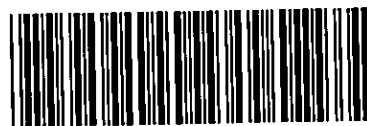


2008

IN KIND DIRECT

**Report and
Financial Statements**
for the year
ended 31 December 2008

SATURDAY



A2650940

A30

18/04/2009

306

COMPANIES HOUSE

IN KIND DIRECT
(a company limited by guarantee)
Registered Company no: 3155226
Registered Charity no: 1052679
Enrolled Environmental Body no: 213023

Report and financial
statements for the year
ended 31 December 2008

2008

	page
Reference and administrative details	4
Supporters	5
Vision, Mission and Key Achievements	7
Directors' report	8
Public benefit, objectives and activities	
Achievements and performance	
Financial review of 2008	
Key lessons learned	
Plans for the future	
Structure, governance and management	
Financial policies	
Risk policy and management	
Environmental policy	
Directors and trustees	17
Independent Auditors' report	18
Statement of Financial Activities	19
Balance Sheet	20
Notes to the Financial Statements	21

Reference and administrative details

Directors & Trustees

Christopher Hyman (Chairman)
J Michael Blackburn (Deputy Chairman)
Stephen Howard
Allison Kirkby
Brian McBride
John Patullo
Cindy Rose
Andrew Rubin
Sir Tom Shebbeare KCVO CBE
G Truett Tate

Principal and registered office

11–15 Monument Street
London
EC3R 8JU

Tel: 020 7714 3930
Fax: 020 7714 3920
www.inkinddirect.org

Chief Executive

Robin Boles

Honorary Solicitors

Addleshaw Goddard
150 Aldersgate Street
London
EC1A 4EJ

Status

In Kind Direct is:

- a company limited by guarantee, number 3155226.
- a charity registered in the United Kingdom, number 1052679.
- an enrolled environmental body, number 213023.

It is governed by a Memorandum and Articles of Association dated 16 January 1996, as amended by subsequent Special Resolutions.

Auditors

haysmacintyre
Fairfax House
15 Fulwood Place
London
WC1V 6AY

Bankers

Lloyds TSB Bank plc
34 Moorgate
London
EC4N 8DL

Honorary Solicitors

Mishcon de Reya
Summit House
12 Red Lion Square
London
WC1R 4QD

Supporters

In Kind Direct gratefully acknowledges support in 2008 from many individuals and organisations by way of encouragement, donated goods or services and direct funding. This support is provided by the people and organisations listed below:

Donated Goods

Clothing, Footwear & Sports Goods

1927
Amer Sports UK
Aspire
Bravissimo
Darlington Borough Council
Dewhirst Corporate Clothing
Douglas Read Shoes
Ellesse
Highgrove Shop
JD Sports
Kickers
Live Communications
New Balance Athletic Shoes
Next
No Smoking Day
Pacific Direct
Pentland Brands
Reebok
Saucony
Smith & Brooks
Sodexo
Sourcing Unlimited (Pentland Asia)
The White Company
Wensum
Woolworths

Food & Other

3663
Cafédirect
DS Smith
ITV
Roke
The Moore Green Hospital
UK Packaging Supplies
Vanguard Storage Services

Household Goods

Azcom Business Solutions
Black & Decker
Bosch
BT
Bunzl Catering Supplies
Cavendish Textiles
Cleenol Group
EdenCanCan
Groupe SEB
Hilton in the Community Foundation
Kimberly-Clark
National Express
Nido Kings Cross
Portmeirion Potteries
Procter & Gamble
Salton Europe
SCA Tissue Europe
The Bank of New York Mellon
The Meyer Group
Unilever UK
Vi-Spring

Office Supplies & Equipment

3M
Abbey
ACCO UK
Amnesty International
Bank of America
Corporate Express
Demco Worldwide
DSG International
Jiffy Packaging
Lloyds TSB
Mitre Sports International
Newell Rubbermaid
Ricoh
Sainsbury and Sainsbury
Skills for Health
Swan Stabilo
The Maverick Consultancy
Xerox

Toys, Educational Products & Books

Capsticks
Early Learning Centre
Entertainment Rights
Haptic
Home Retail Group
Invicta Plastics
KidsLine
Manhattan Toy
Mattel
Mothercare
Romark
The Disney Store
Usborne Publishing
Wabbo

Toiletries, Personal & Baby Products

Boots Group
Colgate Palmolive
Gillette Group Europe
Johnson & Johnson
L'Oréal
Meldex International plc
Molnlycke Health Care
NHS Logistics Authority
Out of Eden
Sara Lee Household & Body Care
The Body Shop Foundation
Wild Child

Donated Services

3i plc	CEVA	Lloyds TSB	Serco
Accenture	Mr Chris Chambers	Mischon de Reya	The Service Business
Addleshaw Goddard	Consolidated	Mr Sanjay Nazerali	The Walt Disney Company
Baby Products Association	Corporate Express	Pentland Brands plc	Trade Association Forum
Berry Bros. & Rudd	DHL	Procter & Gamble	Xerox
Business in the Community	Dunnell Gillingwater	Ricoh	
	Mr and Mrs David Feld	Secure Trading	

Financial Supporters

(CS = Charitable Settlement, CT = Charitable Trust, CF = Charitable Foundation, F = Foundation, T = Trust)

29th May 1961 T	Inman CT	R M Douglas CT	The Shears F
3i plc	Intersport	Rubin F CT	The Steel CT
A J Burton 1956 CS	J R Corah F Fund	Sharegift	The Trefoil T
Abbey CF	Johnson Matthey	Simon Bentley CT	The Walt Disney Company
Andrew Bonar CT	Mr and Mrs T Lintott	Simon Gibson CT	The Worshipful Company of Playing Cards
Anton Jurgens CT	Mr and Mrs P Lupo	Sobell F	Thomas Sivewright
Baby Products Association	Mrs L Lynam	Soporcel UK	Catto CS
Beatrice Laing T	Man Group plc CT	Stylo Barratts Shoes	Thompsons
Briess Family CT	Marsh Christian T	The Charles Irving CT	Whitaker CT
Bunzl	Maud Elkington CT	The City Bridge T	Woodroffe Benton CT
Deloitte	Northwest Regional Development Agency	The Clore Duffield F	
Denton Wilde Sapte CT	Ormsby CT	The Cruach T	
Edward Bonham Carter	Mr and Mrs G Parekh	The Coutts CT	
Mr and Mrs D Feld	Mr and Mrs R Pegum	The Jessie Spencer CT	
Florence Turner T	Pentland Group	The Morgan CF	
Gillespie Family T	Procter & Gamble	The Morgan Crucible CT	
Mr & Mrs T J P Hancock	Prudential	The Norman Family CT	
Imperial Tobacco		The Schroder F	

