

BARNARDO'S

YEAR ENDED 31 MARCH 2001

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**Barnardo's
Report of Council**

Year Ended 31 March 2001

The Council submits the Report and Accounts for the year ended 31 March 2001.

BASIS AND VALUES

Barnardo's is a charity whose inspiration and values derive from the Christian faith. These values, enriched and shared by many people of other faiths and philosophies, provide the basis of our work with children and young people, their families and communities.

Barnardo's seeks to:-

- respect the unique worth of every person
- encourage people to fulfil their potential
- work with hope
- exercise responsible stewardship

OBJECTS

The objects of Barnardo's as defined by the Memorandum of Association are:

- (i) the relief and assistance of children and young people in need;
- (ii) the promotion of the education of children and young people;
- (iii) the promotion among children and young people of the knowledge of the Christian faith or the faith in which they were brought up;
- (iv) the relief of the poor, sick, handicapped and aged.

VISION, PURPOSE AND CURRENT WORK

Barnardo's vision is that the lives of all children and young people should be free from poverty, abuse and discrimination.

Our purpose is to help the most vulnerable children and young people transform their lives and fulfil their potential. We believe that all children and young people have a fundamental right to:

- The love and support of a family
- A secure home
- Physical, emotional and spiritual health
- Protection from harm
- Good opportunities for education, training and employment
- Communities, groups and activities which enrich and involve them
- Be treated as citizens now, with a voice in society.

Barnardo's seeks to achieve its purpose by delivering more than 300 services in locations throughout the UK. We no longer run orphanages, and have not done so for many years. Our services range from family centres providing day care for vulnerable children, to residential schools for disturbed teenagers, from respite care services for children with disabilities, to projects which help young people in local authority care to manage the transition to independence.

Barnardo's also undertakes a range of influencing work which is designed to benefit many more children and young people than can be helped through our services alone. These activities are based on knowledge gained from our direct services, and seek to influence government, local authorities and other policy-making bodies.

Specific examples of our direct services, of our influencing work and of our achievements during 2000/01, are contained in our Annual Review which is available on request, and also on our website at www.barnardos.org.uk.

Barnardo's Report of Council

Year Ended 31 March 2001

FUTURE PLANS

The Council has recently approved a new 5 year development plan. Our priorities will be to:

- Place children and young people's perspectives and participation at the heart of our work
- Ensure our services deliver excellent value for children and young people
- Achieve effective influence
- Promote the Barnardo name to gain greater recognition and support
- Enable employees and volunteers to achieve exemplary performance
- Achieve our financial objectives, which are set out in greater detail below.

We anticipate that the number of services will remain broadly constant for the first three years of the plan, and may increase modestly thereafter.

FINANCE

Results for the year

The consolidated Statement of Financial Activity (SOFA) on page 12 sets out the results for the year. As a result of revisions to the Statement of Recommended Practice (SORP) for accounting by charities, the format of the SOFA has been amended this year. The statement first sets out the sources from which the charity gains its income, analysing these between commercial and other activities; the SOFA then shows how this income has been expended on the charity's objective of helping children in greatest need.

Total income increased to £143 million (2000 -£125.2 million). Council would like to express its particular gratitude to Sir Clive Martin, who, as Lord Mayor of the City of London, nominated Barnardo's as beneficiary of his appeal; the appeal was a resounding success. Legacies, income from property development and fees from local authorities also increased substantially.

Fundraising costs increased by 17% to £13.9 million. This was partly due to costs associated with the Lord Mayor's appeal, but also to investment in a new form of "face to face" fundraising, which is generating substantial pledges of future income through regular giving. Fundraising costs represented 29.5% of income raised (2000 - 28.6%); expressed as a percentage of total expenditure, fundraising costs amounted to 9.0% (2000 - 8.2%)

The SOFA shows that total charitable expenditure during the year to 31 March 2001 was £111.9 million - an increase of nearly 4% on the previous year. During the year an operating deficit of £11.5 million was incurred (compared to £18.5 million in the previous year). As a result of the poor performance of the stock markets, this deficit was increased by investment losses totalling £6.8 million (2000 - gains of £8.1 million). The final result for the year was, therefore, a reduction in funds of £18.3 million, (2000 - reduction of £10.4 million)

Reserves

Barnardo's has developed a reserves policy based on the objective of achieving a balance between the need to use voluntary income to provide services for children, and the need to ensure that, once a commitment has been given to a child or their family, sufficient funds exist to meet the commitment for as long as it is required and appropriate.

In order to sustain our activities in the face of uncertain future funding, we have a clear policy to designate a Base Reserve equivalent to nine months budgeted net voluntary income for the year ahead - at the end of the financial year this reserve amounted to £27 million. This represents the minimum reserve we believe we need to hold to meet our commitments to the many communities with whom we work.

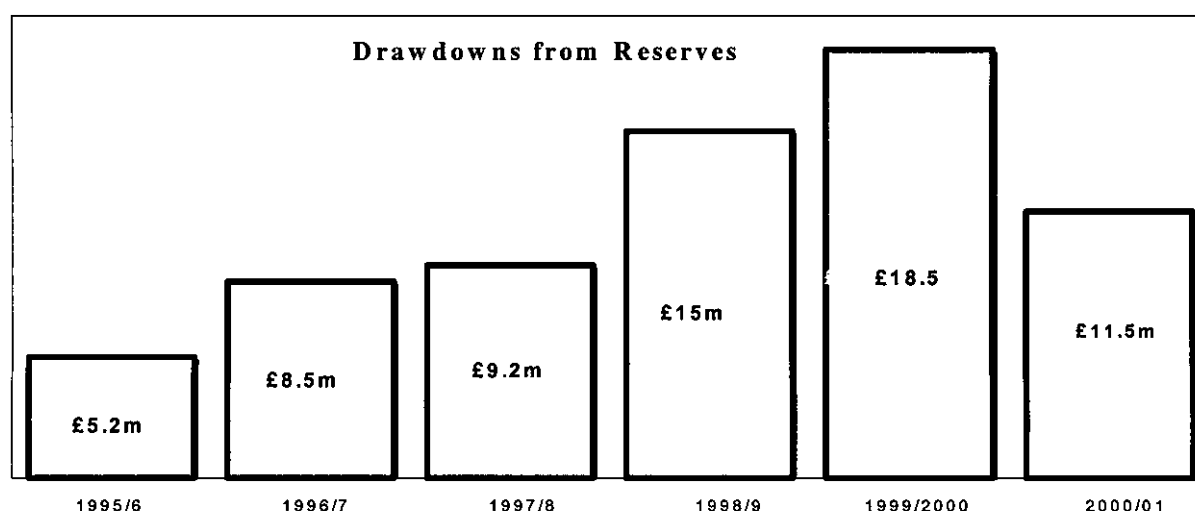
In addition, we set aside a sum equivalent to the net book value of the fixed assets used in our work on the basis that it is not practicable to sell off operational properties in order to fund further work. The total reserves tied up in fixed assets amounted to £54.2 million at the end of the financial year. Further reserves of £31.0 million are tied up in restricted and endowment funds, only the income from which is available to fund Barnardo's work.

