

## **OXFORD YOUTH WORKS**

### **Directors' Report and Financial Statements**

**For the year ended 31<sup>st</sup> August 2007**

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## **Oxford Youth Works**

### **Report of the Council of Management for the year ending 31 August 2007**

The Council of Management presents its report and financial statements for the year ending 31st August 2007. Statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities (Revised 2005) and the Companies Act 1985.

#### **Reference and Administrative Information**

Charity Name	Oxford Youth Works
Charity Registration Number	299754
Company Registration Number	2274964
Registered Office and operational address	Church Annex Jeune Street OXFORD OX4 1BN
Council of Management	Mr Richard Bell - Chair Mr Peter Barclay-Watt - Treasurer Mrs Rosslyn Avery - Secretary  Dr John Coyle Mr Brian Dent Rev Bruce Gillingham Mrs Kate Goodacre Mrs Clare Morrell (to 7 March 2007) Mr Brian Stepney Mr Martin Thomas Mrs Carole Wilton (to 7 March 2007) Mr Michael Wilton (to 7 March 2007)
Senior Management Team	Mr Ben Holloway (to 30 June 2007) - Director, Oxford Youth Works Dr Samantha Richards - Course Director, Oxford Centre for Youth Ministry Mr Ieuan Watkins - Interim Director, Oxford Youth Works
Auditors	A J Carter & Co Chartered Accountants and Registered Auditors 22b High Street WITNEY OX 28 6RB
Bankers	CAF Bank Ltd 25 Kings Hill Avenue Kings Hill WEST MALLING Kent ME19 4JQ

## **Governing Document**

The governing instrument of the organisation is the Memorandum and Articles of Association incorporated on 7<sup>th</sup> July 1988. The company is registered under The Companies Act 1985 as a company limited by guarantee and not having a share capital, registration number 2274964. The registration number with the Charity Commission is 299754 and the registration date 21<sup>st</sup> July 1988.

The principal activity of the organisation remains the advancement of the Christian Religion by providing youth works and projects where young people receive instruction, care and counselling, by training leaders in Christian youth work theory and practice, and providing support and supervision for those involved in Christian youth work.

## **Recruitment and Appointment of the Council of Management**

Members of the Council of Management (trustees) are elected by the membership of the organisation at the AGM, normally for a period of three years. Members who have served for three years may offer themselves for re-election. In between AGMs additional members may be co-opted but must be put forward for election at the following AGM.

## **Trustee Induction and Training**

Potential new trustees normally meet with the Chairman of the Council before they are put forward for election, when the duties and responsibilities are discussed, and they are invited to attend at least one Council meeting before making a decision about becoming a trustee. The Charity Commission leaflet CC3(a) is provided to each new trustee.

## **Risk Management**

The trustees have identified the major risks which may affect the charity and have taken steps to mitigate those risks. A comprehensive risk assessment was made in September 2005 and discussed at the following trustees' meeting, when priorities for action were assigned. Risk management issues are being kept under annual review.

## **Management and Staffing**

The day-to-day management of the organisation lies with the executive Director of the organisation and with the Director of the Oxford Centre for Youth Ministry. Policy and strategy are decided by the Council of Management, normally after discussion involving the Director and appropriate staff.

Approval for recruitment of staff is given by the Council of Management, or by the Chairman acting on its behalf. The recruitment process usually involves one or more trustees.

## **Directors' Responsibilities**

As directors of the company, the trustees are responsible for preparing the Annual Report and the financial statements in accordance with the applicable law and United Kingdom Generally Accepted Accounting Practice.

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 and loss of the company for that period. In preparing these 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the accounts 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.

## **Objectives**

We seek to provide caring, long-term adult relationships with young people through running a variety of high quality projects. We operate as a supportive network of people engaged in Christian Relational Care, encouraging critical reflection and integrity of practice. We are committed to training and equipping Christian Youth Workers through our partnership with the Centre for Youth Ministry.

All who work for, or train with OYW, are united in seeking the growth and maturity of young people in all areas of their lives, physical, emotional, spiritual, and personal, within their community and in relationship with Christ and the Church.

