

# The BASW Trust

(Company number. 2214337)

(A company limited by guarantee and with charitable status)

Annual report

Year ended 30 September 2006

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**THE BASW TRUST (A company limited by guarantee and with charitable status)**

**ANNUAL REPORT**

**YEAR ENDED 30 SEPTEMBER 2006**

<b>CONTENTS</b>	<b>PAGE</b>
TRUSTEE'S REPORT	1 – 4
AUDITOR'S REPORT	5 – 6
STATEMENT OF FINANCIAL ACTIVITIES	7
BALANCE SHEET	8
NOTES AND ACCOUNTING POLICIES	9 – 10

**TRUSTEE'S ANNUAL REPORT**

The trustee (who is also the director for the purpose of company law) submits the annual report including the audited financial statements for the year ended 30 September 2006

**1. CONSTITUTION**

The charitable company ("the charity") was incorporated on 27 January 1988 as a company limited by guarantee and is governed by its Memorandum and Articles of Association. It is also registered as a charity (charity registration number 298588)

The principal address of the charity is

16 Kent Street  
Birmingham  
B5 6RD

**2. TRUSTEE**

The trustee of the charity during the year was The British Association of Social Workers ("BASW"). BASW is governed by the BASW council.

Vacancies on BASW Council are announced to all members in the Association's monthly magazine and appointments are determined by election in a postal ballot. Council members are provided with guidance on their role and responsibilities following appointment and ongoing training sessions ensure they are kept up to date with new requirements and develop their governance skills.

**3. RELEVANT ORGANISATIONS**

Auditors	PKF (UK) LLP New Guild House 45 Great Charles Street Queensway Birmingham B3 2LX
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Bankers	The Co-operative Bank 118 – 120 Colmore Row Birmingham B3 3BA
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**4. OBJECTS AND REVIEW OF ACTIVITIES**

The main objects of the charity continue to be

- a) to promote the education and training of social workers for the benefit of the public,
- b) to relieve poverty and its effects,
- c) to promote the education of the public in matters of social policy, social organisation and social problems

## TRUSTEE'S ANNUAL REPORT

**4. OBJECTS AND REVIEW OF ACTIVITIES (continued)**

The Trust has contributed very considerably to reviews of the role of social work and the delivery of social care services that have been taking place across the UK and has responded to Government consultations about legislative and practice developments that will have an impact on the quality of social work services. The Trust has supported and represented social workers experiencing difficulty in satisfying the requirements of workforce regulators or whose professional conduct or practice has been called into question. The number of individuals assisted by The Trust has increased from 638 to 689 and as the Association now has more than 11,000 members and a higher profile such activities will increase again in the forthcoming year.

The Trust has been particularly concerned about the unjust treatment of asylum seekers over the past year and has maintained its campaigns against injustice, inequality and poverty. During the course of the year the Trust has raised the profile of BASW's Standards & Ethics Board which assists social workers solve ethical dilemmas and contributes to the development of practice guidance. A priority for the future is to assist social workers to maintain and develop their skills and knowledge base.

**5. RELATED PARTIES**

The charity has transactions with The British Association of Social Workers, its controlling party. These are disclosed in notes 2 and 3 to the financial statements.

**6. RESERVES**

For many years, the charity has benefited from donations and contributions in kind from the British Association of Social Workers which cover the cost of the trust and its charitable activities. The trustee believes that this support will be forthcoming in the future thereby obviating the need to hold any reserves.

**7. RISK MANAGEMENT**

The trustee has examined the major strategic, business and operational risks which the charity faces and confirms that systems have been established to mitigate those risks.

Members of the Association's ruling body, BASW Council are responsible for the management of risks arising from the Association's charitable objectives and related activities. Detailed consideration of risks are delegated to the Finance & Staffing Sub-committees who are assisted by the Association management group. Risks are identified, assessed and controls established throughout the year and formally reviewed on an annual basis. The key controls used by the charity include,

- Formal agendas for all Council and committee activity
- Terms of reference for all committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisation of structure and lines of reporting
- Formal written policies
- Annual review of the scope and adequacy of insurance cover and member indemnity

Members of BASW Council are satisfied that effective action has been taken to minimise major risks that have been identified and to mitigate the effects of residual risks that cannot be eliminated.

**TRUSTEE'S ANNUAL REPORT**

**8. TRUSTEE'S RESPONSIBILITIES**

The trustee is responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the trustee 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 net income or expenditure of the charity for the year. In preparing these financial statements the trustee is required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable it to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**9. ELECTIVE RESOLUTIONS**

Elective resolutions were passed by the member on 14 April 1996 whereby the charity has dispensed with the laying of accounts and reports before the charitable company in general meetings, the holding of annual general meetings and the obligation to appoint auditors annually.

**10. AUDITORS**

As a consequence of the above elective resolution, the duly appointed auditors, PKF (UK) LLP, will continue in office until further notice.

