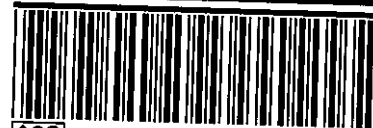


61625

Annual Report and Accounts 1998



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COMPANIES HOUSE 05/12/98

Company No. 61625

Report of Council

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

Current focus

The current focus of Barnardo's work is to:

- provide services to children and young people in greatest need
- demonstrate effective good practice and promote developments in practice widely
- influence social welfare policy for the benefit of children
- promote good childhood experiences for all children

Barnardo's currently manages more than 275 services through six main areas of work:

1. Families with young children

This work includes centres for young children and their families, incorporating a variety

**The trustees
(namely the
Council) submit
the *Report and
Accounts* for
the year ended
31 March 1998**

of day care programmes, including day fostering, playgroups, toy libraries, family counselling, development of parenting skills and advice on child development. Work was also undertaken with travelling families and family assessment work for local authorities. In 1997/98 8,483 children together with their families were assisted (1996/97 – 6,642).

2. Children and young people with disabilities

Bamardo's provides a range of residential care and other support services to families caring for a young person with a disability at home or to families with other special needs. The services include advice, counselling, conciliation, family therapy, holiday play schemes, sitting services, short term respite care, youth training and self-help initiatives. The number of people assisted was 7,097 in 1997/98 (1996/97 – 6,884).

3. Children needing families

Fostering, adoption and counselling work aided 2,465 (1996/97 – 2,386) children and young people with special needs during the year.

4. Disadvantaged young people

This covers projects which help teenagers living alone in the community, diverting young people from custody, youth training schemes, preventive work among adolescents, residential and after care services. This also includes work with adolescents involved with drug and solvent abuse. Some 13,048 young people benefited in 1997/98 (1996/97 – 9,122).

5. Children and young people with educational needs

Residential and non-residential schools and centres provided services in 1997/98 to 2,034 (1996/97 – 1,338) children and young people who have emotional/behavioural difficulties or physical or learning disabilities.

6. Disadvantaged communities

A number of services have as their focus, not individual children or families, but rather whole communities or large groups within communities. These services strive to enhance the important relationship between the child, the family and their immediate neighbourhood. The number of children assisted was 9,675 (1996/97 – 7,022).

Future plans

In March 1996 the Council approved a new *Corporate Plan* for the next phase in the development of Bamardo's work. This plan was based upon a vision of Bamardo's to the year 2000 and beyond which incorporated the following main elements:

- we will work with children and young people who are in greatest need, especially those living in or coming from poor families and/or experiencing severe hardship
- our child care work will be spread more widely throughout the UK, with the number of services increased to 350
- we will lobby for social policy changes focusing sharply on selected issues
- our children's services will be characterised by:

- the influence of users
- high standards
- the evidence of what works
- a willingness to innovate

The experience and outcomes will be widely disseminated.

Substantial progress has been achieved towards implementation of the plan. The number of services has increased from 228 in 1996 to 275 in 1998. However, voluntary income has not grown as quickly as anticipated, and the target of 350 services is unlikely to be achieved within the original timescale. The position has been aggravated by the government's decision to withdraw the benefit of tax credits from pension funds immediately, and from charities over a period from 1999 to 2004. It has been necessary to increase employer's contributions to the Barnardo pension fund by over £2 million per annum as a direct result.

As part of our review of services, from 1 April 1998 we will be describing our work under 'themes and programmes'. This will result in a different method of showing the costs of our child care work in next year's *Annual Report and Accounts*.

Services for adults

During the last 25 years Barnardo's established a series of projects which provide residential care for children with learning disabilities. The residents of these projects have now grown into adulthood, and during the last four years the majority of these projects have transferred to United Response, a charity specialising in the provision of services for adults with learning disabilities or mental health problems. This programme of transfers is now substantially complete.

Corporate governance

Barnardo's is a company limited by guarantee and a registered charity. Its governing instrument is the Memorandum and Articles of Association, as amended and adopted by special resolution passed on 4 December 1997.

The governing body is the Council whose members are elected by the members of association. At present the Council consists of 18 members and meets every two months.

Matters not reserved for decision by Council are delegated either to one of the Council committees or to the national directors. The committees are:

■ audit committee

The committee comprises three members of Council and meets at least three times a year. Meetings are attended by the chief executive, the director of finance and corporate services, the management auditor and representatives of the external auditors. 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.

- investment committee

The committee comprises five members of Council plus the chief executive and the director of finance and corporate services. The committee meets four times each year. The committee assists the Council in determining investment policy, and receives reports from the investment managers.

- trading committee

The committee comprises three members of Council, the chief executive, the director of marketing and communications, the director of finance and corporate services, the head of trading and the finance director of Bamardo Trading Limited. The committee meets four times each year. The committee oversees the activities of Bamardo's chain of retail shops and comprises the board of Bamardo Trading Limited.

- new members of Council and membership of association committee

The committee comprises seven members of Council, one member 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 recommends to Council the level of remuneration for the national directors.

