

**Oxfam  
Annual Report  
& Accounts  
2010/11**



# 14.5 million\*

people reached in 57 countries

# 1.0 million

people globally took online campaign action

# 6.5 million

people supported in humanitarian crises

# 1,563

grants to 1,077 partner organisations worldwide

# 429,000

people in the UK made a regular donation

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\* In our efforts to improve our accountability to stakeholders this year, we are pleased to include more statistical information than in previous annual reports. Given the breadth and depth of our work, we acknowledge the difficulties in measuring this; we have used our own monitoring systems to compile the data, and figures have been rounded as appropriate. We continue to develop our processes in order to allow us to report against a global set of 'performance indicators' in the future (see page 41).

## Message from the Chair

The world is a different place than when I became Chair of Oxfam almost five years ago. The public mood of optimism in the wake of 'Make Poverty History' seems a distant memory as we grapple with the global economic crisis, rising food and oil prices; climate change increasingly threatens lives and livelihoods worldwide; and international NGOs are under increasing pressure to justify their performance.

Oxfam<sup>1</sup> continually strives to adapt and respond to this ever-changing environment, to make the biggest possible impact on poverty with the resources we have.

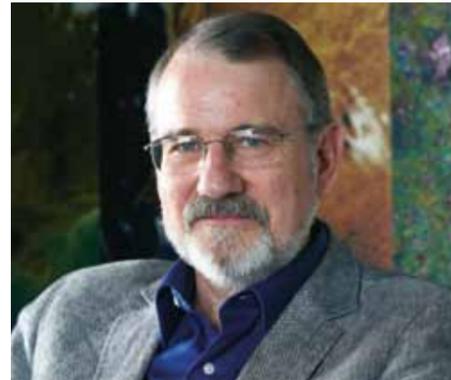
### Focusing on poor women's rights

It has become increasingly clear that one of the best ways we can increase our impact is by focusing on women's rights. Gender discrimination is not just a matter of injustice – it's a major underlying cause of poverty, for men and boys as well as women and girls. Turn this around and the results speak for themselves: girls who are educated get married later, are less likely to contract HIV, and have fewer children who also have much better life chances themselves. This is why Oxfam has made the commitment to put women at the heart of all we do – which you can see in action throughout this report.

### Working as one, growing Oxfam

Another way of making our limited resources work as hard as possible – and an area in which I've seen huge progress over the last five years – is by working more effectively together across Oxfam International (OI). As Chair, I represent Oxfam GB in this confederation of 15 Oxfams around the world. This year has seen another important change as affiliates began to implement a single management structure in the countries in which we work (see page 31).

<sup>1</sup>Throughout this report, Oxfam GB is referred to as Oxfam.



### Responding to climate change

When I started as Chair, we were really just beginning to understand the extent of the threat which climate change poses for people living in poverty, and the role that Oxfam could, and should, play in addressing this. Today, we are absolutely clear on both. Climate change is not a distant threat – it is happening right now – and the effects on poor countries are devastating. Through our global campaigning and lobbying, we have emerged as a powerful voice on the human costs of climate change, and have mobilised millions of people worldwide to call on our leaders for action. We've also developed successful adaptation programmes, some of which are being replicated on a grand scale, or built into national governments' adaptation programmes (see pages 10-11).

### Keeping up with the digital revolution

Looking back, I realise that I joined the Oxfam Board in 2004, the same year that Facebook was launched, and became Chair the year Twitter was founded. At the time, we scarcely foresaw the new possibilities presented by social networking and other new forms of digital communications. Since then I've seen Oxfam take some real strides in developing and implementing a 'digital vision'; this is enabling us both to engage

creatively with supporters and the public, and to extend our reach and capacity across our programme. In the years to come, Oxfam will increasingly use digital technology to amplify the voices of people living in poverty.

### Repositioning our work

More than ever, international non-governmental organisations (NGOs) like Oxfam are being called upon to demonstrate both the results of our efforts and the legitimacy of our voices. In response, our work increasingly focuses on how people everywhere are interconnected by common issues – such as climate justice and economic pressures – at home as well as globally. Our approach to change starts with, and is led by, country staff and those closest to the issues at hand. At the same time, we are constantly learning how best to use our ability to link from the local to the global, and across south and north, to build a global movement for change.

Throughout this journey, I have been continually inspired by the commitment and creativity of Oxfam staff, partners, allies, donors and volunteers in rising to the many and varied challenges we face, day to day and year to year. It has been a privilege to learn, grow and work alongside you, and I thank you all for everything that you do to allow Oxfam to continue to change with changing times. As I come to the end of my term as Chair, I heartily welcome my successor, Karen Brown – I am sure she will lead Oxfam from strength to strength.

John Gaventa  
Chair of Oxfam

## Corporate directory

### Oxfam Council of Trustees as at 31 March 2011 and 15 July 2011

John Gaventa (Chair) <sup>2,3</sup>	Andy Friend <sup>2</sup>
Vanessa Godfrey (Vice-Chair) <sup>2,3</sup>	Rajiv Joshi
Gareth Davies (Treasurer) <sup>1,2</sup>	Matthew Martin <sup>3</sup>
Karen Brown	David Pitt-Watson <sup>1</sup>
James Darcy	Majorie Scardino
Maja Daruwala	Nkoyo Toyo
Sandra Dawson	Tricia Zipfel <sup>1</sup>

Maureen Connelly and Adebayo Olukoshi retired from Council at the Annual General Meeting on 15 October 2010. James Darcy was appointed as a Trustee at the same meeting. Karen Brown was appointed as a Trustee on 1 January 2011. David Pitt-Watson was appointed as a Trustee at the Council meeting on 21 January 2011. Nkoyo Toyo was appointed as a Trustee at the Council meeting on 18 March 2011.

### Oxfam Association as at 31 March 2011

(Refer to Trustees' Report: Structure, governance and management)

The following, who are not Trustees, are members of the Association of Oxfam:

Miqdad Asaria	Isobel McConnan
Andy Burgen	Helen Marquard <sup>3</sup>
Namukale Chintu	Jabulani Ncube
Kate Cook <sup>1</sup>	Tunde Olanrewaju
Mark Dawson	John Richards
Janet Harrison	Tim Robinson <sup>1</sup>
Fiona Hodgson	Angela Sealey
Rizwana Khan <sup>3</sup>	Robin Stafford
David Lingard <sup>3</sup>	Bryan Zheng Zhang
Thomas Lingard	

<sup>1</sup>Member of Trustee Audit and Finance Group; <sup>2</sup>Member of Remuneration Committee; <sup>3</sup>Member of Recruitment and Development Group.

### Principal professional advisers

Oxfam's principal professional advisers include the following:

#### Principal Clearing Bankers:

The Royal Bank of Scotland Group,  
9th Floor, 280 Bishopsgate, London EC2M 4RB

#### Auditors:

PricewaterhouseCoopers LLP,  
7 More London Riverside, London SE1 2RT

#### Principal Solicitors:

Freshfields Bruckhaus Deringer, 65 Fleet Street, London EC4Y 1HS  
Wragge & Co, 55 Colmore Row, Birmingham B3 2AS

### Corporate Management Team

Oxfam's Corporate Management Team (CMT) comprises:

**Chief Executive** Barbara Stocking, DBE

**Campaigns and Policy** Phil Bloomer

**Human Resources** Jane Cotton

**Fundraising** Cathy Ferrier

**Finance and Information Systems** Robert Humphreys

**International** Penny Lawrence

**Trading** David McCullough

**Communications** Thomas Schultz-Jagow

**Company Secretary** Joss Saunders

Oxfam is a registered charity in England and Wales (202918) and Scotland (SC039042) and a company limited by guarantee registered in England No. 612172 at Oxfam House, John Smith Drive, Cowley, Oxford, OX4 2JY. Oxfam GB is a member of Oxfam International.

## Our approach and aims

Oxfam works with others to overcome poverty and suffering. To achieve the greatest possible impact, Oxfam works at community, national and global levels. We combine humanitarian assistance, long-term development, and campaigning and advocacy to tackle the root causes of poverty.

Oxfam is an independent organisation, affiliated to Oxfam International, a global confederation of 15 independent Oxfams which share the same purpose and rights-based approach. We are all part of a global movement to build a fairer, safer world.

### Charitable objects

As stated in the Memorandum of Association, the objects for which Oxfam is established for the public benefit are:

- To prevent and relieve poverty and to protect vulnerable people, including through humanitarian intervention.
- To advance sustainable development.
- To promote human rights, equality and diversity, in particular where to do so contributes to the prevention and relief of poverty; in all cases working anywhere in the world.

Oxfam has five strategic aims that are based on fundamental human rights:

### The right to sustainable livelihoods

We are working for a world in which every person has enough to eat, a dependable income and the opportunity of secure, paid employment in dignified conditions. We are calling for the funding and support needed to help millions of people living in poverty adapt to climate change.

### The right to life and security

We provide assistance and protection to people caught up in conflict or natural disasters, and lobby governments and the international community to live up to their responsibilities to protect civilians.

### The right to essential services

Oxfam's ability to secure our other aims depends on people being able to access health care, education, clean water and sanitation facilities. We lobby at global level for state investment – supplemented by international aid – in basic social services.

### The right to be heard

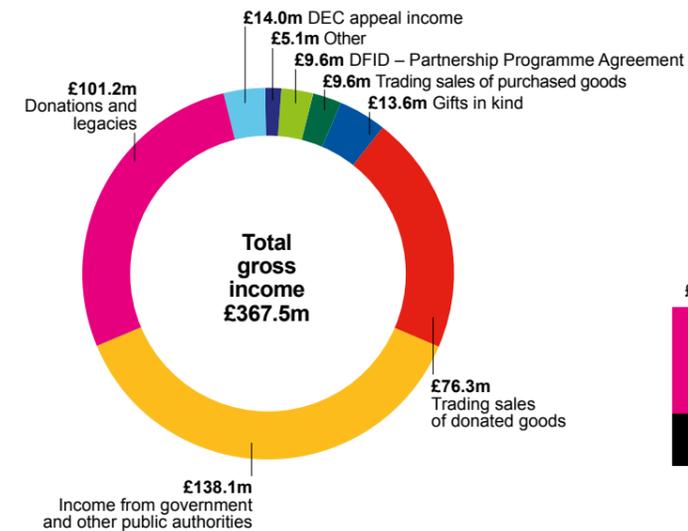
Powerlessness causes poverty and keeps people poor. Oxfam enables people in poverty to engage with decision-makers and to influence the local, national and global decisions that affect their lives.

### The right to equity

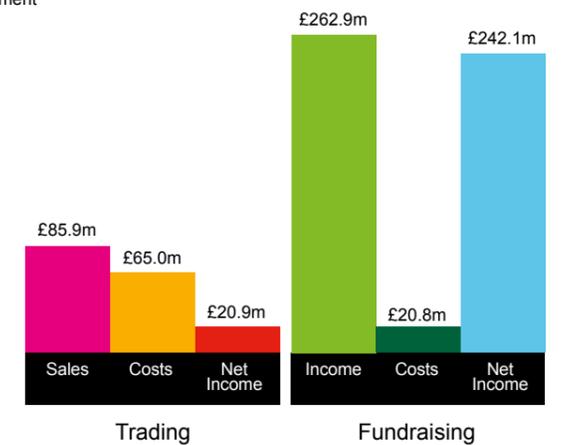
Gender inequality is a major cause of poverty. Oxfam has therefore made a commitment to put the rights of women living in poverty at the heart of everything we do.

## Income and expenditure

### Where our funds came from

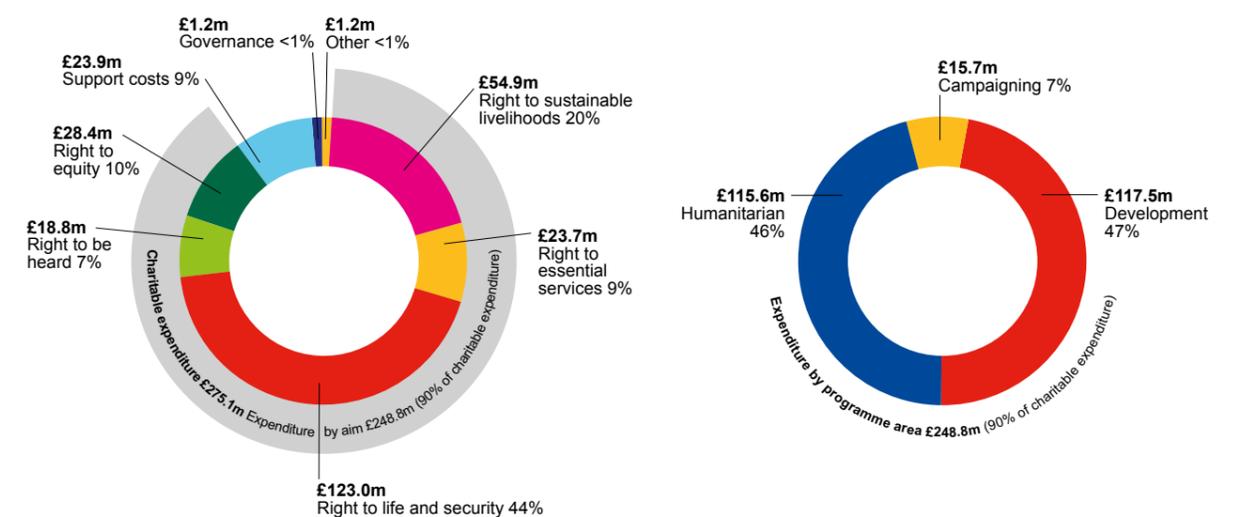


### Trading and Fundraising net income



Trading and Fundraising net income £263.0m  
 Gifts in kind £13.6m  
 Other net income £4.9m  
**Total net income available for charitable application £281.5m**

### How they were used



## Sustainable livelihoods

In 2010/11, the world's poorest people continued to feel the worst effects of both climate change and the global economic crisis. As well as supporting communities directly, Oxfam works to create long-term changes in policy and practice at national and global levels.

◀ Zafia lives on Buton Island, Indonesia. With support from an Oxfam revolving loan scheme she has set up a successful business cultivating seaweed. Photo: Suzi O'Keefe

### Shifting power imbalances

Increasingly, Oxfam is working to create links between groups which would not usually work together, improving relationships to make them productive for all, and ensuring that women play an active role in decision-making. By brokering relationships between poor producers and private-sector food companies, Oxfam is helping to influence practice on both sides, create opportunities for huge numbers of people and provide a model for other companies to follow. Whether the trade we promote is in formal supply chains or informal local markets, our aim is to shift the power imbalances that are a fundamental cause of poverty. Change is possible through empowered producers, an inclusive and transparent private sector, and effective government.

“

Enterprise Development Programme provides a very unusual opportunity to combine commercial disciplines with Oxfam's unrivalled experience of the world's most challenging locations. I was particularly excited by the opportunity to use my management experience to help shape the direction of EDP in its early years.