## **Activities**

1. **Youth Work-** We work with young people in the Oxford area to offer unconditional friendship, support, opportunities and the gospel.
2. **Degree Course -** We train youth workers to degree level at the Oxford Centre for Youth Ministry (BA Honours degree in Youth and Community Work and Applied Theology, and MA degrees in Youth and Community Work and Applied Theology and in Reflective Practice and Applied Theology).

## **Achievements and Performance**

- Expansion of existing projects in partnership with local churches
- Development of a mentoring programme
- Development of a project for young people excluded from school that aims to support the young person and the parents during the exclusion and equip the young person for their return to school
- Involvement of young people in visits to a residential care home for the elderly
- Teaching of two new Masters courses commenced September 2006 and teaching of degree course and further education course continued
- CYM staff undertook course in teaching for higher education, supervising student research reflective practice and IT
- New IT equipment for teaching purchased and improvements to learning environment made

## **Plans for Future Periods**

- To continue and consolidate the current activities and projects
- To strengthen links with volunteers and to provide them with training to help them engage in mission to young people
- To work with a department of Oxford Brookes University on an Urban Design Project which aims to incorporate views and ideas from young people about design of their estates and how this can be improved in the future
- To contribute to validation of courses with new university

- To re-design degree course to incorporate children and family work
- To re-organise office and library space to improve access to resources for students
- To offer continuing professional and ministerial development to graduates, tutors and the wider field

## **Financial Review**

Income for the year of £295,553 showed a 9% increase on the preceding year (£268,217) due to higher Degree Course income and increased donations from individuals. Overall expenditure of £284,250 (2006 - £279,604) was well controlled and resulted in a surplus for the year of £11,303. This comprised a deficit of Restricted Funds of £5,710 and a surplus of Unrestricted Funds of £17,013. This surplus of Unrestricted Funds enabled the Trustees to designate a further £5,300 for projects in future periods.

## **Principal Funding Sources**

Apart from funds received from CYM for the training of youth workers, the main sources of income funding the youth work are trusts, churches, and individual donors.

## **Investment Policy**

As the majority of the charity's funds are to be spent in the short term, longer term investment is not considered appropriate. The Trustees' policy of investment is therefore to retain funds as cash and place them on bank deposit at the best rates available.

## **Reserves Policy**

The Trustees have examined the charity's requirements for reserves in light of the expected operating costs and the main risks to the organization. Although there are budgeted costs for 2007/08 of £332,022, over 60% of these are covered by committed income, leaving uncovered annual expenditure of around £125,000. Unrestricted Reserves at 31<sup>st</sup> August 2007 of £54,209 represent around 5 months uncovered costs. The Trustees will consider whether there is a need to increase this to nearer 6 months' cover (£62,500).

## **Statement of Disclosure of Information to Auditors**

The directors of the company who held office at the date of approval of the Annual Report as set out above each confirm that

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By order of the Council of Management



Richard Bell  
Chair

17<sup>th</sup> January 2008

## **OXFORD YOUTH WORKS**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

We have audited the financial statements of Oxford Youth Works for the year ended 31st August 2007 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2005)

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of the Directors and Auditors**

The directors (who also act as trustees of the charitable activities of Oxford Youth Works) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and their responsibilities are set out in the Statement of Directors' Responsibilities.

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. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the 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 directors' remuneration and other transactions is not disclosed.