Barnardo's Report of Council

Year Ended 31 March 2001

Barnardo's free reserves at the end of the financial year therefore total £41.1 million (2000 - £54.4 million) and, as a key element in our funding strategy, we continue to actively pursue a policy of using these reserves. The existence of expendable reserves mean that we can not only continue our existing services but are also able to start project work in advance of longer term funding coming available. However as can be seen from the figures below, the available reserves will not last in perpetuity and the reduction in the operating deficit reflects the action now being taken to bring revenue expenditure in line with income.

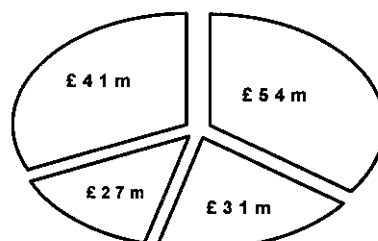
Over the past five years, we have drawn down over £68 million from our reserves, and it is anticipated that we will need to draw a further £11 million in the next two years. Thereafter, as a result of our plans to generate additional income and reduce costs, we expect to break even or generate a small surplus.



Barnardo's Reserves

Surplus reserves committed to fund future revenue and capital expenditure.

Funds tied up in fixed assets including property, equipment and vehicles.



Funds which have been set aside to ensure continuity of services for a limited period in the event of a sudden drop in the level of voluntary funds received.

Funds which are earmarked by the donor for specific purposes plus capital and endowment funds where the income can be used but the capital must be retained.

Barnardo's Report of Council

Year Ended 31 March 2001

Investments

The Memorandum of Association gives the Council power to invest funds not immediately required for operational purposes in such concerns, securities or property, as it thinks fit. The Council has appointed investment managers, and has set an objective of maximising the long term total return from the investment portfolio, without incurring risks beyond those normally associated with a balanced approach to portfolio management. Performance is measured against a benchmark of charity portfolios.

During 2000/01, two investment managers were employed – Schroder Investment Management and Merrill Lynch Investment Management. Schroder's performance during the last year and the last five years has fallen behind the benchmark, whilst that of Merrill Lynch has significantly exceeded the benchmark. As a result and in view of the diminishing size of the portfolio, it was decided that Merrill Lynch should be appointed as sole investment managers; the transfer was implemented in April 2001. In spite of the disappointing performance in recent years, the Council would like to record its appreciation of the long term contribution made by Schroder's to the profitable management of Barnardo's reserves.

The investment managers operate within an ethical policy formulated by the Council, which seeks to avoid investing in companies whose activities are considered to be to the detriment of children. Barnardo's retains the services of Ethical Investment Research Services (EIRIS) to advise on ethical investment issues. A copy of the full policy is available upon request.

Commercial Activities

The results of Barnardo's subsidiary companies are summarised in Note 3 to the financial statements. In total, net income generated by the subsidiaries was £2 million (2000 - £639,000). Barnardo Trading achieved a small profit after substantial curtailment and re-structuring of its activities. Barnardo Developments completed one property development in Tunbridge Wells, and earned further income from a second development in Harrogate. Barnardo Events had an extremely successful year as a result of the Lord Mayor's appeal mentioned above.

Barnardo's shops, which are accounted as part of the charity's activities, produced a surplus of £2.4 million, in difficult trading conditions, from the sale of donated goods.

Contingent Liabilities

There is a contingent liability in respect of the unexpired term of leases assigned to other tenants. Council considers that the possibility of a material cost accruing to the organisation is remote and consequently no provision has been included in the accounts.

Accounts

The Council confirms that the accompanying accounts comply with statutory requirements, the requirements of the Memorandum and Articles of Association, and the requirements of the Statement of Recommended Practice for accounting and reporting by charities. The Council considers that Barnardo's has adequate resources to continue in business for the foreseeable future, and that, for this reason, they should continue to adopt the going concern basis in preparing the accounts.

LEGAL AND ADMINISTRATIVE INFORMATION

The name of the charity is Barnardo's. Barnardo's is a company limited by guarantee company number 61625, and a registered charity number 216250. Its governing instrument is the Memorandum and Articles of Association as amended and adopted by special resolutions passed on 4 December 1997, 10 November 1999 and 17 July 2001.

The Members of Council are the charity's trustees and also the directors of the company. The names of the Members of Council, including those who served during the year ended 31 March 2001, are given on Pages 28/29. Details of the registered office, the charity's principal advisers and other relevant persons are also given on Pages 28/29.

Only Members of Association are eligible to serve as Members of Council. There are two categories of Members of Association – Ordinary and Honorary. Ordinary Members are required to sign a Christian declaration. At least two-thirds of the Members of Council must be Ordinary Members of Association.

**Barnardo's
Report of Council**

Year Ended 31 March 2001

The Members of Council are elected by the Members of Association at the Annual General Meeting, and serve for a three year term, after which they are eligible for re-election. The Council may also appoint any Member of Association as a Member of Council; any Member so appointed retains office only until the end of the first Annual General Meeting after appointment, but is eligible for re-election at that meeting. No other person or body is entitled to appoint trustees.

CORPORATE GOVERNANCE

At present the Council consists of 15 Members (14 Ordinary Members and 1 Honorary Member of Association) and meets every two months. Matters not reserved for decision by Council are delegated either to one of the Council Committees or to the UK Directors.

The Committees are:

▪ **Audit Committee**

The Committee comprises three Members of Council and meets either two or three times each year. The Chief Executive, Director of Finance and Corporate Services, the Management Auditor and representatives of the external auditors attend the meetings. The Committee

- reviews the annual accounts before submission to the full Council
- reviews policies and procedures in relation to internal financial control, as explained in more detail below
- considers any significant issues arising in respect of either internal or external audit arrangements
- considers matters of corporate governance, so far as they relate to financial matters.

▪ **Investment Committee**

The Committee comprises five Members of Council and the Director of Finance and Corporate Services. The Committee meets four times each year. The Committee assists the Council in determining investment policy including its stance on ethical investment, and receives reports from the investment managers who manage the portfolio on a discretionary basis.

▪ **Trading Committee**

The Committee comprises four Members of Council, and the Directors of Barnardo Trading Ltd. The Committee usually meets four times each year. The Committee monitors the activities of Barnardo's chain of retail shops and of its subsidiary company, Barnardo Trading Limited.