Sandy Arbutnot, Board Member, Enterprise Development Programme

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### The Enterprise Development Programme

Oxfam's Enterprise Development Programme (EDP) links businesses and individuals with small and medium enterprises throughout the developing world. It provides a mixture of loans and grants to promising agricultural and women's enterprises, enabling them to develop and implement viable businesses and create jobs for people living in poverty. This pioneering, business-based approach to development combines Oxfam's international presence and experience with the finance and expertise of our supporters, successful business people and partners. EDP, which has supported 16 enterprises, creates wealth and drives change in poor communities. Crucially, it has the potential to help many thousands of people – especially women – to work their way out of poverty.

#### Supporting women in the occupied Palestinian Territories

EDP supports The New Farm Company, which sources and markets produce from 13 rural co-operatives in the West Bank. Many of these co-operatives are also shareholders of the New Farm Company, and women are prominent in membership and leadership.

The New Farm Company's products have been sold in more than 70 supermarkets in the West Bank (its presence has quadrupled since 2008). It has also signed supply contracts with three major food importers in Saudi Arabia and Jordan. Producers have seen their income increase by an average of 8% as a result. But the overall gains can't be measured in economic terms alone. Huda Shadeed, purchasing manager for the Duda Co-operative Society, explains: "The co-operative also helps us to build social relationships and to expand our worlds. We want to prove, as women, that we have control over our destinies."



◀ Noograi Snagsri is part of a successful pilot climate adaptation programme in Thailand's Yasothorn Province. Farming families helped to design the low-cost solutions, which included building water-storage ponds, installing drainage systems, and growing fruit and vegetables as well as rice. Photo: Mongkhonsawat Luengvorapant

### Unlocking the potential of smallholder farming

Greater investment in rural infrastructure and services, smallholder-adapted technologies, and training by both government and the private sector can help unlock the potential of smallholder farming to feed growing populations. Specifically, providing women farmers with the same resources as men could increase their yields by 20-30%.<sup>1</sup>

Oxfam works with smallholder farmers, agricultural businesses and local and national governments, to promote women's economic leadership in agricultural markets. Rural women contribute much of the labour in food production and processing, but often receive limited benefits due to their lack of control of assets, and because they work in sectors or activities which have limited returns.

In 2010/11, Oxfam began piloting SCALE (Securing Change through Agricultural Livelihoods and Empowerment), a multi-country programme to strengthen the food security of smallholder farmers, particularly women. SCALE will be implemented by Oxfam GB, Oxfam Novib, Oxfam America and Intermon Oxfam; bringing together the different experience and expertise of affiliates. We are also engaged in a research and learning initiative on women's collective action in agricultural markets in Ethiopia, Mali and Tanzania, to identify the best ways to support women producers.

### Empowering women beekeepers in Ethiopia

We are working to harness the potential of beekeeping for reducing poverty in Ethiopia – and to strengthen women's roles in the sector – through collaboration with cooperatives, a producer union, and a private company. A pilot programme resulted

<sup>1</sup>GROW campaign report. [www.oxfam.org.uk/resources/papers/growing-better-future.html](http://www.oxfam.org.uk/resources/papers/growing-better-future.html)

in producer groups achieving certified organic status, and significant improvements in quantity, quality and income for around 3,500 farmers. A training school and processing centres have been created and modern hives introduced, increasing overall productivity by 400%.

Traditionally, hives are kept in trees and considered dangerous to handle, limiting women's participation. The new style hives are at ground level and close to the home, dramatically increasing the number of women beekeepers – from 1% to 17%.

“As the beehives are within my compound I tend to them almost every day,” says female beekeeper, Wubalem Shifera. “We have no land to farm so it has always been very hard for us to make money. The beehives have changed that.”

Modern hives, protective equipment and training are enabling producers to improve the quality and quantity of honey, for which there is growing demand. Photo: Tom Pietrasik



### Promoting sustainable livelihoods globally

- 760,000** people supported to improve production (eg through provision of seeds, fertilisers, livestock)
- 160,000** women supported to improve their economic position (eg in enterprises and markets)
- 70,000** women supported to increase access to/control over assets (eg land, equipment, cash)
- 270,000** people supported to increase their access to, and power within, markets

**Climate change adaptation and disaster risk reduction**

Climate change already presents a huge risk to human development; it threatens to derail decades of progress in the fight against poverty. Climate change is increasing the frequency and/or intensity of natural hazards such as floods and droughts; it also undermines people's livelihoods as growing seasons become increasingly unpredictable.

People in poverty are hardest hit because they are dependent on climate-sensitive natural resources and ecosystems for their livelihoods, live in areas with greatest exposure to climate hazards and are less able to respond to the changes they are experiencing.

**Key achievements in 2010/11 include:**

- Uganda, Ethiopia and Mozambique: Oxfam has developed an innovative 'local adaptive capacity framework' and is influencing government thinking in all three countries on how to enable vulnerable communities to adapt.
- Georgia: Oxfam is acting as facilitator with government agencies and civil society to develop national risk analysis and adaptation plans, and to contribute to the global dialogue on disaster risk reduction.
- Niger: An innovative approach to reducing the risk of rainfall fluctuations – by increasing communities' ability to manage and monitor their own water resources and negotiate with other users – is now being replicated on a much wider scale.

Oxfam's giant 'message in a bottle' from millions of the world's poorest people washes up on a beach in Cancún, during the climate talks in December 2010 – reminding governments of the urgent need for a fair and ambitious binding global deal to tackle climate change.  
Photo: Ainhoa Goma



“  
For the last three years our harvests have declined. This is the first time I have used the drought-resistant seeds and I have been really impressed – our harvest this year was the best I've ever seen.  
Bahadur Tapar, farmer, Nepal  
”

**Adapting to climate change in Thailand**

Yasothon province in north-east Thailand is within the vast, barren area known as the Weeping Plain. In the past, the regular onset of seasonal rains created an ideal environment for growing jasmine rice. But in recent years, rising temperatures and increasingly unpredictable rainfall has threatened to undermine farmers' livelihoods.

Working with Earthnet Foundation, Oxfam piloted a programme to help farmers adapt. Women and men farmers were involved in designing solutions, including water-storage ponds and drainage systems. The pilot, which brought together local know-how with NGO and academic expertise, demonstrated that climate-adaptation projects can be implemented with limited resources. In 2010/11, funding was secured to replicate the pilot on a scale that will enable tens of thousands of poor farmers to adapt their livelihoods to climate change.

- Bangladesh: Working with partners and a local mobile phone network, we have developed a low-cost programme enabling fishermen to receive potentially life-saving weather forecasts by text.

**Campaigning on climate change**

The UN Climate Change Conference in Cancún, Mexico, at the end of 2010 saw the establishment of a new Climate Fund, one of Oxfam supporters' core demands. The fund will be accountable to, and under the guidance of, the United Nations Framework Convention on Climate Change. Developing countries are fairly represented (they hold the majority of the seats) on the committee that will establish how the fund will operate. In addition, a significant share of the fund will support communities to adapt to the effects of climate change – another of Oxfam's demands.

Oxfam played a central role in the establishment of the Climate Fund. In Cancún we co-ordinated the 'Call for a Fair Climate Fund' signed by more than 2,000 organisations globally. Throughout 2010, in the run up to the talks, we continued to mobilise people around the world to put pressure on their national governments. This included half a million people joining the campaign to 'Sow the Seed for a Fair Deal' in October, and campaigning around World Food Day in 32 countries in November.

**Helping communities to adapt**

- 640,000 people supported to reduce risk from existing hazards and climate variability
- 110,000 people supported to adapt to emerging climatic trends
- 460,000 people supported by activities to manage risk and uncertainty
- 100,000 people supported to innovate in response to climatic changes

## Life and security

This year our work has been dominated by the earthquake in Haiti and the floods across Pakistan. Our response in both cases focused on the provision of water and sanitation, public health promotion, and emergency food security activities which have given communities a vital source of work and income.



◀ Reshma, 10, carries water from an Oxfam tap stand in Shahbaz camp, Pakistan. Oxfam latrines are visible in the background. Photo: Timothy Allen

Participants in an Oxfam cash-for-work project clear rubble in Port-au-Prince, Haiti, in December 2010. Photo: Toby Adamson

### The year in brief

In 2010/11, we provided humanitarian assistance to around 6.5 million people, and responded to 47 emergencies in 31 countries. The year focused on two major emergency situations – the aftermath of the earthquake in Haiti and the devastating floods in Pakistan. In both cases, we were well-placed to respond, with long-established programmes, trusted partners and trained local staff. Over the months following each disaster, we built up massive emergency programmes. In Pakistan, where around 20 million people were affected by the floods, we supported almost 2 million people in what became our largest-ever response.

During the year, we supported vulnerable people during the food crisis in West Africa. We also worked in places which didn't hit the headlines: the conflict in Yemen, the ongoing humanitarian disaster in the Democratic Republic of Congo, serious floods in Sri Lanka and Colombia, a cyclone in Myanmar, typhoons in the Philippines and Vietnam, and pre-election unrest in South Sudan.

### Haiti earthquake and cholera response

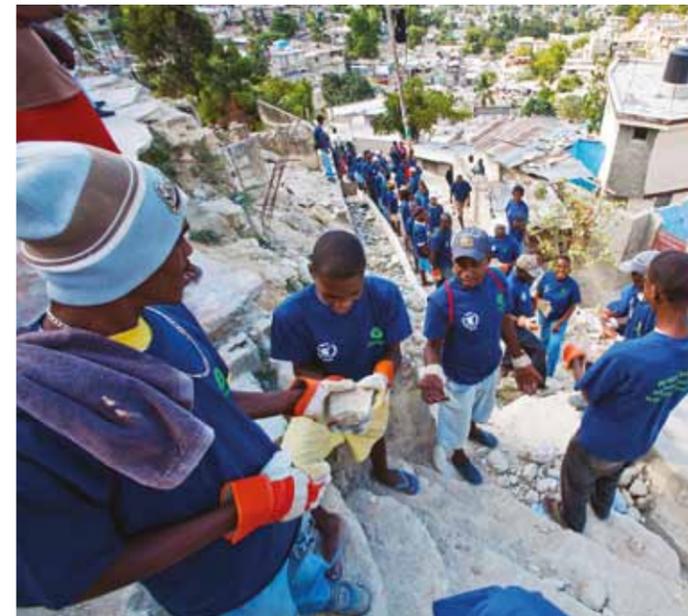
Following the earthquake that hit Port-au-Prince, in January 2010, Oxfam continued to support survivors. The scale of the disaster, combined with the poverty and lack of infrastructure that already existed, increased the challenge. We responded to a cholera outbreak in October 2010, which affected more than 122,000 people, and killed at least 2,600. In total, more than 500,000 people have benefited from our earthquake-response work, and another 700,000 have been the focus of our cholera-prevention activities, however, we recognise that many people are still living in temporary accommodation and in extremely challenging circumstances.

#### Water, sanitation and hygiene

- More than 300 million litres of clean, chlorinated water supplied each month.
- 2,500 latrines and 1,032 bathing shelters built.
- Hygiene kits containing items such as soap, toothpaste, toothbrushes, sanitary pads and towels were distributed to more than 120,000 people.
- Community members were trained to work as 'mobilisers' in the camps, to reinforce messages about good health and clean sanitation facilities.
- Clean water, oral rehydration salts, sanitation facilities and hygiene education were provided in response to the cholera outbreak.

#### Food and unemployment

- After the earthquake, the number of people in formal work fell from a pre-earthquake 21% to 8%, and the number of self-employed people dropped from 65% to 33%. In response, Oxfam helped people kick-start their businesses and livelihoods.
- 41,819 households benefited from our livelihoods and food security programmes.



- We gave cash grants of between US\$125 and US\$250 to 23,374 families, with a focus on supporting vulnerable women. The money was used to help start or re-start small businesses, as well as for debt repayment, health, education and basic household needs.
- 1,441 tradesmen (eg plumbers, carpenters and masons) were given cash and vouchers for tools, so they could get involved with reconstruction efforts.

#### Rebuilding communities

- More than 94,000 people benefited from emergency shelter, including tarpaulins, tents, household kits and mosquito nets.
- In Carrefour Feuilles – where the earthquake damaged approximately 50% of all homes – Oxfam helped local groups to lead reconstruction efforts, so they could

create a community everybody 'owns' and can be part of.

- Oxfam partnered with Disaster Waste Recovery – an NGO focused on providing waste management support to communities affected by disasters and conflicts – to remove debris (using heavy machinery and local labour) and then reuse it to rebuild homes and walls.

#### Advocacy and campaigning

We also campaigned to ensure that this is a new beginning for the people of Haiti. In July 2010, the IMF announced the cancellation of Haiti's outstanding debt of US\$268m after concerted campaigning by Oxfam and others. Working in coalition we lobbied the UN, the US and Canada to ensure the voices of Haitians were heard at key meetings.

Charitable used to run a small restaurant from her house, which collapsed when the earthquake hit. We gave her a grant that she used to restock her shelves with food items for sale. She also participated in some of the Oxfam-supported business training.  
Photo: Toby Adamson



#### What we learned

- Combining humanitarian relief with livelihoods support can be successful. For example, we combined the provision of food relief through community canteens with cash grants and business support for restaurant owners. As a result, 87% of the restaurant owners were able to re-start their businesses (see photo opposite).
- Community accountability meetings between beneficiaries, local partner organisations and local authorities, and a freephone helpline helped to ensure a crucial two-way channel for communication.

#### Pakistan floods

In July 2010, huge monsoon rains caused devastating floods across Pakistan. Around 20 million people were affected – more than by the 2005 Asian Tsunami, 2005 Kashmir earthquake and 2010 Haiti earthquake put together.

The flooding caused massive damage to infrastructure, with roads submerged, bridges swept away and many schools and hospitals damaged. Many provinces were under water for months, and people returned home to find their houses destroyed, crops ruined and livestock lost. By April 2011, large numbers of people were still living in spontaneous and temporary settlements and camps.

Oxfam was able to respond quickly, moving people and contingency stocks to affected areas within days. Our emergency programme has supported more than 1.9 million<sup>1</sup> people, focusing on the following:

#### Water and sanitation

- We provided clean water for more than 1 million people, by installing water tanks, repairing wells and water pipes, and trucking water to communities.

<sup>1</sup>These figures represent the number of people reached by the six-month anniversary in January 2011. Work has since continued, reaching even more people, as we move from emergency response into recovery phase.

“

During the 1992 floods, 100% of our houses were damaged. But this year, when the water was six inches higher, only a few houses were damaged, thanks to the work raising houses and building embankments. Qasim, manager of a community-based organisation in South Punjab, Pakistan. Oxfam's disaster risk reduction work in the region helped some communities to be better prepared.

