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# Barnardo's

Registered Charity 216250 and ~~SC037605~~

## Annual Report and Accounts 2012

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## **BARNARDO'S**

### **YEAR ENDED 31 MARCH 2012**

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**Barnardo's**  
**Year Ended 31 March 2012**

**Chair's introduction** In my first report as Chair of the Board of Trustees, I'm pleased to report on a number of significant achievements during 2011-12.

We have had a good year despite the challenging economic climate and cuts to public expenditure; our income level has been sustained and, thanks to prudent management of our expenditure we have generated a modest surplus. This is a significant achievement and imperative to helping us continue our vital work.


Raising funds from the public to support our work is more important than ever. Our fundraising staff and volunteers have done us proud, raising £32.5 million net income, ahead of our expectations. Donations and gifts from the public and from companies and trusts increased by 11 per cent in 2011-12. Barnardo's stores were also extremely successful, generating a profit of £9.6 million. With a strong business model in place, we plan to continue growing the chain.

The emotive *Life Story* advertising campaign in particular encouraged the public to donate to us and join us to fight for a child's future. We have spoken up for vulnerable children and fought their corner throughout the year. Notably we have secured a national action plan from the Government to tackle child sexual exploitation and more than 100 local authorities have signed up to our *Cut them free* campaign.

Like many other third sector organisations, we have been affected by cuts to local authority budgets for children's services. We received £6 million less in fees and grants from statutory sources this year compared to last. However, while we have stopped or reduced some services, we have expanded other areas of work. Commissioners have continued to value our approach to working with vulnerable children and young people, awarding us new opportunities to support young people who are/have been sexually exploited and those not in education, employment or training.

Overall, despite the continuing economic downturn, we are in a very good position to maintain our position as the UK's leading children's charity. To ensure we're fit for purpose and best equipped to meet the needs of the most vulnerable children, the organisation is embarking on a programme which will focus all our efforts on hearing children and young people's voices and responding to their cries for help. We will offer dedicated support to keep them safe, well, educated and employed and ensure we continue to meet the needs of those children and young people who are most ignored.

I want to take this opportunity to thank Anne Marie Carrie for her stewardship of the organisation. Her passion for speaking out on behalf of some of the UK's most disadvantaged children is self evident. My thanks also go to our staff, volunteers and supporters for their tremendous efforts in transforming the lives of vulnerable children.



Hilary Keenlyside  
Chair of the Board of Trustees

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**Report of the Board of Trustees**

**At Barnardo's, we believe in children: no matter who they are, what they have done or what they have been through. We believe in the vulnerable, the abused and the forgotten. We will support them, stand up for them and bring out the best in each and every child.**

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 UK's most vulnerable children and young people transform their lives and fulfil their potential.

Barnardo's has been changing children's lives since 1866 when our founder, Dr Thomas Barnardo, began our charitable work. Today, as the largest children's charity in the UK, Barnardo's provides more than 800 diverse and vital services ranging from support and counselling to fostering, adoption and training services for more than 200,000 children, young people and their families. These services, also known as projects, are based in local communities across the UK.

As well as providing services that support and empower children in the long term, Barnardo's campaigns for changes to government policy that will improve children's lives. Our campaigns draw on Barnardo's research and our experiences working with the UK's most vulnerable children.

To fund our work, Barnardo's relies upon voluntary donations from the public, companies and trusts, together with the fees and grants we raise for the provision of services to local authorities and other funding partners. Barnardo's also depends on more than 15,000 volunteers who support our work.

**Objectives and achievements in 2011-12**

2011-12 was the second year of a three-year business plan that sets out our strategic direction through to March 2013. The plan focuses on the two areas where Barnardo's is able to make the greatest impact on the lives of vulnerable and disadvantaged children and young people. direct service provision and being an effective advocate for change. Ten objectives were set, against which we have measured performance at the end of the second year of the plan. The objectives and results are as follows:

**1. Improve the reach of services to children and young people who are the most disadvantaged in years two and three of the business plan by at least five per cent in each year.**

Measuring the reach of our services ensures that we focus our finite resources on delivering services to children and young people who may, as a result of disadvantage, otherwise not benefit from Barnardo's support. Targets have been set for each service to ensure they focus attention on the most disadvantaged, relevant to their particular service area.

**2. Grow our direct work with children, as measured by our spend on Children's Services, by 15 per cent over the three years of the business plan.**

Charitable expenditure on service provision increased from £176.5m in 2009-10 to £180.5m in 2011-12, an increase of 2.3 per cent. There was a reduction in charitable expenditure in 2011-12 due to recent cuts in public sector funding. While this means we have stopped or reduced some services, we have expanded other areas of work in the last year. This includes helping unemployed and disadvantaged young people prepare for, and find, sustainable employment, working with the Department for Education and

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two other charities to improve outcomes for families and working with local authorities to improve their adoption processes. We have also secured a number of contracts for 2012-13, which means our target of 15 per cent growth by 2012-13 may still be achieved

**3. By April 2012, to have an outcomes assessment in place for 80 per cent of current service users (rising to 90 per cent by April 2013) and to improve outcomes for 80 per cent of those service users by March 2013.**

80 per cent of the children and young people we work with had an outcomes assessment in place by April 2012. Of these, 69 per cent of interventions had resulted in an improved outcome.

**4. Over the period of the business plan, achieve a total of at least 20 significant changes in legislation or government policy (across the four UK nations) as a result of our influencing work.**

Seven significant changes to legislation or government policy have been achieved in the second year of our business plan as a result of Barnardo's intervention, bringing our total for the first two years to 18. Successes this year include:

- Policy changes as a result of *Cut them free* and our associated lobbying campaign. In England, a national government action plan to tackle child sexual exploitation (CSE) was officially launched in November 2011. The Scottish Government committed to fund research into CSE, produce toolkit material and update the Scottish National Child Protection Guidance to give more information on CSE
- An extension of childcare support for parents who work fewer than 16 hours per week and an announcement of £30m discretionary funding for foster carers and families with disabled children to mitigate new under-occupancy rules. This was achieved through our lobbying on the Welfare Reform Bill.
- The creation of an all-Wales protocol on sexually harmful behaviour, drafted by Barnardo's on behalf of the all-Wales Child Protection Procedures Group

**5. In each year of the plan, and taking the National Council for Voluntary Organisations' (NCVO) annual survey of charitable giving as a baseline, fundraising income will beat the UK charity average by three, then four and finally five percentage points.**

Donations and gifts from the general public, companies and trusts increased by 11 per cent in 2011-12. The NCVO report is published too late to include the comparison in this Annual Report so we will change the measure in subsequent reports. The Charity Commission reports that the annual total income (all income and not just donations) of charities with income of £10m per annum or more, increased by 5.5 per cent

**6. Increase the number of individuals from whom we have pledges to leave us a gift in their will by 20 per cent year on year.**

The number of notified pledges has increased by 21 per cent in the last year.

**7. Deliver a significant year-on-year growth in net income from Retail and Trading, in line with the budget set for each year of the plan.**

Retail and Trading has had another successful year, with net income of £9.6m. This is ahead of the budget and an increase of 38 per cent from 2010-11.

**Barnardo's**  
**Year Ended 31 March 2012**

**8. Increase our sustained spontaneous awareness among our core audience throughout the life of the plan.**

Spontaneous awareness – the unprompted recognition of Barnardo's name and brand – has increased to 20 per cent in March 2012, an increase from 15 per cent last year.

**9. Launch revised Learning and Development programmes in five key areas and succeed in having 80 per cent of the target staff group complete the training by April 2013.**

We have now launched four out of five programmes. The number of staff completing the training is increasing towards the target.

**10. Reduce expenditure on overheads as a proportion of total expenditure by four per cent by April 2013.**

The percentage of expenditure spent on overheads was reduced by over four per cent by March 2012. We have therefore achieved this objective a year ahead of plan.

**Plans for 2012-2013**

2012/13 is the third and final year of our current business plan. Our ambition for the next year is to help as many families and children as possible to overcome disadvantage, while remaining alert to the prospect of increased pressure on our costs. The priority remains to extend the reach of our work so we can achieve all we can for those who need us the most. To achieve this vision we have set ten measures for 2012-13 against which our success will be judged. They are as follows:

1. Improve the reach of services to children and young people who are the most disadvantaged, measured by the number of service reach targets that are fully or partially met.
2. Grow our direct work with children, as measured by our spend on service provision, by 15 per cent over the three years of the business plan.
3. By April 2013, have an outcomes assessment in place for 90 per cent of current service users and to improve outcomes for 80 per cent of those service users
4. Over the three years of the business plan achieve a total of at least 20 significant changes in legislation or government policy (across the four UK nations) as a result of our influencing work.
5. In each year of the plan, increase net fundraising income from the general public, companies and trusts, in line with the budget set for the year.
6. Increase the number of individuals from whom we have pledges to leave us a gift in their Will by 20 per cent year on year.
7. Deliver a significant year-on-year growth in net income from Retail and Trading, in line with the budget set for the year.
8. Increase our sustained spontaneous awareness among our core audience throughout the three years of the business plan.
9. Launch revised Learning and Development programmes in five key areas and succeed in having 80 per cent of the target staff group complete the training by April 2013.
10. Maintain the four per cent reduction in expenditure on overheads as a proportion of total expenditure.