“Our long-term partnership with In Kind Direct benefits P&G, the environment and most importantly, those in need. In Kind Direct works with charities of every size and type, from disability organisations to those benefitting under-privileged children. Our support of In Kind Direct helps thousands of charities and the millions of people they serve who might otherwise not benefit, touching lives and improving life in communities that most need assistance.”

Irwin Lee, Vice President & Managing Director, P&G UK & Ireland

Vision, Mission and Key Achievements

Vision

To improve the lives of millions of people as the leader in the field of in-kind giving through matching surplus goods in business to the needs of our growing network of charity partners.

Mission

In Kind Direct significantly increases the flow of goods to UK charities, through effective, efficient redistribution. We provide an excellent, responsive service to our charity partners, and through them help people in need both at home and abroad. We inspire growth in corporate giving, promote responsible business practices and divert usable goods from landfill.

Key Achievements 2008

- Over £11.2m worth of goods redistributed to charities
- Equivalent of 3,428 pallets of goods redistributed
- 2,993 charities in the network – an increase of 218%
- 97% charity partner satisfaction with our service

Achievements to end of 2008

- £78m worth of goods donated for distribution
- 5,844 charities helped since we began operations

MORIEL MISSIONS UK

Moriel Missions UK runs projects in Tanzania and South Africa to highlight HIV awareness and the needs of orphans. The founder, David Royle, and his family moved to the region and developed a village for children with HIV and severe disabilities in 2000.

“Working with In Kind Direct means when I return to the UK to do the awareness raising work I can collect quality products to take back to the village. We tend to go for personal hygiene products as these are crucial for patients with a compromised immune system such as our children with HIV/Aids. Some of our children have been neglected which has left them with serious dental problems, hence the need to focus on a good dental hygiene regime.

In Kind Direct redistributes quality products and we receive a financial saving but with no compromise on quality. Apart from the obvious health benefits the scheme shows the kids there is a bigger world that cares for them. Our property is next to a squatter camp of 4,000 shacks with many impoverished children and we have been able to meet some of their needs too. The pity is I cannot bring more across.

David Royle

“What we like about In Kind Direct is that through one charity we have the possibility of helping over three thousand organisations in the UK that provide products to their beneficiaries. Throughout Bosch history, it has been important for the company to balance business success with social and ecological concerns. We are delighted that our relationship with In Kind Direct enables our tools to reach those to whom they are not normally available, helping them in some way to improve their quality of life.”

Robert Meier, Managing Director, Bosch

Directors' report for the year ending 31 December 2008

The Trustees, who are also the directors of the charity for the purposes of the Companies Act, present their annual report and the audited financial statements for the year ended 31 December 2008.

Public benefit, objectives and activities

The charitable aims of In Kind Direct are to obtain new surplus goods from donor companies and to redistribute these to UK charities and not-for-profit organisations working at home and overseas. During 2008, In Kind Direct received donations of £10.7 million of goods, and distributed over £11.2 million of goods to our charity partners – an increase of 32% on 2007. In Kind Direct works for the public benefit by ensuring that the expenditure of other charities on essential goods is reduced, thus stretching their scarce resources and enabling them to help millions of people at home and abroad, while reducing environmental damage.

Every day in the UK a charity struggles to raise sufficient funds to purchase essential items to sustain their operations or give to the people they serve. At the same time, a UK manufacturer or retailer sends the same items to landfill, either deemed as surplus to requirement or not fit to retail as a result of a cosmetic flaw in the product or packaging.

In Kind Direct matches surplus to need, significantly increasing the flow of goods to UK charities, through effective, efficient redistribution. We provide a single point of contact for donor companies, distributing their surplus products to thousands of different charities and communities. Not only does this save storage and disposal costs for organisations, but also helps them achieve their social and environmental objectives, promotes responsible business practice and diverts usable goods from landfill.

In Kind Direct's redistribution model demonstrates the highly practical way in which product donations can free up scarce cash resources to allow charities to do significantly more for the people they help.

Donated goods are sorted and made up into different pack sizes, to suit the varying needs of our network of charity partners. In January 2009 In Kind Direct began a new logistics partnership with The Service Business which included a warehouse move from Oxfordshire to Telford. Charities request goods via our online catalogue and the orders are delivered to their doors. They pay a handling charge for our service ensuring goods go only where needed, preventing stockpiling, as well as providing an important contribution to our costs.

Achievements and performance

A major achievement for the year demonstrates the increasing need for the In Kind Direct service and the benefit to the charities served. £11,213,013 worth of goods was redistributed to good causes in just 12 months (2007: £8,464,622) – our best year's achievement to date.

In 2008 In Kind Direct embarked on the first year of an ambitious three year plan to increase the scale and sustainability of our work.

The plan focuses on four key areas: development of our registered and active charity database, increasing the flow of the right products, the efficiency and flexibility of logistics, and a targeted fundraising strategy.

Specific objectives were set for 2008 for each area and the progress against these objectives is highlighted in the following section:

1. Development of the registered and active charity database

There were 2,993 partners in the charity network as at 31 December 2008, an increase of 1,621 organisations for the year. This was achieved by eliminating the annual registration fee for all charity partners and embarking upon multi-media marketing activities.

In Kind Direct serves charities and not-for-profit organisations working in any field – see Figure 1 for details. All charities benefiting are based in the UK, working at home or abroad. The advantage of being an In Kind Direct partner is that using our service can stretch an organisation's limited budget and free up funds for other purposes. This is increasingly relevant in the current economic climate. The importance of In Kind Direct is demonstrated by the fact that 78% of the organisations in the network have incomes of less than £50,000 and two-thirds have no paid staff and are run entirely by volunteers.