”

- We distributed hygiene kits to more than 1.3 million people.
- We supported more than 860,000 people with improved sanitation facilities.
- More than 716,000 people benefited from our public health and hygiene campaigns to help prevent the spread of disease.

#### Shelter

We provided emergency shelter for more than 225,000 people. This included distributing shelter kits to families who had lost their homes in Sindh and Khyber Pakhtunkhwa.

#### Winterisation

- We helped people to cope during the cold winter by distributing 12,000 special 'winterisation' packages. These contained woollen bedding and clothes – many of which were knitted by local women as part of Oxfam's cash-for-work programme.
- In Swat province, 807 women were paid 5,600 rupees (£42) to make shawls, quilts and jumpers which were then distributed to help 482 vulnerable people during the winter.



▲ Children have fun learning a song about good hygiene in a village in Shikapur, Pakistan. Photo: Timothy Allen

**Food security and livelihoods**

Many families' means of making a living were completely destroyed by the floods. In response, we worked to ensure people had a source of income and food:

- More than 80,000 people benefited from our cash-for-work programme, which provided people with a much-needed income by paying them to help clean up flood-affected areas and rehabilitate facilities.
- More than 300,000 people benefited from cash grants of 5,000 rupees (approx £38-40), to help families meet their basic needs for two to three weeks.
- Other elements of our response included providing animal fodder and vaccinations to help those with livestock keep their animals healthy, and providing grants to small-scale farmers to help them de-silt their land.

**Advocacy and campaigning**

- At an international level, Oxfam and allies ran a public campaign calling for the cancellation of foreign debts – starting with repayments owed to the international financial institutions – to ensure that money was spent on flood relief and not on debt repayments.
- We also called on institutional donors to make up the funding shortfall in the UN/Government of Pakistan joint emergency response.

**What we learned**

In Pakistan, cash transfers were a critical component of our early response to the floods, ensuring people had food in the days immediately following the disaster. Some preparation at regional level, and learning from Haiti, meant that we were able to carry out these activities on an unprecedented scale, and across a large geographical area.

Lessons include:

- Having experienced, trained staff at all levels – in the region and at a local level – was critical to starting cash transfer activities within 15 days of the onset of flooding.
- People affected by floods insisted that cash was a more appropriate and empowering approach than simply distributing food.
- Working with local banks offered security, and meant large numbers of people could be processed.

Oxfam contributed to the development of standards on cash and vouchers published in *Sphere*, a respected handbook for humanitarian practitioners.

**West Africa food crisis**

More than 10 million people in the eastern Sahel region of West Africa experienced a severe food crisis in 2010, following inadequate rainfall which led to failed harvests. Niger was at the centre of the emergency, with nearly half the population facing acute food shortages. Approximately, 2 million people were affected in Chad, and a further 650,000 people in Mali.

From April 2010, our six-month programme supported more than 400,000 people across Niger, Mali and Chad. Our response focused on the following three areas:

“ I'm very happy with the cash voucher scheme. I'm going to buy maize. If Oxfam weren't giving us this help, we'd have to go to the bush to find firewood to sell. That means walking 8-9km a day to find wood. And even then, it's very hard to make much money from that. Habsou Koraou, mother, Niger, West Africa ”

- Saving lives by helping people to meet their basic food needs.
- Ensuring people didn't lose more assets (for example, livestock) and recovered from losses they had already incurred.
- Increasing people's resilience to future shocks.

When the emergency response finished, our focus switched to long-term development in Niger and Mali. We distributed cash and food vouchers to the most vulnerable households (with a particular focus on women), to build up their resilience and reduce their vulnerability to the next drought.

**In 2010/11, Oxfam's global humanitarian programme provided:**





## Essential services

Throughout 2010/11 we worked with communities and partners to improve basic services and enable people to influence their local service providers. We also continued lobbying for the state investment and international funding that are crucial to achieving health care and education on a massive scale.

◀ Nurse Halimatu Kamara prepares to give a polio vaccine to six-month-old Zainab at a clinic in Sierra Leone, where health care is now free for pregnant and breastfeeding mothers and children under five. Photo: Aubrey Wade

As EU leaders met to discuss finance, Oxfam activists in Brussels staged a media stunt in support of a Robin Hood Tax. Photo: Oxfam

### Campaigning and lobbying for essential services

Five years after the Make Poverty History campaign, and ten years after the world agreed the Millennium Development Goals (MDGs) to halve global poverty, Oxfam continued to lobby rich governments to make good their promises to deliver more and better aid. While progress has fallen short on many of the commitments made in 2000 and 2005, and the economic context has changed beyond recognition, breakthroughs on areas such as child and maternal health have improved the life chances of millions.

In 2010/11, many donor governments began to cut aid to developing countries, while implementing austerity measures at home. In May 2010, Oxfam launched a report outlining a blueprint for effective aid in the 21st century,<sup>1</sup> in response to criticisms of aid and a fall in public support for international development in the face of domestic spending cuts. Throughout the year, we successfully put pressure on the UK government to stick to its target of spending 0.7% of national income on aid, and called on other rich countries to follow its example.

Our campaigning with partners on maternal health achieved results, with both the G8

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The Robin Hood Tax... allows the banks an opportunity to atone for their recklessness... [it would also enable us to fulfil] our promises... like our commitment to stopping 500,000 women dying each year trying to have a baby.  
Bill Nighy, actor and Oxfam Ambassador, in a letter to CEOs of the UK's top banks.  
”

and African Union making new commitments to finance maternal and child health care, and to promote strong health systems which are free at the point of use. In April 2010, the President of Sierra Leone officially launched free health care for pregnant and breastfeeding women and children under five. This public health policy became possible due to new international aid, particularly from the UK. The announcement was welcomed by Oxfam campaigners, who had been putting concerted pressure on the UK government to invest in essential services in the poorest countries. In September 2010, the UN held a review summit to discuss progress towards achieving the MDGs, and countries around the world agreed a package of US\$40bn to improve maternal and child health.

In 2010, the Robin Hood Tax campaign was launched; this calls for a small tax on financial transactions that could raise up to US\$400bn annually to tackle poverty and climate change. Oxfam is a founding member of the campaign, which has now built a coalition of more than 115 organisations in the UK including



<sup>1</sup>[http://www.oxfam.org.uk/resources/policy/debt\\_aid/21st-century-aid.html](http://www.oxfam.org.uk/resources/policy/debt_aid/21st-century-aid.html)

development partners, environmental organisations, trade unions and faith groups. Celebrities, leading economists and politicians are among more than 250,000 people across the UK to join the campaign. Sister campaigns have been established by Oxfam affiliates and partners in France, Germany, Spain, Italy, Canada, Australia, Norway, Belgium and the US.

#### Promoting girls' education in Mali

Only 25% of men and 12% of women in Mali can read and write, and less than half of all children are enrolled in schools. In remote rural areas, decaying school buildings and equipment, untrained teachers and lack of clean water supplies combine to keep education levels low. With little or no education, people's opportunities to work their way out of poverty are extremely limited.

Over the last nine years, Oxfam has worked with local communities to improve school and sanitation facilities. We are lobbying local and national government to bring about policies that will both improve access to, and strengthen the quality of, education in Mali.

In 2010/11, we supported 25 schools across the Gao and Koulikoro regions. Working with our long-term local partners, we constructed and renovated school buildings, installed water points and latrines, trained teachers in modern, interactive teaching techniques, and helped set up school clubs, mothers' associations and school committees. Local radio broadcasts and theatre performances were used to help promote girls' education. Discussions were held about the attitudes and behaviours which hinder this, including early marriage, the unequal distribution of domestic chores and teachers' practices in class.

Girls studying at Taboye School in the Gao region of Mali. Photo: Oxfam



#### Partnership for change in Liberia

Oxfam is currently leading the Liberia WASH (water, sanitation and hygiene) Consortium, a collaborative venture of five international NGOs,<sup>2</sup> which is supporting the Liberian government to meet its water, sanitation and hygiene targets. The programme includes providing water and sanitation in under-served rural communities, training in hygiene promotion, and capacity building with local authorities and institutions. The consortium is also advocating at a national and international level for improved public services in Liberia.

It operates in close partnership with the government of Liberia, donors, UN agencies, and local authorities and NGOs. As a result of the programme:

- 478,800 people have access to safe water.
- 180,800 have access to sanitation facilities.
- 294,900 people have taken part in hygiene promotion activities.
- 1,200 people in more than 930 communities have been trained to ensure sustainability of the programme's activities.

People now spend less time collecting water, and less time being ill as a result of drinking dirty water. School attendance has increased, results have improved, and adults have more opportunities to earn an income.

Institutional capacity building with government has supported the Ministries of Health and Public Works to start to decentralise, and the consortium has successfully advocated inclusion of water and sanitation in the national budget, meaning that, eventually, resources will be available for even the most remote areas to be served by government.

The consortium is widely viewed as an example of best practice, and learning has been shared with the humanitarian community.

<sup>2</sup>Action Contre la Faim (ACF), Concern Worldwide, Solidarités International and Tearfund, with Oxfam currently working as the lead agency.



#### Promoting health rights in Armenia

In the isolated mountain villages of Armenia, state-provided health services are not widely promoted or known about. As a result, people often end up paying vast sums of money for medical treatment that should be free, pushing them deeper into poverty. Until recently, booklets provided by Oxfam and partners were the only source of information about health rights for many people.

Oxfam has been working with our partners, local authorities and health services to use a new text messaging system, 'FrontlineSMS', to inform around 80,000 people in rural villages about state-provided drugs and treatment. During the pilot stage in 2010, we sent more than 50,000 messages with information on how to apply for free consultations, seek legal support, or make complaints using the health ombudsman helpline.

The pilot has shown this to be an extremely cost-effective and time-efficient way of reaching thousands of people, and has resulted in many more people applying for free treatment and support. We are now planning to integrate the health care hotline service at a national level.

▲ Daniel Tomah, 12, draws water from a new pump in Chocolate City, Monrovia, Liberia. His family says he never used to help collect water, but that's changed now that the pump is close to his home. Photo: Liberia WASH Consortium

## Being heard

Powerlessness is both a major symptom and cause of poverty – when people have no part in decision-making, then their needs are ignored and the cycle of poverty continues. Empowering people in poverty to make their voices heard, is a common strand throughout Oxfam's work.



◀ In October 2010, several thousand people gathered at an Oxfam 'climate hearing' in Bosset Woreda, Ethiopia, in the run-up to global climate negotiations in Cancun.  
Photo: Aubrey Wade

### Empowering communities

Millions of people have little or no say in the decisions that affect them, and are therefore denied the voice that could help them to overcome poverty. In all our work, Oxfam aims to empower women and men in poverty. On one level, this means consulting communities in the design and implementation of our humanitarian and development work. We also help people to speak out together to influence and hold to account those in power at a local, national and international level. In 2010/11 our Raising Her Voice programme continued to enable more women to participate in community and political life, with some notable policy breakthroughs.

### Raising Her Voice

Raising Her Voice is a global programme with projects in 17 countries. Launched in 2008, and running until 2013, it aims to support women's leadership and participation, to increase their influence and voice in local and national governance and decision-making.

The programme includes a Pan-African element, which seeks to bring about the ratification and effective implementation of the Africa Women's Protocol to end gender inequality and discrimination. The Protocol was developed by African leaders in response to the demands of African women's movements. It guarantees comprehensive rights to women, including the right to take part in political processes, enjoy social and political equality with men, and to control reproductive health. It also includes clauses aimed at bringing an end to female genital mutilation.

#### Raising Her Voice: a snapshot

- Uganda: The programme saw a major breakthrough in 2010, with the Ugandan government's ratification of the African Women's Protocol. Raising Her Voice raised awareness of the Protocol at grassroots level; successfully lobbied for the passing of legislation against domestic violence and female genital mutilation; brought the voices of poor women to the attention of policy-makers and developed a strong, diverse coalition with a single identity to campaign for women's rights across Uganda.
- Liberia: Both the government and traditional leaders are engaging with and supporting Raising Her Voice; in 2010, the President made a statement on the eradication of female genital mutilation. This was the first time a leader has spoken out against this issue in Liberia, and represents an important step to breaking the taboo surrounding it.

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I dream about empowered women demonstrating for change and transforming their own lives. I don't want our daughters to live through what we suffered. I don't want there to be male chauvinism and violence, but more opportunities and independence for girls.

Juana Baca, Ixil indigenous women's network (Raising Her Voice partner), Guatemala

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- Mozambique: The country's first law on violence against women was approved, following a concerted effort by Raising Her Voice to raise public awareness and support. Community radio has been instrumental in the project's success, enabling people to participate as well as be informed, and challenging the often stereotypical or degrading media portrayal of gender issues.
- Pakistan: Raising Her Voice played a leading role in a successful campaign to keep financial and administrative power with local government. It has also helped more than 72,000 women to obtain identity cards, enabling them to vote and claim other rights for the first time. Women's leadership also played an important role during the 2010 flood response.
- Honduras: Raising Her Voice contributed to the development of a national campaign

against femicide and gender violence, which is demanding that public authorities make a strong commitment to reducing impunity for perpetrators. The high-profile campaign has led to an increase in the number of women reporting cases of violence.

- Bolivia: The 'Women's Platform' established by Raising Her Voice has successfully involved women in drafting Bolivia's constitution, and is recognised as an important and influential voice in politics. Media campaigns, advocacy and a huge amount of grassroots activity to raise public awareness, have led to significant increases in gender budgets which benefit women in poverty – including cash transfers to families with children at primary school and to new mothers without medical insurance. There has been an increase in women's participation in elections from 10% to 30%.

(Clockwise from left) a women's group meets in Nepal; Women march for gender equality in Pakistan; members of the Ixil Women's Network in Guatemala hold a street performance highlighting gender and racial inequality; in Nigeria, demonstrators call for policies to prevent violence against women. Photos: Adrienne Hopkins; Malka Khan; Claudia Navas Dangel; Osara Odemmgie



Opinions are captured at a workshop in Manchester, UK, by participants in Oxfam's Routes to Solidarity project. The project aims to create a stronger black and minority ethnic (BME) women's sector with increased influence on decision-makers. Photo: Fiona Davison

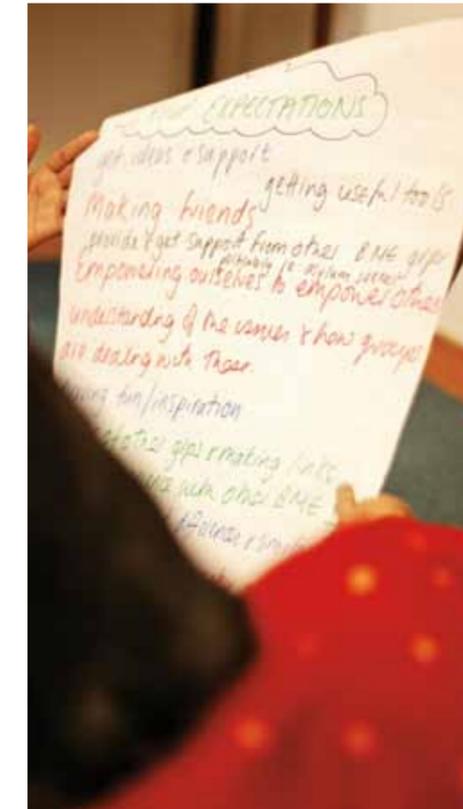
### Working for reform in the UK

In the UK we continued to support community initiatives which enable people living in poverty to speak out on the issues that deeply affect them. The understanding we gain of the challenges that face these communities allows us to better influence policy-makers to tackle the root causes of poverty. In 2010/11, we facilitated talks between representatives of the most vulnerable groups – including black and ethnic minority women – with service providers and decision-makers, to ensure that efforts to achieve gender and race equality are not undermined by cuts in public spending.