**Public benefit**

In setting plans and priorities for areas of work, the Trustees of Barnardo's have followed the guidance from the Charity Commission on the provision of public benefit. In particular, the Trustees consider how planned activities will contribute to meeting the objectives they have set. We have demonstrated how Barnardo's delivers its principal charitable objective, to promote the care, safety and upbringing of children and young people, in the above

## **Barnardo's**

### **Year Ended 31 March 2012**

summary of Barnardo's objectives and achievements during 2011-12. More specific examples of activities are set out in the *Annual Review 2012*, which complements this report.

The Trustees consider that, by providing services that support and empower children in the long term and by campaigning for changes to government policy that will improve children's lives, Barnardo's helps some of the most vulnerable children and young people to reach their full potential to the benefit of society as a whole as well as to the benefit of the beneficiaries themselves.

## **Finance**

### **Results for 2011-12**

The Statement of Financial Activities on Page 14 shows that Barnardo's income less charitable expenditure showed a surplus of £4.6m compared with a £2.3m deficit last year.

Income after deducting the direct costs of generating income was 1% down at £199m compared with £201m in 2010-11. As the statement on page 14 shows, in 2011-12, we received £6m less income from local authorities as they passed on reductions in their own funding. Meanwhile our voluntary income remained the same as last year with a £3m reduction in legacies being balanced by an 11% increase in donations from individuals, trusts and companies. The positive news is that we made up most of the local authority reduction with a £4m increase in our net income from Barnardo's shops and property income.

Turning to expenditure, Barnardo's managed its cost base down from £204m last year to £194m in 2011-12 reflecting the lower income from local authorities. It was this strict cost control combined with our strong income performance that led to the operating surplus of £4.6m compared with the £2.3m deficit in 2010-11.

The Statement of Financial Activities goes on to show any change in the value of our investments and any movement in the long-term valuation of the Barnardo's pension fund. In the year to 31 March 2012, the value of our investments decreased by £1.5m and the deficit in the Barnardo's pension fund increased from £73.4m to £83.9m, with an actuarial loss of £16.1m, offset by £5.6m of contributions towards the deficit. This increase in the deficit reflects a general deterioration in pension scheme funding across the UK. The Board of Trustees and the Trustees of the Pension Fund have agreed a plan to eliminate the deficit over time.

### **General reserve and risk management strategy**

Barnardo's maintains a level of financial reserves in order to meet potential losses that might arise from its charitable activities, investments, trading and other activities. The objective is that Barnardo's would be able to carry on its work, even if faced with a combination of difficult circumstances, and have the time to adjust its strategy to meet these changing circumstances. At the same time, the Trustees want to maximise the resources used for charitable purposes and therefore aim to ensure that reserves are no higher than necessary. Reserves are represented by the fund balances in the Balance Sheet on page 15.

The Trustees assess the risks to which Barnardo's could be exposed and the appropriate level of reserves that we should maintain. The current assessment of the target range of free reserves — funds that are freely available to be used for our general charitable purposes — is £37-50m. The actual level of reserves is regularly reviewed and, if the level

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looked likely to move significantly outside the target range, we would take actions to bring reserves back in line with the target

The Balance Sheet shows unrestricted reserves — reserves that do not carry any restrictions on how they can be used — of £73.1m (2011: £75.5m) excluding the pension liability. In assessing free reserves, the fixed asset fund of £35.2m (2011: £37.4m) is excluded because this cannot quickly be realised. The pension deficit of £83.9m (2011: £73.4m) is also excluded as this is a long term liability. After deducting the fixed assets fund and pension deficit, there remain unrestricted funds of £37.9m (2011: £38.1m).

Further funds of £26.9m (2011: £27.4m) are held in restricted and endowment funds, only the income from which is available to fund our work.

**Overall financial health**

Throughout 2011-12 and looking ahead, Barnardo's has successfully secured new income to support its charitable activities and deliver its plans. The current economic and public sector funding situation is expected to remain volatile for some time to come and so the Trustees have developed contingency plans to minimise the effect on our charitable activities should income be adversely affected.

**Investments**

Barnardo's investments are held in a combination of investment funds managed by BlackRock, an independent asset management company, and comprise equities, fixed-income securities and cash. The equities fund does not invest in companies whose products are associated with tobacco or the arms industry. In the year to 31 March 2012 our unrestricted investments delivered a return of 0.6 per cent. Performance is measured against relevant market indices and over the same period performance was 2.5 per cent worse than the benchmark. Performance has averaged 0.4 per cent per annum better than the benchmark over the last five years.

**Commercial activities**

The financial activities of Barnardo's subsidiary companies are summarised in Note 3 to the accounts. In total, net income generated by the subsidiaries was £1.7m (2011: £1.6m), with all of the subsidiaries contributing to the surplus. The net income from each subsidiary is gift aided to Barnardo's.

Barnardo Trading Limited generated a profit of £742,000 (2011: £622,000) from its mail order, publishing and retail activities. Barnardo's retail and trading activities (including the sale of donated goods in Barnardo's shops, which is accounted for as part of the charity's activities) produced, in total, a profit of £9.6m (2011: £7.0m).

Barnardo Developments Limited's principal activity is the development and sale of properties that are surplus to Barnardo's operational requirements. During the year sales have continued to be subdued due to the slow property market and a profit of £107,000 (2011: £6,000) was generated. During the year, land worth £5.8m, and at historical cost of £1.9m, was transferred from Barnardo's fixed assets to work in progress within Barnardo Developments Limited and will be redeveloped over the next three years as part of the regeneration of the Barkingside estate.

Barnardo Events Limited raises sponsorship and runs special events to generate funds for Barnardo's, with much of the income included in the charity's accounts. The company generated a profit of £314,000 (2011: £407,000).



## **Barnardo's** **Year Ended 31 March 2012**

Barnardo Services Limited provides a range of services for children and young people in conjunction with local authorities, health authorities and similar bodies. The company generated a profit of £496,000 (2011: £564,000).

### **Accounts**

The Trustees confirm that the accompanying accounts comply with statutory requirements, the requirements of the Articles of Association and the requirements of the Statement of Recommended Practice on Accounting and Reporting by Charities (SORP 2005). The Trustees consider that Barnardo's has adequate resources to continue in business for the foreseeable future and that, for this reason, it should continue to adopt the going concern basis in preparing the accounts.

### **Structure, governance and management**

Barnardo's is a company limited by guarantee (registered in England, company number 61625). It operates throughout the UK and is a charity registered in England and Wales (Charity Commission registration number 216250) and in Scotland (Office of the Scottish Charity Regulator registration number SC037605). It is governed by its Articles of Association, which were reviewed during the period covered by this report; proposed revisions were consulted upon and approved by the Members of Association in the general meeting on 21 July 2011. The revised Articles of Association set out the charitable purposes for the public benefit in the following terms:

- (i) To promote the care, safety and upbringing of children and young people by:
  - a) supporting and assisting those in need, their families and carers;
  - b) promoting their health, and
  - c) advancing their education.
- (ii) The relief of those in need by reason of age, ill-health, disability, financial hardship or other disadvantage.

The Board of Trustees, who are elected by the Members of Association at the Annual General Meeting, are the charity's trustees and the legal directors of the company. Members of the Board of Trustees serve for a three-year term, after which they are eligible for re-election. New trustees are selected through an open recruitment process, which may include advertising in the national press and online and a targeted recruitment search. New appointees and existing trustees are provided with an induction programme and a range of other training opportunities to help them meet their responsibilities. The Board meets every two months. The balance of trustees is kept under review with regard to its diversity and geographical spread, and places particular emphasis on appointing individuals who can fill identified skills gaps.

The Board has a written schedule of matters reserved for decision by the whole Board, which include the formulation and implementation of strategy; overseeing the implementation of the strategy through annual operating plans and budgets, monitoring progress and accepting ultimate responsibility for the professional, legal and financial management of the charity. Matters not reserved for decision by the Board are delegated either to one of the Board Committees or to the Chief Executive.

The Board Committees are as follows:

- The **Audit and Risk Committee** independently reviews the effectiveness of Barnardo's internal control and risk management systems and the content of the *Annual Report and Accounts* and supporting materials before submission to the full Board. It also considers matters of corporate governance and any significant issues

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**Year Ended 31 March 2012**

arising in respect of either internal or external audit or inspection arrangements.