Through our Retail Donation Initiative local charities are matched with UK Disney Stores. Thirty charities participate and collect in-store surplus directly from their partner Disney Store, creating a meaningful relationship between the charity and Disney 'cast member' employees.

In Kind Direct is one of seven national charities from The Prince's Charities working in partnership with Burnley Borough Council, local businesses and other government and voluntary organisations to take forward

the social, economic and environmental regeneration of Burnley. This work will continue in 2009.

The following specific objectives for 2008 were:

■ **Conversion of all charities to using online service**

New charity partners were offered the online service as a matter of course. Existing partners were informed about selecting the online service for free annual registration at annual renewal time. The online service ensures that charity partners see only the items available in real time saving them time and they receive information about new products on a regular basis making sure they get the items they need as soon as they can.

In the course of the year a number of usability enhancements were initiated to make the website easier to use which will be completed in 2009.

■ **Development of case studies for use in charity and donor marketing through visits to top 20 ordering charities**

The top 20 ordering charities as well as a host of others were visited by In Kind Direct staff. The organisations were located across England and Scotland. The visits afforded insight into how the goods supplied by In Kind Direct are used, often in innovative ways, to achieve the aims of the charities, and how In Kind Direct can provide more support. The case

studies gained from the visits have been used in materials to inspire donor companies to donate the much needed surplus and to demonstrate to potential charity partners what using the In Kind Direct service can do for an organisation. Charity visits will continue in 2009.

■ **2. Increase the flow of the right products**

In 2008 we redistributed the equivalent of 3,428 pallets of goods, a 37% increase on 2007, ahead of our target of 35%. The value of these goods was £11,213,013.

When In Kind Direct receives an increasing amount of products this means that charity partners can source more of what they need, saving them money. It also means that there is less surplus stock going to landfill.

This increase would not be possible without the support of existing and new goods donors. There were 52 new donor companies in 2008, covering sectors as diverse as food to shoes.

The following specific objectives for 2008 were:

■ **Implement goods donor contact plan**

In 2008, In Kind Direct continued to build and deepen relationships with existing donors as well as developing contacts at prospective donor companies. When working with companies we aim to develop commitment to our work at multiple levels – CEO/Board, corporate responsibility, marketing, logistics and warehouse level.

■ Strengthen intermediary initiatives – working with corporate responsibility brokers and Trade Associations

Various Trade Associations and intermediaries have supported In Kind Direct's work in 2008. The Baby Product Association kindly donated a stand to In Kind Direct at their annual exhibition in Birmingham, which gave In Kind Direct access to a number of potential donor companies and industry intelligence. In Kind Direct also featured in newsletters and publicity for the British Home Enhancement Trade Association, British Educational Suppliers Association and British Design Innovation.

■ Bi-monthly donor e-newsletter

Donor News, the e-newsletter for donors, was first issued in March 2008. It covers a range of topics from articles about donor companies, to feedback from charities plus interesting facts about In Kind Direct's work. The e-newsletter has kept our community of donor companies regularly informed about our work and it has prompted additional goods donations. Donor News will continue in 2009.

3. Efficiency and flexibility of logistics

■ Finalise strategic partnership with logistics supplier

After a detailed tendering process The Service Business was selected as the new logistics supplier. The Service Business is a smaller company than our previous logistics providers and offers a more tailored service at a cost In Kind Direct can bear. The warehouse is based in Telford, Shropshire, and has low level racking and much more floor space. The move to the new warehouse took place in January 2009.

■ Develop and test pick and pack strategy

During the course of 2008 the pick and pack strategy was tested with a number of products. This additional service gives charities the option to order the items in the precise quantities they require. The service was incorporated into the specification for choosing the best warehouse. The strategy is being fully implemented in 2009 so charity partners can select small or large quantities according to their needs.

■ Review IT links to and within warehouse systems

In Kind Direct was given access to a new warehouse management system in 2008. This provided improved information especially about the workflow. At the new warehouse in Telford we have an even better system which builds on the automation of goods request processing as the need for rekeying orders has been removed, further increasing efficiency and decreasing the margin for errors.

4. A targeted fundraising strategy

We continued our programme of applications to trust and company donors, aiming to secure funding essential to enabling our transition to financial self-sustainability. Although we were unsuccessful in raising sufficient funds to meet our reserves policy, we secured significant grants from several new funders and cemented support with others.

In Kind Direct also benefited from two fundraising events – a music and cocktails evening hosted by David and Anne Feld and a wine tasting evening at Berry Bros. and Rudd supported by 3i. Both raised valuable unrestricted funding.

In total, In Kind Direct received £350,374 of funding with a significant commitment for future years which will help with planning.

5. Cost and overhead management

At the end of 2007, long before the economic climate had changed, In Kind Direct took the decision to reduce costs in order to become more financially self-sustaining. This included a reduction in headcount from a planned 20 to 13. In Kind Direct actually delivered savings of almost £100,000 against the 2008 budget, spending £1.1 million on its logistics and support operations. Costs will continue to be kept under tight control as the charity raises its operational income and decreases its reliance on fundraising.

Financial review of 2008

During 2008, In Kind Direct's logistics operations generated handling charge income of £721,165 (2007: £548,429) and registration fees of £4,233 (2007: £39,274). Removal of the £50 annual registration fee towards the end of 2007 has contributed to the continuing increase in the number of charities joining In Kind Direct. This has helped generate record handling charge income.

In Kind Direct's expenditure during 2008 supported the charity's objectives. Over £11.2 million of expenditure related to the value of the goods distributed to our charity partners. A further £1.1 million related to the costs of our logistics operation, the costs of maintaining our online ordering system, and the costs of In Kind Direct employees engaged in sourcing goods and servicing charity partners, as well as goods distribution.

The long-term financial sustainability of the charity has been reassessed by the Board of Trustees and the charity's Senior Management Team. This led to the establishment of a new business model at the end of 2007. By building the network to a larger scale, and through increased product donations, the financial contribution achieved from the charity's logistics operation will grow and thus reduce the need to cover operational expenditure through fundraising activities.