**11. PROVISION OF INFORMATION TO AUDITORS**

The trustee has confirmed that so far as it is aware, there is no relevant audit information of which the company's auditors are unaware, and that it has taken all the steps that it ought to have taken as a trustee in order to make itself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

TRUSTEE'S ANNUAL REPORT

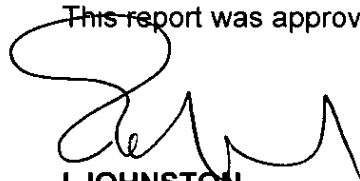
**12. SMALL COMPANY EXEMPTIONS**

The trustee's report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

**13. BASIS OF PREPARATION**

These accounts have been drawn up in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in November 2005 ("SORP 2005") and in accordance with the Companies Act 1985

This report was approved by the board on 14 February 2007 and signed on its behalf



**I JOHNSTON**  
**COMPANY SECRETARY**

Registered office

New Guild House  
45 Great Charles Street  
Queensway  
Birmingham B3 2LX

**THE BASW TRUST (a company limited by guarantee and with charitable status)**

We have audited the financial statements of The BASW Trust for the year ended 30 September 2006 which comprise the Statement of Financial Activities, incorporating the Income and Expenditure Account, 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 charity's members, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to it 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 charity's members for our audit work, for this report, or for the opinions we have found.

**Respective responsibilities of the trustee and auditors**

The responsibilities of the trustee of The BASW Trust (who is also the director of the trust for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards ('United Kingdom Generally Accepted Accounting Practice') are set out in the Statement of Trustee's 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 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 with the charitable company is not disclosed.

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

We report to you whether in our opinion the information given in the Trustee's report is consistent with the financial statements.

**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 judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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.

**THE BASW TRUST (a company limited by guarantee and with charitable status)  
(continued)**

**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 March 2006 and of its incoming resources and application of resources, including its income and expenditure, 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 Trustee's report is consistent with the financial statements

*PKF(UK) LLP*

**PKF (UK) LLP  
Registered Auditors**

**BIRMINGHAM  
12 March 2007**



**STATEMENT OF FINANCIAL ACTIVITIES**  
**(Incorporating the Income and Expenditure Account)**

**YEAR ENDED 30 SEPTEMBER 2006**

	Notes	2006 Total funds £	2005 Total Funds £
<b>INCOME AND EXPENDITURE</b>			
<b>INCOMING RESOURCES:</b>			
Income in kind	1 (b)	<b>458,444</b>	422,207
<b>RESOURCES EXPENDED:</b>			
Charitable activities	2	<b>458,444</b>	422,207
<b>NET MOVEMENT IN TOTAL FUNDS</b>		-	-
Beginning of the year		-	-
End of the year		-	-

All movements relate to unrestricted funds

All amounts above are derived from continuing operations and the charity has no recognised gains or losses other than those passing through the statement of financial activities

The notes on pages 9 and 10 form part of these financial statements

## BALANCE SHEET

30 SEPTEMBER 2006

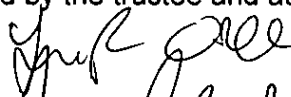
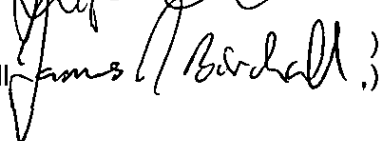
	Notes	2006 £	2005 £
NET ASSETS		<u>-</u>	<u>-</u>
CAPITAL AND RESERVES			
General fund		<u>-</u>	<u>-</u>

These financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

Approved by the trustee and authorised for issue on 14 February 2007

J Orgill

J Birchall

On behalf of the trustee The  
British Association  
of Social Workers

The notes on pages 9 and 10 form part of these financial statements

## NOTES AND ACCOUNTING POLICIES

YEAR ENDED 30 SEPTEMBER 2006

## 1. ACCOUNTING POLICIES

The principal accounting policies of the charity are as follows

- a) Basis of accounting  
The financial statements have been prepared under the historical cost convention in accordance with  
  
Financial Reporting Standard for Smaller Entities (January 2005)  
SORP Accounting and Reporting by Charities (revised 2005)  
The Companies Act 1985
- b) Income  
Income comprises payments in kind to cover expenditure incurred by the charity and is recognised when the expenditure is incurred
- c) Expenditure  
Expenditure on charitable activities consists of an allocation of those direct BASW costs required to run the charitable activities of the trust  
  
Support costs consist of an allocation of BASW overheads which support the charitable activities and are allocated to the activities in proportion to the direct costs

## 2. EXPENDITURE ON CHARITABLE ACTIVITIES

	2006 £	2005 £
Promotion of education and training	137,533	126,662
Relief of poverty	45,844	42,221
Education of the public in matters of social policy etc	275,067	253,324
	<u>458,444</u>	<u>422,207</u>

Support costs included in the activities above were £83,682 (2005 - £93,558), including support salaries of £41,256 (2005 , £32,239)

## 3. RESULT FOR THE FINANCIAL YEAR

The result for the financial year is stated after charging auditors' remuneration of £1,050 (2005 £890)

The Trustee did not receive any remuneration during the year

**NOTES AND ACCOUNTING POLICIES**

**YEAR ENDED 30 SEPTEMBER 2006**

**4. CAPITAL**

The charity is limited by guarantee and as such has no share capital. The charity has one member, who has undertaken to pay a maximum of £1 should the charity go into liquidation.

**5. CAPITAL COMMITMENTS**

The charity had no capital commitments at 30 September 2006.

**6. ULTIMATE HOLDING COMPANY AND CONTROL**

a) The charity is a subsidiary undertaking of The British Association of Social Workers, a company limited by guarantee. During the year, The British Association of Social Workers made a donation in kind to the Trust of £458,444 (2005 - £422,207). A copy of the parent company's financial statements can be obtained from the British Association of Social Workers, 16 Kent Street, Birmingham, B5 6RD.

b) The ultimate controlling party is the British Association of Social Workers.

**7. RELATED PARTY TRANSACTIONS**

There were no other related party transactions.