In the UK, 1.5 million people receive out-of-work benefits. It is vital to the way we work, to ensure that the experiences of people actually affected by the benefits system

inform our campaigning for reform. We want to ensure the system does not punish those who need to use it, is less complex and ultimately makes it easier for people to move into work.

Analysis carried out on the new Welfare Reform Bill in 2010/11 showed us the proposal could be counter-productive, especially for women. Oxfam achieved some success by working as part of a consortium of organisations lobbying to achieve the best legislation possible. Our response to the government White Paper gained significant media coverage; the government actively sought – and listened to – our concerns and some of the most harmful policy proposals did not make it through to the Bill. We will continue to lobby on the Bill to ensure it is implemented in the most positive way possible for people in poverty.



### Empowering people in poverty worldwide

- 190,000 women supported in leadership positions in their communities and elsewhere
- 200,000 women and men trained in advocacy, campaigning and public and media engagement
- 100,000 women and men supported to advocate directly with local government and others
- 100,000 people supported to lobby companies and institutions to improve their practices



## Equity

Gender inequality is a root cause of poverty, which is why Oxfam aims to put women's rights at the heart of all that we do. When women are educated, can earn an income and participate in local and national decision-making, not only do women achieve their rights as full and equal human beings, but whole families, communities and nations also reap the rewards.

◀ Sixteen-year-old Sadaf Haruzel training at the National Stadium in Kabul. Sadaf is a member of Afghanistan's first female boxing team, which Oxfam is supporting through the peace-building organisation Co-operation for Peace and Unity.  
Photo: Abbie Trayler-Smith

### Promoting gender equality

In 2010/11, Oxfam continued putting into practice our commitment to put the rights of women living in poverty at the heart of all we do. This is based on our belief that the denial of women's basic rights is a fundamental cause of poverty. Our experience has shown us that to improve people's lives and make the biggest impact on poverty and gender inequality, we need to work with both men and women. This means working with women's groups and organisations as well as working with mixed groups.

As the case studies below (and throughout this report) demonstrate, this flexible way of working enables us to challenge the deeply entrenched beliefs that lead to gender discrimination. In all our work, we aim to enable women to gain the self-confidence to change the power relations that have created and sustained poverty for women over generations.

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It took two days for us to reach Siradi, a remote village in western Nepal. In this dalit ('untouchable') community, people used to go hungry, but they have been proving they can make changes. The women's faces shone with confidence, and I felt so proud to be supporting the project. Oxfam's Nepal Food Security Programme empowers women to work together to lobby for their rights and have a stronger voice in their community. Hyunyi Hwang, International Project Manager, The Beautiful Store

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### Tackling sexual violence in the DRC

The Democratic Republic of Congo (DRC) has been dubbed the 'rape capital of the world'. Almost 7,700 rapes were reported between January and June 2010 – more than half of them in North and South Kivu. There is an understandable tendency for both the media and the humanitarian sector to focus on this issue. However, when talking to communities, it becomes clear that unfortunately sexual violence is just one among many inter-related problems.

Oxfam has helped to set up 33 'protection committees' in North and South Kivu, each made up of six male and six female members elected from the community. The committees promote human rights and Congolese law; members often walk for hours to run information sessions with remote communities. However, knowledge about rights is only useful to people if they are able to lobby those who should be upholding their rights. The committees, therefore, meet regularly (when it is safe to do so) with the police, civil administration and representatives of the army. Committee members represent community concerns on a range of protection issues, and try to get agreements on action to be taken.

A recent learning review showed that the committees have been successful because they don't just focus on sexual violence, but address a range of protection threats that are often interlinked. This is demonstrated in the following achievements:

- Several committees have worked with local authorities to get illegal barriers removed or regulated. These makeshift barriers, where one or more armed men demand cash or produce to let people through, create a very high risk of sexual violence. Women reported that the reduction in barriers had had an immediate, positive benefit on both their physical safety and the household economy.

- Some committees have successfully campaigned against the common practice of arresting women in place of their husbands. At least one committee persuaded the police to hold men and women in separate cells – again, reducing the risk of sexual violence while not directly tackling the issue.
- One protection committee has successfully changed attitudes to rape survivors, in a culture where it is common for men to abandon their wives following rape. It found that a major underlying factor was the husbands' concern about the risk of HIV and AIDS. The committee helped men to understand the real risks, and encouraged them to support rape survivors and to help them get timely medical care. Within months, women

reported that it had become very unusual for men in that community to abandon their wives post-rape. When a group of newly displaced people came to the village, male committee members publicly took in women who had been abandoned following rape, to demonstrate how men in the community should care for, and support, rape survivors.

### International Women's Day

On 8 March 2011, Oxfam and our partners all over the world marked the 100th anniversary of International Women's Day. This was a key moment for us to raise awareness of and build commitment to our work on women's rights, and to celebrate the efforts of women globally to overcome poverty and inequality.

Niangara territory, north-eastern DRC. This family was forced to flee their home following brutal attacks on civilians by the Lord's Resistance Army. Photo: Pierre Peron



“ I used to be a person who would not allow his own sisters to pursue their studies. Participation in We Can helped me realise the importance of education for women. I convinced my parents, and enrolled my daughters in school. Aquil Mohammad, lawyer and We Can Change Maker, Pakistan. ”

Events and awareness-raising activities took place on every continent. In Indonesia, the Raising Her Voice campaign held a series of events over three days, involving representatives of the Indonesian government, the UN, NGOs and community and women's groups. In Liberia, Oxfam partners organised a radio talk show and press conference with the Minister of Gender and Development, a parade, town hall meetings and a play. In Russia, an online competition encouraged women to share their experiences, highlighting the challenges women face in feeding their families.

In the UK, supporters raised funds for, and awareness of, Oxfam's work, by having a 'Bit of a Do'. Equals, a partnership of leading international charities brought together by Oxfam Global Ambassador, Annie Lennox OBE, came together to demand a more equal world.

### We Can campaign

The day was also very significant for Oxfam as it marked the culmination of the seven-year We Can campaign in South Asia to end all violence against women. We Can will now be taken forward by alliances in each

of the countries, and will also be launched in several African countries.

Supporters and members of the campaign alliance from around the world came together at a two-day event in Kathmandu, Nepal, to take stock of We Can, share learning and celebrate the achievements of the campaign's 3,500<sup>1</sup> organisations and 3.7 million 'Change Makers' all over South Asia. Change Makers – men and women, who have pledged to spread the message that violence against women is not normal or acceptable – are slowly but surely creating a shift in attitudes towards a fairer, more equal society in which women's voices are heard. Many used to be sufferers – or perpetrators – of domestic violence. Others are using their work as teachers, lawyers or religious leaders, to spread the We Can message.

### Promoting gender equality globally

- 2,880,000** women and men received information or education on women's rights.
- 1,250,000** women and men involved in activities to reduce gender-based violence.
- 120,000** women supported by programmes to enhance their political participation
- 875,000** women supported to gain improved access to essential services, including social protection

<sup>1</sup>Figures quoted refer to total numbers involved over the whole five-year campaign.

## Supporting the programme

2010/11 saw another year of innovation from our fundraising and trading teams. Supporter loyalty exceeded expectations in a tough economic environment, and we continued to build new alliances to provide long-term funding and support for our global programme.

### Raising income

Our regular giving income – an extremely important source of funding for Oxfam – outperformed expectations, as UK supporters remained loyal despite the uncertain economic environment. The public response to the Pakistan Floods Appeal was phenomenal, raising almost £6m. Our email appeal to Oxfam supporters was our most successful campaign of this type to date. Oxfam and Pakistani community members in the UK worked together to support the

flood response. In 2010/11, we successfully increased our community fundraising presence, tripling the number of Oxfam community groups. We also introduced a new fundraising campaign, 'A Bit of a Do', to mark International Women's Day in March. An estimated 12,000 people took part in events across the UK to raise awareness and support the efforts of women worldwide to overcome poverty.

### Institutional funding

- More than 40 institutional donors contributed an all-time high of £173.5m to Oxfam's programmes worldwide.
- Bilateral government donors supported Oxfam's programmes internationally through grants totalling more than £42.3m. The UK's Department for International Development (DFID) contributed a total of £27m.

Boxer Amir Khan visited Pakistan in September 2010 to raise public awareness of the plight of those affected by the devastating floods. Photo: Scott Hornby



This included £9.6m through the Programme Partnership Agreement, which enabled Oxfam to meet its strategic objectives through the use of unrestricted funds.

- Among multilateral donors, the European Union remains a key strategic partner of Oxfam, contributing £40m in programme funding. Partnerships with United Nations agencies generated approximately £17.2m million in programme funding – including from the United Nations Children's Fund (£4.9m) and the Office of the United Nations High Commissioner for Refugees (£3.4m).
- Oxfam International affiliates in 13 different countries raised £34.5m from private and public sources, including the governments of Canada, Australia and the Netherlands.
- In a year of large-scale natural disasters – from the Haiti earthquake to the Pakistan floods - humanitarian donors granted Oxfam more than £115m in emergency cooperation. This included partnerships with European Commission Humanitarian Aid (£28.4m), the Disasters Emergency Committee (£14.0m), DFID (£10.6m) and United States Office of Foreign Disaster Assistance (£3.3m).

### Trading

Oxfam shops have issued 2 million vouchers under the M&S and Oxfam Clothes Exchange since its inception three years ago: in 2010/11, M&S items donated to Oxfam shops realised approximately £1.2m. In addition, a 'One Day Wardrobe Clear-out' in September 2010 brought in more than 350,000 donations with a retail value of approximately £1m. Around 600 Oxfam volunteers, in more than 300 M&S stores, collected donations from customers on the day. The event was repeated in March 2011 with similar success.

In October 2010, we launched 'Oxfam Collects at Work', a scheme enabling people to donate goods to Oxfam via their workplace. By year end, 21 companies had signed up to the scheme, including

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I like to follow a project from start to completion, being informed of progress at regular intervals. I prefer projects with multiple outcomes that generate indirect benefits – and help reduce the risk of natural disaster, to avoid expenditure on disaster relief. Robin Swinbourne supports Oxfam 'Projects Direct', a range of community-based projects that can be directly funded by individuals.

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Freshfields Bruckhaus Deringer LLP, Marks & Spencer, Next, The Body Shop International and Unilever, and 12% of their combined workforce had pledged to take part. It is expected that more than £150,000 worth of clothing, books, music and homeware will be donated during the first year of the scheme (£104,000 of which was achieved by year end).

### Working with Oxfam International

During the year, we made good progress towards a single management structure – we are refocusing how we manage our country programmes, with one Oxfam affiliate in charge of a unique and specific country strategy, so that we can be more efficient and flexible. This is a three- to five-year project which aims to increase the influence and effectiveness of the 15 Oxfams that make up the Oxfam International confederation, and gradually evolve the way it works in 98 countries.

## Structure, governance and management

Oxfam is a registered charity (registration number 202918) and is constituted as a company registered in England and limited by guarantee (registration number 612172). Oxfam is also registered in Scotland (SC039042). Its objects and powers are set out in its Memorandum and Articles of Association.

Oxfam has several subsidiaries, three of which are consolidated into our group accounts; these subsidiaries are Oxfam Activities Limited (our trading subsidiary), Finance for Development Limited (a micro-credit institution in Azerbaijan) and Fripp Ethique SARL (a private-sector enterprise in Senegal). Oxfam also has a dormant subsidiary, Just Energy Limited (see below and Note 9a for further details).

Oxfam Activities Limited raises funds by means of trading activities. Its principal operations are the purchase of goods from commercial suppliers to be sold at a profit, mainly through Oxfam shops, and the recycling of donated goods at a textile recycling plant in Huddersfield (known as Oxfam Wastesaver). Oxfam Activities Limited paid to Oxfam a profit of £1.2m (2009/10: £2.1m) and interest on working capital of £0.1m (2009/10: £0.1m).

Finance for Development Limited is a limited liability company in the Azerbaijan Republic and provides financial services (mainly credit) on a sustainable basis to people with relatively low income who do not have access to other financial sources. Its income for the year was £1.9m (2009/10: £1.2m), offset by £1.7m (2009/10: £1.2m) of expenditure.

Oxfam Activities Limited owns 100 per cent of the shares in Fripp Ethique SARL, a company registered in Senegal, which imports second-hand clothing (mainly from Wastesaver), and then sorts and distributes the clothing for resale in the local markets. The company made a net profit of £0.1m (2009/10: net loss of £0.1m) in the year.

Oxfam Activities Limited has a 10 per cent (2009/10: 10 per cent) interest in Cafédirect plc (a company registered in Scotland with registration number 141496), which promotes Fair Trade, primarily through the marketing and distribution of tea and coffee. Cafédirect shares are traded on a 'Matched Bargain Market', operated by Brewin Dolphin.

Oxfam (also known as Oxfam GB) is a member of Oxfam International, a separate legal entity registered in the Netherlands as a charitable foundation (registration number 41159611). Oxfam International encourages and coordinates joint activities with 14 other affiliated international agencies, each separately constituted under the appropriate national regulations. Oxfam receives grants from, and makes grants to, members of this group. During the year, Oxfam received income of £34.5m (2009/10: £21.0m) from the other members of Oxfam International, and made grants of £7.0m (2009/10: £7.4m) to them.

Oxfam is a member of the Disasters Emergency Committee, an umbrella organisation representing 13 leading UK agencies. It aims to maximise income from the public in respect of humanitarian disasters, and to coordinate an effective humanitarian response.

### Trustees

The directors of Oxfam GB are the Trustees, collectively known as Oxfam's Council. This Council, Oxfam's governing body, comprises a minimum of ten and, following an amendment to its constitution in December 2010, a maximum of 14 Trustees (increased from the previous maximum of 12). The amendment was made to allow Council to appoint a Chair designate and an Honorary Treasurer designate for a year prior to their taking office.