▪ **New Members of Council and Membership of Association Committee**

The Committee comprises five Members of Council, two Members of Association and the Chief Executive. The Committee normally meets twice each year.

The Committee nominates, for approval by the Council and by the Members of Association, persons willing to act as Members of Council. The Committee also approves applications for Membership of Association.

▪ **Remuneration Committee**

The Committee comprises three Members of Council and meets as necessary. The Committee determines the level of remuneration for the UK Directors.

▪ **Adoption Committee**

The Committee comprises three Members of Council plus one representative from each of Barnardo's seven adoption panels. The Committee usually meets four times each year and considers policy issues that arise in relation to adoption work. The representatives from the seven adoption panels are also appointed as Restricted Members of Council for adoption matters.

**Barnardo's
Report of Council**

Year Ended 31 March 2001

adoption matters.

▪ **Other Committees**

The Council is in the process of establishing separate committees for Northern Ireland, Scotland and Wales. These committees will consist of two members of the UK Council and a number of other members with local knowledge and experience. Barnardo's will remain a single UK charity, but these committees will be responsible, within the framework set by the Council, for developing services, raising income and influencing work in their respective localities.

All Council members have access to the advice and services of the Company Secretary.

Remuneration

Members of the Council receive no remuneration. Where claimed, expenses are reimbursed.

The Remuneration Committee determines the salaries of the Chief Executive and of the three UK Directors upon their appointment and by periodic reviews. The Directors receive cost of living increases on an annual basis. Their remuneration does not include any element of performance-related pay or bonus, share option or long-term incentive scheme. The period of notice for termination of contracts of employment is six months for the Chief Executive and three months for the three UK Directors. There are no pension provisions for the Directors other than membership of Barnardo's Pension Scheme on the same terms as other employees; pensions are based on 1/60th of final salary for each year of service. (Note: Director is a courtesy title. The Directors of Barnardo's for the purposes of company law are the Members of Council).

Internal Control and Risk Management

The Council has overall responsibility for ensuring that the organisation has in place an appropriate system of controls, financial and otherwise, to provide reasonable assurance that

- the charity is operating efficiently and effectively
- its assets are safeguarded against unauthorised use or disposition
- proper records are maintained and financial information used within the charity or for publication is reliable
- the charity complies with relevant laws and regulations.

The Audit Committee examines the effectiveness of the systems of internal financial control on behalf of the Council. This is achieved through reviews of

- the financial aspects of the internal audit programme which is carried out by the Corporate Audit and Inspection Unit, and findings which arise
- the nature and scope of the external audit, and any matters raised by the external auditors for the attention of management. Any significant findings or identified risks are examined so that appropriate action can be taken.

The systems of financial control are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. They include:

- A corporate plan and an annual budget approved by the Council.
- Regular consideration by the Council of actual results compared with budgets and forecasts.
- Delegation of authority to spend within clearly defined limits.
- Segregation of duties.
- Identification and management of financial risks by Council and line management.

The Committee on the Financial Aspects of Corporate Governance (the Cadbury Committee) was set up to review those aspects of corporate governance specifically related to financial reporting and accountability. The original Code of Best Practice recommended by the Cadbury Committee is designed to achieve high standards of corporate behaviour and focuses on the control and reporting functions of boards and on the role of auditors. The Council considers that Barnardo's meets in all material respects the spirit and approach of the Code, in so far as its recommendations are relevant to charities.

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Report of Council**

Year Ended 31 March 2001

More recently the Code introduced a recommendation that the directors of each company should review and monitor the entire system of internal controls; this extended the previous recommendation in respect of financial controls to cover all controls including financial, operational, compliance and risk management. Guidance for directors (the Turnbull guidance) was published in September 1999. The Council confirms that it has identified and reviewed the major risks to which the charity is exposed, that systems have been established to mitigate those risks, and that it considers that Barnardo's has achieved compliance with the Turnbull guidance, in so far as the guidance is relevant to charities. The Council is committed to adopting the best business practices.

ORGANISATION

Responsibility for operational activities is allocated to three departments. Children's Services is divided geographically into eight nations/regions operating from Belfast, Birmingham, Cardiff, Edinburgh, Leeds, Liverpool, London and Newcastle. The Marketing and Communications Department operates from the Head Office in Barkingside and also from a number of regional offices. The Corporate Services Department which includes the Finance, Information Technology, Human Resources and Properties functions, is also based at Head Office and provides support services to the other two departments.

Barnardo's also provides financial support by way of grant aid for work undertaken by its related charity, Barnardo's Republic of Ireland. Two other related charities, Barnardo's Australia and Barnardo's New Zealand, are locally registered companies, have their own governing bodies and raise money for use in their own countries. The financial transactions of these related charities are not included in the accompanying accounts.

There were no transactions with related parties during the year.

AUDITORS

In accordance with Section 384 of the Companies Act 1985 resolutions proposing the re-appointment of KPMG as auditors of the Company and to authorise Council to fix their remuneration, will be put to the Members at the Annual General Meeting.

MEMBERS OF COUNCIL

A list of Members of Council appears on pages 28 and 29.

Lady Mackay has indicated her intention to retire from Council with effect from the date of the Annual General Meeting. Council wishes to record its appreciation for the substantial contribution which Lady Mackay has made towards the work of Barnardo's during her 17 years on Council.

Mrs Daphne Symon retires at the end of her three year term of office, and offers herself for re-election.

Since the last Annual General Meeting, Mr Geoffrey Barnett, Ms Hilary Keenlyside and Mrs Kirat Randhawa have been co-opted as Members of Council, and also offer themselves for re-election.

PLANNING, CONSULTATION AND COMMUNICATION

The management structure of Barnardo's is such that all operational aspects of child care work are controlled by National/Regional Directors working closely within overall objectives and policy guidelines determined by Council. Directors in consultation with their staff are responsible for recommending start-up and closure of projects under their control. Senior Marketing and Communications managers in consultation with their staff are responsible for the planning and execution of all fundraising operations.

Barnardo's Report of Council

Year Ended 31 March 2001

Local and central management involve staff at all levels in forward planning and the agreement of prime objectives. Professional childcare issues are discussed at national and local events. There are regular meetings involving staff in a particular area, within specialisms or having a common interest in a specific subject. Staff views are sought through surveys and where changes in conditions of service are contemplated other than matters (including salary scales) settled by agreements in the public sector.

Staff contribute to and receive regularly Barnardo News and other publications and videos featuring topical staff news and articles on aspects of Barnardo's activities. Information bulletins are also produced as required to inform staff of important developments and changes.

EQUAL OPPORTUNITIES

Barnardo's is committed to providing equality of opportunity for the children, young people, families and carers with whom we work. We value and respect their diversity.