We read the Directors' 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 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 applicable to smaller entities, of the state of the charitable company's affairs as at 31st August 2007 and of its incoming resources and application of resources for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements



Chartered Accountants  
and Registered Auditors

A J Carter & Co  
22b High Street  
Witney  
Oxon  
OX28 6RB

17 January 2008

# OXFORD YOUTH WORKS

## STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account) for the year ended 31st August 2007

2006

Notes	Unrestricted Funds		Restricted Funds	Total	Total
	General	Designated			
	£	£	£	£	£
<b>Incoming Resources</b>					
Incoming Resources from generated funds					
Voluntary Income					
Individual Donations	27,313	0	0	27,313	17,044
Trust Donations	13,220	0	60,195	73,415	84,895
Church Donations	5,064	0	500	5,564	8,769
Membership Fees	180	0	0	180	270
Investment Income					
Bank Interest	5,285	0	0	5,285	4,722
3 Incoming Resources from charitable activities	178,106	0	5,690	183,796	152,517
<b>Total Incoming Resources</b>	<b>229,168</b>	<b>0</b>	<b>66,385</b>	<b>295,553</b>	<b>268,217</b>
<b>Resources Expended</b>					
Costs of generating funds					
Costs of generating Voluntary Income					
5,868	0	11,000	16,868	16,989	
4 Charitable Activities					
Degree Course	122,958	568	4,070	127,596	117,856
Youth Work	78,133	0	57,025	135,158	138,474
4 Governance Costs	4,628	0	0	4,628	6,285
<b>Total Resources Expended</b>	<b>211,587</b>	<b>568</b>	<b>72,095</b>	<b>284,250</b>	<b>279,604</b>
<b>5 Net income for the year and incoming resources before transfers</b>	<b>17,581</b>	<b>-568</b>	<b>-5,710</b>	<b>11,303</b>	<b>-11,387</b>
12 Transfers	-5,647	5,300	347	0	0
<b>Net Movement in Funds</b>	<b>11,934</b>	<b>4,732</b>	<b>-5,363</b>	<b>11,303</b>	<b>-11,387</b>
<b>Reconciliation of funds</b>					
Total funds brought forward					
42,275	2,000	76,460	120,735	132,122	
<b>13 Total funds carried forward</b>	<b>54,209</b>	<b>6,732</b>	<b>71,097</b>	<b>132,038</b>	<b>120,735</b>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 9 to 13 form part of these financial statements.

# OXFORD YOUTH WORKS


## BALANCE SHEET

at 31st August 2007

			2006
Notes	£	£	£
<b>6</b>	<b>Fixed Assets</b>		
	Tangible Assets	43,398	43,775
	<b>Current Assets</b>		
<b>7</b>	Debtors and Prepayments	6,951	4,166
	Cash at bank and in hand	131,331	115,479
		138,282	119,645
	<b>Creditors</b>		
<b>8</b>	Amounts falling due within one year	49,642	42,685
<b>13</b>	<b>Net Current Assets</b>	88,640	76,960
	<b>Total Assets less current liabilities</b>	132,038	120,735
	<b>The funds of the charity</b>		
<b>11</b>	Restricted income funds	71,097	76,460
	Unrestricted Income funds		
	General fund	54,209	42,275
<b>12</b>	Designated fund	6,732	2,000
	<b>Total Charity Funds</b>	132,038	120,735

These accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 applicable to small companies

The financial statements were approved by the Council on 17 January 2008 and were signed on its behalf by



Richard Bell



Peter Barclay-Watt

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Council Members

The notes on pages 9 to 13 form part of these financial statements

## OXFORD YOUTH WORKS

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2007

#### 1 Charitable Status

Oxford Youth Works is a company limited by guarantee. It has no share capital and is a registered charity.

#### 2 Accounting Policies

##### i Accounting Convention

These financial Statements have been prepared under the historical cost convention and in accordance with applicable Accounting Standards, the Companies Act 1985 and Accounting and Reporting by Charities Statement of Recommended Practice (revised 2005).

##### ii Depreciation of Tangible Fixed Assets

Equipment is written off in the year of purchase if it costs less than £500 and also if funds are given specifically for their purchase.

Otherwise, depreciation is provided in equal installments over the estimated lives of the assets.

The rates of depreciation are as follows:

Furniture and Fittings	5 years
Office Equipment	3 years

##### iii Incoming Resources

All incoming resources are recognised in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income is deferred where entitlement to the income occurs in a future accounting period as specified by the donor.

The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants from churches and trusts, and gifts from individuals and is included in the Statement of Financial Activities when receivable.