- adoption committee

The committee comprises two members of Council plus one representative from each of Bamardo's seven adoption panels. The committee usually meets four times each year and considers policy issues which arise in relation to adoption work. The representatives from the seven adoption panels are also appointed as restricted members of Council for adoption matters.

All Council members have access to the advice and services of the company secretary.

Remuneration

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

The salaries of the chief executive and the three national directors are determined by Council upon their appointment and by periodic reviews. Council is advised by the remuneration committee. 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 national 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 members of Council).

Internal financial control

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 audit committee has also reviewed the statement *Internal Financial Controls for Charities* published by the Charity Commission and is satisfied that the systems of control comply in all material aspects with the Commission's guidance.

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 Council
- regular consideration by Council of actual results compared with budgets and forecasts
- delegation of authority to spend within clearly defined limits
- segregation of duties
- due consideration of 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 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. Council considers that Barnardo's meets in all material respects the spirit and approach of the Code, so far as its recommendations are relevant to charities.

Going concern

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.

Organisation

Responsibility for operational activities is allocated to three departments. Children's services are 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 significant financial support by way of grant aid for work undertaken by its related charity, Barnardo's Republic of Ireland. 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.

Finance

Reserves and the funding of future work

Barnardo's has developed a reserves policy based on the objective of achieving a balance between the need to use voluntary income received 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.

It is Barnardo's policy to hold a reserve over and above that held in fixed assets equivalent to nine months' budgeted voluntary income for the year ahead (net of fundraising costs and therefore available for use). At the end of the financial year this reserve amounted to £22 million. Reserves above this amount, to the extent that they are represented by investments, are available to fund revenue or capital expenditure.

During the year we benefited from the strong performance of the stock market, which is reflected in the investment gains shown in the statement of financial activities and in our year end reserves position. Such is the volatility of the stock market, however, that since the year end these values have fallen significantly.

Barnardo's is actively pursuing a policy of using surplus reserves to fund project work. In the past three years we have used £23 million of reserves and plan to use a further £24 million over the next four years. This does not include the funding of additional proposed child care work contained in our target of 350 services, which is dependent on us increasing the current level of fundraising income and the income we receive from local authorities, with whom we work in partnership.

Investments

Council has power to invest funds not immediately required for operational purposes in

such concerns, securities or property as it thinks fit. Council is currently reviewing the overall policy with regards to ethical investments. Specific issues are considered regularly.

Review of transactions and financial position

The consolidated statement of financial activities on page 14 shows that total direct charitable expenditure was £89 million for the year, an increase of nearly 10 per cent over the previous year. Incoming resources available also increased, substantially helped by one-off profits made on the sale of some of our properties. A deficit of £9.2 million was incurred on ordinary activities, in line with budget, compared with £8.5 million in the previous year. This, as in prior years, was financed primarily by the sale of investments in accordance with the reserve policy outlined above. Included in the operating deficit of £9.2 million is a £2.1 million additional depreciation charge which resulted from the revision of useful lives of some of our fixed assets.

Trading 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 £0.7 million. In addition, Barnardo's shops produced a surplus of £3.1 million 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.

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 31 and 32

Mrs S E Bagot, Ms J A Lewis-Jones, and Mrs K Murray retire by rotation in accordance with Article 42. Mrs Bagot and Ms Lewis-Jones being eligible, offer themselves for re-election. Mrs Murray has indicated her intention not to seek re-election. Council wishes to record its appreciation for the substantial contribution made by Mrs Murray as a member of Council since her appointment in 1982.

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.

Local and central management involve staff at all levels in forward planning and the agreement of prime objectives. Professional child care issues are discussed at national and local events. There are regular meetings involving staff in a particular area, within a specialism or having a common interest in a specific subject. Staff views are sought 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 B-News and other publications 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 ensuring equality of opportunity for its staff and for the children, young people and families with whom it works in partnership. It is fundamental to the charity's high standards of child care work.

Barnardo's believes that selection and promotion should be based solely on ability to meet the requirements of the post. The aim is to remove discrimination, to provide equal access to jobs and training and to ensure that all staff enjoy fully the benefits of working for the organisation. In particular Barnardo's is committed to preventing discrimination on the grounds of sex/gender, marital status, race, sexual orientation, religion or disability. However, in pursuit of the equal opportunity policy, occasional use is made of the positive action clauses in present legislation.

During the year, Council decided to remove the requirement that the national directors must be committed Christians, and replaced this with a duty to actively promote the Basis and Values.

Year 2000

Barnardo's has reviewed its information technology and other systems to identify those areas where problems might arise because of a failure to recognise correct dates in the new millennium. This review has identified those applications which are already Year 2000 compliant and those requiring changes. Where changes are required, some have already been completed and the remainder are scheduled for completion during 1998/99. A testing programme will also be carried out during 1998/99 to confirm that systems are compliant.

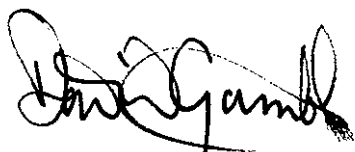
It is not anticipated that there will be any material costs arising in relation to Year 2000 compliance.