- The **Family Placement Scrutiny Committee** is responsible for adoption and family placement work within Barnardo's. It considers reports, proposals and recommendations prior to submission to the Board. It also ensures that the adoption agency and family placement work operate in accordance with the law and organisational policy
- The **Investment Committee** assists the Board in safeguarding the charity's assets and determining investment policy, including the charity's stance on ethical investment. It appoints and receives reports from the charity's investment managers, who manage the portfolio on a discretionary basis. It also approves loan arrangements for subsidiary companies and ensures an appropriate return on capital invested in non-operational properties.
- The **Nominations Committee** reviews the make-up of the Board of Trustees and recommends action to address identified requirements. It may appoint the panel of trustees that handles trustee recruitment, has oversight of Membership of Association and may appoint national committee members.
- The **Remuneration Committee** determines the remuneration of the Chief Executive and members of the Corporate Management Team (the senior executives who report to the Chief Executive) on an annual basis. Their remuneration does not include any share options or long-term incentive scheme. The period of notice for termination of contracts of employment is six months for the Chief Executive and between 12 to 16 weeks for the members of the Corporate Management Team. The pension provisions for the Chief Executive and the members of the Corporate Management Team are on the same terms as other employees.
- **Three national committees** in Scotland, Northern Ireland and Wales that comprise one or two trustees plus other individuals with local knowledge and experience. Barnardo's remains a single UK charity, but these committees are responsible, within the framework set by the Board, for overseeing the development of services, the raising of income and Barnardo's influencing work in their respective nations.

Barnardo's abides by the Code of Good Governance, which sets out the principles of board leadership for the voluntary and community sectors.

### **President**

Her Royal Highness The Duchess of Cornwall is the President of Barnardo's and we are delighted that she recently extended her presidency until October 2017. She is an active supporter of Barnardo's, visiting services and retail shops across the UK. During the past year she also hosted a reception at Clarence House for our supporters and attended the launch of our *Cut them free* campaign to raise awareness of child sexual exploitation. In addition she has acknowledged the exceptional efforts made by staff, volunteers and supporters by way of a President's Certificate.

### **Board of Trustees**

A list of Trustees is on page 36.

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**Year Ended 31 March 2012**

**Management**

Barnardo's activities extend across all four UK nations. England, Scotland, Northern Ireland and Wales. England is managed from seven offices based in Birmingham, Bristol, Crawley, Leeds, Liverpool, London and Newcastle. Responsibility for operational activities is allocated to four departments: Children's Services, Strategy, Marketing and Corporate Services.

Barnardo's has three sister charities: Barnardos Republic of Ireland, Barnardos Australia and Barnardos New Zealand. Each is a locally registered organisation with its own governing body and raises money for use in its home country. They use the Barnardo's name under licence from Barnardo's in the UK. Their financial activities are not included in the accompanying accounts as they are wholly independent of Barnardo's in the UK.

There were no transactions with related parties during the year other than contributions made to the Barnardo's pension scheme, which are separately disclosed in the notes to the accounts.

**Internal control and risk management**

Barnardo's Board of Trustees has responsibility for ensuring the organisation has an appropriate system of financial and non-financial controls 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; financial and operational information used within the charity or for publication is reliable and Barnardo's complies with relevant laws and regulations.

The Audit and Risk Committee examines the effectiveness of the systems of internal operational and financial control annually and confirms the operating effectiveness of those systems to the Board. The key components of Barnardo's internal control and risk management environment include the following:

- A documented framework of delegated authority with procedures for reporting decisions.
- An approved business plan and annual budget against which progress is reported on a regular basis, including monthly financial reporting of actual results compared with budgets and forecasts.
- An inspection and audit regime, involving both Barnardo's Corporate Audit and Inspection Unit and third-party inspectors and auditors, which subjects critical business systems and policy areas of Barnardo's operations to regular review, the results of which are reported to management and to the Audit and Risk Committee.
- Policies on whistle-blowing and reporting in relation to child protection, health and safety and complaints to ensure compliance with statutory requirements.
- Formal consideration by the Board of an annual governance statement in which the effectiveness of the charity's financial and operational internal controls have been satisfactorily reviewed against objective and independent evidence. This process complies with the Charity Commission's recommended practice.

A formal risk management process is in operation across the charity, culminating in a corporate risk register where trustees and senior managers jointly identify top-level business risks, their likelihood and impact and the consequent actions necessary to manage those risks. This process follows good practice methods and guidance. The top corporate risks identified for the year ended 31 March 2012 were the potential impact of a serious safeguarding incident; the generation of voluntary funds through fundraising being insufficient to meet the charity's needs and objectives; services are not competitive enough

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to meet the needs of public sector commissioners and potential commissioners and the pension recovery plan not being achieved.

Prices are agreed in advance with customers and suppliers minimising the price risk to Barnardo's. Credit risk on amounts owed by donors and funders is low and activities are UK based so exchange risk is negligible. In terms of liquidity risk, policies on the management of investments and reserves are set out above.

Trustees and senior management periodically review these risks throughout the year and are satisfied that appropriate actions are being taken against them to ensure the risks are appropriately mitigated.

**Auditors**

In accordance with Section 487 of the Companies Act 2006, BDO LLP will be deemed to be re-appointed as auditors at the Annual General Meeting.

**Equal opportunities**

Barnardo's is committed to providing equality of opportunity for the children, young people, families and carers with whom it works. 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 the ability to meet the requirements of the post. This is irrespective of age, disability, gender, gender reassignment, marriage, civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation, irrelevant offending background, responsibility for dependants, economic status or political values.

*Enacting our vision*, a three-year race equality strategy, concluded in May 2011 and the final evaluation report *The Legacy* highlighted the successes, challenges and lessons for the organisation. Among the successes was the increase in the proportion of black and minority ethnic staff in senior posts, which rose from six per cent to 11 per cent. To continue the work done so far we have created a new post to ensure equality and diversity is integral to all our work.

Where an employee is known to be or makes us aware that they are disabled, reasonable adjustments are made to enable them to do their job and receive appropriate training. All candidates who tell us they are disabled and who meet the essential criteria for a job are guaranteed an interview.

**Communicating with staff and volunteers**

Barnardo's has well-established arrangements for consulting and involving staff in its work, plans for the future, financial performance and achievement of performance measures. Measures include use of the organisation wide intranet, newsletters, weekly notices and the cascade of information via line managers. Feedback is provided and questions raised with the Chief Executive and senior staff through regular face to face, online and telephone question and answer sessions. There are many other formal and informal opportunities for consultation.

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**Year Ended 31 March 2012**

**Environment**

Barnardo's continues in its efforts to reduce its overall impact on the environment and reduce its carbon emissions through the following initiatives:

1. purchasing 'green' electricity produced from renewable energy sources for all our UK premises, resulting in lower carbon emissions and less damaging impact on the climate
2. replacing more than 80 per cent of our diesel vehicles with low-emission models, a programme that we expect to complete within the next year
3. continuing to regularly promote the 'Big Switch-off' campaign, encouraging all staff to participate and helping Barnardo's to reduce its total energy consumption by five per cent each year
4. recycling unsold and damaged donations for retail shops, including textiles, shoes, plastics, DVDs, CDs, books, cardboard, metal and electrical items. Additionally, we recycle old mobile phones and printer cartridges, both those received from the public and those used by Barnardo's
5. promoting video conferencing, which has been used more than 1,100 times during the year - more than double the previous year - saving an estimated 500,000 business miles

**Acknowledgements**

The Trustees wish to record their appreciation of the generosity of the many friends and supporters of Barnardo's by thanking them for their donations and bequests. The Trustees also acknowledge with gratitude the thousands of volunteers who give their time so unstintingly.

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. Particular gifts and grants are acknowledged in accordance with their terms on pages 32 to 35.



By Order of the Board of Trustees  
Hilary Keenlyside  
Chair of the Board of Trustees

18 July 2012

## **Statement of responsibilities of the Trustees of Barnardo's in respect of the Report of the Board of Trustees and the Financial Statements**

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees 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 incoming resources and application of resources of the charity for that period. In preparing these 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 have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

The Trustees confirm that, so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. They have taken all the 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.

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF BARNARDO'S

We have audited the financial statements of Barnardo's for the year ended 31 March 2012 which comprise the Consolidated Statement of Financial Activities (including the Consolidated Summary Income and Expenditure Account), the Consolidated and Parent Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. 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 and members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's trustees and members those matters we are required to state to them in an auditor's 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 charity and the charity's trustees and members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 12), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2012 and of the group's 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

 11P

Donald Bawtree, Senior Statutory Auditor  
for and on behalf of BDO LLP, Statutory Auditor  
Gatwick  
United Kingdom

Date  23 July 2012

BDO LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.  
BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Barnardo's**  
**Consolidated Statement of Financial Activities**  
**Year Ended 31 March 2012**