Barnardo's welcomes difference in its staff and volunteers. In accordance with its Basis and Values, Barnardo's is working to create equal access to opportunities for paid employment and voluntary involvement while continuing to base selection and promotion solely on ability to meet the requirements of the post. This is irrespective of race, colour, ethnic or national origins, religion, disability, gender, sexuality, age, marital status, responsibility for dependants, economic status or political values.

Barnardo's is committed to taking active steps to address and eliminate unfair or unlawful discrimination or prejudice where these are identified in the organisation's procedures or practices.

ENVIRONMENT

Barnardo's wishes to be an environmentally conscious organisation contributing towards a safe and healthy environment for today's children and future generations. The organisation's environmental policy promotes initiatives which are designed to reduce or remove environmentally damaging activities, and to increase activities which improve or conserve the environment. These initiatives include measures to increase the recycling of materials, to reduce the use of energy and to reduce activities which generate pollution.

SPECIAL ACKNOWLEDGEMENTS

Council wishes to record its appreciation for the generosity of the many friends of Barnardo's for their donations and bequests, and to the thousands of volunteers who give so unstintingly of their time. Barnardo's has also benefited from help received from companies, organisations, local authorities and individuals in the form of gifts in kind, free loans of property, preferential rent and part relief from rates. By the terms of the gift we are pleased to specifically acknowledge the following:

Discretionary: Herbert Austin, £2,500
 Tom Parrington charity, £75
 Katherine Martin, £232,000
 William Belmer Rush Foundation, £16,822

Grants: The National Lottery Charities Board UK, £354,728 the second and final part of a two-year grant to fund the continuation of Barnardo's Anti-Poverty work.
 The Sutton Trust £750, second part of grant of £1,500 towards Parenting Ways
 The Fielder Charitable Trust £20,000, to be used in the county of Essex – donation allocated to Daybreak Project.
 Comic Relief, £20,450, part of a two-year grant of £40,900 towards salary costs at Bristol Base.
 NLCB UK Health & Social Research £131,271, first part of a 3 year grant to fund research at The University of York – developing a website & print directory of user – commended support services for disabled children and their families.

**Barnardo's
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Year Ended 31 March 2001

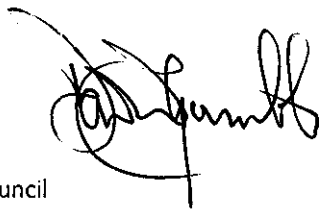
Children's Promise Appeal - £2,230,680.

NLCB UK Health & Social Research, £69,251 first part of a 3 year grant to fund research at The University of Leeds – Inter-generational obligations among young Pakistani people and their families.

The Henry Smith Charity £20,000 first part of a 3-year grant of £65,000 towards the Family Place, previously known as Wigton Family Support Scheme.

Corporate Donations:

IOF Foresters, £250,000
Northern Foods, £12,300
National Power, £7,500
Mazda, £10,000
Scottish & Southern, £38,000
Shell, £8,600
Sunlife & Provincial Holdings, £20,000
Cable & Wireless (Ntl), £27,700
Vodafone, £15,300
Bank of Scotland, £5,000
Caramba, £20,000
Fuzzy Felt, £5,500
Slimming World, £50,000
Daily Express, £6,700
Barclays, £15,000
John Sisk & Son Ltd, £10,000
F H Lee, £ 7,500
Fantasy League, £8,000
Clinton Cards, £12,600
BHS, £33,000



By Order of the Council
Reverend David Gamble
Chair of Council

18 September 2001

STATEMENT OF COUNCIL'S RESPONSIBILITIES

Law applicable to incorporated charities in England and Wales requires the trustees, who are also directors for the purposes of company law, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the group and of its financial activities during the year. In preparing those financial statements, 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity/group and to prevent and detect fraud and other irregularities.

Year Ended 31 March 2001

AUDITORS' REPORT TO THE MEMBERS OF BARNARDO'S

We have audited the financial statements on pages 12 to 27

Respective responsibilities of Council and auditors

The Council (namely the trustees), who are also the directors of Barnardo's for the purposes of company law, are responsible for preparing the trustees' report and, as described on page 10, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the group has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the group is not disclosed.

We read the other information accompanying the financial statements and consider whether it is consistent with those statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

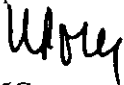
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs and the group as at 31 March 2001 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



KPMG

Chartered Accountants

Registered Auditors

Gatwick

18 September 2001

Barnardo's
Consolidated Statement of Financial Activities
Year Ended 31 March 2001

	Note	Unrestricted Funds Commercial Activities £000	General funds £000	Restricted & endowment funds £000	Total 2001 £000	Total 2000 £000
Incoming resources						
Donations, legacies & other fundraising	4		43,412	3,616	47,028	41,642
Fees & Grants for children's services	5		56,765	524	57,289	51,863
Trading income (including shops)		20,699			20,699	22,827
Property development income		11,342			11,342	3,229
Investment and other income	6,7		5,296	1,366	6,662	5,632
Total incoming resources		32,041	105,473	5,506	143,020	125,193
<i>Cost of generating voluntary funds:</i>						
Fundraising costs			13,765	136	13,901	11,877
Trading expenditure (including shops)		18,159			18,159	21,488
Property development expenditure		10,383			10,383	2,372
Investment Manager fees and other costs			142	70	212	292
		28,542	13,907	206	42,655	36,029
Net profit from commercial activities - transfer to general funds		(3,499)	3,499		-	-
Net incoming resources available for charitable expenditure		-	95,065	5,300	100,365	89,164
Charitable expenditure						
Cost of activities in furtherance of the charity's objects:						
Direct service costs			87,634	2,880	90,514	85,219
Child care research and education			1,972		1,972	3,219
Grants made			1,095	1,677	2,772	2,746
Informing the public about our work			5,802		5,802	6,108
Service support costs			8,001		8,001	7,598
Managing and administering the charity			2,805		2,805	2,795
Total charitable expenditure			107,309	4,557	111,866	107,685
Total resources expended	9		149,758	4,763	154,521	143,714
Net incoming/(outgoing) resources			(12,244)	743	(11,501)	(18,521)
(Losses) and gains on revaluation and on investment asset disposals	10		(4,169)	(2,655)	(6,824)	8,054
Net movement in funds			(16,413)	(1,912)	(18,325)	(10,467)
Fund balances brought forward			138,774	32,946	171,720	182,187
Fund balances carried forward	22		122,361	31,034	153,395	171,720

The notes on pages 16 to 27 form part of these financial statements.

