cost				
At 1 January 2014	5,290,325	174,698	244,631	5,709,654
Additions	191,444	100,376	-	291,820
Disposals	-	(14,676)		(14,676)
At 31 December 2014	5,481,769	260,398	244,631	5,986,798
Depreciation				
At 1 January 2014	617,275	56,733	186,635	860,643
Charge for the year	53,612	39,708	21,368	114,688
On disposals		(14,676)		(14,676)
At 31 December 2014	670,887	81,765	208,003	960,655
Net book value				
At 31 December 2014	4,810,882	178,633	36,628	5,026,143
At 31 December 2013	4,673,050	117,965	57,996	4,849,011

The net book amount of land and building comprises:

	2014	2013
	£	£
Freeholds	4,612,882	4,475,050
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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12 Investments

	2014	2013
	£	£
Market value at 1 January 2014	13,247,010	10,424,310
Additions at cost	<u>1,758,295</u>	<u>2,460,027</u>
	15,005,305	12,884,337
Disposals	<u>(1,626,130)</u>	<u>(988,851)</u>
	13,379,175	11,895,486
Unrealised investment gains		
General fund	(33,893)	(19,363)
Special purposes funds	(31,441)	132,823
Endowment fund	<u>(104,133)</u>	<u>1,238,064</u>
	(169,467)	
Market value at 31 December 2014	<u><u>13,209,708</u></u>	<u><u>13,247,010</u></u>

Investments at market value comprise:

	2014	2013
Listed	£	£
British Government	467,845	443,551
Commercial and industrial	12,378,105	12,410,042
Kenyan investments	363,758	393,417
	<u><u>13,209,708</u></u>	<u><u>13,247,010</u></u>

	<u>Investment assets</u>		2014	2013
	<u>In UK</u>	<u>Outside UK</u>	<u>Total</u>	<u>Total</u>
Listed	£	£	£	£
Fixed interest securities	910,871	-	910,871	1,074,676
Equity shares	5,923,960	1,914,870	7,838,830	8,219,758
Investment trusts and unit trusts	3,506,338	953,669	4,460,007	3,952,576
	<u><u>10,341,169</u></u>	<u><u>2,868,539</u></u>	<u><u>13,209,708</u></u>	<u><u>13,247,010</u></u>

There is no single investment which comprises 5% or more of the total value of the investment portfolio as at 31 December 2014.

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NOTES TO THE ACCOUNTS (CONTINUED)
 FOR THE YEAR ENDED 31 DECEMBER 2014

	2014	2013
	£	£
13 Stocks		
Work in progress - film production	51,677	17,792
Videos	1,887	1,350
Stores	7,032	6,302
	<u>60,596</u>	<u>25,444</u>

14 **Debtors**

	2014	2013
	£	£
Sundry debtors	57,225	60,705
Prepayments	25,949	31,223
	<u>83,174</u>	<u>91,928</u>

15 **Creditors: amounts falling due within one year**

	2014	2013
	£	£
Taxation and social security costs	-	2,218
Accruals	19,698	20,034
Deferred income	-	642
Other creditors	137,659	70,339
	<u>157,357</u>	<u>93,233</u>

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 FOR THE YEAR ENDED 31 DECEMBER 2014

16 Restricted Funds

Movement in Resources

	Balance at 1 Jan 2014	From/(to) unrestricted	Incoming	Outgoing	Gains and (losses)	Balance at 31 Dec 2014
	£	£	£	£		£
Special Purpose Funds:						
Kenya	420,178	-	30,734	41,128	(32,769)	377,015
Ireland	372,292	-	14,338	12,686	1,758	375,702
FLTfilms	50,437	89,729	43,392	91,678	16,254	108,134
Art initiatives - films, books and publications	10,081	(3,424)	-	2,007	-	4,650
Neville Cooper Scholarship	222	-	-	222	-	-
Film production reserve	29,088	(29,088)	-	-	-	-
Agenda for Reconciliation	3,480	-	13,822	10,079	-	7,223
IofC Schools' Service	776	-	-	-	-	776
Friends of Africa Fund	2,579	10,080	1,000	5,431	-	8,228
Zimbabwe Fund	4,627	400	300	3,753	-	1,574
Africa Fund (Loch)	15,902	15,727	-	622	-	31,007
Middle East Fund (Dumreicher)	3,068	1,600	-	2,212	-	2,456
Farmers' Dialogue Fund	503	-	300	777	-	26
Young People's fund	145,937	-	-	-	-	145,937
Phyllis Konstam Memorial Fund	3,588	1,643	-	-	-	5,231
Sustainable communities fund			3,000	-	-	3,000
Integrity in global economies fund			3,000	1,277	-	1,723
South Sudan Peace Initiative	15,727	(15,727)	50	-	-	50
Schools for Change Makers fund	-	-	8,274	8,274	-	-
	<u>1,078,485</u>	<u>70,940</u>	<u>118,210</u>	<u>180,146</u>	<u>(14,757)</u>	<u>1,072,732</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: the incoming resources of £31,165 include £431 gain for foreign exchange difference and the outgoing of £74,328 include £33,200