Special acknowledgements

Council wishes to record its appreciation of 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	Discretionary payments received from the Tom Parrington Charity – £180
Income	Income from the Bettine Ward Memorial Trust Fund for adventure training – £444
Grants	<p>From the National Lottery Charities Board UK, £200,000 for our anti-poverty strategy (second part of a £600,000 total grant)</p> <p>From Cable & Wireless, £210,000 for Dr B's in Leeds, Harrogate and Belfast (raised via a customer survey)</p> <p>From National Power, £50,000 (7th consecutive annual donation) plus £43,000 (raised via staff fundraising including matched company giving)</p> <p>In May 1998, £50,000 was received from the Diana, Princess of Wales Memorial Fund. This will be used for the refurbishment of the Swallownest community centre at Aston-cum-Aughton, Rotherham as part of our anti-poverty strategy</p> <p>From the National Lottery Charities Board Scotland, £115,000 for APNA (first part of £391,000 total grant)</p> <p>From The Jessie Spencer Trust, £500 received for the Sherwood Project in Nottingham</p> <p>From the National Lottery Charities Board Wales, £139,000 to support the Swansea Link Homelessness project (to be received in the financial year ending 31 March 1999)</p> <p>From Northern Foods plc, £10,000 for the Red Barn House and Rowan Centre</p> <p>From Mazda Cars (UK) Ltd, £50,000 for sponsorship of Barnardo's house to house collection 1997</p> <p>From Woolworth plc, £50,000 for sponsorship of The Big Woolworths Toddle for Barnardo's; a £19,000 donation and £25,500 raised from the Christmas card promotion.</p>

By order of Council
 Reverend David Gamble
 chair of Council
 8 September 1998



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.

Auditors' report to the members of Barnardo's

We have audited the financial statements on pages 14 to 29.

Respective responsibilities of Council and auditors

As described above the Council (namely the trustees), who are also the directors of Barnardo's, are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of 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 mis-statement, 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 affairs of the charitable company and the group as at 31 March 1998 and of the group's incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG

KPMG

Chartered Accountants

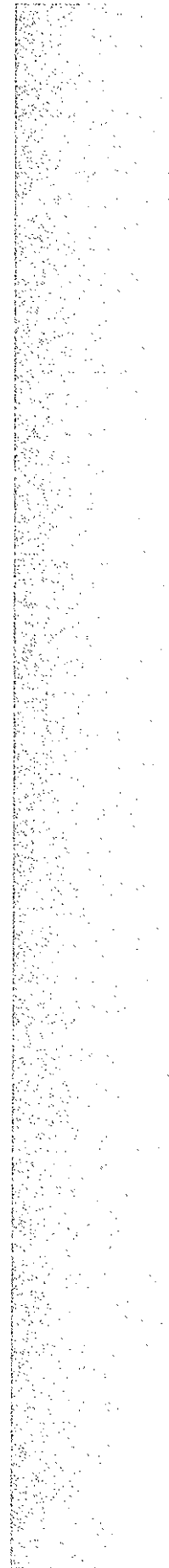
Registered Auditors

Gatwick

8 September 1998

The accounts

For the year ended 31 March 1998



Consolidated statement of financial activities

Year ended 31 March 1998

	Note	Unrestricted funds	Restricted & endowment funds	Total 1998	Total 1997
		£000	£000	£000	£000
Incoming resources					
Fundraising income	4	39,165	248	39,413	35,957
Fees and grants for children's services	5	40,192	—	40,192	39,160
Investment income and interest	6	5,363	366	5,729	6,031
Sales of donated goods		18,601	—	18,601	16,524
Other income	7	5,115	—	5,115	557
Total incoming resources		108,436	614	109,050	98,229
Less: Costs of selling donated goods		15,484	—	15,484	13,449
Incoming resources available		92,952	614	93,566	84,780
Resources expended					
Direct charitable expenditure	8	88,324	418	88,742	80,954
<i>Other expenditure:</i>					
Fundraising and publicity costs	8	10,830	—	10,830	9,715
Central management services	8	3,180	—	3,180	2,588
		14,010	—	14,010	12,303
Total resources expended		102,334	418	102,752	93,257
Net incoming/(outgoing) resources before transfers	9	(9,382)	196	(9,186)	(8,477)
Transfers between funds	23	123	(123)	—	—
Net incoming/(outgoing) resources		(9,259)	73	(9,186)	(8,477)
Gains and losses on revaluation and on investment asset disposals					
Investment asset disposals	10	17,144	4,679	21,823	7,918
Net movement in funds		7,885	4,752	12,637	(559)
Fund balances brought forward		162,493	21,337	183,830	184,389
Fund balances carried forward	22	170,378	26,089	196,467	183,830