**Barnardo's
Balance Sheet**

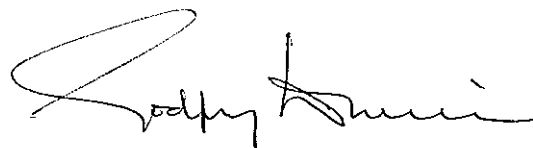
Year Ended 31 March 2001

	Note	Group		Charity	
		2001	2000	2001	2000
		£000	£000	£000	£000
Fixed assets					
Tangible assets	15	54,424	60,058	54,379	59,997
Investments	16	67,173	88,271	67,173	88,271
		-----	-----	-----	-----
		121,597	148,329	121,552	148,268
		-----	-----	-----	-----
Current assets					
Stocks and work in progress	17	4,795	6,486	-	-
Debtors	18	21,981	18,591	24,542	24,162
Cash and bank balances and short-term deposits	19	17,313	8,359	16,527	8,067
		-----	-----	-----	-----
		44,089	33,436	41,069	32,229
		-----	-----	-----	-----
Creditors: Amounts falling due within one year	20	(12,291)	(10,045)	(8,835)	(7,239)
		-----	-----	-----	-----
Net current assets		31,798	23,391	32,234	24,990
		-----	-----	-----	-----
Net assets		153,395	171,720	153,786	173,258
		-----	-----	-----	-----
Fund balances					
Designated funds - fixed assets reserve		54,250	59,885	54,206	59,823
- base reserve		27,039	24,485	27,039	24,485
		-----	-----	-----	-----
		81,289	84,370	81,245	84,308
Other unrestricted funds		41,072	54,404	41,507	56,004
Restricted and endowment funds		31,034	32,946	31,034	32,946
		-----	-----	-----	-----
Total funds	22(d)	153,395	171,720	153,786	173,258
		-----	-----	-----	-----

Approved by Council

18 September 2001


Reverend David Gamble
Chair of Council



Godfrey Whitehead
Honorary Treasurer

The notes on pages 16 to 27 form part of these financial statements.

Barnardo's
Cash Flow Statement

Year Ended 31 March 2001

	Note	2001		2000	
		£000	£000	£000	£000
Reconciliation of net outgoing resources to net cash outflow from operating activities					
Net outgoing resources			(11,501)		(18,521)
Depreciation charge	15		7,954		11,013
Net gain on disposal of tangible fixed assets			(1,254)		(783)
Notional pension contributions			(5,640)		(42)
(Increase)/Decrease in debtors (excluding pension fund prepayment)			2,326		(3,471)
(Decrease)/Increase in creditors (excluding bank overdraft)			4,665		(956)
Investment income and interest	6		(5,408)		(4,614)
Decrease / (Increase) in stocks			1,690		(2,624)
			-----		-----
Net cash outflow from operating activities			(7,168)		(19,999)
			-----		-----
Cash flow statement					
Net cash outflow from operating activities			(7,168)		(19,999)
Returns on investments and servicing of finance					
Investment income and interest	6	5,408		4,614	
Less: notional interest on pension fund prepayment	14	(76)		(71)	
		-----	5,332	-----	4,543
Capital expenditure and financial investment					
Purchase of tangible fixed assets	15	(3,482)		(8,709)	
Purchase of investments	16	(22,805)		(28,026)	
Sale of tangible fixed assets		2,417		1,621	
Sale of investments	16	37,079		41,704	
		-----	13,209	-----	6,590
			-----		-----
Cash inflow before use of liquid resources			11,373		(8,865)
Management of liquid resources					
Net cash (put on) / withdrawn from deposit			(9,410)		1,410
			-----		-----
Increase /(Decrease) in cash in the year			1,963		(7,455)
			-----		-----
		Cash at	Bank	Total	Total
		Bank &	Overdraft	2001	2000
		in Hand			
		£000	£000	£000	£000
Reconciliation of net cash flow to movement in net cash funds					
Net funds at beginning of the year		7,209	(2,484)	4,725	12,180
Change in net funds during the year		(456)	2,419	1,963	(7,455)
		-----	-----	-----	-----
Net funds at end of the year		6,753	(65)	6,688	4,725
		-----	-----	-----	-----

**Barnardo's
Summary
Income and Expenditure Account**

Year Ended 31 March 2001

	Note	2001	2000
		£000	£000
Income			
Gross income of continuing operations		88,252	82,527
Turnover of non-charitable trading subsidiaries	3	53,526	41,623
Gross income		141,778	124,150
Expenditure			
Total expenditure of continuing operations		102,020	101,256
Expenditure of non-charitable trading subsidiaries	3	51,475	41,341
Gross expenditure		153,495	142,597
Net Expenditure for the year before transfers and Investment asset disposals		(11,717)	(18,447)
Gain on disposal of investment assets		5,505	9,567
Net expenditure for the year		(6,212)	(8,880)

Reconciliation to statement of financial activities:

Net expenditure for the year before investment asset disposals as above		(11,717)	(18,447)
Movement on restricted capital and endowment funds	22	216	(74)
Net outgoing resources		(11,501)	(18,521)

The summary income and expenditure account is presented in order to ensure compliance with the Companies Act 1985. The major difference in the figures presented from those in the consolidated statement of financial activities is that unrealised gains and losses on investments are not recognised.

In accordance with the provisions of the Companies Act 1985, a separate income and expenditure account dealing with the results of the charity only has not been presented.

Of the net expenditure for the year of £11.7 million (2000 £8.9 million), net expenditure of £9.7 million (2000 £9.5 million) has been dealt with in the accounts of the charity.

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

1 Accounting policies

Basis of preparation

The accounts are drawn up in accordance with applicable accounting standards, including the statement of recommended practice (SORP) on Accounting and Reporting by Charities (issued October 2000).

Monetary values are calculated under the historical cost convention, as modified by the revaluation of investments and certain properties.

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of the charity and its subsidiary undertakings, all of which were prepared to 31 March. The trading results of the subsidiary undertakings as shown in note 3 are consolidated on a line by line basis within the consolidated statement of financial activities (SOFA). A separate SOFA for the charity is not presented.

Stocks and work in progress

Stocks and work in progress are stated at the lower of cost and net realisable value.

Investments

Investments are stated in the balance sheet at their market value as at the balance sheet date. All movements in value arising from investment changes or revaluation are recognised in the consolidated statement of financial activities. Gains or losses on investments are calculated as the difference between the disposal proceeds and the historical cost.

Properties

Except as stated below, properties are stated in the balance sheet at their cost or value at the time of receipt less depreciation. Profits and losses on the disposal of properties are recognised in the consolidated statement of financial activities in the year of disposal.