Funding our activities

Once again, we must give special thanks to Lloyds TSB, our most generous and longstanding supporter. Lloyds TSB provides In Kind Direct with office space and many services. Our unbounded gratitude goes to everyone who makes this possible.

£352,124 of funding was received by In Kind Direct during 2008, of which £230,195 was unrestricted and £121,929 was restricted. Charitable trusts and foundations continued to provide a significant proportion of In Kind Direct's funding. They accounted for 67%, whilst the contribution from the corporate sector

WOMEN'S AID STAFFORD

Women's Aid Stafford provides a safe place for women and children escaping domestic violence. One of their main projects is a communal refuge which accommodates up to eight families. The charity receives a wide range of goods from In Kind Direct from kitchenware to cleaning products, stationery and toys.

As a charity, we run on limited resources but provide services which can be expensive to operate, particularly our safe accommodation. In Kind Direct has helped us to provide for our beneficiaries in ways we would not have been able to without this resource. Not only has it benefited many of the women and children we help, but it also has contributed in our aim to use our financial resources in the most cost effective ways. Dickie Chester-James

declined from 40% in 2007 to 27%. The second tranche of a three year grant (£26,500) was obtained from the Clore Duffield Foundation to support 15 new charity partners with £100 virtual vouchers; whilst the first year of a three year grant was received from the Northwest Regional Development Agency (NWDA £37,500). This will enable In Kind Direct to service 70 additional charity partners in the northwest of England. In the business arena, Procter & Gamble generously donated a further £25,000 towards sponsorship of our website development. Financial supporters which continue to show confidence in our work year after year included 3i plc, Abbey Charitable Trust, The Beatrice Laing Trust, Man Investments, The Madeline Mabey Trust, Sharegift, Pentland Brands plc and The Walt Disney Company.

The 2008 operational expenditure budget was £1,178k, which meant that the unrestricted fundraising target was £487k. Actual operational expenditure decreased by £108k during 2008 (to £1,070k), and the final unrestricted funding requirement was reduced to £409k, including reserves build. We received unrestricted grants and donations of £230,195, whilst £48k was released from restricted funds to the general fund. This provided total unrestricted funding of £279k which led to a shortfall of £130k (32%) against the final 2008 funding target of £409k.

Key lessons learned

In Kind Direct has made a speedy transition to ecommerce with 100% of orders now being made online. To ensure we have relevant capability throughout the organisation in January 2009 we have recruited a trustee with expertise in this area (Brian McBride, MD of Amazon).

Part of the learning around this change in the way we deliver our service has been to understand more about how our charity partners work and the methods of communication that suit their needs. We have devised a new suite of communication materials to ensure that our charities receive the information they need to benefit from In Kind Direct's work.

Plans for the future

2009 is the second year of the business plan aiming to increase the scale and sustainability of In Kind Direct's work. However, since the plan was formulated the economic climate has dramatically

altered. It is too soon to say how the recession will affect goods donor companies' generosity or the resilience of our charity partners.

In response to this change in the economy, the goals of trebling the number of charities we work with and the volume of goods redistributed by 2011 has been extended to 2012. This means that financial self-sustainability, with the attendant reduction of reliance on external funding, has also been extended to 2012. The trustees of In Kind Direct believe that the charity is in a good position to weather the current economic downturn. For example, as of mid-February 2009 the charity has already received cash and commitments of funding totalling 47% of the 2009 total expected fundraising requirement.

The four strategic aims of the plan remain the same. These aims, along with our key objectives and initiatives are set out in the table:

Strategic Aim	Objectives and Plans
Development of registered and active charity database Key measures 45% of charities ordering of total base 1,700 unique charities ordering in 2009	<ul style="list-style-type: none">■ Implement initiatives to ensure partner charities use the service■ Recruitment of new charity partners through events and marketing■ Launch replacement communications materials for charities■ Development of 20 charity profiles■ Perform various charity surveys■ Build strategic alliances with charity umbrella organisations
Increasing the flow of right products Key measures Increase volume donated by 30% on 2008	<ul style="list-style-type: none">■ Improve communications to new and existing donor companies including streamlining the goods donation process, refining Donor News and implementing a new marketing campaign■ Continue working with corporate responsibility brokers & Trade Associations, including attending at least four trade fairs■ Finalise report on tax incentives for in-kind giving and publicise results■ Explore new ways of accessing products for charity partners
Efficiency and flexibility of logistics Key measures No donations not looked at after six weeks in warehouse Less than 8% of warehouse space aged 12 months or more	<ul style="list-style-type: none">■ Move to new warehouse■ Roll out pick and pack on appropriate product lines■ Appointment of Warehouse Liaison & Rework Manager■ Develop a measure to evaluate financial impact/success of pick and pack■ Pilot volunteer projects at new warehouse
Targeted fundraising strategy Key measures Raise funding for 2009 (£486,000) End year with three months' operating reserves	<ul style="list-style-type: none">■ Rolling programme of trust and company applications to meet reserves target for 2009 then transitional funding for 2010 and 2011■ Support third party fundraising initiatives■ Seek sponsorship opportunities including donor newsletter and online catalogue

BURNLEY PLAY ASSOCIATION

Burnley Play Association is based in the Trinity Ward of Burnley, the second most deprived ward in the town. They work primarily with children and the wider family. The Association has been a charity partner for almost five years.

Over the years that we have been affiliated with In Kind Direct, we have had thousands of pounds worth of equipment such as baby clothes for a teenage pregnancy group and small electrical items that we have used in the centre. We have personal health and safety play sessions when we give all the children a bag containing a toothbrush, toothpaste, shampoo and conditioner. We know that personal cleanliness is the first thing to suffer if money is tight and the choice is between a loaf of bread and shampoo. In Kind Direct helps groups like us to provide a hugely needed service. Audrey Thornton

Structure, governance and management

In Kind Direct was founded in 1996 by HRH The Prince of Wales. It is one of The Prince's Charities and is subject to operating guidelines laid down for The Prince's Charities, as well as to its own memorandum and articles of association.