The notes on pages 18 to 29 form part of these financial statements

Balance sheets

At 31 March 1998

	Note	Group		Charity	
		1998 £000	1997 £000	1998 £000	1997 £000
Fixed assets					
Tangible assets	15	65,874	67,798	65,735	67,662
Investments	16	111,837	97,567	111,837	97,587
		<u>177,711</u>	<u>165,365</u>	<u>177,572</u>	<u>165,249</u>
Current assets					
Stocks and work in progress	17	2,191	1,512	–	–
Debtors	18	15,828	15,795	15,577	16,740
Cash and bank balances and short-term deposits	19	12,237	10,358	11,132	9,138
		<u>30,256</u>	<u>27,665</u>	<u>26,709</u>	<u>25,878</u>
Creditors: Amounts falling due within one year	20	<u>(11,500)</u>	<u>(9,200)</u>	<u>(7,818)</u>	<u>(7,297)</u>
Net current assets		<u>18,756</u>	<u>18,465</u>	<u>18,891</u>	<u>18,581</u>
Net assets		<u>196,467</u>	<u>183,830</u>	<u>196,463</u>	<u>183,830</u>
Fund balances					
Unrestricted funds	22	170,378	162,493	170,374	162,493
Restricted and endowment funds	22	26,089	21,337	26,089	21,337
Total funds		<u>196,467</u>	<u>183,830</u>	<u>196,463</u>	<u>183,830</u>

Approved by Council
8 September 1998

Reverend David Gamble
chair of Council

Godfrey Whitehead
honorary treasurer

The notes on pages 18 to 29 form part of these financial statements

Consolidated cash flow statement

Year ended 31 March 1998

	Note	1998 £000	1997 £000
Reconciliation of net outgoing resources			
to net cash outflow from operating activities			
Net outgoing resources		(9,186)	(8,477)
Depreciation charge	15	11,118	7,547
Net gain on disposal of tangible fixed assets		(4,386)	(1)
Notional pension contributions	14	2,003	1,845
Increase in debtors (excluding pension fund prepayment)		(1,840)	(1,566)
Increase in creditors (excluding bank overdraft)		3,245	397
Investment income	6	(5,729)	(6,031)
Decrease/(Increase) in stocks		(679)	867
Net cash outflow from operating activities		(5,454)	(5,419)
Cash flow statement			
Net cash outflow from operating activities			
Returns on investments and servicing of finance			
Investment income and interest	6	5,729	6,031
Less: notional interest on pension fund			
Prepayment	14	(196)	(325)
		5,533	5,706
Capital expenditure and financial investment			
Purchase of tangible fixed assets	15	(10,175)	(7,444)
Purchase of investments	16	(26,451)	(26,155)
Sale of tangible fixed assets		5,367	1,618
Sale of investments	16	34,004	33,197
Repayment of loan by associated charity		--	50
		2,745	1,266
Cash inflow before use of liquid resources		2,824	1,553
Management of liquid resources			
Net cash withdrawn from deposit		1,343	3,010
Increase in cash in the year	19	4,167	4,563

The group had no debt in the current or prior year.

Summary income and expenditure account

Year ended 31 March 1998

	Note	1998 £000	1997 £000
Income			
Gross income of continuing operations		108,284	97,622
Turnover of non-charitable trading subsidiaries	3	8,505	9,846
Gross income		<u>116,789</u>	<u>107,468</u>
Expenditure			
Total expenditure of continuing operations		118,200	106,706
Expenditure of non-charitable trading subsidiaries	3	7,776	9,290
Gross expenditure		<u>125,976</u>	<u>115,996</u>
Net expenditure for the year before transfers and investment asset disposals		<u>(9,187)</u>	<u>(8,528)</u>
Transfers from restricted and endowment funds		123	361
Net expenditure for the year before investment asset disposals		<u>(9,064)</u>	<u>(8,167)</u>
Gain on disposal of investment assets		<u>6,893</u>	<u>6,962</u>
Net expenditure for the year		<u>(2,171)</u>	<u>(1,205)</u>
Reconciliation to statement of financial activities			
Net expenditure for the year before investment asset disposals as above		(9,064)	(8,167)
Movement on restricted capital and endowment funds	22	(122)	(310)
Net outgoing resources		<u>(9,186)</u>	<u>(8,477)</u>

The summary income and expenditure account is presented in order to ensure compliance with the Companies Act 1985. The major differences in the figures presented from those in the consolidated statement of financial activities are that trading activities are shown gross to ensure that the total income of the group is presented, and that unrealised gains/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 £2.2 million (1997 £1.2 million), net expenditure of £2.9 million (1997 £1.8 million) has been dealt with in the accounts of the charity.

Notes to the accounts

Year ended 31 March 1998

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 by charities, except in relation to the calculation of investment gains as set out below. 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 made up to 31 March. The trading results of the subsidiary undertakings are disclosed in a single line of the consolidated statement of financial activities (SOFA), as part of Other Income. 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. Realised gains or losses on investments are calculated as the difference between the disposal proceeds and the historical cost. Unrealised gains or losses are derived from the movement in market values during the year. This does not comply with the policy prescribed by FRS 3 (*Reporting Financial Performance*), but is considered to give a clearer reflection of the charity's activities in this area.

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 statement of standard accounting practice no. 12.
- iii) Other tangible fixed assets are depreciated over their expected useful lives, which vary between one and five years.