Trustees serve an initial term of three years that can be extended up to a maximum of six years. The Chair, Vice-Chair and Treasurer may also serve until the end of their term as Officers. The members of the company are known as the Association, which comprises all the Trustees plus a number of other members up to a maximum of 34. Members are appointed by Council and ratified by the Association. New Trustees are appointed by the Association on the recommendation of Council. Members of the Association have guaranteed the liabilities of the company up to £1 each.

A sub-committee of Council, the Recruitment and Development Group (RADG), is responsible for the recruitment and training of Trustees and Association members. Each year the RADG issues a recruitment advertisement which is widely publicised in Oxfam publications, on the Oxfam website and on a number of other specialist websites. Short-listed applicants are interviewed by a selection panel.

Trustee appointments are based on the need for Council to have the appropriate skills and experience to determine Oxfam policies, and to monitor the implementation of those policies. Each new Trustee is linked with a serving Trustee and provided with a structured induction programme over the first year. As part of its ongoing training, Council

has seminars on key areas, such as risk and accountability. The annual review of board performance includes input from the Chair's formal discussions with individual Trustees and from an appraisal of the Chair by all Trustees.

Oxfam's Trustees are responsible for everything that Oxfam does. However, to ensure Oxfam is managed efficiently and effectively, the Trustees have delegated a range of day-to-day decision-making powers to the Corporate Management Team (CMT), which reports directly to Council. Trustees have also established appropriate controls and reporting mechanisms to ensure that the CMT operates within the scope of the powers delegated to it. The delegation policy is updated on an ongoing basis and is formally reviewed and approved by Trustees every three years; the last review was in September 2008. The Trustees have reserved certain powers, which only they can exercise. These include those statutory powers that cannot be delegated, such as policies on investment and reserves, and decisions linked to major policy or programme initiatives, strategic planning and changes to organisational structure.

The Trustee Audit and Finance Group (TAFG), Oxfam's audit committee, chaired by the Treasurer, meets regularly with the external auditors, both with and without the presence of management. The group agrees the external audit plan, reviews the external auditors' management letter, and monitors implementation of actions required as a result. The TAFG also has the responsibility of ensuring that the audit, risk management and control processes within Oxfam are effective. The TAFG undertakes a detailed review of the draft Annual Plan, the Risk Register, the Annual Report and Accounts, and the Strategic Plan Update prior to their submission to Council. It approves the annual internal audit plan and oversees

the work programme of the Internal Audit department and the control implications of Internal Audit reports.

One further committee that carries out specific functions on behalf of the Council is the Remuneration Committee, chaired by the Chair of Oxfam. This committee monitors the implementation of Oxfam's rewards policy (i.e. the remuneration and benefits for Oxfam staff) and reports annually to Oxfam's Council. It also specifically determines Oxfam's policy on the remuneration and benefits of members of the CMT.

Trustees are also involved in a number of other Oxfam committees, working groups, areas where a duty cannot legally be delegated and areas where there are specific issues around Oxfam's reputation. Committees include the Pension Committee and the Oxfam Activities Limited Board, both of which have at least one Trustee as a member.

Oxfam has a complaints and open information policy.

The names of the members of the CMT, Council and the Association, and the committees they have served on, are available in the Corporate Directory (see page 3). The members of the CMT are not directors for the purposes of company law.

### Trustees' statutory responsibilities

The Trustees (who are also directors of Oxfam for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and the

group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and the group, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charity's auditor is unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate

and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Public benefit

Charity trustees have a duty to report in the Trustees' Annual Report on their charity's public benefit. They should demonstrate that:

**1. They are clear about what benefits are generated by the activities of the charity.** This report sets out in some detail the humanitarian, development and campaigning activities carried out to further each of Oxfam's five strategic aims.

**2. The benefits must be related to the objects of the charity.** All activities are intended to further Oxfam's charitable objects, which are "to prevent and relieve poverty and to protect the vulnerable including through humanitarian intervention; to advance sustainable development; and to promote human rights and equality and diversity, in particular where to do so contributes to the prevention and relief of poverty".

**3. The people who receive support are entitled to do so according to criteria set out in the charity's objects.** Wherever possible the views and opinions of people living in poverty are sought in the design and implementation of programmes of assistance. This approach helps to ensure that programmes are targeted at people in need, and that beneficial changes to the lives of people living in poverty can be evaluated and assessed.

Trustees are therefore confident that Oxfam meets the public benefit requirements, and they confirm that they have taken into account the guidance contained in the Charity Commission's general guidance on public benefit where applicable.

### Risk management

The Council of Trustees has overall responsibility for Oxfam's system of internal control. Such a system of control can provide only reasonable, and not absolute, assurance against inappropriate or ineffective use of resources, or against the risk of errors or fraud. These risks are further heightened, given the difficult nature of communications and institutional and financial infrastructure in some parts of the world where Oxfam operates. There is clear delegation of authority from Council through the Chief Executive and the CMT to the rest of the organisation. On an annual basis the major strategic and operational risks that Oxfam faces – and the ways in which they are being monitored, managed and mitigated – are assessed by the CMT and considered by Council. Additionally, the CMT continues to assess the risks (as identified in the risk register) that Oxfam faces regularly during the year.

The Internal Audit department carries out a programme of audits across all operations and activities. The audit programme is approved by TAFG and is based on an agreed cycle of audits of the international programme and the major risk areas as identified by the CMT and Council. The Head of Internal Audit submits regular reports to the TAFG, including an annual opinion on internal control. Action plans are developed by management to address any weakness in controls, and progress against these plans is regularly reported back to the TAFG. The CMT, via the Control Assurance report, provides Trustees with an annual opinion on the control environment. Both the external auditors (PricewaterhouseCoopers LLP) and the Head of Internal Audit meet annually with the TAFG in private session. Taken together, these processes ensure that major risks and key controls are reviewed and monitored on an ongoing basis by staff and skilled volunteers, who act on behalf of the Trustees.

The TAFG reports annually to Council on the control environment.

Council recognises that, to achieve the objectives of the charity, the nature of some of Oxfam's work requires acceptance of some risks which are outside Oxfam's control, ie risk which cannot be eliminated or fully managed, but where this happens there is active and clear monitoring of the risk. Council considers that systems and controls are in place to monitor, manage and mitigate Oxfam's exposure to major risks. These include, among other control mechanisms, the maintaining of Oxfam's general reserves at the levels stated below, and the review of key systems and processes by the internal audit function.

### **Communicating with staff and volunteers**

Oxfam has well-established arrangements for consulting and involving staff in its work. Management and staff bodies negotiate terms and conditions of employment through the Staff Associations in countries outside the UK, and through the Oxfam Negotiating Committee in the UK. In Oxford, the CMT holds regular 'Oxfam Listens' meetings which enable staff and volunteers to put questions to them; this now includes an international office (on a rotating basis) by video conference, and we also have an electronic 'Oxfam Listens' so that all staff can raise questions and comment on issues of interest. There are many other formal and informal opportunities for consultation. All managers are expected to hold regular meetings with their staff, to provide an opportunity for communication of information and discussion of events as they develop. To keep staff and volunteers informed, Oxfam produces a monthly letter from the Chief Executive Officer, a monthly International Division bulletin and a bi-monthly magazine for shop volunteers. We maintain an intranet site that provides staff with information,

including that about Oxfam's finances and its key performance indicators, and we also hold annual 'Oxfam Live' events in locations around the UK.

### **Diversity and disability**

Oxfam has a strong commitment to developing the diversity of its staff and volunteers through equal opportunity policies, training, targets and practical action. This includes encouraging applications from people with disabilities, developing their skills, and taking every reasonable measure to adapt our premises and working conditions to enable them to work or volunteer with Oxfam.

### **Volunteers**

More than 22,000 volunteers work in Oxfam shops, and thousands of others contribute their time to Oxfam in a variety of ways. Most make a regular commitment, ranging from a few hours to a full working week. Some use their professional expertise, while others give their time and energy in work that is not related to their everyday jobs. Some volunteers may be retired or not in paid employment. Oxfam aims to apply the principles of involvement and equality to its many volunteers.

## **Oxfam in Scotland**

One of the requirements of the Office of the Scottish Charity Regulator is that we report separately on the activities Oxfam has undertaken in Scotland.

During 2010/11, in partnership with Scottish Catholic International Aid Fund (SCI AF) we campaigned successfully to ensure the Scottish Government's aid budget was maintained at current levels, using a wide variety of approaches including lobbying the media and supporters. We continued our work on the need for increased public health and education provision in the developing world and on the proposed Robin Hood Tax, working particularly in the constituency of the Coalition Government Chief Secretary to the Treasury. During the Scottish elections, we also successfully highlighted for all political parties, changes that needed to happen to ensure that the poorest people do not lose out most from the current economic pressures. Our campaigning also includes work to gain the support of the Scottish public, as well as media relations and advocacy work with politicians from the Holyrood, Westminster and European Parliaments.

We focused on tackling poverty and inequality in Scotland. In particular, this year we have run a successful series of seminars entitled 'Whose Economy?', designed to focus on how the economy might serve the needs of all its citizens rather than a privileged few. We have concentrated on building the capacity of communities to take charge of assets and resources locally, so that they better serve their needs; that local communities have a proper stake in economic development and investment; and that issues of sustainable development have real and lasting resonance for marginalised communities, as well as those in more advantaged positions.

We continue to work in Development Education, working with Scottish education authorities, the International Development Education Association of Scotland (IDEAS) network and other partners, to improve Scottish pupils' understanding and knowledge of international development issues, the concept of global citizenship and to ensure that understanding is integrated into the Scottish Curriculum for Excellence.

Our fundraising work has included the income from our network of 55 shops in Scotland, supported by the dedication of around 1,700 volunteers. We also received very generous regular donations from many people in Scotland, as well as funding from trusts, companies and institutions. We received funding from the Scottish Government for our development work in Malawi and Pakistan, as well as the Pakistan Floods Emergency Appeal. The public in Scotland also generously supported our emergency appeals, including the food crises across east and west Africa. Oxfam Scotland supported the Pakistan Floods Disaster Emergency Committee Appeal along with our colleagues in other aid agencies in Scotland in the past year. In addition to the emergencies, specific development work was also well supported, particularly the Enterprise Development Programme and Projects Direct.

## Accountability

In 2010, we published the Oxfam Accountability Report 2010<sup>1</sup> in which we reported on the targets we had set for the years 2007-2010, and set out our objectives for the next three years, 2010-2013 (a summary of which we reported in the Annual Report and Accounts 2009/10).

The table below sets out the progress made in 2010/11 towards the three-year objectives. On our website we publish a more detailed document incorporating additional information in line with the requirements of the NGO sector supplement of the Global Reporting Initiative. This initiative is intended to improve the accountability of international NGOs.

Accountability objectives (2010-13)	Progress in 2010/11
<b>Governance</b> We will become an increasingly effective and accountable organisation.	We reviewed the Open Information policy and will publish it in July 2011. We published a Global Reporting Initiative report, and publicised the report in sector magazines and conferences.
<b>People and communities</b> We will make demonstrable improvements in our ability to give account to, take account of and be held to account by, our primary stakeholders.	<p>Good progress was made in establishing new programme design processes which will support greater inclusion of people, communities and partner organisations, in the programme planning process. Evidence of more accountable ways of working with disaster-affected communities was seen in the Haiti and Pakistan emergency responses; and overall Oxfam staff have shown increased awareness of, and commitment to, improving our accountability.</p> <p>With other Oxfam International affiliates, we continued to develop and implement impact assessment tools which strengthen our accountability to people affected by our programmes. Work with other organisations, such as UN Agencies, Humanitarian Accountability Partnership International and various other International NGOs has focused on identifying the most effective approaches to ensure increased accountability in the different contexts within which we work.</p>
<b>Women in the communities we work with and women's rights organisations</b> We will put women's rights at the heart of everything we do.	<p>Good progress was made in how we monitor and evaluate 'putting womens' rights at the heart of everything we do'. Renewed organisational commitment to women's rights inspired reviews at international, regional and country levels with systematic feedback from partner organisations and other external stakeholders.</p> <p>We used opportunities, such as supporting community partners to attend the UN Commission on the Status of Women, to share information about our work on women's rights – both achievements and challenges.</p>
<b>Partners</b> We will make demonstrable progress in consistently putting into practice the values and principles embodied in our Partnership Policy.	<p>The 2010 review of our Partnership Policy included an internal audit, a partnership peer review in four regions and feedback from partners on our performance through an online survey.</p> <p>Significant progress was made during the year in further embedding the values and principles of our Partnership Policy in our development work; all regions undertook to ensure consistent application of partner assessments, more effective ways of working with others and stronger feedback loops.</p>

<sup>1</sup> All accountability documents referred to in this section can be found at [www.oxfam.org.uk/accountability](http://www.oxfam.org.uk/accountability)

<b>Supporters</b> We will remain committed to ensuring that we communicate with our supporters in a clear and transparent way, and seek their feedback.	We continue to offer supporters the chance to communicate and feedback to us. In 2010/11 we received 42,500 calls, 43,000 emails and 4,300 letters from our supporters, which included 12,500 enquiries and 6,700 pieces of feedback. This year we have increased the methods in which supporters can give and receive feedback, such as the online hub, and have expanded our community fundraising activities.
<b>Staff and volunteers</b> We will remain committed to seeking feedback from staff, volunteers, Trustees and members of the Association about our effectiveness in achieving Oxfam's mission and reflecting its values.	<p>A major staff consultation exercise was carried out, which identified three key areas for improvement: reflecting Oxfam's values in the way we work, management behaviour and communications about Oxfam.</p> <p>We started improving accountability to staff through developing the effectiveness of performance management, with a particular emphasis on staff and managers being open to feedback on their performance from a range of sources.</p> <p>In the Trading Division (responsible for Oxfam Shops) the views of shop volunteers were systematically sought, to inform management decision-making (through conferences, working groups and online discussion groups).</p> <p>Feedback was regularly sought from Trustees and Association Members. The Association comprises a cross section of committed Oxfam supporters who have an understanding of governance issues and Oxfam's history and values.</p>
<b>Health and Safety</b>	We successfully delivered a stretching action plan, focusing on incident reporting from international teams, training and safe driving awareness. Retaining a focus on Health and Safety remains challenging when priorities are being set, and we need to ensure learning and review is consistent and shared across the relevant parts of the organisation.
<b>Government and regulators</b> We will be accountable for our activities in the countries where we have programmes. We will have constructive engagement with host governments and our UK regulators.	We developed a new incident reporting framework, and worked with our key UK regulators (Charity Commission, Electoral Commission, Fundraising Standards Board and Advertising Standards Authority).
<b>Advocacy</b> Our advocacy and campaigns work will follow the core principles of our global campaigning and advocacy model.	Progress was made against three of our four advocacy priorities. We have elicited feedback on draft policy papers before publishing; engaged with private sector organisations to ensure the factual accuracy of Oxfam publications and published our overall campaigning objectives for our UK work online (see <a href="http://oxf.am/advocacy">http://oxf.am/advocacy</a> ).
<b>The environment</b> We will develop appropriate, challenging targets that reflect the 35% reduction in our CO <sub>2</sub> emissions achieved during 2007-10.	<p>Mitigation: We introduced a 5% reduction target for the first year. Although we decreased our footprint in nine categories, increased air travel, electricity and paper consumption resulted in an overall 4% increase. Projects are in place to address these areas. Our study into the carbon benefit of selling donated goods estimates that Oxfam enabled its consumers to reduce their collective footprint by 22,500 tonnes in 2010/11.</p> <p>Adaptation: We supported the development of the weADAPT online knowledge platform and created Oxfam's Climate Change Adaptation Initiative in April 2011.</p>

## Report against corporate objectives 2010/11

We aim to show the scope and breadth of Oxfam's work during the year throughout this report. Each year, we also identify areas in which to achieve measurable results. The information below details the progress made against these corporate objectives for 2010/11.