Depreciation

i) Depreciation of freehold and long leasehold properties is provided at the rate of two per cent per annum on their cost or value. Short leasehold properties are amortised over the period of the lease. Properties acquired and adapted for child care purposes, whose book cost exceeds market value at the date of commissioning, are subject to a special provision whereby the excess cost is written off over three years in equal instalments.

ii) Where a property is known to have suffered a permanent diminution in market value, the reduction is recognised in full in the results for the year, in accordance with FRS 15 ("Tangible Fixed Assets").

iii) Other tangible fixed assets are depreciated over their expected useful lives, which vary between 1 and 5 years.

Partnerships

The group accounts for partnership arrangements in accordance with FRS 9 ("Associates and Joint Ventures"). Where the arrangement constitutes a "joint arrangement that is not an entity" the group accounts for its share of the partnership assets, liabilities, income and expenditure in accordance with the terms of the partnership agreements.

Income

i) Donations except in relation to legacies are accounted for at the time of receipt at head office. Legacies have been included in the statement of financial activities where probate was granted prior to the balance sheet date and where receipt took place shortly after the year end. Other legacies notified are not accrued due to uncertainties of value and timing of receipt. The amount notified in relation to such legacies is disclosed in Note 12.

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

ii) Income raised through the operation of the shops under the charity's management is taken into account at the time of receipt. Stocks of unsold donated goods are not valued for balance sheet purposes.

iii) Fees and grants for child care services are accounted for on the basis of the amount receivable for the year.

iv) Investment income is the amount receivable for the year, including recoverable tax.

Expenditure

i) All expenditure is accounted for on an accruals basis.

Some costs incurred centrally are allocated to categories on the basis of their use of central support services. Such allocations are made on the basis of staff numbers, head count or asset value as appropriate.

ii) Fundraising costs are incurred in relation to staff members who are engaged in fundraising activities.

iii) Trading Expenditure represents expenditure incurred in the operation and management of the Barnardo's chain of shops and other activities undertaken by Barnardo Trading, such as the Christmas Mail Order Catalogue.

iv) Property Development Expenditure represents activities undertaken by Barnardo Developments, developing buildings as part of a joint venture.

v) Direct Service costs represents the costs of running projects and providing services.

vi) Child Care research and education include activities such as research into child care and policy reviews. It also includes activities to help educate wider groups about relevant child care issues.

vii) Grants made include those Barnardos makes to other organisations and grants to young people through Barnardos Trust Funds.

viii) Informing the public about our work. This includes costs incurred in raising awareness of child care issues and Barnardo's activities in relation to them.

ix) Service Support Costs are incurred in providing regional and departmental management.

x) Managing and administering the charity costs relate to the management of Barnardo's assets, organisational administration and compliance with constitutional and statutory requirements.

Pension costs

Pension costs are charged on a basis so as to spread these costs evenly over the employees' working lives with Barnardo's, and are calculated on the basis of actuarial advice (see Note 14).

Capital grants

In accordance with the charities SORP, grants receivable are recognised immediately in the statement of financial activities unless they are restricted to future accounting periods or may become repayable under the terms attached.

Operating leases

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

Fund accounting

Barnardo's has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

Restricted income funds Donations or legacies received, or income arising from such, which are earmarked by the donor for specific purposes. Such purposes are within the overall aims of the organisation.

Restricted capital and endowment funds Funds given to the charity where the income may be used for the charity's purposes, but the capital must be retained.

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

Designated funds Barnardo's may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. Specifically, Barnardo's sets aside funds which represent the investment made in fixed assets for use by the charity. In addition, Barnardo's sets aside a base reserve to ensure that existing commitments to children, families and communities can be honoured.

Unrestricted funds Funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. In addition to expenditure on child care work, such funds may be held in order to finance capital investment and working capital.

The following should also be noted:

Subordinate charities Included in restricted and endowment funds are assets held on behalf of 10 trusts which are constituted as separately registered charities. These have purposes which are consistent with the objects of Barnardo's and are under common control. As such, their results have been included in the consolidated statements presented.

The SORP lays down that restricted income funds should be separately disclosed in the statement of financial activities. However, in the case of Barnardo's the value of such funds is not material. The disclosure is therefore made by way of note (Note 22).

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

2 Subsidiaries

Barnardo's owns the whole of the issued capital amounting to £20,000 (20,000 ordinary shares of £1 each) of Barnardo Holdings Limited which in turn owns the whole of the issued capital of the following principal subsidiaries:

Subsidiary Undertaking

Barnardo Developments Limited
Barnardo Events Limited (formerly Barnardo Marketing Ltd)
Barnardo Trading Limited
Barnardo Services Limited

Principal Activities

Property development
Sponsorship & special events
Mail order and retailing
Child Care services

All the companies covenant their taxable profits to the charity.

3 Trading subsidiaries' results

	Barnardo Trading Limited £000	Barnardo Developments Limited £000	Barnardo Events Limited £000	Barnardo Services Limited £000	Total 2001 £000	Total 2000 £000
Turnover	3,350	11,342	2,914	34,822	52,428	41,482
Cost of sales	(1,834)	(10,383)	(1,034)	(34,822)	(48,073)	(37,826)
Gross profit	1,516	959	1,880	-	4,355	3,656
Admin/other costs	(1,370)	(1,063)	(850)	(119)	(3,402)	(3,515)
Trading profit/(loss)	146	(104)	1,030	(119)	953	141
Other income	-	739	-	359	1,098	498
Net Income	146	635	1,030	240	2,051	639
Amount covenanted to Barnardo's	(146)	(635)	(1,030)	(240)	(2,051)	(639)
Retained profit for year	-	-	-	-	-	-
Retained profit brought forward	10	-	-	-	10	10
Retained profit carried forward	10	-	-	-	10	10

4 Fundraising income

	2001 £000	2000 £000
Legacies	22,087	21,036
Donations and gifts from the general public	22,538	18,427
Donations from companies and trusts	2,403	2,179
	47,028	41,642

5 Fees and grants for children's services

	2001 £000	2000 £000
Statutory authorities	55,394	50,004
Residential care allowances	560	556
Training agency	967	1,013
Department of Health	368	290
	57,289	51,863

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

	2001	2000
	£000	£000
6 Investment income and interest		
Listed investments United Kingdom	3,323	3,557
Listed investments Overseas	520	813
Short term deposits	192	131
Rents and ground rents	498	68
Loan and other interest	875	280
	<hr/> 5,408	<hr/> 4,849
	<hr/>	<hr/>
	2001	2000
	£000	£000
7 Other income		
Gain on disposal of tangible fixed assets	1,254	783
	<hr/> 1,254	<hr/> 783
	<hr/>	<hr/>
	2001	2000
	£000	£000
8 Grants Made		
Grants to other organisations	1,813	1,529
Grants to Young People	959	1,217
	<hr/> 2,772	<hr/> 2,746
	<hr/>	<hr/>

Grants made to other organisations include those made to related charities overseas. The majority of that was in relation to grants of £660,000 to Barnardo's Republic of Ireland (2000 - £622,000). Grants paid under the Right Fit initiative are also included in Grants to other organisations.