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.

- 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. Expenditure categories include salaries, depreciation and other costs as analysed in Note 8. 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) Costs of selling donated goods represents expenditure incurred in the operation and management of the Barnardo's chain of shops.
- iii) Child care and community work in the UK represents the costs of running projects and providing services. Included in this total are support costs, incurred in providing regional and departmental management.
- iv) 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.
- v) Fundraising and publicity costs. These costs are incurred in relation to staff members who are engaged directly in fundraising, and also include the costs of specific publicity campaigns for the raising of donations.
- vi) Central management 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:

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

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:

<i>Subsidiary Undertaking</i>	<i>Principal Activities</i>
<i>Barnardo Developments Limited</i>	<i>Property development</i>
<i>Barnardo Marketing Limited</i>	<i>Retailing, sponsorship & special events</i>
<i>Barnardo Trading Limited</i> <i>(formerly Barnardo Publications Limited)</i>	<i>Mail order and retailing</i>
<i>Barnardo Services Limited</i>	<i>Child care services</i>

All the companies covenant their taxable profits to the charity.

3 Trading subsidiaries' results	Barnardo Trading Limited £000	Barnardo Developments Limited £000	Barnardo Marketing Limited £000	Barnardo Services Limited £000	Total £000
Turnover	6,504	722	937	260	8,423
Cost of sales	(3,132)	(711)	(183)	—	(4,026)
Gross profit	3,372	11	754	260	4,397
Admin/other costs	(3,231)	(93)	(308)	(118)	(3,750)
Trading profit	141	(82)	446	142	647
Other income	—	82	—	—	82
Net Income	141	—	446	142	729
Amount covenanted to Barnardo's	(131)	—	(446)	(142)	(719)
Retained profit for year	10	—	—	—	10
Retained profit brought forward	—	—	—	—	—
Retained profit carried forward	10	—	—	—	10

Fees and grant income of £25.9 million received by Barnardo Services Limited are consolidated on a line-by-line basis in the SOFA. Related expenditure of £25.9 million was incurred by the charity and recharged to Barnardo Services Limited. Turnover included above for Barnardo Services Limited represents commission received only. Within other income in Barnardo Developments Limited is an amount of £37,000 representing a sale of tax losses to Barnardo's Marketing Limited. This is reflected in other costs within Barnardo Marketing Limited.

	1998 £000	1997 £000
4 Fundraising income		
Legacies	22,297	18,539
Donations and gifts from the general public	15,342	15,464
Donations from companies and trusts	1,774	1,954
	39,413	35,957
5 Fees and grants for children's services		
Statutory authorities	38,564	37,439
Residential care allowance	841	945
Training agency	547	462
Department of health	240	314
	40,192	39,160
	1998 £000	1997 £000
6 Investment income and interest		
Listed investments United Kingdom	4,063	4,026
Listed investments overseas	296	275
Short-term deposits	552	722
Rents and ground rents	98	411
Loan and other interest	720	597
	5,729	6,031

	1998 £000	1997 £000
7 Other income		
Net income of trading subsidiaries (Note 3)	729	556
Net gain on disposal of tangible fixed assets	4,386	1
	<u>5,115</u>	<u>557</u>

8 Analysis of total resources expended

	Salaries £000	Other £000	Deprn £000	1998 Total £000	1997 Total £000
<i>Direct charitable expenditure:</i>					
Child care and community work in the UK:					
Families with young children	7,559	2,656	1,261	11,476	10,443
Children and young people with disabilities	10,218	4,332	1,657	16,207	14,956
Children needing families	5,140	4,989	613	10,742	10,188
Disadvantaged young people	10,442	4,488	2,228	17,158	13,888
Children and young people with educational needs	7,988	3,437	650	12,075	12,187
Disadvantaged communities	2,465	649	406	3,520	3,478
Child care research and education	860	276	—	1,136	1,102
Support costs	6,272	2,279	370	8,921	7,645
Staff training and development	1,232	702	—	1,934	1,673
	<u>52,176</u>	<u>23,808</u>	<u>7,185</u>	<u>83,169</u>	<u>75,560</u>
Grants to individuals	—	245	—	245	262
Grants to other organisations	—	1,176	—	1,176	1,255
Informing the public about our work	2,158	1,994	—	4,152	3,877
	<u>54,334</u>	<u>27,223</u>	<u>7,185</u>	<u>88,742</u>	<u>80,954</u>
<i>Other expenditure:</i>					
Fundraising and publicity costs	4,769	4,620	1,441	10,830	9,715
Central management services	1,529	472	1,179	3,180	2,588
	<u>60,632</u>	<u>32,315</u>	<u>9,805</u>	<u>102,752</u>	<u>93,257</u>

Grants to other organisations were mainly in respect of related charities overseas. The majority of the expenditure was in relation to grants of £792,000 to Barnardo's Republic of Ireland (1997 – £1 million).