Investment income is included when receivable.

Incoming resources from charitable activities are included when earned.

##### iv Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes irrecoverable VAT and is reported as part of the expenditure to which it relates.

##### v Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds which have been earmarked by the Trustees for a particular purpose.

Restricted funds are funds subject to specific restrictions imposed by the donor.

##### vi Taxation

The Inland Revenue have confirmed that the Company is a charity within the definition of Section 506(1) Income and Corporation Taxes Act 1988 and therefore is exempt from Corporation Tax.

The company is not registered for VAT.

Gift Aid Tax recoverable is included in the Statement of Financial activities when receivable.

**OXFORD YOUTH WORKS**

**NOTES TO THE FINANCIAL STATEMENTS  
for the year ended 31 August 2007**

	£	£	£	£	£	£	£	£
					Unrestricted Funds	Restricted Funds	Total	2006 Total
<b>3 Incoming Resources from Charitable Activities</b>								
Degree Course					170,829	4,070	174,899	148,897
Youth Work					6,225	1,518	7,743	3,060
Sundry Income					1,052	102	1,154	560
					<u>178,106</u>	<u>5,690</u>	<u>183,796</u>	<u>152,517</u>

**4 Total Resources Expended**

	Basis of Allocation	Generating Voluntary Income	Degree Course	Youth Work	Designated	Restricted	Governance	2007 Total	2006 Total
<b>Costs Directly related to activities</b>									
Staff Costs	Direct	2,603	66,625	48,511		42,854		160,593	162,954
Fundraising expenses	Direct	2,325						2,325	1,725
Travel Exp/Subsistence	Direct		5,552	583				6,135	6,329
Recruitment and Training	Direct		1,147	1,354				2,501	5,347
Degree Course expenses	Direct		27,457		568			28,025	27,572
Youth Work	Direct			17,491		11,821		29,312	25,670
Office Costs	Direct		3,211	3,135		2,350		8,696	8,999
Equipment			2,004	174		4,070		6,248	2,427
Annual Report/AGM	Direct						65	65	1,266
Audit	Direct						1,299	1,299	1,143
Trustee Meetings etc	Direct						356	356	458
<b>Support Costs Allocated to activities</b>									
Fundraising Salaries	Staff Time					11,000		11,000	12,505
Fundraising Postage etc	Usage	940						940	189
Admin and Bookkeeping	Staff Time		5,670	5,489				11,159	8,171
Property Costs	Usage		10,640	1,086				11,726	10,744
Depreciation	Usage		377					377	476
Bank charges	Usage		25	60				85	211
Governance	Staff Time		250	250			2,908	3,408	3,418
		<u>5,868</u>	<u>122,958</u>	<u>78,133</u>	<u>568</u>	<u>72,095</u>	<u>4,628</u>	<u>284,250</u>	<u>279,604</u>

**5 Net Income for the year and Incoming Resources before Transfer:**

This is stated after charging	<b>2007</b>	<b>2006</b>
Depreciation of Tangible Fixed Assets	610	476
Auditor's Remuneration	1,220	1,150
Salaries and Pension Costs	184,165	188,002
	<u>185,995</u>	<u>189,628</u>

# OXFORD YOUTH WORKS

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2007

	£	£	£	£
<b>6 Tangible Fixed Assets</b>	Property (Leasehold)	Furniture and Fittings	Office Equipment	Total
<b>Cost</b>				
at 1 9 06	43164	4549	9815	57528
Additions in year	0	0	0	0
	<u>43164</u>	<u>4549</u>	<u>9815</u>	<u>57528</u>
<b>Accumulated Depreciation</b>				
at 1 9 06	0	4548	9205	13753
Charge for year	0	0	377	377
At 31 8 07	<u>0</u>	<u>4548</u>	<u>9582</u>	<u>14130</u>
<b>Net Book Value</b>				
at 31 8 07	<u>43164</u>	<u>1</u>	<u>233</u>	<u>43398</u>
at 31 8 06	<u>43164</u>	<u>1</u>	<u>610</u>	<u>43775</u>