### Monitor and respond to external events

- We conducted research into programmes in low-carbon development, with an emphasis on agriculture and renewable energy.
- We undertook qualitative research on the impact of, and response to, the food price spike in Zambia, Kenya, Indonesia and Bangladesh.
- We produced several publications on the effects of the global economic crisis, and are overseeing a programme of national research in 11 countries, with a focus on climate change adaptation and gender.

### Develop economic opportunities for women

- Food security/agricultural market-based livelihoods programmes were implemented in 29 countries. Nineteen country programmes stated that they specifically focused on women (see pages 8-9).
- Seventeen country programmes worked with women's or mixed groups with an explicit aim to improve women's capacity to engage profitably with markets (see pages 8-9).
- Value chain and EDP work demanded a focus on women's economic leadership, with programmes implemented in 24 countries (see page 7).

### Protect people living in poverty from the effects of climate change

- Lobbying work continued at national and international levels, and representatives of developing countries were supported to advocate at global events.
- Research was commissioned into raising finance from international transport, and on gender-sensitive programme development and climate finance.

- Twenty country programmes reported government commitments/policy adoption as a result of livelihood advocacy work (see page 8).
- Five countries facilitated access to land for women and men smallholder farmers through advocacy work and land rights awareness-raising projects.
- Many country teams raised awareness with governments, partners and the public. Highlights included 'Climate Tribunals' in India and Bangladesh, and 'Climate Hearings' in Kenya, Ethiopia, Philippines, Mexico and Peru.

### Develop within Oxfam International

- Progress was made towards a single management structure, with the development of transition plans for OGB countries and regions (see page 31).

### Improve our communications

- An integrated communications strategy was agreed by all Divisions, and work began to align Divisional communications objectives with three strategic objectives. Oxfam website traffic decreased against the same period in 2009/10 (which reflects the impact of the Haiti emergency in 2010), although visitors are staying on the site longer. Traffic to the online Oxfam shop increased by 7%.

### Secure our resources

- We delivered a restricted income of £198.2m and net restricted funds available for programme of £194.1m, against a target of £169.1m and £163.7m respectively.
- We achieved unrestricted income of £169.3m and net unrestricted funds for programme of £87.4m, against a target of £163.5m and £76.7m respectively.
- New income streams were developed, including two successful pilots for 'Work for Oxfam Day' at Innocent and UBM. Overall performance in community fundraising was very positive, with more than 40 volunteer fundraising groups formed.

## The year ahead

Following the global economic crisis, it is harder for us to generate resources as people and countries look to their own interests. In 2011/12, we will monitor how austerity plans in the UK affect our income. Several underlying principles continue to underpin the way we work: our commitments to put women's rights at the heart of all we do, improve our accountability to all stakeholders, and ensure the diversity of our workforce and supporters.

Our corporate objectives for 2011/12 are:

### Launch a campaign for food justice

- Generate debate on the role of companies and governments in 'land grabs' in Southern countries.
- Maintain our role as an influential voice and global mobiliser of people.
- Lobby donors and developing countries to increase investment in agriculture.

### Improve economic opportunities for women

- Enable people living in poverty to have greater food security and access to employment.
- Engage with multinational and national companies.

### Build people's resilience to the effects of climate change and global economic instability

- Develop our analysis of vulnerability and its impact on economic opportunities.
- Deliver disaster risk reduction and adaptation programmes.

### Increase the capacity of Oxfam, our partners and Southern governments to respond to humanitarian crises

- Continue to develop the emergency response capacity of Oxfam GB and Oxfam International (OI).
- Develop a strategy to build the capacity of vulnerable states to respond to emergencies.

### Enhance our supporter engagement

- Enable supporters, activists, volunteers and employees to speak on Oxfam's behalf on issues relating to development and aid.
- Develop community engagement and integrate fundraising and activism at a local level.
- Redesign our website to meet supporters' needs and enable dialogue and interaction.

### Secure our resources

- Maximise unrestricted net contribution (trading target £20.9m, fundraising target £56.8m).
- Achieve restricted income of at least £182.1m.

### Develop within Oxfam International (OI)

- Maximise unrestricted net contribution.
- Provide shared services and programme specialism to OI affiliates and country programmes.
- Plan the transition of Oxfam's brand to reflect the new OI global identity.

### Do more to recognise the value of our people

- Demonstrate our belief that "All human lives are of equal value" in our day to day work.
- Demonstrate we value our staff by continuing to develop effective people management.
- Listen to the voices of staff and volunteers.

### Global performance indicators

As well as the above, an additional area of focus in 2010/11, was the development and piloting of a set of global performance indicators. These include: the percentage of women, supported by our work, who are meaningfully involved in household and community decision-making; and the percentage of targeted households who are able to minimise risk from shocks, and adapt to emerging trends and uncertainty. The full set of indicators is detailed in our *Global Reporting Initiative Accountability Report 2010/11*<sup>1</sup>, and we will report back against these in the next financial year.

<sup>1</sup>This can be found at [www.oxfam.org.uk/accountability](http://www.oxfam.org.uk/accountability)

## Finance summary

### Income

Oxfam's total income increased by £49.5m to £367.5m in 2010/11. This income derives principally from the activities of trading and fundraising. Trading income increased by 6% on a like-for-like 12-month period. Trading income represents 23% of total income, the same as last year. Fundraising income (which includes both income from supporters and the public, and institutional donor income) increased by 8% on last year over a like-for-like period. The ratio of unrestricted to restricted fundraising income was 30:70, which shows a shift towards restricted funding compared to last year's ratio of 34:66 and is consistent with the trend over recent years. A detailed analysis of income is shown in the consolidated Statement of Financial Activities (SOFA) and Note 2 to the accounts.

### Four-Year analysis of trading and fundraising net income

	2007/08	2008/09	2009/10 (11 mths)	2010/11
	£m	£m	£m	£m
Trading sales	77.7	79.3	74.4	85.9
Trading costs	(60.6)	(62.9)	(58.1)	(65.0)
Trading net income	17.1	16.4	16.3	20.9
Trading profit margin	22%	21%	22%	24%
Fundraising income	203.6	200.5	222.6	262.9
Fundraising costs	(23.5)	(19.8)	(17.2)	(20.8)
Fundraising net income	180.1	180.7	205.4	242.1
Fundraising net margin	88%	90%	92%	92%
Net income from Trading and Fundraising	197.2	197.1	221.7	263.0
Gifts-in-kind	8.6	19.4	15.7	13.6
Net miscellaneous income*	9.7	9.0	5.2	4.9
<b>Total Net Income in year</b>	<b>215.5</b>	<b>225.5</b>	<b>242.6</b>	<b>281.5</b>
Increase/(decrease) in funds	1.3	(10.3)	23.2	6.4
<b>Total Charitable Expenditure in the year</b>	<b>£214.2</b>	<b>£235.8</b>	<b>£219.4</b>	<b>£275.1</b>

\*This represents other incoming resources, plus primary purpose trading income, plus investment income, less investment management costs.

Trading sales at £85.9m are £4.7m higher than last year, over a like for like period, with donated clothing sales holding up well despite the difficult economic conditions and heavy snow over the Christmas period, as well as increased income from our Wastesaver operation. Trading contribution is higher than last year at £20.9m. The overall contribution from our shop network, which includes sales from Oxfam Unwrapped and donations received in shops, increased to £24.1m, an increase of 2% over a like-for-like period compared to last year. The contribution from Oxfam Unwrapped fell slightly this year to £1.7m.

Fundraised income increased by £20.1m to £262.9m, over a like-for-like period. This increase was mainly driven by a £15.2m increase in restricted income from governments, institutional donors and other public authorities. In particular, grants from the other members of Oxfam International increased by 50%. Income from the Disasters Emergency Committee at £14m is approximately five times higher than last year, whilst regular giving remained fairly constant and other voluntary income reduced slightly.

The cost of raising voluntary income, as shown in Note 3a, has increased by 11% to £20.8m during 2010/11, resulting in net fundraised income being £242.1m, which is significantly higher than last year, due largely to the response to the Haiti earthquake and Pakistan floods.

Gifts-in-kind can fluctuate significantly, reflecting the scale and nature of emergency response in any year. This year's gifts-in-kind total of £13.6m mainly represents food and other aid for Kenya, Zimbabwe and Pakistan.

The Primary Purpose Trading includes the income from the sale of humanitarian equipment, published materials and income generated by the subsidiary micro-credit scheme in Azerbaijan.

### Expenditure

The Statement of Financial Activities (SOFA) shows the analysis of charitable expenditure between charitable activities (development, humanitarian, and campaigning and advocacy), governance costs and other resources expended. Total charitable expenditure at £275.1m has increased by 15% over a like-for-like period. Unrestricted charitable spend decreased by 5%, whilst restricted charitable spend increased by 26% resulting from a 34% increase in humanitarian work, predominantly in Haiti and Pakistan, and an 18% increase in development work. The amount spent on support costs remained constant relative to the increase in our programme work and includes additional investment in our digital communications.

Further analysis of charitable activity expenditure, showing the operational activities undertaken by Oxfam and those undertaken by partners through grants from Oxfam, is given in Note 3c to the accounts.

The allocation of expenditure across the strategic aims of Oxfam, has changed slightly as a result of increased emergencies work, whilst the relative spend on the Right to be Heard and the Right to Equity have decreased. The relationship between our strategic aims and our charitable activities is also shown in Note 3c. The table below shows the proportion of charitable expenditure spent on each charitable aim.

	2007/08	2008/09	2009/10 (11 mths)	2010/11
Sustainable livelihoods	20%	18%	20%	20%
Essential services	12%	10%	9%	9%
Life and security	38%	41%	42%	44%
Being heard	8%	8%	8%	7%
Equity	10%	11%	11%	10%
Total	88%	88%	90%	90%
Other charitable expenditure*	12%	12%	10%	10%
<b>Total charitable expenditure</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
	<b>£214.2m</b>	<b>£235.8m</b>	<b>£219.4m</b>	<b>£275.1m</b>

\*Other charitable expenditure includes support costs, governance costs and other resources expended.

Our cash balances have increased by £7.2m during the year to £73.7m at 31 March 2011, driven by the increase in unrestricted reserves.

### Reserves Policy

The Council of Trustees has established a general Reserves Policy to protect the organisation and its charitable programme by providing time to adjust to changing financial circumstances. The Policy also provides parameters for future strategic plans and contributes towards decision-making. Oxfam's Reserves Policy establishes an appropriate target range for the level of general reserves; the target range for 2010/11 was established as between £34m and £38m. The range is based on a risk assessment of the probability and likely impact on Oxfam's charitable programme that might be caused by a decline in income, an inability to meet financial obligations or an inability to reduce expenditure in the immediate short term. The Policy ensures a balance between spending the maximum amount of income raised as soon as possible after receipt, while maintaining the minimum level of reserves to ensure uninterrupted operation. The Policy and the target range are reviewed annually to reassess the risks and reflect changes in Oxfam's income, financial obligations and expenditure. The risks surrounding the pension liability have been taken into consideration when calculating the target range. Since Oxfam is confident that it can meet the required pension contributions from projected future income without significantly impacting on its planned level of charitable activity, it continues to calculate its 'free' or general reserves without setting aside designated reserves to cover the pension liability.

### General reserves (unrestricted)

General reserves are not restricted to, or designated for, a particular purpose. General reserves increased by £3.3m during 2010/11, with the balance of general reserves being £41.4m at the end of March 2011. This increase has resulted in general reserves being above the target range of £34m to £38m. Given the difficult economic climate, our budget for the year was prepared on a fairly cautious basis and cost savings were identified wherever possible. Thanks to the continued generosity of our supporters, our unrestricted contribution from both trading and fundraising divisions remained strong, outperforming expectations.

General reserves are represented by net current assets and are equivalent to approximately 3 months' unrestricted expenditure at 2010/11 levels.

### Pension scheme deficit

The valuation of Oxfam's pension scheme at 31 March 2011, for the purposes of FRS17, showed a funding deficit of £18.3m (2009/10: £29.3m), (see Note 20d). This deficit represents the difference between the liabilities of the pension fund and the value of its underlying assets; it does not represent an immediate cash commitment, as the cash flow required to meet the £18.3m deficit relates to future pension contributions. The valuation of the pension scheme deficit under FRS17 is different from the triennial actuarial valuation, which determines the pension contributions required to reduce the deficit. Current financial projections indicate that Oxfam will be able to make these contributions as they fall due. FRS17 requires that the pension deficit should be shown as a reduction in unrestricted funds. The defined benefit pension scheme was closed to new members during 2002/03.

### Designated funds (unrestricted)

Designated funds are those unrestricted funds that have been allocated by the Trustees for particular purposes. The designated fund for fixed assets of £11.8m (2009/10: £12.7m) represents resources invested in the charity's fixed assets (excluding investments), that are, therefore, not available for other purposes. Funds have also been designated to cover retained profits of the micro-credit scheme in Azerbaijan, which are only available in Azerbaijan and totalled £1.9m at the end

of March 2011, along with the retained profit of Fripp Ethique SARL in Senegal. The designated fund, Single Management Structure (SMS), established last year to cover anticipated additional costs in reorganising our overseas operations to improve the coordination of programme activity throughout the Oxfam International affiliation, has been reduced by associated costs incurred during the year. A new designated fund, Network Project, has been established this year to cover anticipated costs to upgrade our global Information Systems Network. Further details of the designated funds and their movements during the year are shown in Note 19 of the accounts.

### Restricted funds

These funds are tied to particular purposes, as specified by the donor or as identified at the time of a public appeal. At 31 March 2011, unspent restricted funds were £38m (2009/10: £39.3m). The restricted fund balance includes total deficit balances of £16.4m (2009/10: £13.3m). These deficit balances have arisen on projects where total expenditure has exceeded income, and where the expenditure will be reimbursed by a government or other agency in the following accounting year (see Note 18 for further details).