	1998 £000	1997 £000
9 Net outgoing resources		
<i>is stated after charging</i>		
Depreciation of tangible fixed assets	8,561	5,225
Depreciation on adaptations for special purposes	2,557	2,322
Auditors' remuneration for audit work	52	57
Fees for taxation advice	22	2
Operating lease rentals	4,400	4,551
	<u>15,592</u>	<u>12,457</u>
10 Gains on revaluation and on investment asset disposals		
Realised gains	7,238	7,068
Increase in unrealised gains	14,585	850
	<u>21,823</u>	<u>7,918</u>

11 Employees

The average number of employees during the year was:

Children's services	3,571	3,545
Fundraisers, shop managers, clerical staff and fundraising management	1,345	1,316
Central support services (including employees performing work for other departments)	323	303
Subsidiary companies	121	152

	5,360	5,316
--	-------	-------

Number of part-time employees included above

	2,822	2,814
--	-------	-------

The aggregate emoluments paid to employees was:

	£000	£000
Wages and salaries	61,934	59,016
Social security costs	4,290	4,187
Pension costs	3,825	3,638
Benefits in kind (as calculated for taxation purposes)	376	338

	70,425	67,179
--	--------	--------

The number of staff whose emoluments fell within each of the following bands was:

	1998	1997
£40,000 to £49,999	14	14
£50,000 to £59,999	2	3
£60,000 to £69,999	1	1
£70,000 to £79,999	1	1

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

12 Legacies

	1998	1997
	£000	£000
Legacies notified but not accrued	7,586	6,311

13 Members

Barnardo's is a company limited by guarantee having no share capital and in accordance with clause seven 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 1998 there were 526 members (31 March 1997 – 522).

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 £13,861 (1997 – £12,501). The number of Council members claiming expenses was 16 (1997 – 16).

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 £6,917.

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 triennial valuations using the projected unit method.

The most recent actuarial valuation, at 31 March 1995, showed that the market value of the scheme's assets was £116 million and that the actuarial value of those assets represented 113 per cent of the benefits that had accrued to members, after allowing for expected future increases in earnings.

The most significant actuarial assumptions were that the rate of dividend growth would be four per cent per annum and that the general level of salaries and pensions would increase at the rates of six per cent and four per cent respectively. The assumed valuation rate of interest is 8.5 per cent per annum. A more recent actuarial valuation is being carried out as at 31 March 1998 but the results of this are not available at the time of the annual accounts being approved.

As a result of the abolition of tax credits on dividends, on the basis of advice from our actuaries, the trustees of the pension fund have increased the organisation's employer's contribution rate to the pension fund to 11.5 per cent with effect from 1 April 1998. This compares with contributions of six per cent of pensionable earnings charged in the two years from 1 April 1996 and anticipated eight per cent thereafter. The contribution of employees remains unchanged at six per cent of pensionable earnings.

In 1989, a sum equal to the pension fund surplus at 31 March 1989 (£12.5 million) was credited to the accumulated fund and treated as a prepayment of pension cost. Notional interest on the unexpended balance of the prepayment is added to it each year and credited to the statement of financial activities. The amount charged to the statement of financial activities for these pension costs amounts to £4.8 million (1997 – £4.5 million) and comprises all cash payments made in accordance with the actuary's advice plus a transfer from the prepayment representing the difference between the amounts recognised as cost and the amounts paid directly to the scheme, reduced in respect of the surplus on valuation.

	Group and charity	
	1998	1997
	£000	£000
The pension fund prepayment comprises:		
Balance at beginning of year	2,301	3,821
Notional interest	196	325
Reduction in employer's contributions from 9.5 per cent to 6 per cent (1997– 9.3% to 6%)	(1,623)	(1,447)
Early retirement pension enhancement costs	(380)	(398)
	<hr/>	<hr/>
	494	2,301
	<hr/>	<hr/>

15 Tangible assets

	Properties	Equipment & vehicles	Total
	£000	£000	£000
(a) Group:			
<i>Cost or valuation</i>			
At beginning of year	101,197	17,467	118,664
Additions	4,576	5,599	10,175
Disposals	(1,867)	(1,271)	(3,138)
At end of year	103,906	21,795	125,701
<i>Depreciation</i>			
At beginning of year	39,726	11,140	50,866
Provided during year	5,359	5,759	11,118
On disposals	(916)	(1,241)	(2,157)
At end of year	44,169	15,658	59,827
Net book value			
At beginning of year	61,471	6,327	67,798
At end of year	59,737	6,137	65,874

During the year it was decided to review the lives of certain assets and this has largely resulted in a reduction in the lives of those assets. The impact of this is an additional charge to the statement of financial activities of £2.1 million over and above that which would normally have been charged.