There are ten trustees, who meet quarterly as a Board as do the Marketing Committee and the Finance and Audit Committee. With the addition of the Chairman of the charity, the latter Committee also constitutes the Remuneration Committee. There is also a Nominations Committee which meets as required.

New trustees are recommended by the Nominations Committee and appointed by the members in general meeting. The Board may appoint trustees to hold office until the next annual general meeting where the appointment must be approved by the members. All trustees are subject to retirement by rotation except the chief executives of Business in the Community and The Prince's Charities respectively.

New trustees are given copies of the charity's legal documents, management information and accounts, together with general reading material about the charity and Charity Commission literature. This is followed by meetings with the Chief Executive and/or Chairman as part of the induction process. Trustees are sent training updates as appropriate throughout the year. New trustees are invited to attend an in-depth induction training day with trustees of the other Prince's Charities.

In Kind Direct is also a company limited by guarantee. When a term of appointment as trustee/director ceases, membership of the company also ceases. In the event of winding up, the liability of each member of In Kind Direct is limited by guarantee to £10.

Day-to-day management of the charity is delegated to the Senior Management Team led by the Chief Executive. Formal reporting by the Chief Executive to Trustees takes place regularly throughout the year. At the end of the period under review there were eleven full-time and two part-time staff.

Financial policies

Reserves policy

In 2008, the Board's review of the reserves policy concluded that the charity should aim to achieve reserves equivalent to three months' operational cashflow until such time that the charity reaches financial sustainability. The longer term aspiration of the Board is that the charity achieves six months' reserves.

Restricted reserves	£64,326
Unrestricted reserves	£49,154

Total reserves as at 31 December 2008 £113,480

However, £35,500 of a £37,500 grant received from the NWDA (a restricted fund) will be released to the unrestricted fund over the course of the next financial year. Therefore the total funds available for operational expenditure are £84,654 being £49,154 of unrestricted reserves plus the £35,500 from the NWDA that will be transferred. This £84,654 equates to six weeks' of operating costs and represents an increase of £322 compared to the previous year.

Investment policy

In Kind Direct's investment policy is to place funds in excess of short-term commitments on monthly deposit leaving a sufficient balance in the current account which is coupled with a nightly sweep to a higher interest deposit facility. It is the opinion of the Board of Trustees that the interest earned is paid at a competitive market rate and that these investments perform to a satisfactory level.

In Kind Direct's policy with regard to donated shares is that they will generally be sold at the earliest opportunity subject to any restrictions on sale. Staff seek concurrence prior to any proposed disposal from a member of the Finance and Audit Committee before either proceeding with the sale or give an explanation for not realising the value as soon as the restriction has lapsed. Currently no donated shares are held.

GROUPS TOGETHER

Groups Together is a self help group for people with a physical or learning disability.

We get everything from In Kind Direct and this is hugely appreciated by everyone. The service stretches our budget so now we have more money to spend on core activities. At Christmas we decorated the rooms with Christmas decorations from In Kind Direct brightening the place up, creating a better atmosphere at the parties.

Some people with learning disabilities get pleasure from picking exactly what they want even if it's only the colour of a toothbrush. They can do that with the goods we receive. Well done to all the companies that participate. Jean Mercer

AGE CONCERN HALTON

Age Concern Halton exists to maintain and improve the quality of life for older people in Halton. Their main focus is to reduce isolation, increase security and provide information such as legal advice, do home checks and they offer a visiting service. Many of the services are delivered by volunteers.

The items obtained from In Kind Direct were given to carers during Carers Week. We had nine outreach sessions during the week at the local hospital and medical centre where we provided carers with information packs. Carers were thrilled with their gifts and got vital information to help them in their caring role. The gift items were definitely a good way of attracting people's interest and ensuring that they approached us in the first place. In all, we saw nearly 100 carers and approximately 90% of these were 'hidden' carers. We will definitely do this again for carers' events as the results this year were much better than in previous years. By using In Kind Direct we were able to give a gift to every carer.

Ros Walker

Risk policy and management

The Trustees review the assessment of major risks to which the charity is exposed. The Senior Management Team has compiled a risk register, which they regularly monitor and amend as necessary. Management of risks is an ongoing task of the Senior Management Team, with changes reported to the Board at quarterly meetings.

Example risks identified include the impact of the economic downturn, the loss of infrastructure support, and operational and reputational risk surrounding potential misuse of donated products by charity partners. There are processes in place to mitigate these risks including a strategic approach to key relationships.

Environmental policy

We recognise that our business activities have direct and indirect impacts on the environment and, as one of The Prince's Charities, we endeavour to manage these in a responsible manner. We are committed to continuous improvement in reducing our carbon footprint and encouraging our business partners and members of the wider community, of which we are part, to minimise their negative impact on the environment.

In 2008 as part of our commitment to managing our environmental impact we carried out a review using the Connected Reporting Framework (CRF) Environment tool from Business in the Community. The findings have been reviewed and fed into our planning for 2009. This work is part of a wider project being carried out by The Prince's Charities on sustainability.

Directors and trustees

The directors and trustees of In Kind Direct during the year and up to the date the accounts were approved were as follows:

Christopher Hyman (Chairman)

J Michael Blackburn (Deputy Chairman)

Dame Julia Cleverdon CVO CBE

Retired 20 March 2008

Michael E Fairey

Retired 30 June 2008

Stephen Howard

Appointed 20 March 2008

Dylan Jones

Appointed 24 November 2008,

resigned 5 February 2009*

Allison Kirkby

Brian McBride

Appointed 29 January 2009

Nigel Palmer

Retired 23 September 2008

John Patullo

Cindy Rose

Andrew Rubin

Sir Tom Shebbeare KCVO CBE

G Truett Tate

Appointed 23 September 2008

*Resigned due to work relocation overseas.

We would like to thank those trustees who have retired or resigned in the past year for their efforts and enthusiasm for In Kind Direct and its work.

Changes in fixed assets

No capital expenditure was incurred during 2008.

Directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to;

- select suitable accounting policies and then apply them consistently;

- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.


Related Parties

One of In Kind Direct's trustees was employed by a company with which In Kind Direct has a commercial relationship. This is detailed in Note 17, page 30, to these accounts. In addition, a further two trustees of In Kind Direct are employed as Chief Executive / Director of two other organisations forming part of The Prince's Charities.