### Endowment funds

Endowment funds of £2.5m (2009/10: £2.5m) represent monies received from donors where there is some restriction on the use of the capital (see Note 17).

### Financial position

The Council of Trustees considers that there are sufficient reserves held at the year-end to manage any foreseeable downturn in the UK and global economy. The trustees consider that there is a reasonable expectation that Oxfam has adequate resources to continue in operational existence for the foreseeable future and for this reason, the Council of Trustees continues to adopt the 'going concern' basis in preparing the accounts.

### Investment policy and performance

Oxfam's investments are held almost entirely in cash deposits, mainly with building societies and banks. During the year, the average return on these investments was 1.39% compared with a base rate of 0.5% throughout the period.

### Financial risk management

Prices of goods and services purchased are subject to contracts with suppliers based on market prices, and salary costs are subject to a formal annual review. Our standard payment terms are 30 days. Credit risk on amounts owed by donors is low. In terms of liquidity risk, Oxfam GB has no borrowings, and our policies on the management of investments and reserves are set out above. Net exchange risk is kept under review and appropriate action taken to mitigate the risk.

### Grant-making policies

In 2010/11 we spent £72.5m (2009/10: £54.3m) in grants to international, national and local partner organisations. We made 1,563 grants to 1,077 organisations (2009/10: 1,451 grants to 1,021 organisations). The average grant per project was £46,000 (2009/10: £37,000) and per partner was £67,000 (2009/10: £53,000). Oxfam works with and through others, to take action to achieve common goals for overcoming poverty and injustice based on complementarity and respect for the contribution that each party brings. Oxfam's partner relations are informed by, and managed to, a set of clear principles. These five principles underpin our programme and partnership decisions in development, humanitarian and campaigns work at every level of activity. We hold ourselves accountable to these principles and seek to be held accountable by partners, communities and other stakeholders with whom we and our partners work. The five principles are:

- Complementary purpose and added value.
- Mutual respect for values and beliefs.
- Clarity on roles, responsibilities and decision-making.
- Transparency and accountability.
- Commitment and flexibility.

Before making a grant, Oxfam completes appraisals of the project and the proposed partner organisation. These ensure that there is a good strategic fit between Oxfam and the partner organisation, and that the project objectives are consistent with the principles listed above and reflect a coherent and well-designed project that will be a cost-effective way of bringing about the intended impact.

Grants are managed through specific agreements with partners, which set out the conditions of the grant, including reporting requirements, and when and how disbursement will happen. The agreement also outlines Oxfam's responsibilities in the partnership to ensure that it can be held to account by partners and other stakeholders (see Accountability update, pages 38-39). Grants are usually disbursed in installments to ensure that agreed timings and results are being met and managed.

Oxfam staff monitor and evaluate progress throughout the period of the grant. The nature of these activities will depend on the size and complexity of the grant and the perceived level of risk. Monitoring and evaluation may include:

- Visits to the partners and beneficiaries.
- Formal evaluation processes such as impact assessment by Oxfam or a third party.
- Auditing of the project and/or the partner.

If we are not satisfied that the grant is being managed according to the partner agreement, we discontinue the grant.

### Auditors

A resolution proposing the re-appointment of PricewaterhouseCoopers LLP as Oxfam's auditors will be submitted at the Annual General Meeting.

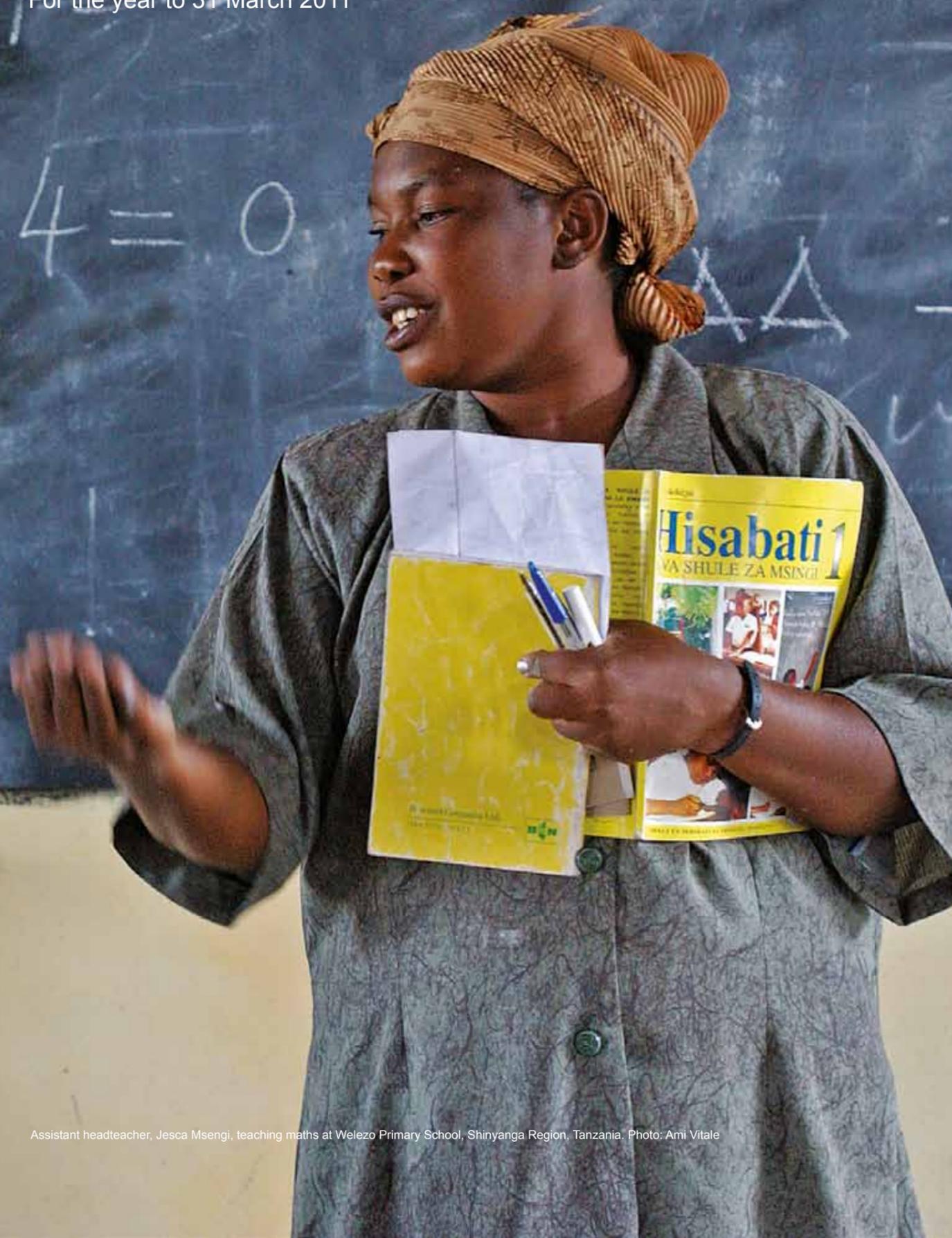
Approved by the Council of Trustees on 15 July 2011 and signed on its behalf by:



John Gaventa  
Chair of Oxfam  
15 July 2011

# Accounts

For the year to 31 March 2011



Assistant headteacher, Jesca Msengi, teaching maths at Welezo Primary School, Shinyanga Region, Tanzania. Photo: Ami Vitale

## Independent auditor's report to the Trustees and Members of Oxfam

We have audited the financial statements of Oxfam for the year ended 31 March 2011 which comprise the Consolidated statement of financial activities, the Group and parent balance sheets, the Consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

### Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Statutory Responsibilities set out on pages 34 to 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2011 and of the group's and the parent charitable company's incoming resources and application of resources, including the group's and the parent charitable company's income and expenditure and cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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

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

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

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

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

Liz Hazell (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors,  
London  
15 July 2011

PricewaterhouseCoopers LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

## Consolidated statement of financial activities

(including income and expenditure account)

Notes	Trading Funds £ m	Unrestricted Funds £ m	Restricted Funds £ m	Endowment Funds £ m	Year to 31 March 11 Total £ m	11 months to 31 March 10 Total £ m
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
2a	–	78.7	59.7	–	138.4	125.6
2b	85.9	–	–	–	85.9	74.4
2c	–	0.7	0.2	–	0.9	0.9
<b>Incoming resources from charitable activities</b>						
2d	–	0.2	137.9	–	138.1	112.7
2d	–	2.4	–	–	2.4	1.6
2e	–	1.8	–	–	1.8	2.8
<b>Total incoming resources</b>						
<b>Costs of generating funds</b>						
3a	–	16.7	4.1	–	20.8	17.2
2b	65.0	–	–	–	65.0	58.1
3b	–	0.2	–	–	0.2	0.1
<b>Net incoming resources available for charitable application</b>						
Allocation of trading contribution						
	(20.9)	20.5	0.4	–	–	–
<b>Net incoming resources available for charitable application</b>						
	–	87.4	194.1	–	281.5	242.6
<b>Charitable activities</b>						
3c	–	41.6	86.5	–	128.1	105.9
3c	–	20.9	104.3	–	125.2	92.6
3c	–	14.8	4.6	–	19.4	17.8
3d	–	1.2	–	–	1.2	1.1
3e	–	1.2	–	–	1.2	2.0
<b>Total charitable expenditure</b>						
<b>Total resources expended</b>						
<b>Net income/(expenditure) for the period</b>						
19	–	–	–	–	–	–
7	–	7.7	(1.3)	–	6.4	23.2
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>						
<b>Other recognised gains/(losses)</b>						
9	–	0.4	–	–	0.4	–
20	–	8.3	–	–	8.3	(7.2)
<b>Net movement in funds</b>						
<b>Reconciliation of funds</b>						
<b>Total funds brought forward at 1 April</b>						
<b>Total funds carried forward at 31 March</b>						

Total unrestricted incoming resources for the year amounted to £169.3m (2009/10: £156.1m).

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

There is no difference between the net incoming/(outgoing) resources before other recognised gains and losses above and the historical cost equivalent. All activities are continuing.

Oxfam uses the exemption conferred by section 408 of the Companies Act 2006 in not preparing a separate Income and Expenditure Account for Oxfam as a separate entity. The net income for Oxfam alone for the year ended 31 March 2011 was £6.1m (2009/10: net income £23.3m).

The Notes on pages 51 to 71 form part of these financial statements.

## Balance sheets at 31 March

Notes	Oxfam		Oxfam Group	
	At 31 March 2011 £ m	At 31 March 2010 £ m	At 31 March 2011 £ m	At 31 March 2010 £ m
<b>Fixed assets</b>				
8	11.1	12.5	11.7	12.6
9	–	–	–	–
9a	4.9	4.5	3.3	2.9
9b	–	–	0.1	0.1
	16.0	17.0	15.1	15.6
<b>Current assets</b>				
10	1.5	1.3	3.2	3.1
11	38.0	38.2	43.5	43.5
12	72.9	65.3	73.7	66.5
	112.4	104.8	120.4	113.1
13	(19.8)	(16.9)	(23.1)	(18.3)
<b>Net current assets</b>				
	92.6	87.9	97.3	94.8
<b>Total assets less current liabilities</b>				
	108.6	104.9	112.4	110.4
14	(0.3)	–	(1.8)	(3.7)
15	(8.6)	(9.0)	(8.9)	(9.1)
<b>Net assets before pension scheme liability</b>				
	99.7	95.9	101.7	97.6
20	(18.3)	(29.3)	(18.3)	(29.3)
<b>Net assets</b>				
	81.4	66.6	83.4	68.3
<b>Charitable funds</b>				
19	11.8	12.7	11.8	12.7
19	0.4	0.1	0.4	0.1
19	5.6	3.2	7.5	4.8
19	41.4	38.1	41.4	38.1
<b>Charitable unrestricted funds excluding pension reserves</b>				
	59.2	54.1	61.1	55.7
19	(18.3)	(29.3)	(18.3)	(29.3)
<b>Total charitable unrestricted funds</b>				
	40.9	24.8	42.8	26.4
17	2.5	2.5	2.5	2.5
18	38.0	39.3	38.0	39.3
<b>Total charitable funds</b>				
	81.4	66.6	83.3	68.2
19	–	–	0.1	0.1
<b>Total funds</b>				
	81.4	66.6	83.4	68.3

The Notes on pages 51 to 71 form part of these financial statements.

Approved by the Council of Trustees on 15 July 2011 and signed on its behalf by:



John Gaventa  
Chair of Oxfam  
Company Number 202918  
15 July 2011

## Consolidated cash flow statement

	At 31 March 2011		At 31 March 2010	
	£ m	£ m	£ m	£ m
<b>Net cash inflow from operating activities</b>		8.7		22.8
<b>Returns on investments and servicing of finance</b>				
Deposit interest received	0.9		0.9	
		0.9		0.9
<b>Capital expenditure and financial investment</b>				
Payments to acquire fixed asset investments	(0.1)		(0.1)	
Receipts from sales of fixed asset investments	0.1		–	
Payments to acquire tangible fixed assets	(3.5)		(3.6)	
Receipts from sales of tangible fixed assets	1.8		0.3	
		(1.7)		(3.4)
<b>Net cash inflow before management of liquid resources and financing</b>		7.9		20.3
<b>Management of liquid resources</b>				
Cash withdrawn from short-term deposit	94.8		70.9	
Cash invested on short-term deposit	(93.8)		(89.9)	
		1.0		(19.0)
<b>Increase in cash in the year</b>		8.9		1.3

### Notes

#### a Reconciliation of net incoming resources to net cash inflow from operating activities

	Year to 31 March 2011 £ m	11 Months to 31 March 2010 £ m
Net incoming resources before revaluations and investment asset disposals	6.4	23.2
Deposit interest and investment income receivable	(0.9)	(0.9)
Depreciation charge	3.9	4.3
Profit on disposal of fixed assets	(1.3)	–
(Increase)/decrease in stocks	(0.1)	1.0
(Increase) in debtors	–	(2.8)
Increase in creditors and provisions	3.4	0.4
FRS17 difference between pension contributions and current service costs	(2.7)	(2.4)
Net cash inflow from operating activities	8.7	22.8

#### b Analysis of net funds

	At 1 April 2010 £ m	Cash flow movement £ m	At 31 March 2011 £ m
Cash at bank and in hand	24.5	8.2	32.7
Cash on short-term deposit	42.0	(1.0)	41.0
Debt due within one year	(0.9)	(1.5)	(2.4)
Debt due after one year	(3.7)	2.2	(1.5)
Net funds	61.9	7.9	69.8

#### c Reconciliation of net cash flow to movement in net funds

	2011 £ m
Increase in cash	8.9
Cash inflow from decrease in liquid resources *	(1.0)
Net funds at 1 April 2010	61.9
Net funds at 31 March 2011	69.8

\* Liquid resources comprise monies held on short-term Money Market accounts.