	Note	Unrestricted Funds £000	Restricted & endowment funds £000	Total 2012 £000	Total 2011 £000
<b>Incoming resources</b>					
Incoming resources from charitable activities					
- Fees and grants for service provision	4	149,126	1,607	150,733	156,738
Voluntary income	5	39,944	3,441	43,385	43,541
Less Costs of generating voluntary income		(10,291)	(690)	(10,981)	(11,022)
<b>Net voluntary income</b>		<b>29,653</b>	<b>2,751</b>	<b>32,404</b>	<b>32,519</b>
Activities for generating funds					
Trading income		44,280		44,280	38,952
Less Costs of goods sold and other costs	6	(34,641)		(34,641)	(31,973)
<b>Net income from trading</b>		<b>9,639</b>	<b>-</b>	<b>9,639</b>	<b>6,979</b>
Income from development and sale of properties	7	3,037		3,037	1,742
Less Costs of developing and selling properties		(364)		(364)	(306)
<b>Net income from developing and selling properties</b>		<b>2,672</b>	<b>-</b>	<b>2,672</b>	<b>1,436</b>
Investment and other income	8	2,680	1,068	3,748	4,011
Less Investment management costs		(73)	(62)	(135)	(245)
<b>Net investments and other income</b>		<b>2,607</b>	<b>1,006</b>	<b>3,612</b>	<b>3,766</b>
<b>Net incoming resources available for charitable expenditure</b>		<b>193,697</b>	<b>5,364</b>	<b>199,061</b>	<b>201,438</b>
<b>Charitable expenditure</b>					
Charitable Activities					
Service provision	6	175,157	5,324	180,481	190,038
Informing the public about our work		9,157	-	9,157	8,770
Childcare research and education		1,846	-	1,846	1,907
Governance costs		1,484	-	1,484	1,869
Pensions finance charge	11	1,500	-	1,500	1,200
<b>Total charitable expenditure</b>		<b>189,144</b>	<b>5,324</b>	<b>194,468</b>	<b>203,784</b>
<b>Net incoming/(outgoing) resources</b>	12	<b>4,553</b>	<b>40</b>	<b>4,593</b>	<b>(2,346)</b>
Transfer of assets and liabilities of Bow Childcare to Barnardo's				-	(81)
(Losses)/gains on revaluation and on investment asset disposals	13	(1,311)	(529)	(1,840)	2,050
Actuarial (loss)/gain recognised in the pension scheme	11	(16,100)	-	(16,100)	1,400
<b>Net movement in funds</b>		<b>(12,858)</b>	<b>(489)</b>	<b>(13,347)</b>	<b>1,023</b>
<b>Fund balances brought forward</b>		<b>2,098</b>	<b>27,412</b>	<b>29,510</b>	<b>28,487</b>
<b>Fund balances carried forward</b>	21	<b>(10,760)</b>	<b>26,923</b>	<b>16,163</b>	<b>29,510</b>
<b>Note:</b>					
Total incoming resources		239,066	6,116	245,182	244,984
Total resources expended		234,513	6,076	240,589	247,330
<b>Net incoming/(outgoing) resources</b>		<b>4,553</b>	<b>40</b>	<b>4,593</b>	<b>(2,346)</b>
Total cost of generating funds (including fundraising, trading and property development)		45,370	752	46,122	43,546

All of the above results relate to continuing activities. The notes on pages 17 to 31 form part of these financial statements.



**Barnardo's  
Balance Sheet  
Year Ended 31 March 2012**

	Note	Group		Charity	
		2012	2011	2012	2011
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	14	35,391	37,529	35,391	37,529
Investments	15	60,342	61,813	60,362	61,833
		95,733	99,342	95,753	99,362
<b>Current assets</b>					
Stocks and work in progress	16	2,769	741	-	-
Debtors	17	27,985	24,705	27,318	22,750
Cash and bank balances and short-term deposits	18	5,989	10,026	5,843	9,657
		36,743	35,472	33,161	32,407
<b>Creditors: Amounts falling due within one year</b>	19	(32,413)	(31,904)	(24,330)	(27,731)
<b>Net current assets</b>		4,330	3,568	8,831	4,676
<b>Net assets excluding pension liability</b>		100,063	102,910	104,584	104,038
Pension liability	11	(83,900)	(73,400)	(83,900)	(73,400)
<b>Net assets including pension liability</b>		16,163	29,510	20,684	30,638
<b>Fund balances</b>					
Restricted and endowment funds	21(a)&(b)	26,923	27,412	26,923	27,412
Fixed assets fund	21(c)	35,217	37,357	35,217	37,356
General reserve		33,593	34,573	33,613	34,594
Working capital fund		4,330	3,568	8,831	4,676
Unrestricted funds excluding pension liability		73,140	75,498	77,661	76,626
<b>Total funds excluding pension reserve</b>		100,063	102,910	104,584	104,038
Pension reserve	11	(83,900)	(73,400)	(83,900)	(73,400)
<b>Total funds</b>	21(c)	16,163	29,510	20,684	30,638



**Hilary Keenlyside**  
Chair of Board of Trustees  
18th July 2012

**Ian Marshall**  
Honorary Treasurer

The notes on pages 17 to 31 form part of these financial statements

Company Number 61625

**Barnardo's**  
**Cash Flow Statement/Summary Income and expenditure account**  
**Year Ended 31 March 2012**

**Cash flow statement**

	Note	2012 £000	2011 £000
<b>Net cash outflow from operating activities</b>	22(a)	(7,996)	(12,143)
<b>Returns on investments and servicing of finance</b>			
Investment income and interest	8	3,553	3,840
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets	14	(4,547)	(4,827)
Purchase of investments	15	(11,864)	(2,269)
Sale of tangible fixed assets		5,322	1,896
Sale of investments	15	11,495	11,694
		----- 406	----- 6,494
<b>Acquisitions and Disposals</b>			
Cash acquired as part of transfer from Bow Childcare		-	270
<b>Cash outflow before use of liquid resources</b>		(4,037)	(1,539)
<b>Management of liquid resources</b>			
Net cash withdrawn/(put on deposit)		3,324	(890)
<b>Decrease in cash in the year</b>		----- (713)	----- (2,429)

**Summary Income and Expenditure Account**

The summary income and expenditure account is presented in order to ensure compliance with the Companies Act 2006. 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.

	Note	2012 £000	2011 £000
<b>Gross income</b>			
Gross income of continuing operations		185,532	178,855
Income of non-charitable trading subsidiaries	3	58,644	65,047
		----- 244,176	----- 243,902
<b>Gross expenditure</b>			
Total expenditure of continuing operations		182,589	183,373
Expenditure of non-charitable trading subsidiaries	3	56,985	63,448
		----- 239,574	----- 246,821
<b>Net income/(expenditure) for the year before transfers and investment asset disposals</b>		4,602	(2,919)
<b>Realised gain on disposal of investment assets</b>	13	249	136
<b>Net income/(expenditure) for the year</b>		----- 4,851	----- (2,783)
<b>Reconciliation to statement of financial activities:</b>			
Net income/(expenditure) for the year before investment asset disposals as above		4,602	(2,919)
Movement on restricted capital and endowment funds	21 (a)	(9)	573
<b>Net incoming/(outgoing) resources</b>		----- 4,593	----- (2,346)

In accordance with the provisions of the Companies Act 2006, a separate income and expenditure account dealing with the results of the charity only has not been presented. Gross income of the charity of £185.5 million and net income of £3.2 million (2011 net expenditure £4.4 million) has been dealt with in the accounts of the charity.

## **1 Accounting policies**

### **Basis of preparation**

The accounts have been prepared in accordance with applicable accounting standards, including the Statement of Recommended Practice (SORP) on Accounting and Reporting by Charities (revised 2005) and the Companies Act 2006

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 2012. 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 as permitted by the SORP and the Companies Act 2006.

### **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.

### **Fixed Assets**

Except as set out below, fixed assets are stated in the balance sheet at their cost or value at the time of receipt less depreciation. Expenditure of a capital nature over £1,000 is capitalised. 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 between two and three 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 childcare 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 an impairment in market value, the reduction is recognised in full in the results for the year, in accordance with FRS15 ("Tangible Fixed Assets").

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

### **Creditors**

Payments to suppliers are either our standard payment terms of 30 days or according to the agreed credit terms.

## **Income**

i) Fees and grants for service provision are accounted for on the basis of the amount receivable for the year with income included in the statement of financial activities in the period in which this supply is made

ii) Donations except in relation to legacies are accounted for at the time of receipt. Income from pecuniary legacies is recognised where grant of probate has been received, and income from residuary legacies is recognised where estate accounts have been finalised. Income from will or reversionary trusts of property is not recognised until the life interest has passed away and the property sale is at an advanced stage. Income from all other legacies is only recognised where there is clear entitlement, the amount can be accurately measured and there is certainty of imminent receipt. The amount notified in relation to such legacies is disclosed in Note 5

iii) The value for gifts in kind, donated services and donated facilities are estimated and included in the period they are received

iv) Unconditional grants are recognised in the accounts when the grant is received

v) Income raised through the operation of shops and related trading activity 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

vi) Income from sale and development of properties is accounted for once the certainty of completion has been established

vii) Investment income is the amount receivable for the year

viii) Where fee or grant income is invoiced or received that relates to subsequent periods, the income is treated as deferred income in Note 19 to the accounts.