(b) Charity: net book value included above

At beginning of year	61,467	6,195	67,662
At end of year	59,737	5,998	65,735

	Group	
	1998	1997
	£000	£000
(c) Analysis of freehold and leasehold properties		
Freeholds	49,869	48,976
Long leaseholds (over 50 years)	4,952	5,943
Short leaseholds (50 years and under)	4,916	6,552

59,737 61,471

(d) Use of properties:

Bamardo's child care work	35,968	33,679
Other, including shops, warehouses and administration	23,769	27,792
	59,737	61,471

(e) Properties shown at valuation:

	Group and charity	
	1998	1997
	£000	£000
Value included in balance sheet	7,647	7,647
Original cost/valuation on acquisition	7,303	7,303

	Group	
	1998 £000	1997 £000
16 Investments		
Investments at market value	111,837	97,567
Investments of the charity include £20,000 in subsidiary undertakings (Note 2)		
<i>Investments at market value:</i>		
At beginning of year	97,567	96,691
Additions	26,451	26,155
Disposals	(34,004)	(33,197)
Realised gains	7,238	7,068
Increase in unrealised gains	14,585	850
At end of year	111,837	97,567
<i>Being at market value:</i>		
Listed investments United Kingdom	96,006	82,836
Listed investments overseas	14,269	13,513
Other	1,562	1,218
	111,837	97,567
Cost of Investments	64,911	65,451

There were no individual investments in excess of five per cent of the total portfolio value.

17 Stocks and work in progress

Finished goods	1,227	929
Work in progress	964	583
	2,191	1,512

No stocks or work in progress were held by the charity.

	Group		Charity	
	1998 £000	1997 £000	1998 £000	1997 £000
18 Debtors				
Pension fund prepayment	494	2,301	494	2,301
Local authorities	6,224	5,831	2,729	4,465
Car loans and other staff advances	1,127	1,130	1,127	1,130
Taxation	1,323	941	1,052	580
Other debtors	779	562	692	536
Prepayments and accrued income	5,376	4,732	5,195	4,560
Amounts due from subsidiaries	-	-	4,288	3,168
Trade debtors	505	298	-	-
	15,828	15,795	15,577	16,740

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 Limited. 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 bank base rate.

	Group		Charity	
	1998 £000	1997 £000	1998 £000	1997 £000
19 (a) Cash and bank balances and short-term deposits				
Cash at bank and in hand	9,392	6,170	8,742	5,976
Short-term deposits	2,845	4,188	2,390	3,162
	<u>12,237</u>	<u>10,358</u>	<u>11,132</u>	<u>9,138</u>
	Cash at Bank & in Hand £000	Bank Overdraft £000	Total 1998 £000	Total 1997 £000
19 (b) Reconciliation of net cash flow to movement in net cash funds				
Net funds at beginning of the year	6,170	(1,296)	4,874	311
Change in net funds during the year	3,222	945	4,167	4,563
	<u>9,392</u>	<u>(351)</u>	<u>9,041</u>	<u>4,874</u>

	Group		Charity	
	1998 £000	1997 £000	1998 £000	1997 £000
20 Creditors – amounts falling due within one year				
Bank overdraft	351	1,296	322	1,129
Corporate taxation	1,999	309	269	309
Other taxes and social security costs	1,455	1,659	1,429	1,416
Other creditors	4,433	2,019	2,993	1,947
Accruals	2,720	3,100	2,551	2,373
Trade creditors	288	694	–	–
Deferred income	254	123	254	123
	<u>11,500</u>	<u>9,200</u>	<u>7,818</u>	<u>7,297</u>

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 1998, this guarantee covers a total commitment estimated at £2.6 million (1997 – £3.4 million).

	Group		Charity	
	1998 £000	1997 £000	1998 £000	1997 £000
(b) Other				
Capital expenditure contracted	8,483	1,208	1,764	1,208
Operating leases	52,440	42,395	52,440	42,395

	Group	
22 Fund balances	1998	1997
(a) Analysis of unrestricted funds	£000	£000
Designated funds		
Fixed assets reserve	65,700	67,624
Base reserve	22,523	22,442
Reserves available to fund future work		
Unrealised gains on investments	33,355	23,105
Other reserves	48,800	49,322
	<u>170,378</u>	<u>162,493</u>

	Restricted income funds	Restricted capital & endowment Funds	Total
	£000	£000	£000
(b) Analysis of restricted and endowment funds			
Incoming resources			
Fundraising income	248	—	248
Investment income and interest	329	37	366
	<u>577</u>	<u>37</u>	<u>614</u>
Resources expended			
Child care and community work in the UK	173	—	173
Grants to individuals	209	36	245
	<u>382</u>	<u>36</u>	<u>418</u>
Net incoming resources before transfers	195	1	196
Transfers between funds	—	(123)	(123)
Net incoming/(outgoing) resources	<u>195</u>	<u>(122)</u>	<u>(73)</u>
Gains on revaluation and on investment asset disposals			
Realised gains	—	345	345
Increase in unrealised gains	47	4,287	4,334
	<u>47</u>	<u>4,632</u>	<u>4,679</u>
Net movement in funds	242	4,510	4,752
Fund balances brought forward	323	21,014	21,337
Fund balances carried forward	<u>565</u>	<u>25,524</u>	<u>26,089</u>

All endowment funds are permanent endowments.