Auditors

haysmacintyre was appointed as auditor during the year. A resolution to re-appoint haysmacintyre will be proposed at the Annual General Meeting.

By order of the Board


Allison Kirkby 24 April 2009.

Independent Auditors' report to the members of In Kind Direct

We have audited the financial statements of In Kind Direct for the year ended 31 December 2008 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees' Responsibilities the charity's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Trustees are also directors of In Kind Direct for the purposes of company law.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 and whether the information given in the Trustees' Report is consistent with the financial statements. We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 December 2008 and of its incoming resources and application of resources in the year then ended 31 December 2008, including its income and expenditure;
- the financial statements have been properly prepared in accordance with the Companies Act; and
- the information given in the Trustees' report is consistent with the financial statements.

haysmacintyre
Registered Auditors
Fairfax House
15 Fulwood Place
London
WC1V 6AY

8 April 2009

Statement of Financial Activities for the year ended 31 December 2008

	Notes	Unrestricted Funds	Restricted Funds	Totals 2008	Totals 2007
		£	£	£	£
INCOMING RESOURCES					
Incoming Resources from generated funds					
Value of donated goods distributed	3	10,304,230	908,783	11,213,013	8,464,622
Other voluntary income	2	230,195	121,929	352,124	526,684
Donated goods & services for own use	3	199,891	-	199,891	216,241
Investment income	5	8,706	-	8,706	9,110
Incoming resources from charitable activities					
Registration fees	4	4,233	-	4,233	39,274
Handling charges	4	721,165	-	721,165	548,429
Other income	4	15,505	-	15,505	10,226
Total incoming resources excluding value of donated goods distributed		1,179,695	121,929	1,301,624	1,349,964
Total incoming resources		11,483,925	1,030,712	12,514,637	9,814,586
RESOURCES EXPENDED					
Costs of Generating Funds	6	86,593	8,450	95,043	110,793
Cost of Charitable Activities					
Distribution of donated goods	6	10,304,230	908,783	11,213,013	8,464,622
Other Charitable Costs	6	1,067,218	62,373	1,129,591	1,184,358
Total Cost of Charitable Activities		11,371,448	971,156	12,342,604	9,648,980
Governance Costs	6	61,062	4,580	65,642	88,281
		61,062	4,580	65,642	88,281
Total resources expended	6	11,519,103	984,186	12,503,289	9,848,054
Net Expenditure for the Year		(35,178)	46,526	11,348	(33,468)
Other Recognised Gains/Losses					
Net gain/(loss) on investment assets	11	-	-	-	25
Net Movement in funds		(35,178)	46,526	11,348	(33,443)
Funds brought forward at 1 January		84,332	17,800	102,132	135,575
Funds carried forward at 31 December	14	49,154	64,326	113,480	102,132

The financial activities above relate wholly to the continuing activities of In Kind Direct.

The notes on pages 21 to 30 form part of these financial statements.

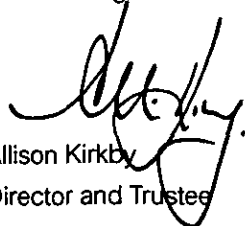
There are no recognised gains or losses other than those dealt with in the above statements.

Balance Sheet at 31 December 2008

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2008 £	Total 2007 £
Fixed assets					
Tangible assets	10	-	-	-	-
Investments	11	-	-	-	-
Current assets					
Debtors	12	16,700	-	16,700	21,234
Cash at bank and in hand		126,330	72,226	198,556	220,670
		143,030	72,226	215,256	241,904
Creditors: amounts falling due within one year	13	(93,876)	(7,900)	(101,776)	(139,772)
Net current assets		49,154	64,326	113,480	102,132
Total assets less current liabilities		49,154	64,326	113,480	102,132
Funds					
Balance at 1 January		84,332	17,800	102,132	135,575
Movement in Funds		(35,178)	46,526	11,348	(33,443)
Balance at 31 December	14	49,154	64,326	113,480	102,132

The financial statements were approved and authorised for issue by the directors on the
and were signed on its behalf by:

8th April 2009.


Allison Kirkby
Director and Trustee

The notes on pages 21 to 30 form part of these financial statements.

Notes to the Financial Statements – year ended 31 December 2008

1. Principal accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments, and in accordance with the Statement of Recommended Practice (SORP) – “Accounting and Reporting by Charities” – published in March 2005 and applicable accounting standards.

Fund accounting

Unrestricted funds includes funds and goods donated for distribution. Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds and goods donated for distribution, which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds is charged against the funds. The aim and use of each restricted fund is set out in the notes to the financial statements.

Fixed assets

Fixed assets are capitalised in the balance sheet at cost or, for donated goods, at estimated market value, except for items costing less than £2,000, which are expensed in the year of purchase. Depreciation is calculated so as to write off the cost of tangible fixed assets, less the estimated residual values, on a straight-line basis over the estimated economic lives of the assets concerned. Computer equipment is written off over three years and computer software is written off over two years.

Investment

Investments are stated at market value at balance sheet date. Market value is taken to be bid price ruling at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. It is the charity's policy to keep valuations up to date at the balance sheet date.

Leased assets

The charity has no finance leases. All operating leases and rental expenses are charged to the SOFA as incurred.

Incoming resources

All incoming resources are included in the SOFA when the charity has entitlement to the income, there is reasonable certainty of receipt and the amount can be measured. Event income and handling charges are treated as income of the period to which they relate. Registration fees are generally non-refundable and are applied to income at the beginning of the year to which they relate. Interest receivable is treated as income of the period in which it accrues.

Goods and services donated for the charity's own use

Goods, office facilities and logistics services donated for the charity's own use are recognised in the Statement of Financial Activities as both income and expenditure or capitalised if it is a capital item at the market value.

Goods donated for onward distribution

Goods donated for onward distribution are included as both income and expenditure, at the time of distribution, at a reasonable estimate of their original market value, less adjustments to reflect condition where the goods are not in their original pristine condition.

Taxation

As a registered charity, the company is potentially exempt from taxation of its income and gains to the extent that these are applied to its charitable objects. The company is registered for VAT. Income Tax recoverable under Deeds of Covenant and Gift Aid is accounted for on a receivable basis.