## **Expenditure**

i) All expenditure is accounted for on an accruals basis and irrecoverable VAT is included in the relevant cost category

Some costs incurred centrally are allocated to expenditure categories listed below on the basis of their use of corporate functions. Such allocations of support costs are made on the basis consistent with the use of resources. Further details regarding support costs are disclosed in Note 6

ii) Costs of generating voluntary funds are incurred in relation to staff members who are engaged in fundraising activities and the provision of fundraising activities on Barnardo's behalf

iii) Costs of generating trading income represent 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) Costs of developing and selling properties represent expenditure undertaken by Barnardo Developments Limited

v) Direct service provision costs represent the operational costs of service delivery.

vi) Grants made include those that Barnardo's makes to other organisations and grants to young people through Barnardo's trust funds.

vii) Other service and training costs are incurred in providing regional/national and departmental management

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

ix) Childcare research and education include policy reviews and activities to help educate wider groups about relevant childcare issues

x) Governance costs include those incurred in the governance of Barnardo's assets and are associated with constitutional and statutory requirements

### **Pension costs**

In accordance with FRS17 Retirement Benefits, the SOFA includes the cost of benefits accruing during the year in respect of current and past service (charged against net (outgoing)/incoming resources); the expected return on the scheme's assets and the increase in the present value of the scheme's liabilities arising from the passage of time (charged against net (outgoing)/incoming resources), actuarial gain recognised in the pension scheme (shown within net movement of funds) In accordance with FRS17, the balance sheet includes the deficit in the scheme taking assets at their year-end market values and liabilities at their actuarially calculated values discounted at year-end AA corporate bond interest rates Further details regarding the scheme are disclosed in Note 11

### **Capital grants**

In accordance with the SORP for charities, 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

### **Corporation tax**

The subsidiary companies gift aid all taxable profit to Barnardo's The company is a charity within the meaning of Para 1 Schedule 6 Finance Act 2010 Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes No tax charge arose in the period.

### **Fund accounting**

Barnardo's has various types of funds for which it is responsible, and which require separate disclosure 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 given to the charity where the income may be

funds used for the charity's purposes. In accordance with the Order signed by the Charity Commission in 2003, the charity may convert a proportion of the capital gain on monies held by way of endowment into income as long as the current indexed value of the original endowment is maintained.

Unrestricted funds Funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity, consisting of three specific types.

(1) Fixed assets fund  
This fund represents amounts invested in fixed assets for use by the charity

(2) General reserve  
This reserve represents funds set aside as part of the organisation's risk reduction strategy. Barnardo's has set a policy of building reserves to a level that will cover one month's operating cash flow, 10% of the previous year's public sector income (received to fund Barnardo's work) and protect Barnardo's against a significant setback in the stock and property markets to which the organisation may at any one time be exposed

(3) Working capital fund  
This fund represents net assets available to meet day-to-day operational commitments

Pension reserve In accordance with FRS17 - Retirement Benefits, the liability attributable to the Barnardo's Staff Pension Scheme is shown as a reduction of total funds. No designation of funds to meet future pension commitments at the balance sheet date is in place as the organisation anticipates meeting such commitments through future cash flows, a situation that is subject to regular review in conjunction with actuarial valuations and related professional advice

Subordinate charities Included in restricted and endowment funds are assets held on behalf of trusts that 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 significant. The disclosure is therefore made by way of note (Note 21)

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**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 subsidiaries

<b>Subsidiary Undertaking</b>	<b>Principal Activities</b>
Barnardo Developments Limited	Property development
Barnardo Events Limited	Sponsorship & special events
Barnardo Trading Limited	Mail order and retailing
Barnardo Services Limited	Childcare services
Barnardo Holdings Limited	Holding company
Barnardo Social Enterprise Limited	Dormant company

During the year there was no activity in Barnardo Holdings Limited and Barnardo Social Enterprise Limited

The net assets of Barnardo Holdings Limited are £20,000

All the above companies gift aid their taxable profits to the charity, in accordance with Schedule 405 (2) of the Companies Act 2006

**3 Trading subsidiaries' results**

	<b>Barnardo Trading Limited</b>	<b>Barnardo Developments Limited</b>	<b>Barnardo Events Limited</b>	<b>Barnardo Services Limited</b>	<b>Total 2012</b>	<b>Total 2011</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Turnover	2,400	525	447	54,628	58,000	64,289
Cost of sales	(1,057)	(365)	-	(54,628)	(56,050)	(62,421)
Gross profit	1,343	160	447	-	1,950	1,868
Admin/other costs	(601)	(151)	(133)	(50)	(935)	(1,517)
Trading profit/(loss)	742	9	314	(50)	1,015	351
Other income	-	98	-	546	644	758
Net Income	742	107	314	496	1,659	1,614
Amount payable by gift aid to Barnardo's	(742)	(107)	(314)	(496)	(1,659)	(1,614)
Retained profit/(loss) for year	-	-	-	-	-	-
Retained profit/(loss) brought forward	10	-	-	-	10	10
Retained profit/(loss) carried forward	10	-	-	-	10	10

These results have been consolidated on a line by line basis in the SOFA, after consolidation adjustments

**4 Fees and grants for children's services**

	<b>2012 £000</b>	<b>2011 £000</b>
Family support & placement	74,860	79,067
Education	21,054	22,298
Disability support	12,332	13,340
Other services	42,487	42,033
	<b>150,733</b>	<b>156,738</b>

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**5 Voluntary income**

	2012	2011
	£000	£000
Legacies	15,015	18,105
Donations and gifts from the general public	26,143	23,794
Donations from companies and trusts	2,227	1,642
	43,385	43,541

Legacies notified but not accrued at 31 March 2012 were £6.1m (2011 £5.1m)

**6 Expenditure**

Trading expenditure on costs of goods sold & other costs include the expenditure of Barnardo Trading Limited of £1.6m. The remainder of £32.2m represents the costs of operating our 487 retail shops. In addition £235k has been incurred developing and selling land surplus to the group's requirements.

Expenditure on service provision comprises direct costs of £165.0m (2011 £170.6m), grants made of £0.3m (2011 £0.5m) and support and training costs of £15.2m (2011 £18.9m).

Total resources expended include the allocation of support costs to the various expenditure categories set out in the SOFA. These support costs relate to the corporate functions of information technology, property and facilities management, human resources and finance in addition to the support costs incurred by communications and other centralised departments that are not otherwise directly allocated. Support costs have been allocated to activities on a basis consistent with the use of resources (e.g. time spent, number of staff, asset value). Voluntary income in support of contracts is managed through Barnardo's.

	2012	2011
	£000	£000
<b>7 Income from sale and development of properties</b>		
Gain on disposal of properties	2,512	1,326
Turnover of Barnardo Developments Limited	525	416
	3,037	1,742

**8 Investment and other income**

	2012	2011
	£000	£000
Listed investments - United Kingdom	3,106	3,210
Short term deposits	44	105
Rents and ground rents	289	376
Loan and other interest	114	149
Gain on disposal of non property fixed assets	194	171
	3,747	4,011

**9 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 2012 there were 323 members (31 March 2011 325).

During the year no Trustee received any remuneration or benefits from the charity. Expenses incurred by Trustees amounted to £18,382 (2011 £16,346) and included travel, subsistence and other related costs. The number of Trustees claiming expenses was 11 (2011 12).

The charity purchased insurance for Trustees 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 £7,791 (2011 £7,718).



**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**10 Employees**

	<b>2012</b>	<b>2011</b>
	<b>No</b>	<b>No.</b>
The average number of employees during the year was		
Children's services	6,605	6,652
Fundraisers, shop managers, clerical staff and fundraising management	1,466	1,349
Central support services (including employees performing work for other departments)	326	306
Subsidiary companies	4	4
	<hr/> 8,401	<hr/> 8,311
	<hr/>	<hr/>
	<b>2012</b>	<b>2011</b>
The number of staff whose emoluments fell within each of the following bands was		
£0 to £59,999	8,366	8,273
£60,000 to £69,999	10	13
£70,000 to £79,999	6	9
£80,000 to £89,999	13	10
£90,000 to £99,999	3	4
£100,000 to £109,999	-	1
£110,000 to £119,999	1	-
£120,000 to £129,999	1	-
£150,000 to £159,999	1	1
	<hr/> 8,401	<hr/> 8,311
	<hr/>	<hr/>
Number of full time equivalent employees at year end	5,025	5,299
	<hr/>	<hr/>
The aggregate emoluments to employees in the year were	<b>£000</b>	<b>£000</b>
Wages and salaries	128,655	131,654
Social security costs	9,712	10,109
Pension costs	11,436	11,277
Benefits in kind (as calculated for taxation purposes)	331	356
	<hr/> 150,134	<hr/> 153,396
	<hr/>	<hr/>

Emoluments for this purpose include gross salary and benefits in kind but exclude expenses. Systems are in place for the management of expenses.

The above banding includes 17 staff earning over £60,000 (2011: 23) for whom retirement benefits are accruing under the Barnardo's Staff Pension Scheme (see Note 11). A further 12 staff earning over £60,000 (2011: six) receive benefits accruing under the Barnardo's Retirement Savings Plan. Employer contributions to the pension funds of these 12 employees were a combined total of £55k during the year (2011: £26k).

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**11 Retirement Benefits**

The group operates a funded defined benefit scheme, the Barnardo Staff Pension Scheme, the assets of which are held in a specific trust separately from those of the group. Contributions are paid to the scheme as agreed with the scheme's trustees, having taken independent actuarial advice.

The scheme was closed to new entrants in 2007, and pensions accrued since then have been provided on a career average revalued earnings basis, with increases broadly in line with inflation.

New employees are offered membership of the Barnardo's Retirement Savings Plan, which is a defined contribution arrangement. The total employer contributions and costs relating to the defined contribution arrangement for the year amount to £1,958,000 (2011 £1,722,000).

Details of the defined benefit scheme, produced in accordance with FRS17, are set out below.