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

	2001	2,000
	£000	£000
9 Net outgoing resources		
is stated after charging:		
Depreciation of tangible fixed assets	7,482	10,140
Depreciation on adaptations for special purposes	472	873
Auditor's remuneration for audit work	49	47
Fees for taxation advice	3	9
Operating lease rentals	4,954	4,778
	-----	-----
10 Gains and losses on revaluation and on investment asset disposals		
Realised gains	5,617	11,317
Reduction in unrealised gains	(12,441)	(3,263)
	-----	-----
	(6,824)	8,054
	-----	-----
11 Employees	2001	2000
The average number of employees during the year was:	No.	No.
Children's services	3,948	3,745
Fundraisers, shop managers, clerical staff and fundraising management	1,115	1,264
Central support services (including employees performing work for other departments)	299	339
Subsidiary companies	43	70
	-----	-----
	5,405	5,418
	-----	-----
Number of part-time employees included above	2,749	2,817
	-----	-----
The aggregate emoluments paid to employees was:	£000	£000
Wages and salaries	73,920	67,730
Social security costs	4,886	4,512
Pension costs	1,239	6,355
Benefits in kind (as calculated for taxation purposes)	479	380
	-----	-----
	80,524	78,977
	-----	-----
Pension costs reflect the £5.5m credit taken to the pension prepayment described in Note 14.		
The number of staff whose emoluments fell within each of the following bands was:	2001	2000
£50,000 to £59,999	13	5
£60,000 to £69,999	4	4
£80,000 to £89,999	1	1

Emoluments for this purpose include gross salary and benefits in kind.

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

	2001	2000
	£000	£000
12 Legacies		
Legacies notified but not accrued	6,107	4,401

13 Members

Barnardo's is a company limited by guarantee having no share capital and in accordance with clause 7 of the Memorandum of Association every member is liable to contribute a sum of £1.05 in the event of the company being wound up. At 31 March 2001 there were 405 members (31 March 2000 - 464).

During the year no Council member received any remuneration. Where claimed, expenses for travel and subsistence were reimbursed. The total claimed during the year was £8,362 (2000 - £10,939). The number of Council members claiming expenses was 11 (2000: 13). Meeting costs totalled £3,851.

The charity purchased insurance for Council members and officers of the company during the year to indemnify them against possible liabilities incurred by them in relation to their duties. The cost of this insurance was £7,000.

14 Pension fund

The group operates a funded defined benefit scheme, the assets of which are held in a specific trust separately from those of the group. Contributions to the scheme are charged to the statement of financial activities so as to spread the cost evenly over employees' working lives with the group. The contributions are determined by a qualified actuary on the basis of actuarial valuations using the projected unit method. The actuary was not an officer or employee of the group.

The most recent available valuation, at 31st March 2000, showed that the market value of the scheme's assets (£225 million) represented 127% of the value of the benefits that had accrued to members, after allowing for expected future increases in earnings. The most significant actuarial assumptions were that the general level of salaries and pensions would increase at the rate of 4.77% pa and 2.77% pa respectively. The assumed valuation rate of interest is 6.89% pa. The cost to the employer of benefits accruing during the year on these assumptions is 12.2% of pensionable earnings (the regular cost). The accounting surplus has been spread as a level percentage of pensionable earnings over a period of nine years. This produces a variation to the regular cost of 10.0% of pensionable earnings, giving a net cost of 2.2% of pensionable earnings.

Therefore, allowing for the interest on the prepayment, the amount charged to the statement of financial activities for these pension costs is £1.2 million (2000 - £6.8 million). This comprises all payments made in accordance with the actuary's advice less a transfer to the prepayment representing the difference between the amounts recognised as cost and the amounts paid directly to the scheme. The reduction in the pension costs results from a change in the actuarial assumptions used.

The pension fund prepayment comprises:

	Group and Charity	
	2001	2000
	£000	£000
Balance at beginning of year	1,099	986
Notional interest	76	71
Employer's contributions paid less excess of regular cost over variation	5,549	(261)
Early retirement pension enhancement costs paid into the scheme	91	303
	6,815	1,099

Barnardo's contributions for the year to 31st March 2001 have been 12% of pensionable earnings and the contributions of employees were 6% of pensionable earnings.

A new benefit scale has been introduced for members joining the scheme from 1st April 2001. This is expected to reduce the pension cost as the proportion of members on the new scale increases.

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

15 Tangible assets

	Properties	Equipment & vehicles	Total
	£000	£000	£000
<i>(a) Group:</i>			
<i>Cost or valuation</i>			
At beginning of year	107,302	32,115	139,417
Additions	2,296	1,186	3,482
Disposals	(2,579)	(914)	(3,493)
At end of year	107,019	32,387	139,406
<i>Depreciation</i>			
At beginning of year	52,528	26,830	79,358
Provided during year	4,854	3,100	7,954
On disposals	(1,420)	(910)	(2,330)
At end of year	55,962	29,020	84,982
Net book value			
At beginning of year	54,774	5,285	60,059
At end of year	51,057	3,367	54,424

Included within Depreciation is an amount of £1.7m relating to the write down of a property to market value.

(b) Charity: net book value included above

At beginning of year	54,774	5,223	59,997
At end of year	51,057	3,322	54,379

	Group	
	2001	2000
	£000	£000
(c) Analysis of freehold and leasehold properties:		
Freeholds	43,152	46,156
Long leaseholds (over 50 years)	4,595	4,835
Short leaseholds (50 years and under)	3,310	3,783
	51,057	54,774

(d) Use of properties:

Barnardo's childcare work	28,081	30,176
Other, including shops, warehouses and administration	22,976	24,598
	51,057	54,774

	Group and Charity	
	2001	2000
	£000	£000
(e) Properties shown at valuation:		
Value included in balance sheet	7,647	7,647
Original cost/valuation on acquisition	7,303	7,303

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

		Group	
		2001	2000
		£000	£000
16 Investments			
Investments at market value		67,173	88,271
Investments of the charity include £20,000 in Subsidiary undertakings (Note 2)			
<i>Investments at market value:</i>			
At beginning of year		88,271	93,895
Additions		22,805	28,026
Disposals		(37,079)	(41,704)
Realised/unrealised (losses)/Gains		(6,824)	8,054
At end of year		67,173	88,271
<i>Being at market value:</i>			
Listed investments United Kingdom		53,983	69,877
Listed investments Overseas		12,966	17,887
Other		224	507
		67,173	88,271
Cost of Investments		50,526	59,137

There were no individual investments in excess of 5% of the total portfolio value.