unrealised loss from investment market valuation.

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

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

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

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

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

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

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

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

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

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

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

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 FOR THE YEAR ENDED 31 DECEMBER 2014

17 Endowment fund

	Movement in Resources			Balance at 31 Dec 2014 £
	Balance at 01 Jan 2014 £	Incoming £	Outgoing £	
Endowment fund	10,599,323	332,858	362,460	10,569,721
Gain on disposal of investments	-	74,292	-	74,292
Unrealised gain from investment	-	-	104,133	(104,133)
	10,599,323	407,150	466,593	10,539,880

18 Analysis of net assets between funds

	Fixed Assets £	Investment s £	Net Current Assets £	Total £
Restricted funds:				
<i>Special Purpose funds:</i>				
Kenya	-	363,758	13,257	377,015
Ireland	-	370,050	5,652	375,702
FLTfilms	36,627	-	71,507	108,134
<i>Other funds</i>				
Art initiatives-films, & books	-	-	4,650	4,650
Sustainable communities project fund	-	-	3,000	3,000
Trust and integrity in a global economy fund	-	-	1,723	1,723
Agenda for Reconciliation	-	-	7,223	7,223
IofC Schools' Service	-	-	776	776
Friends of Africa Fund	-	-	8,228	8,228
Africa-Zimbabwe Fund	-	-	1,574	1,574
Middle East Fund (Dumreicher)	-	-	2,456	2,456
Phyllis Konstam Memorial Fund	-	-	5,231	5,231
Africa Fund (Loch)	-	-	31,007	31,007
Fund for young people	-	-	145,937	145,937
Farmers' Dialogue	-	-	26	26
South Sudan Peace Initiative	-	-	50	50
	36,627	733,808	302,297	1,072,732
Endowment fund	-	10,232,325	307,555	10,539,880
Unrestricted funds	-	295,582	45,050	340,632
Designated funds	4,989,516	1,947,993	-	6,937,509
	5,026,143	13,209,708	654,902	18,890,753

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

	2014	2013
	£	£
Net incoming/(outgoing) resources before revaluation and investment asset disposals	198,364	(105,882)
Depreciation charges	114,688	97,404
(Increase)/decrease in stocks	(35,152)	16,195
Decrease in debtors	8,755	146,276
Increase/(decrease) in creditors	64,126	(2,947)
Dividends received	(430,065)	(479,704)
Interest received	(2,645)	(878)
Difference on exchange	431	(666)
Amortisation of capital grant for 2014	(37,699)	-
Net cash outflow from operating activities	<u>(119,197)</u>	<u>(330,202)</u>

20 Analysis of net cash resources

	2014	2013
	£	£
Balance at 1 January 2014	289,858	382,171
Net cash outflow	(9,546)	(92,313)
Balance at 31 December 2014	<u>280,312</u>	<u>289,858</u>

21 Designated fund

	Balance at		Movement of Resources		Transfers	Balance at	
	01 Jan 2014		Increase	Decrease		31 Dec 2014	
	£		£	£		£	
Tangible assets	6,802,973				(1,776,830)	5,026,143	
Investment in progress					1,911,366	1,911,366	
	<u>6,802,973</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>134,536</u>	<u>6,937,509</u>	

22 Capital commitments

There were no capital commitments at 31 December 2014 (2013: £Nil)