The full actuarial valuation as at 31 March 2009 was updated to 31 March 2012, by an independent qualified actuary in accordance with FRS17. As required by FRS17, the defined benefit liabilities have been measured using the projected unit method.

The expected rate of return on assets for the financial year ended 31st March 2012 was 6.2% pa (2011 6.6% pa). This rate is derived by taking the weighted average of the long term expected rate of return on each of the asset classes that the scheme was invested in at 31 March 2011, less an allowance for administration expenses.

The estimated amount of total employer contributions expected to be paid to the scheme during 2012/13 is £13.3m (2011/12 actual £14.8m) or 13.6% of pensionable pay.

The following table sets out the key FRS17 assumptions used for the scheme.

Assumptions	2012 per annum	2011 per annum
Price inflation (RPI)	3.1%	3.3%
Discount rate	5.0%	5.6%
Pension increases (5% LPI)	3.0%	3.2%
Pension increases (2.5% LPI)	2.2%	2.2%
Further life expectancy of male aged 60 in 2012	26 years	26 years
Further life expectancy of male aged 60 in 2032	28 years	28 years
Further life expectancy of female aged 60 in 2012	28 years	28 years
Further life expectancy of female aged 60 in 2032	29 years	29 years

The amounts included in the balance sheet arising from Barnardo's obligations in respect of the defined benefit scheme for the current and previous four periods are as follows:

	2012 £m	2011 £m	2010 £m	2009 £m	2008 £m
Total fair value of assets	463.9	417.6	381.9	301.5	349.8
Present value of liabilities	(547.8)	(491.0)	(466.9)	(364.7)	(397.6)
Deficit	(83.9)	(73.4)	(85.0)	(63.2)	(47.8)

The following amounts have been included within net incoming/(outgoing) resources under FRS17 in relation to the defined benefit scheme:

	2012 £m	2011 £m
Employer's part of current service cost	7.1	8.0
Past service cost	0.6	0.2
	<u>7.7</u>	<u>8.2</u>
Interest cost	27.3	26.4
Expected return on scheme assets	(25.8)	(25.2)
	<u>1.5</u>	<u>1.2</u>
Total expense	<u>9.2</u>	<u>9.4</u>

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**11 Retirement Benefits (contd.)**

The current allocation of the scheme's assets is as follows

	<b>2012</b>	<b>2011</b>
	<b>£m</b>	<b>£m</b>
Equities	180.8	185.1
Bonds	65.2	99.9
Property	0.0	0.2
Diversified growth fund	139.2	110.6
Swap contracts	15.9	9.4
Cash/other	62.8	12.4
	<u>463.9</u>	<u>417.6</u>

Changes in the present value of the scheme liabilities over the year are as follows

	<b>2012</b>	<b>2011</b>
	<b>£m</b>	<b>£m</b>
Opening value of scheme liabilities	491.0	466.9
Employer's part of current service cost	7.1	8.0
Past service cost	0.6	0.2
Interest cost	27.3	26.4
Contributions from scheme members	0.2	0.4
Actuarial loss	38.2	5.6
Benefits paid	(16.6)	(16.5)
Closing value of scheme liabilities	<u>547.8</u>	<u>491.0</u>

Changes in the fair value of the scheme assets over the year are as follows

	<b>2012</b>	<b>2011</b>
	<b>£m</b>	<b>£m</b>
Opening fair value of the scheme assets	417.6	381.9
Expected return on scheme assets	25.8	25.2
Actuarial gain	22.1	7.0
Contributions by the employer	14.8	19.6
Contributions by scheme members	0.2	0.4
Benefits paid	(16.6)	(16.5)
Closing fair value of scheme assets	<u>463.9</u>	<u>417.6</u>

The actual return on the scheme's assets over the year was a gain of £47.9m (2010/11 gain of £32.2m)

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**11 Retirement Benefits (contd )**

The following amounts for 2008-2012 have been recognised under the "actuarial loss and gain recognised in the pension scheme" heading within the statement of financial activities

	2012		2011		2010	
	£m		£m		£m	
Actual less expected return on scheme assets	22.1	5%	7.0	2%	64.1	17%
Experience (loss)/gain on scheme liabilities	(7.4)	(1%)	(6.0)	(1%)	3.8	1%
Gain or (loss) due to assumption changes underlying the present value of scheme liabilities	(30.8)	(6%)	0.4	0%	(89.3)	(19%)
Actuarial (loss)/gain	(16.1)	(3%)	1.4	0%	(21.4)	(5%)

	2009		2008	
	£m		£m	
Actual less expected return on scheme assets	(69.6)	(23%)	(55.7)	(16%)
Experience (loss)/gain on scheme liabilities	0.0	(0%)	0.0	0%
Gain or (loss) due to assumption changes underlying the present value of scheme liabilities	52.2	14%	51.2	13%
Actuarial (loss)/gain	(17.4)	(5%)	(4.5)	(1%)

The above percentages show the components as a percentage of the end of year value of the scheme's assets or liabilities, as appropriate. The cumulative amount of actuarial gains and losses recognised under the above heading in the statement of financial activities since 1st April 2002 is a loss of £109.5m

A recovery plan has been agreed with the pension trustees to fund the pension deficit of £83.9m and the agreed payments have been budgeted and included in future cashflow projections. Payments will be made over a number of years and do not require a reduction in the total funds shown in the balance sheet.

**12 Net incoming/(outgoing) resources**

	2012	2011
	£000	£000
Net incoming/(outgoing) resources are stated after charging		
Depreciation of tangible fixed assets	4,183	4,388
Depreciation on adaptations for special purposes	45	45
Auditors' remuneration - statutory	61	62
- taxation	7	-
- other	7	9
Operating lease rentals	11,965	11,572

**13 Gains and losses on revaluation and on investment asset disposals**

	2012	2011
	£000	£000
Realised gains	249	136
Unrealised (losses)/gains	(2,089)	1,914
	(1,840)	2,050

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

14 Tangible assets	Properties £000	Equipment & vehicles £000	Total £000
<b>(a) Group and Charity:</b>			
<i>Cost</i>			
At beginning of year	91,270	19,148	110,418
Additions	3,066	1,481	4,547
Disposals	(3,937)	(1,361)	(5,298)
<b>At end of year</b>	<b>90,399</b>	<b>19,268</b>	<b>109,667</b>
<i>Depreciation</i>			
At beginning of year	56,997	15,892	72,889
Provided during year	2,076	2,152	4,228
On disposals	(1,553)	(1,288)	(2,841)
<b>At end of year</b>	<b>57,520</b>	<b>16,756</b>	<b>74,276</b>
<b>Net book value</b>			
At beginning of year	34,273	3,256	37,529
<b>At end of year</b>	<b>32,879</b>	<b>2,512</b>	<b>35,391</b>

Included in properties above is an amount of £3million relating to assets under construction

	<b>Group &amp; Charity</b>	
	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
<b>(b) Analysis of freehold and leasehold properties:</b>		
Freeholds	24,277	26,317
Long leaseholds (over 50 years)	3,491	3,598
Short leaseholds (50 years and under)	5,111	4,358
	<b>32,879</b>	<b>34,273</b>
<b>(c) Use of properties:</b>		
Service delivery	19,928	20,995
Other (including shops, warehouses and administration)	12,951	13,278
	<b>32,879</b>	<b>34,273</b>

Rental income is received from properties surplus to operational requirements

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

		<b>Group</b>	
		<b>2012</b>	<b>2011</b>
		<b>£000</b>	<b>£000</b>
<b>15 Investments</b>			
Investments at market value		60,342	61,813
<hr/>			
Investments of the charity include £20,000 in Subsidiary undertakings (Note 2)			
<i>Investments at market value</i>			
At beginning of year		61,813	69,270
Additions		11,864	2,188
Disposals		(11,495)	(11,694)
Realised/unrealised (losses)/gains		(1,840)	2,049
<hr/>			
<b>At end of year</b>		<b>60,342</b>	<b>61,813</b>
<hr/>			
<i>Comprising</i>			
UK Equities		40,020	42,445
UK Bonds		12,962	12,281
Cash		6,774	6,566
Other investments		586	521
<hr/>			
		<b>60,342</b>	<b>61,813</b>
<hr/>			
<b>Cost of Investments</b>		<b>55,247</b>	<b>54,643</b>
<hr/>			

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

<b>16 Stocks and work in progress</b>			
Finished goods		368	266
Work in progress		2,401	475
		<hr/>	<hr/>
		<b>2,769</b>	<b>741</b>
		<hr/>	<hr/>

Work in progress represents building developments held by Barnardo Developments Limited at the year end. No stocks work in progress were held by the charity. During the year £5.7m of land was transferred from Barnardo's fixed assets to Barnardo Developments Limited work in progress for development purposes. However, for group reporting purposes this land transfer to work in progress continues to be recognised at historic cost of £1.9m.