Cash flow statement

In Kind Direct qualifies as a small company under the terms of section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement.

Pension costs

Contributions to group personal money purchase pension schemes are charged to the Statement of Financial Activities on an accruals basis.

Resources expended

Expenditure is classified in accordance with the Statement of Recommended Practice as shown below:

Charitable Activities - all expenditure directly relating to the objects of the charity including the direct cost of supporting charitable activities and covers the following activities as incurred:

Identification of potential donors, obtaining donated goods for onward distribution, the processes for distributing, reporting and accounting for those goods; the recruitment and registration of charities and maintenance of data relating to those charities.

Governance Costs - The costs remaining which include: Financial, legal and administrative expenses incurred in connection with enabling the charitable company to comply with external regulations, constitutional and statutory requirements; and in providing support to the trustees in the discharge of their statutory duties.

Costs of Generating Funds - The costs incurred to obtain voluntary contributions to the charity including expenditure on increasing In Kind Direct's general resources other than through obtaining registration income or goods for distribution and for improving general awareness of In Kind Direct within the overall community.

Support Costs - Expenditure incurred on activities falling directly within one expenditure classification is charged directly to that classification. Expenditure incurred on activities falling in more than one cost category is apportioned as follows:

Staff costs: According to the time spent by each member of staff on activities within that category.

Office expenses: In the same overall ratio as staff costs.

Depreciation: In the same overall ratio as staff costs.

notes 2-5

2. Voluntary Income	Restricted Funds	Unrestricted Funds	Total 2008	Total 2007
Charitable Trusts	40,000	155,750	195,750	233,078
Business donations	29,429	63,894	93,323	212,624
Government	37,500	-	37,500	37,500
Donations by individuals	15,000	10,551	25,551	43,482
	121,929	230,195	352,124	526,684

3. Donated goods and services

Donated goods and services were applied to the activities of the charity as follows:

	Goods donated for distribution restricted	Unrestricted Funds	Total 2008	Total 2007
	£	£	£	£
Value of donated goods distributed	908,783	10,304,230	11,213,013	8,464,622
Services donated for own use	-	199,891	199,891	216,241
	908,783	10,504,121	11,412,904	8,680,863

4. Income resources from charitable activities

	Unrestricted Funds	Total 2008	Total 2007
	£	£	£
Registration fees	4,233	4,233	39,274
Handling charges	721,165	721,165	548,429
Other income	15,505	15,505	10,226
	740,903	740,903	597,929

5. Investment Income

	Unrestricted Funds	Total 2008	Total 2007
	£	£	£
Bank Interest received	3,626	3,626	3,966
Investment Income received	5,080	5,080	5,144
	8,706	8,706	9,110

notes 6-7

6. Total Resources Expended

	Direct cost £	Support cost £	Total 2008 £	Total 2007 £
Cost of Charitable Activities				
Distribution of donated goods	11,566,361	776,243	12,342,604	9,608,080
Research project	-	-	-	40,900
Cost of Generating Funds				
Fundraising activities	1,214	93,829	95,043	110,793
Governance Costs	9,000	56,642	65,642	88,281
Total Resources Expended	11,576,575	926,714	12,503,289	9,848,054

7. Support costs

Support costs are the costs of premises, facilities, staff and office overheads and are allocated to the activities of the charity as follows:

	Cost of Charitable Activities £	Costs of Generating Funds £	Governance Costs £	Total 2008 £	Total 2007 £
Management/Other	199,443	64,564	22,274	286,281	323,884
Finance & IT	155,325	1,716	15,371	172,412	171,499
Logistics	137,387	-	2,880	140,267	20,319
Charities	104,122	-	2,855	106,977	17,096
Fundraising	12,532	7,310	1,044	20,886	5,470
Premises	167,434	20,239	12,218	199,891	207,103
	776,243	93,829	56,642	926,714	745,371

Support costs are included in the expenditure reported in the SOFA and have been allocated on the basis of time spent.

The cost allocation includes an element of judgement and the charity has had to consider the cost benefit of detailed calculations and record keeping. Therefore, the support costs shown are a best estimate of the costs that have been so allocated.

notes 8-9

8. Employees

Staff costs comprise:	Total 2008	Total 2007
	£	£
Salaries and wages	516,268	509,733
Social security costs	57,865	57,954
Other pension costs	36,504	33,932
	610,637	601,619

The average number of employees during the year, analysed by function, was:

	2008	2007
Distribution of donated goods	12	12
Generating funds	-	1
Governance	1	1
	13	14

The number of employees earning in excess of £60,000 is as follows:

* £100,000 - under £110,000	1	1
-----------------------------	----------	---

* includes use of company leased car

In Kind Direct contributes to a money purchase Group Personal Pension Scheme on behalf of all members of staff. Contributions of £36,504 (2007: £34,944) were paid during the year to this scheme including £11,845 (2007: £11,444) in respect of the highest paid member.

The trustees did not receive remuneration for their services to the company during the period (2007: £nil). Expenses incurred by the directors were not reimbursed by the company.

In Kind Direct purchased insurance, at a cost of £788 (2007: £788), for the trustees and officers of the company during the year to indemnify them against possible liabilities incurred in relation to the performance of their duties.

9. Net expenditure for the year is stated after charging:

	2008	2007
Auditor remuneration - audit fee	9,000	13,000
Operating Lease payments - other	4,762	4,027

notes 10-13

10. Tangible Fixed Assets

	Unrestricted Funds	Restricted Funds	Total 2008	Total 2007
	£	£	£	£
Computer Equipment -				
Cost as at 1 January 2008	-	30,085	30,085	30,085
Additions during year	-	-	-	-
Cost as at 31 December 2008	-	30,085	30,085	30,085
Depreciation as at 1 January 2008	-	(30,085)	(30,085)	(30,085)
Charge for year	-	-	-	-
Depreciation as at 31 December 2008	-	(30,085)	(30,085)	(30,085)
Net book value as at 1 January 2008	-	-	-	-
Net book value as at 31 December 2008	-	-	-	-

11. Investment

	Unrestricted Funds	Restricted Funds	Total 2008	Total 2007
	£	£	£	£
Shares	-	-	-	2,250
Additions	-	-	-	-
Less: Disposal proceeds	-	-	-	(2,275)
Revaluation losses	-	-	-	-
Recognised profit/(loss) on sale of investment	-	-	-	25
Market value at 31 December 2008	-	-	-	-
Historical value at 31 December 2008			-	-
Shares donated with restriction on time of sale.				