Oxford Youth Works and Church Mission Society jointly hold the lease of the property  
88 Blackbird Leys Road at a cost of £86,328 to house a youth worker and his family

### 7 Debtors and Prepayments

	2007	2006
Inland Revenue Gift Aid	1,991	957
Sundry	4,960	3,209
	<u>6,951</u>	<u>4,166</u>

### 8 Creditors falling due within one year

Deferrred Income	33,541	29,767
PAYE	3,249	4,097
Sundry Creditors	12,852	8,821
	<u>49,642</u>	<u>42,685</u>

### 9 Staff Costs and Numbers

Staff costs		
Salaries	166,416	165,157
Social Security Costs	13,567	13,005
Pension Contributions	4,182	9,840
Total	<u>184,165</u>	<u>188,002</u>

No employee received emoluments of more than £60,000

# OXFORD YOUTH WORKS

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

2007

2006

The average number of employees during the year, calculated on the basis of full time equivalents

Degree Course	2	2
Youth Work	4	4
Administration and support	1	2
Total	<u>7</u>	<u>8</u>

### 10 Deferred Income

	£	£	£	£
	Deferred in previous year	Received during year	Utilised during year	Deferred to following year
Director's Salary	20,600	32,500	23,309	29,791
Blackbird Leys Youthwork	5,000	0	5,000	0
OYW/CMS Blackbird Leys	4,167	9,000	9,417	3,750
Total	<u>29,767</u>	<u>41,500</u>	<u>37,726</u>	<u>33,541</u>

### 11 Restricted Income Funds

	Opening Balance	Income	Expend- iture	Closing Balance
OYW/CMS Blackbird Leys	74,297	9,417	14,417	69,297
Blackbird Leys Tuesday Club	0	9,530	9,530	0
Barton Project	0	13,098	12,398	700
Director's salary	0	23,309	23,309	0
Youth Activities (Youlbury)	0	975	975	0
Study Awards	1,100	0	0	1,100
JOY Hall Hire	0	2,450	2,450	0
JOY	0	1,555	1,555	0
Moonshine	0	11	11	0
Drugs Project	1,063	0	1,063	0
Breakthru Equipment	0	1,969	1,969	0
HEFCE Funding Student Welfare	0	4,070	4,070	0
Total	<u>76,460</u>	<u>66,384</u>	<u>71,747</u>	<u>71,097</u>

Where expenditure in Restricted Funds has exceeded income, the excess costs have been met from Unrestricted General Funds

### 12 Designated Funds

The Trustees have earmarked funds for future expenditure. Movements in these funds are summarised below

	Opening Balance	Transfers from Unrestricted Funds	Expenditure	Closing Balance
Coursework Library	2,000	0	568	1,432
Barton project	0	300		300
Refurbishment	0	5,000	0	5,000
Total	<u>2,000</u>	<u>5,300</u>	<u>568</u>	<u>6,732</u>

# OXFORD YOUTH WORKS

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2006

	£	£	£	£
<b>13 Analysis of Net Assets between Funds</b>				
	Unrestricted Funds General	Designated	Restricted Funds	Total
Tangible Fixed Assets	234	-	43,164	43,398
Net Current Assets	53,975	6,732	27,933	88,640
Total Net Assets	54,209	6,732	71,097	132,038

### 14 Joint Project with Church Mission Society

The individual gift totalling £136,275 received by the Church Mission Society to assist with the funding of a youth worker and his family, jointly supported by Oxford Youth Works and CMS has enabled the purchase of a house at a cost of £86,328, wherein Oxford Youth Works has a one-half interest. Of the closing overall fund balance of £69,297, £43,164 relates to the Net Book Value of the property and the Trustees anticipate future property expenditure of around £12,500 leaving £13,633 towards ongoing salary and other costs of the youth project.

### 15 Council Members' Remuneration and Reimbursed Expenses

No fees or remuneration were paid to any member of the Council during the year (2006 - nil).  
Travel expenses of £203 (2006 - £178) were reimbursed to one member of the council.