	<b>Group</b>		<b>Charity</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Trade debtors	164	297	12	78
Statutory and related funders	16,778	13,207	9,165	9,537
Taxation	1,858	2,024	1,858	2,023
Other debtors	1,053	1,080	297	327
Prepayments and accrued income	8,132	8,096	7,103	6,862
Amounts due from subsidiaries	-	-	8,883	3,923
<hr/>				
	<b>27,985</b>	<b>24,705</b>	<b>27,318</b>	<b>22,750</b>
<hr/>				

Amounts due from subsidiaries represent:

- i) Loans from the charity to Barnardo Trading Ltd and Barnardo Developments Ltd. These loans are repayable on demand, and are secured by fixed and floating charges over the assets of the subsidiaries. Interest is chargeable at rates of 1.5% to 2% above base rate.
- iii) Temporary current account balances between the charity and Barnardo Services Limited and Barnardo Events Ltd.

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**18 Cash and bank balances and short-term deposits**

	<b>Group</b>		<b>Charity</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Cash at bank & in hand	3,389	4,102	3,243	3,733
Short-term deposits	2,600	5,924	2,600	5,924
	5,989	10,026	5,843	9,657

**19 Creditors - amounts falling due within one year**

Pension contributions	874	1,020	874	1,020
Other taxes and social security costs	6,226	6,623	3,615	3,997
Other creditors	2,457	2,263	2,060	1,913
Accruals	8,492	10,228	8,342	10,134
Trade creditors	2,254	2,340	2,254	2,340
Deferred income	12,110	9,430	7,185	8,327
	32,413	31,904	24,330	27,731

Deferred income relates to fees and grants invoiced in advance from statutory and related funders

**20 Commitments**

**(a) Capital Expenditure**

	<b>Group</b>		<b>Charity</b>	
	<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Capital expenditure contracted	8,672	102	8,672	102
Capital expenditure authorised but not contracted for	5,249	5	5,249	5

**(b) Land & Other Buildings**

	<b>Group &amp; Charity</b>	
	<b>2012</b>	<b>2011</b>
	<b>£000</b>	<b>£000</b>
Annual commitments under non-cancellable operating leases are as follows		
Operating Leases which expire		
Within one year	589	421
In the second to fifth years inclusive	3,086	3,516
Over five years	4,615	5,874

**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**21 Fund balances**

**(a) Analysis of restricted & endowment funds**

	Restricted income funds	Restricted capital and endowment funds	Total 2012
	£000	£000	£000
Incoming resources			
- Statutory income	131	-	131
- Fundraising income	3,441	-	3,441
- Big Lottery Fund	1,476	-	1,476
- Net income from investments and other	-	1,006	1,006
	5,048	1,006	6,054
Resources expended			
- Child care and community work in the UK	4,999	-	4,999
- Cost of fundraising income	-	690	690
- Grants to young people in need	-	325	325
	4,999	1,015	6,014
<b>Net incoming resources</b>	49	(9)	40
<b>Gains and losses on revaluation and on investment asset disposals</b>			
Unrealised losses	(529)	-	(529)
	(529)	-	(529)
<b>Net movement in funds</b>	(480)	(9)	(489)
<b>Fund balances brought forward</b>	7,591	19,821	27,412
<b>Fund balances carried forward</b>	7,110	19,812	26,923

All endowment funds are permanent endowments

The restricted capital and endowment fund balances carried forward at 31 March 2012 include endowment funds for which Barnardo's has received an Order signed by the Charity Commission enabling the unapplied total return to be transferred to unrestricted funds

	£000
Value of assets representing the unapplied total return within endowment funds at 1 April 2011	1,664
Net decrease in value during the year of the unapplied total return within endowment funds	(1,176)
Value of assets representing the unapplied total return within endowment funds at 31 March 2012	488

	2012 No.	2012 £000	2011 No.	2011 £000
<b>(b) Categorisation of restricted &amp; endowment funds</b>				
Fund balances				
- Educational purposes	3	2,134	3	2,188
- Project buildings	2	284	2	284
- Sea training	1	359	1	367
- General & other purposes	21	24,146	22	24,573
	27	26,923	28	27,412

Included in the restricted and endowment funds are two charities that are independently registered with the Charity Commission, along with a number of constituent charities, also registered with the Charity Commission. In accordance with the Statement of Recommended Practice for Charities, issued in 2005, as custodian Trustees, and with Charity Commission consent, these charities have been included as if they represent restricted funds of Barnardo's



**Barnardo's**  
**Notes to the Accounts**  
**Year Ended 31 March 2012**

**21 Fund balances ( contd.)**

	Unrestricted £000	Restricted & endowments £000	Total £000
<b>(c) Analysis of fund balances between group net assets</b>			
Fixed assets	35,217	174	35,391
Investments	39,220	21,122	60,342
Pension liability (note 11)	(83,900)	-	(83,900)
Net current assets	(1,297)	5,627	4,330
<b>Net assets as at 31 March 2012</b>	<b>(10,760)</b>	<b>26,923</b>	<b>16,163</b>
<b>Net assets as at 31 March 2011</b>	<b>2,098</b>	<b>27,412</b>	<b>29,510</b>
Unrealised gains included in investments value	(1,560)	(529)	(2,089)

The restricted funds are held in appropriate asset forms to enable the restrictions to be satisfied

**22 (a) Reconciliation of net incoming/(outgoing) resources to net cash outflow from operating activities**

	2012 £000	2011 £000
Net incoming/(outgoing) resources	4,593	(2,346)
Depreciation charge	4,228	4,433
Net gain on disposal of tangible fixed assets	(2,866)	(1,607)
Net pension charges	(5,600)	(10,200)
(Increase)/decrease in debtors	(3,280)	1,863
Increase/(decrease) in creditors	509	(707)
Investment income and interest	(3,553)	(3,840)
(Increase)/Decrease in stock and work in progress	(2,028)	261
<b>Net cash outflow from operating activities</b>	<b>(7,996)</b>	<b>(12,143)</b>

**22 (b) Reconciliation of net cash flow to movement in net cash funds**

Net funds at beginning of the year	4,102	6,531
Change in net funds during the year	(713)	(2,429)
Net funds at end of the year	3,389	4,102

**23 Related parties**

The trustees confirm that there have been no related party transactions during the year which require disclosure under FRS8 ("Related Party Transactions")

**24 Contingent Liabilities**

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

### **Corporate Donations**

Aldi Stores Ltd, Arian Financial LLP, BAM UK, Berrymans Lace Mawer (BLM), BGC Partners, BlueBay Asset Management LLP, Boehringer Ingelheim Ltd, Britvic Soft Drinks, Colgate, Eversheds, Hallmark Cards Plc, J P Morgan, KFC UK and Ireland, Knowledge to Action, KPMG LLP, McCarthy & Stone, Next Retail Plc, NI Group Limited, Lloyds TSB Bank plc, Royal Mail Group, Saint-Gobain Building Distribution UK & Ireland, Sanford C Bernstein, Stephenson Harwood, Sweets for Life, The Royal Bank of Scotland Group, Virgin Media, Wates UK

### **Charitable Trusts, Grants & Foundations**

95 8 Capital FM's Help a Capital Child, £1,048

The Atlantic Philanthropies, £1,066,000

The Bartle Family Charitable Trust, £2,000

The Basil Brown Charitable Trust, £250

BBC Children in Need, £40,683

Bernard Sunley Charitable Foundation, £10,000

Big Lottery Fund

- Asha, Oldham, £91,128
- B Venture, £106,168
- Barnardo's SECOS Project, £134,333
- BIG Manchester, £16,360
- Community Futures, Barnsley, £109,703
- Cyfle Work Your Way, £59,511
- Cymru Development, £8,750
- Taith - Girls with Sexually Harmful Behaviour, £5,740
- Hamara Baby Band, £15,695
- South Lakeland Helping Hands, £29,210
- Lothian Supported Carers Scheme, £156,220
- Making Change Happen, £109,325
- Newtownabbey Family Connections, £163,065
- Nurturing Inverclyde, £8,445
- Flintshire Service- One Community, £82,685
- Newport Out There, £42,016
- Compass Options Project, £63,000
- Caban Bach, £24,492
- Marl Rd Supported Housing, Cardiff DAB, £24,746
- Caerphilly Carers Money Matters, £24,492
- FYC Brighter Futures, £28,955
- Newport Young Families, £24,746
- Swansea Children Matter B Wise, £25,000
- FYC Hidden Harm, £21,749
- Merthyr Family Support, £25,551
- Cyfle Money Management for Care Leavers, £23,352
- Compass Supporting People, £21,469
- Rural Families Service, £18,162
- FYC Street Level, £14,765