17 Stocks and work in progress

Finished goods	766	1,056
Work in progress	4,029	5,430
	4,795	6,486

Work in progress represent building developments at the year end. No stocks or work in progress were held by the Charity.

	Group		Charity	
	2001	2000	2001	2000
	£000	£000	£000	£000
18 Debtors				
Pension fund prepayment	6,815	1,099	6,815	1,099
Local authorities	6,410	5,042	2,401	1,884
Car loans and other staff advances	888	1,085	888	1,085
Taxation	1,430	704	1,423	704
Other debtors	5,056	6,315	415	1,213
Prepayments and accrued income	1,203	4,116	1,148	4,080
Amounts due from subsidiaries	-	-	11,452	14,097
Trade debtors	179	230	-	-
	21,981	18,591	24,542	24,162

Amounts due from subsidiaries represent loans from the charity to Barnardo Trading Limited and Barnardo Developments Limited and a temporary current account balance owed by Barnardo Services Ltd. The loans are repayable on demand, and are secured by fixed and floating charges over the assets of the subsidiaries. Interest is chargeable at a rate of two per cent above base rate.

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

	Group		Charity	
	2001	2000	2001	2000
	£000	£000	£000	£000
19 Cash and bank balances and short-term deposits				
Cash at bank & in hand	6,753	7,209	5,967	6,917
Short-term deposits	10,560	1,150	10,560	1,150
	17,313	8,359	16,527	8,067

	Group		Charity	
	2001	2000	2001	2000
	£000	£000	£000	£000
20 Creditors - amounts falling due within one year				
Bank overdraft	65	2,484	-	2,328
Other taxes and social security costs	3,266	2,720	1,669	1,595
Other creditors	436	52	416	1,135
Accruals	2,878	2,031	2,817	2,021
Trade creditors	2,431	248	2,211	-
Deferred income	3,215	2,510	1,722	160
	12,291	10,045	8,835	7,239

21 Commitments

(a) Republic of Ireland

The Council has entered into a deed of guarantee with the Council of Barnardo's Republic of Ireland whereby financial support by way of grants covering a rolling four year period is assured. At 31 March 2001, this guarantee covers a total commitment estimated at £1.8 million (2000 - £1.9 million).

	Group		Charity	
	2001	2000	2001	2000
	£000	£000	£000	£000
(b) Other				
Capital expenditure contracted	557	2,459	557	458
Capital expenditure authorised but not contracted for	13,450	-	-	-
Operating leases	44,762	49,132	44,762	49,132

Capital expenditure authorised but not contracted for relates to two housing developments to be undertaken in conjunction with a joint venture partner by Barnardo Developments, a wholly owned subsidiary of Barnardos.

Year Ended 31 March 2001

All endowment funds are permanent endowments.

Barnardo's
Notes to the Accounts

Year Ended 31 March 2001

22 (c) Categorisation of restricted & endowment funds	2001	2000
	£000	£000
Fund balances		
- Educational purposes	2,081	2,308
- Project buildings	284	284
- Sea training	339	376
- Community life (National Lottery)	28	28
- General & other purposes	28,302	29,950
	<hr/> 31,034	<hr/> 32,946

	2001	2000
	No.	No.
Number of funds		
- Educational purposes	1	1
- Project buildings	2	2
- Sea training	1	1
- Residential	-	-
- Community life (National Lottery)	1	1
- General & other purposes	19	21
- Endowment	1	1
	<hr/> 25	<hr/> 27

	Unrestricted	Restricted & endowments	Total
	£000	£000	£000
(d) Analysis of fund balances between group net assets			
Fixed assets	54,250	174	54,424
Investments	42,289	24,884	67,173
Net current assets	25,822	5,976	31,798
	<hr/> 122,361	<hr/> 31,034	<hr/> 153,395
Net assets as at 31 March 2001			
	<hr/> 138,774	<hr/> 32,946	<hr/> 171,720
Net assets as at 31 March 2000			
	<hr/> 10,349	<hr/> 6,298	<hr/> 16,647

23 Related parties

The trustees confirm that there have been no related party transactions during the year which require disclosure under FRS 8 ("Related Party Transactions").

COUNCIL AND OFFICERS

REGISTERED OFFICE

Tanners Lane, Barkingside, Ilford, Essex IG6 1QG
Telephone 020 8550 8822 Fax 020 8551 6870
Reg No 61625 England
Charities Reg No 216250

PATRONS

Her Majesty The Queen
Her Majesty Queen Elizabeth The Queen Mother

PRESIDENT

Cherie Booth, QC

VICE PRESIDENTS

The Archbishop of Canterbury
The Archbishop of York
The Archbishop of Wales
The Archbishop of Armagh and Primate of all Ireland
The Primus of The Episcopal Church in Scotland
The President of The Baptist Union of Great Britain
The President of The Methodist Conference
The Moderator of The General Assembly of the United Reformed Church
The Moderator of The Free Churches Group
The Moderator of The General Assembly of the Church of Scotland
The Moderator of the General Assembly of the Presbyterian Church in Ireland
The General, The Salvation Army
The Lord Mayor of the City of London
Sir Ian Scott, KCMG, KCVO, CIE
The Duke of Devonshire PC, MC
Mr W Emrys Evans, CBE
Mrs S E Bernerd
Sir Clive Martin, OBE, TD
Mr T R Lawson, CBE
Dame Gillian Wagner, DBE
Mr B Oldfield, OBE
Mr L Thomas
Rt Rev C Budd, Bishop of the Roman Catholic Diocese of Plymouth
Mrs T A Baring, CBE

MEMBERS OF COUNCIL

Mrs S E Bagot (1988) (retired November 2000)
Dr D E Barnardo (1981)
Mr G G F Barnett, OBE (2001)
Mr W Fletcher (2000)
The Rev David Gamble (1984)
Dr J F T Glasgow (1987)
Mr P B Hardy (1993)
Mr R E Jones (1999)
Ms R I Jones (1987)



COUNCIL AND OFFICERS

Ms H Keenlyside (2001)
Lady Mackay (1984)
Mrs F E Middleton (1993)
Mrs K Randhawa (2001)
Ms M Semple (1997) (resigned November 2000)
Mr J M Shera (1997)
Mr A K Stewart-Roberts (1990)
Mr R Swanston (1989)
Mrs D M Symon (1995)
Mr G Whitehead (1993)

CHAIR OF COUNCIL

Rev David Gamble

DEPUTY CHAIR OF COUNCIL

Dr David E Barnardo

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