	1998 £000	1997 £000
22 (c) Categorisation of restricted & endowment funds		
Fund balances		
<i>Educational purposes</i>	3,219	2,657
<i>Project buildings</i>	284	284
<i>Sea training</i>	308	258
<i>Residential</i>	5,203	4,228
<i>Anti-poverty (National Lottery)</i>	–	36
<i>General and other purposes</i>	17,075	13,874
	<hr/> 26,089 <hr/>	<hr/> 21,337 <hr/>
	1998 No.	1997 No.
Number of funds		
<i>Educational purposes</i>	41	38
<i>Project buildings</i>	2	2
<i>Sea training</i>	1	1
<i>Residential</i>	1	1
<i>Anti-poverty (National Lottery)</i>	–	1
<i>General and other purposes</i>	45	53
	<hr/> 90 <hr/>	<hr/> 96 <hr/>

Subsequent to the year end, the Charity Commission approved a scheme for the amalgamation of a number of these funds.

	Unrestricted £000	Restricted & endowments £000	Total £000
(d) Analysis of fund balances between group net assets			
Fixed assets	65,700	174	65,874
Investments	88,262	23,575	111,837
Net current assets	16,416	2,340	18,756
Net assets	<hr/> 170,378 <hr/>	<hr/> 26,089 <hr/>	<hr/> 196,467 <hr/>
Unrealised gains included in investments value	33,355	13,571	46,926
	<hr/>	<hr/>	<hr/>
23 Transfers between funds			
Reimbursement of costs incurred on behalf of restricted funds	123	(123)	–
	<hr/>	<hr/>	<hr/>

24 Related parties

The trustees confirm that there have been no related party transactions during the year which require disclosure under Financial Reporting Standard 8: Related Party Transactions.

Council and officers

REGISTERED OFFICE

Tanners Lane, Barkingside, Ilford, Essex IG6 1QG
Telephone 0181 550 8822 Fax 0181 551 6870
Reg. No 61625 England
Charities Reg. No 216250

PATRONS

Her Majesty The Queen
Her Majesty Queen Elizabeth The Queen Mother

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 Scottish Episcopal Church
The President of the Baptist Union of Great Britain
The President of the Methodist Conference
The Moderator of the General Assembly of the United Reform Church
The Moderator of the Free Churches' Council
The Moderator of the General Assembly of the Church of Scotland
The Moderator of the General Assembly of the Presbyterian Church of Ireland
The General, The Salvation Army
The Lord Mayor of London
Sir Ian Scott, KCMG, KCVO, CIE
The Duke of Devonshire, PC, MC
Mr W Emrys Evans, CBE
Mr Norman W Bowie
Mrs S E Bernerd
Mr M A Charlton
Sir Brooke Fairbairn, Bt
Mr C H Martin, OBE, TD
Professor N A Jepson, CBE
Mr T R Lawson
Dr J Robins
Dame Gillian Wagner, DBE
Mr B Oldfield, OBE
Mr L Thomas

MEMBERS OF COUNCIL

Mrs S E Bagot (1988)
Mrs T A Baring, CBE (1977)
Dr D E Barnardo (1981)
The Rev David Gamble (1984)
Dr J F T Glasgow (1987)
Miss C Graham-Brown (1993) (resigned December 1997)
Mr P B Hardy (1993)
Professor N A Jepson, CBE (1985) (retired December 1997)
Ms R I Jones (1987)
Mr T R Lawson (1963) (retired December 1997)
Ms J A Lewis-Jones (1992)
Lady Mackay (1984)
Mrs F E Middleton (1993)
Mrs K Murray (1982)
Dr J Robins (1991) (retired December 1997)
Ms M Semple (1997)
Mr J M Shera (1997)

Continued overleaf ►

The Rev Canon D Sherlock (1975)
Mr A K Stewart-Roberts (1990)
Mr R Swanston (1989)
Mrs D M Symon (1995)
Dame Gillian Wagner, DBE (1969) (retired December 1997)
Mr G Whitehead (1993)

CHAIR OF COUNCIL
Rev David Gamble

DEPUTY CHAIR OF COUNCIL
Dr David E Barnardo

HONORARY TREASURER
Godfrey Whitehead

CHIEF EXECUTIVE
Roger Singleton, CBE

DIRECTOR OF CHILDREN'S SERVICES (UK)
Maggie Smith

DIRECTOR OF MARKETING AND COMMUNICATIONS
Andrew Nebel

DIRECTOR OF FINANCE AND CORPORATE SERVICES
Ian Theodoreson

COMPANY SECRETARY
Gordon Travis

MANAGEMENT AUDITOR
Brian Sanity

AUDITORS
KPMG
1 Forest Gate, Brighton Road, Crawley, West Sussex RH11 9PT

BANKERS
Barclays Bank plc, 240 Whitechapel Road, London E1 1BS
Please make cheques and orders payable to 'Barnardo's' crossed Barclays Bank plc a/c
Barnardo's

INVESTMENT MANAGERS
Mercury Asset Management plc, 33 King William Street,
London EC4R 9AS

Schroder Investment Management Ltd, 31 Gresham Street,
London EC2V 7QA

PRINCIPAL SOLICITORS
Campbell Hooper, 35 Old Queen Street, London SW1H 9JD