Bill Brown's Charitable Settlement of 1989, £3,250

The Bradbury Foundation, £21,300

The Belms Trust, £5,000

The Charles & Elsie Sykes Trust, £2,000  
 The Christina Mary Hendrie Trust for Scottish and Canadian Charities, £32,500  
 The Clara E Burgess Charity, £7,300  
 Comic Relief, £164,894  
 The Community Foundation serving Tyne & Wear and Northumberland, £5,000  
 D J H Currie Memorial Trust, £2,500  
 Dr C M H G Barrow Charitable Trust, £10,390  
 The Eveson Charitable Trust, £16,000  
 The Fowler Smith and Jones Trust, £2,000  
 The Garfield Weston Foundation, £25,000  
 Gibbons Family Trust, £1,000  
 The Hawthorne Charitable Trust, £1,000  
 Hedge Funds Care UK, £50,000  
 The Henry Smith Charity, £11,950  
 Hugh Fraser Foundation, £5,000  
 John James Bristol Foundation, £25,000  
 The Jones 1986 Charitable Trust, £10,000  
 J T Borlands Charitable Trust, £4,000  
 Katherine Martin Charitable Trust, £172,500  
 Margaret Giffen Charitable Trust, £10,000  
 Mavis Jean Morse Charitable Trust, £500  
 Miller Philanthropy, £10,000  
 Miss E A Pemberton-Barnes Will Trust, £16,861  
 Moffat Charitable Trust, £10,000  
 Northern Rock Foundation, £304,522  
 Ofenheim Charitable Trust, £12,000  
 The Peacock Charitable Trust, £15,000  
 People's Postcode Lottery, £7,224  
 Pfizer UK Foundation, £79,732  
 The Robertson Trust, £97,833  
 The Roger De Haan Charitable Trust, £1,000  
 The Rothley Trust, £1,200  
 R S Macdonald Charitable Trust, £9,000  
 Samworth Foundation, £50,000  
 The Sandra Charitable Trust, £5,000  
 Savoy Educational Trust, £15,000  
 S F I A Educational Trust, £2,000  
 The Sir James Reckitt Charity, £6,000  
 Sir John Fisher Foundation, £7,500  
 Souter Charitable Trust, £10,000  
 The Summerfield Charitable Trust, £4,112  
 The Tesco Charity Trust, £3,000  
 Tom Parrington's Will Trust, £60  
 The Waterloo Foundation, £115,000  
 Wates Foundation, £22,500  
 William Belmer Rush Foundation, £15,726  
 Zochonis Charitable Trust, £10,000

### **Funding from Statutory Authorities**

#### **Cymru**

Neath Port Talbot County Borough Council (NPT):

- Through Big Lottery Fund: Children's Inclusion Project, £189,340
- Through Welsh Assembly Government funded Cymorth project, Children's Inclusion Project, £1,000

Welsh Assembly Government, £768,019 including £166,392 Section 180 Homelessness Grant

Welsh Council for Voluntary Agencies

- Pembrokeshire V-Link Xtra, £5,000
- Merthyr GwirVol, £5,000
- BAYS Young Volunteers, £18,329

## **England**

Department for Education

- Safe Accommodation, £518,316
- Family Strategic Partnership, £1,119,660
- Improving Outcomes for Children, Young People and Families, £279,384

Leicestershire County Council Youth Service, £22,999

London Councils

- CANDL, London,

Carry Forward from 2010-11	£0
Amount Received in 2011-12	£19,482
Amount spent on project in 2011-12	£19,482
Carry Forward to 2012-13	£0
- Families in Temporary Accommodation (Specialist Service and Access to Permanent or Temporary Accommodation),

Carry Forward from 2010-11	£0
Amount Received in 2011-12	£52,555
Amount spent on project in 2011-12	£52,555
Carry Forward to 2012-13	£0
- Young Women's Service, North London, Prevention Grant

Carry Forward from 2010-11	£60,400
Amount Received in 2011-12	£19,059
Amount spent on project in 2011-12	£79,459
Carry Forward to 2012-13	£0
- Young Women's Service, North London, Recovery Grant

Carry Forward from 2010-11	£70,604
Amount Received in 2011-12	£40,000
Amount spent on project in 2011-12	£110,604
Carry Forward to 2012-13	£0

## **Northern Ireland**

Belfast Health & Social Care Trust, £1,710,464

Children's Fund Unit (DHSSPS), £103,512

Community Relations Council, £126,350

Department for Employment & Learning - European Social Fund, £217,815

Department of Education, £206,659

Department of Health & Social Services & Public Safety, £77,764

Department of Justice £45,637

Early Years - The Organisation for Young Children £88,446

Eastern Childcare Partnership £73,031

Health & Social Care Board £2,321,960

Northern Ireland Housing Executive £366,194  
Office of the First Minister & Deputy First Minister £176,461  
Public Health Agency £471,146  
Southern Health & Social Care Trust £1,141,370  
Western Health & Social Care Trust £145,174

## **Scotland**

### **Cash for Communities**

- Prison Youth Worker Service, £20,253
- Axis – Early Doors Service, £15,000

### **Central Scottish Government**

- You First - £172,509
- Lighthouse – Survivors Scotland, £25,000
- Caern – Self Directed Support, £23,211
- Caern – Autism Development fund, £10,590

Fairer Scotland, £9,000

### **Inverclyde Council.**

- Inverclyde Family Support Team, £201,970
- Threshold, £98,481
- Threshold, Contribution in Kind Staff, £17,540
- Nurture Services Inverclyde, £123,778

Lloyds TSB, £82,378

Robertson's Trust, £97,833

Scottish Prison Service, £124,621

Shared Care Scotland, £8,000

### **STV Charitable Trust**

- 16+ At Home, £81,414
- Barnardo's Works Cairngorms, £168,902

**Barnardo's**  
**Year Ended 31 March 2012**

**Board of Trustees and Officers**

**Patron**

Her Majesty The Queen

**President**

HRH The Duchess of Cornwall

**Vice Presidents**

Dr David Barnardo, OBE  
Mr John Bartle, CBE  
Baroness Benjamin, OBE, DL  
Mrs Susan Bernerd, MBE  
Ms Cherie Booth QC (Honorary)  
Mr David Cathie  
Rev. Joel Edwards  
Rev. David Gamble  
Ms Rosemary Jones  
Lord Loomba, CBE  
Mr Bruce Oldfield, OBE  
Baron Sacks of Aldgate  
His Honour Sir Mota Singh, QC  
Mr Philip Taylor  
Mr Leslie Thomas OBE  
Dr Rowan Williams

**Trustees**

(Year of first appointment)  
Mr Geoffrey Barnett, OBE (2001, retired 2011)  
Ms Rachael Bayley (2005)  
Baroness Blood, MBE (2002, retired 2011)  
Mr Neil Braithwaite (2011)  
Mr Hugh Burkitt (2009)  
Ms Judy Clements, OBE (2006) – Deputy Chair  
Ms Alexis Cleveland (2011)  
Mr Tony Cohen (2011)  
Lady Amanda Ellingworth (2009)  
Mrs Ann Hodgson (2003)  
Ms Hilary Keenlyside (2001) – Chair  
Mrs Ruth Laird, CBE (2012)  
Mr Ian Marshall (2005) – Honorary Treasurer  
Mrs Sheila Mawer (2005)  
Mrs Kit Pawson (2005)  
Ms Gill Stewart, CB (2003)  
Mr David Tolson (2005, retired 2011)  
Ms Eleanor Williams (2008)

**Chief Executive**

Anne Marie Carrie

**UK Director of Children's Services and Deputy Chief Executive**

Jane Stacey

**UK Director of Strategy**

Puja Darbari

**Executive Director, Marketing**

Diana Tickell

**Executive Director, Corporate Services**

Peter Brook

**Company Secretary**

Joanna Lawson

**Registered office**

Tanners Lane, Barkingside, Ilford, Essex IG6 1QG Tel: 020 8550 8822

**Auditors**

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex RH6 0PA

**Bankers**

Barclays Bank plc, Level 28, 1 Churchill Place, London E14 5HP

**Investment managers**

BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL

**Principal solicitors**

Bates Wells & Braithwaite London LLP, 2-6 Cannon Street, London, EC4H 6YH

Total income £245.2m

Fees and grants £150.7m

150733

Donations, Gifts in Wills and other fundraising £43.4m

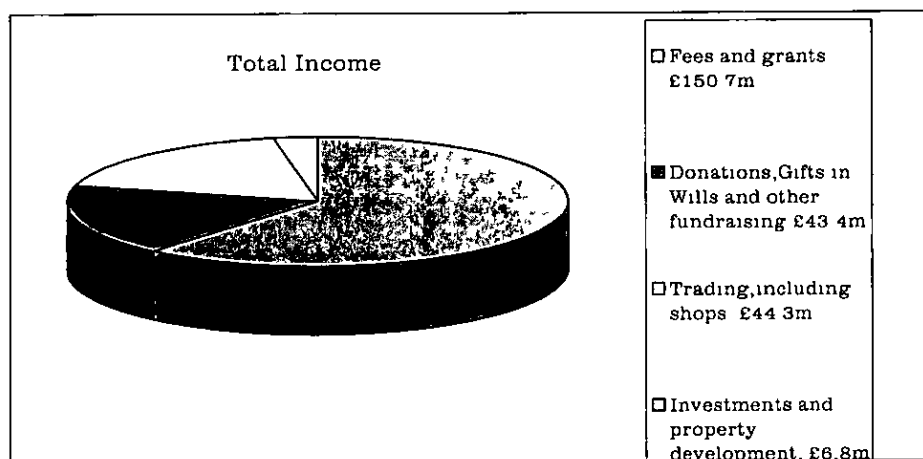
43385

Trading, including shops £44.3m

44280

Investments and property development £6.8m

6784



Total expenditure £240.6m

Charitable expenditure including services to children £194.5m

194468

Fundraising £11.0m

10981

Trading, including shops £34.6m

34641

Investment fees and property development £0.5m

499