12. Debtors

	Unrestricted Funds	Restricted Funds	Total 2008	Total 2007
	£	£	£	£
Prepayments	9,279	-	9,279	9,325
Taxation and social security	-	-	-	6,222
Other debtors	7,421	-	7,421	5,687
	16,700	-	16,700	21,234

13. Creditors: amounts falling due within one year

	Unrestricted Funds	Restricted Funds	Total 2008	Total 2007
	£	£	£	£
Trade creditors	(54,015)	-	(54,015)	(84,357)
Accruals	(13,208)	(7,900)	(21,108)	(40,044)
Registration fees in advance	-	-	-	(243)
Taxation and social security	(26,653)	-	(26,653)	(15,128)
	(93,876)	(7,900)	(101,776)	(139,772)

note 14

14. Reserves

		Movement in Resources			
		Balance at 1 Jan 2008	Transfers between funds	Incoming Grants	Expenditure
					Balance at 31 Dec 2008
Restricted Funds:		£	£	£	£
1	Anonymous	-	75	-	(75)
2	East Midlands Development Agency	975	875	-	(1,850)
3	Esmée Fairbairn Foundation - SOC	1,200	1,700	-	(2,900)
4	Laura Ashley	75	175	-	(250)
5	Lloyds TSB Foundation: North East	-	175	-	(175)
6	Lloyds TSB Foundation: South East	-	600	-	(600)
7	Lloyds TSB Foundation: West Midlands	-	200	-	(200)
8	Lloyds TSB Foundation: Northern Ireland	300	150	-	(450)
9	Lloyds TSB Foundation: Scotland	-	125	-	(125)
10	Wessex Youth Trust	-	75	-	(75)
11	Florence Turner Trust	-	-	1,000	(1,000)
12	Clore Duffield	-	1,100	26,500	(27,600)
13	NWDA	-	-	37,500	-
14	Briess Family Trust	-	-	2,500	(2,500)
15	BMW UK	5,000	-	-	(2,012)
16	Anonymous	5,000	-	-	(5,000)
17	Rubin CT	-	-	10,000	-
18	Mr & Mrs Feld	-	-	5,000	(5,000)
19	Frances Bleasdale legacy	-	-	10,000	(2,498)
20	Abbey National	-	-	4,429	-
21	Procter & Gamble	-	-	25,000	(23,093)
22	Virtual vouchers issued but unused	5,250	(5,250)	-	-
23	Value of goods distributed	-	-	908,783	(908,783)
Total Restricted Funds		17,800	-	1,030,712	(984,186)
Unrestricted Funds		84,332	-	11,483,925	(11,519,103)
Total Funds		102,132	-	12,514,637	(12,503,289)

Details

- 1 to 13) Funds (1) to (13) are for the purpose of enabling charities in a particular sector or geographical location to benefit from the In Kind Direct service. Benefit is generally given by subsidising the handling charges of individual charities, and in some cases some of the funding received was for core funding for In Kind Direct.
- 14) Funds to cover In Kind Direct's work with 8 charities in the children and youth services sector.
- 15) Fund (15) relates to prior year funds to be spent in respect of promotional materials.
- 16) Funds contributed to the development of the e-commerce IT system.
- 17) Funds contributed in respect of e-commerce marketing activities.
- 18) Funds contributed re a Fundraising event.
- 19) Funds contributed in respect of in-kind health benefits to In Kind Direct staff.
- 20) Funds contributed towards the cost of new packaging machinery at In Kind Direct's warehouse.
- 21) Funds contributed towards development of In Kind Direct's website.
- 22) This represents virtual vouchers issued to charities but unspent as at 31 December 2008. The transfer of £5,250 between funds relates to the net movement in the unused virtual voucher balance across 2008. This includes £525 of unused virtual vouchers that were written off.
- 23) These are goods which the donor company has specified must go overseas.

notes 15-18

15. Donation of services for own use

The financial statements exclude some intangible services (mainly legal and human resources services) as they were immaterial in value.

However, the accounts do include the following donated services that are of material value:

	2008	2007
	£	£
Office accommodation, printing & postage charges (Lloyds TSB)	199,891	207,103
Employee secondment for Charity Begins At Work campaign (Lloyds TSB)	-	7,931
Employee secondment for Chief Operating Officer Role (Serco Group plc)	-	1,207
	199,891	216,241

16. Obligation under operating lease

The amount payable on one motor-vehicle within the next twelve months on leases expiring:

Length of lease remaining	Other	Total 2008	Total 2007
	£	£	£
Less than 1 year	-	-	2,014
2-5 years	6,113	6,113	-
	6,113	6,113	2,014

Lease payments of £4,905 (2007: £4,027) were charged to the Statement of Financial Activities during the year.

17. Related party transactions

Nigel Palmer, formerly Managing Director of Ricoh, was a director and trustee of In Kind Direct until 23 September 2008. During 2008, Ricoh donated 29 (2007: 22) refurbished photocopiers and was paid £400 (2007: £375) to cover the costs of delivery. No balance was outstanding at year end and all transactions were carried out at arms length.

In Kind Direct is one of The Prince's Charities, a group of not-for-profit organisations, of which HRH The Prince of Wales is President. Dame Julia Cleverdon, formerly Chief Executive of Business in the Community, another of The Prince's Charities was a trustee of In Kind Direct until 20 March 2008. The new Chief Executive of Business in the Community, Stephen Howard, became a trustee of In Kind Direct on 20 March 2008.

Sir Tom Shebbeare, Director of Charities to TRH The Prince of Wales and The Duchess of Cornwall, is also a trustee of In Kind Direct.

18. Capital commitments

There were no contractual obligations to purchase items of capital expenditure at 31 December 2008 (2007: Nil).