## Notes to the financial statements

### 1. Accounting policies

#### a. Accounting conventions

The Financial Statements are prepared under the historical cost convention, as modified by the inclusion of investments at market value, and in compliance with Accounting and Reporting by Charities: Statement of Recommended Practice 2005 (Revised 2008) ('the SORP'), and applicable accounting standards in the United Kingdom.

The charity has adjusted the formats from those prescribed by the Companies Act 2006, to include headings that are relevant to its activities, to enable it to show a true and fair view. No separate Statement of Financial Activities (SOFA) is presented for the charity itself as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

#### b. Basis of consolidation

The financial statements of Oxfam's trading subsidiary company, Oxfam Activities Limited, are consolidated with the accounts of Oxfam on a line-by-line basis.

Oxfam operates a micro-credit scheme, Finance for Development Limited, in Azerbaijan which has been registered as a separate organisation. As a subsidiary of Oxfam, its accounts have been consolidated on a line-by-line basis. Details are given in Note 9.

Oxfam Activities Limited holds 100% of the shares in Fripp Ethique SARL, a company based in Senegal. The company is considered a subsidiary of Oxfam Activities Limited and has been consolidated in Oxfam's accounts on a line-by-line basis. Details are given in Note 9.

Oxfam Activities Limited holds a 25% shareholding (one £1 ordinary share) in The Guardian Share Company Limited. This company is equally owned by the four founders of Cafédirect and has a right to nominate a director to the Cafédirect Board. The consent of the Guardian Share Company is also required for the appointment of the Chair of the Board and for any changes to Cafédirect's Gold Standard. The accounts of this associate company have not been included on the grounds of materiality.

Just Energy Limited, a company limited by guarantee is considered a subsidiary of Oxfam, since Oxfam controls the company through its 100% membership of the board of directors. The company is not consolidated since it had not commenced trading by 31 March 2011 and the pre-trading position of the company is not material to these financial statements.

Oxfam Activities Limited holds a 10% shareholding in Cafédirect. Cafédirect is not considered an associate and has not been consolidated.

To comply with overseas local legislation, Oxfam has established 100% owned subsidiaries and other overseas legal entities in a number of countries. These are fully controlled by Oxfam and their accounts are included within the accounts of Oxfam.

#### c. Fund accounting

General reserves are unrestricted funds that are available for use at the Trustees' discretion in furtherance of the objectives of the charity.

Designated funds are set aside at the discretion of the Trustees for specific purposes. However, under the definitions within the Charities SORP, they are still eligible to be included in the calculation of general reserves, where they represent funds which are readily accessible (ie including cash set aside for purposes such as SMS, but excluding fixed assets).

In accordance with FRS17 - Retirements Benefits, a pension reserve is included within unrestricted funds representing the pension deficit.

Restricted and endowment funds are subject to specific restrictions imposed by the donor or by the nature of an appeal.

A final review of the allocation of expenditure is performed after a project or contract has been completed, which can give rise to a transfer between funds.

#### d. Incoming resources

Income, including donations, legacies and investment income is recognised in the period in which Oxfam is entitled to receipt and where the amount can be measured with reasonable certainty.

Grants from governments and other agencies have been included as incoming resources from 'Charitable activities' where these amount to a contract for services, but as 'Voluntary income' where the money is given in response to an appeal.

Income received in the year has been deferred in respect of specific fundraising events taking place after the year end. In addition, the income relating to certain fixed assets held under leasehold agreements has been deferred and is being released to the Statement of Financial Activities over the period up to the break clause of the relevant lease of these assets.

Recognition of legacy income is dependent on the type of legacy, with pecuniary legacies recognised when notification is received and residuary legacies when the final accounts under the will are received. Reversionary legacies are not recognised during the lifetime of the original beneficiary under the will.

Gifts in Kind - food aid, for which Oxfam accepts full responsibility for distribution, is included in 'Voluntary income' at its market value when it is distributed, and under 'Charitable activities' at the same value and time.

Gifts in Kind - properties, investments, and other fixed assets donated to the charity are included as 'Voluntary income' at market value at the time of receipt.

Donated services and facilities are included as 'Voluntary income' at their estimated value to the charity when received, and under the appropriate expenditure heading depending on the nature of service or facility provided, at the same value and time. ►

Income from 'Gift Aid' tax reclaims is recognised for any 'Gift Aid' certificates received up to a month after the year-end, in relation to donations made prior to the year-end.

In many cases costs are incurred on projects before the relevant restricted income is received. Therefore, unless contrary to a donor's wishes, interest income generated from restricted funds is treated as unrestricted to cover the pre-financing costs incurred.

Income from endowments is either restricted or unrestricted, depending on the conditions attached to the endowment when provided.

#### e. Costs of generating funds

Costs of generating funds comprise the costs incurred in commercial trading activities, fundraising and managing investments. Trading costs cover all the costs of the shops and other trading activities including the costs of goods sold. Fundraising costs include the costs of advertising, producing publications, printing and mailing fundraising material, staff costs in these areas, and an appropriate allocation of central overhead costs. Investment management costs represent staff costs.

#### f. Charitable expenditure

Charitable expenditure is reported as a functional analysis of the work undertaken by the charity, being humanitarian, development, and campaigning and advocacy. Under these headings are included grants payable and costs of activities performed directly by the charity, together with associated support costs.

Grants payable in furtherance of the charity's objects are recognised as expenditure when payment is due to the partner organisation, in accordance with the terms of the contract. Standard partner contracts are typically for a year's duration, but can span several years. The contracts contain conditions, the fulfilment of which is under the control of Oxfam. For contracts in place at the year-end that include payments to be made in future years, these payments are disclosed in Note 20 to the accounts as commitments.

Costs of activities in furtherance of the charity's objects are accounted for as they are incurred. These activities include campaigning, advocacy and capacity-building, together with humanitarian aid and development programme expenditure, which are delivered directly by Oxfam staff and costs associated with the local management of Oxfam's programme.

#### g. Governance costs

Governance costs represent the salaries, direct expenditure, and overhead costs incurred by directorate, central finance, legal, corporate communications, and internal audit departments in the strategic planning processes of the charity and compliance with constitutional and statutory requirements, as well as external audit costs.

#### h. Allocation and apportionment

Costs to be recharged to specific activities or departments within the charity are apportioned on the following bases:

- Buildings costs are allocated on the basis of floor area used.
- In-house printing and warehousing are allocated to user-departments on the basis of units of output.
- Information systems costs are allocated based on the time spent by information systems staff on business users' requirements.
- The cost of the directorate, central finance, human resources and legal departments are allocated on the basis of employee numbers, after an appropriate proportion has been allocated to Governance costs.
- Irrecoverable VAT is allocated to the principal areas in which it is incurred.

Support costs represent the costs of providing direct support to Oxfam's programme by staff based in regional centres and in the UK, as well as central costs, which include central finance, central human resources and corporate communications.

#### i. Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost, including any incidental expenses of acquisition.

Depreciation is provided on tangible fixed assets at rates calculated to write off the cost by equal annual instalments over their expected useful economic lives as follows:

Freehold land	Nil
Freehold buildings	50 years
Warehouse fittings and equipment	10 years
Computer infrastructure	10 years
Leasehold assets	5 years
Furniture, fixtures, and equipment in GB	5 years
Motor vehicles	4 years
Computer virtual servers	4 years
Other computer equipment	3 years
Furniture, fixtures, and equipment overseas	3 years

Vehicles and equipment used in programmes overseas are considered to have a useful economic life of one year or less. They are not capitalised but are charged in full to charitable expenditure when purchased.

Where appropriate, provision has been made for impairment in the value of tangible fixed assets.

#### j. Fixed asset investments

Fixed asset investments include freehold properties that Oxfam is required to retain until conditions specified by the donor have been met. The consequence of these conditions is that it is unlikely that Oxfam will be able to realise its investment in the foreseeable future. Included in this are properties where the proceeds, once realised, will be used for charitable purposes, rather than reinvestment. These fall within the definition of current asset investments given in the SORP. However, due to the specific circumstances relating to these properties the Trustees consider it more appropriate to classify them as fixed asset investments.

Investment property and listed investments are included in the Balance Sheet at market value. Unlisted investments are included at cost as an approximation to market value unless there is specific evidence to the contrary. Investments in subsidiaries are included in the charity's accounts at cost.

Programme-related investments are investments made directly in pursuit of Oxfam's charitable purposes. The Oxfam Activities Limited shareholdings in Cafédirect and The Guardian Share Company Limited are treated as programme related investments in the Oxfam Group accounts and are included in the Balance Sheet at the amount invested less impairment. Oxfam's investments in Finance for Development Limited and Frip Ethique are treated on the same basis in the charity's accounts but the companies have been consolidated in the group accounts.

Gains or losses arising on disposal or revaluation of investments are credited or charged to the Statement of Financial Activities under 'Gains and losses on investment assets'.

#### k. Stocks

Bought-in goods are valued at the lower of cost and net realisable value. Unsold donated items are not included in closing stock since their cost is nil and their value is uncertain until sold.

Humanitarian supplies are valued at cost, with obsolete stock written-off. Goods in-transit to overseas projects are removed from stock and included in programme expenditure when released from the warehouse.

#### l. Provisions

In general, provisions for future liabilities are recognised when Oxfam has a legal or constructive financial obligation, that can be reliably estimated and for which there is an expectation that payment will be made.

#### m. Foreign currencies

Transactions denominated in foreign currencies are translated at the rate of exchange prevailing at the time of the transaction. Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses incurred in respect of overseas operations are included in the SOFA within charitable activity expenditure for the period in which they are incurred. The net of all other foreign exchange gains and losses are included either in "Other Incoming Resources" if it is a net gain or "Other resources expended" if it is a net loss.

At 31 March 2011, restricted contract balances have been translated at the rate of exchange prevailing at the balance sheet date. The resulting exchange gain or loss has been reflected as a transfer between restricted and unrestricted funds.

The results of foreign entities consolidated within these financial statements are translated at the exchange rates prevailing at the balance sheet date. Exchange differences arising on opening reserves are recognised through the statement of financial activities.

#### n. Pension schemes

Oxfam operates defined benefit and defined contribution pension schemes.

##### Defined benefit scheme

The pension liabilities and assets are recorded in line with FRS17, with a valuation undertaken by an independent actuary. FRS17 measures the value of pension assets and liabilities at the Balance Sheet date, determines the benefits accrued in the year and the interest on assets and liabilities. The value of benefits accrued is used to determine the pension charge in the Statement of Financial Activities and the expected return on scheme assets and interest cost on scheme liabilities are allocated across the appropriate incoming/outgoing resource categories. The change in value of assets and liabilities arising from asset valuation, changes in benefits, actuarial assumptions, or change in the level of deficit attributable to members is recognised in the Statement of Financial Activities within actuarial gains/losses on defined benefit pension schemes. The resulting pension liability or asset is shown on the Balance Sheet. Quoted securities have been valued at current bid price.

##### Defined contribution scheme

Pension contributions are charged to the Statement of Financial Activities as incurred.

#### o. Micro-credit schemes

Oxfam provides funds under micro-credit schemes either direct to individual members of local communities or via local community groups. Oxfam generally retains a responsibility for managing these schemes until such time as it is possible to transfer the management responsibility to the local community. Under the SORP, these micro-credit schemes are treated as programme-related investments within Oxfam's individual company accounts. Within the group accounts, micro-credit schemes are consolidated on a line-by-line basis, with loans received and given out reflected in creditors and debtors respectively, where material.

Details of the micro-credit scheme, which is a locally registered organisation, are given in Note 9 to the accounts.

#### p. Operating leases

Rentals payable under operating leases are charged to the SOFA as incurred over the term of the lease.

## 2. Incoming resources

### a. Voluntary income

	Unrestricted £ m	Restricted £ m	Endowments £m	Year to 31 March 2011 Total £ m	11 months to 31 March 2010 Total £ m
Regular giving *	54.3	2.0	–	56.3	51.3
Legacies	13.1	1.0	–	14.1	13.3
Public donations, appeals, and fundraising events *	10.8	19.4	–	30.2	34.3
Disasters Emergency Committee (DEC) appeals	–	14.0	–	14.0	2.6
UK government: Department for International Development – Partnership Programme Agreement	–	9.6	–	9.6	7.3
Gifts in kind	–	13.6	–	13.6	15.7
Donated services and facilities	0.5	0.1	–	0.6	1.1
	<u>78.7</u>	<u>59.7</u>	<u>–</u>	<u>138.4</u>	<u>125.6</u>

\* Includes related Gift Aid.

The value of gifts in kind not distributed at 31 March 2011 is £0.1m (2009/10: £1.1m).

At 31 March 2011, in addition to legacy income that has been included in the accounts, Oxfam expected to benefit from a number of legacies from estates for which the administration had yet to be finalised. Oxfam's future income from these legacies is estimated at £8.8m (2009/10: £7.8m). Accrued legacy income included within the accounts amounts to £0.6m (2009/10: £0.5m).

### b. Activities for generating funds: trading income

	Oxfam £ m	OAL £ m	Frip Ethique £ m	Year to 31 March 2011 Total £ m	11 months to 31 March 2010 Total £ m
Turnover from donated goods	69.1	5.6	1.6	76.3	64.0
Turnover from purchased goods	–	9.6	–	9.6	10.4
<b>Total trading sales</b>	<u>69.1</u>	<u>15.2</u>	<u>1.6</u>	<u>85.9</u>	<u>74.4</u>
Direct trading expenses – donated goods	48.2	2.8	1.5	52.5	47.5
Direct trading expenses – purchased goods	–	11.1	–	11.1	10.0
Support costs	1.4	–	–	1.4	0.6
<b>Total trading costs</b>	<u>49.6</u>	<u>13.9</u>	<u>1.5</u>	<u>65.0</u>	<u>58.1</u>
<b>Net trading income</b>	<u>19.5</u>	<u>1.3</u>	<u>0.1</u>	<u>20.9</u>	<u>16.3</u>
<i>In addition, the following other amounts were collected through the shops and are included in voluntary income.</i>					
Oxfam Unwrapped net income	1.7	–	–	1.7	1.9
<b>Net trading income including Oxfam Unwrapped</b>	<u>21.2</u>	<u>1.3</u>	<u>0.1</u>	<u>22.6</u>	<u>18.2</u>
Unrestricted donations	0.9	–	–	0.9	2.7
Restricted donations	0.6	–	–	0.6	0.7
<b>Total net trading income</b>	<u>22.7</u>	<u>1.3</u>	<u>0.1</u>	<u>24.1</u>	<u>21.6</u>

Trading income represents income from the sale of donated and bought-in goods through the charity's shops, recycling operations, and licensing income.

### c. Investment income

	Year to 31 March 2011 £ m	11 months to 31 March 2010 £ m
Deposit interest – unrestricted	0.7	0.8
Deposit interest – restricted	0.2	0.1
	<u>0.9</u>	<u>0.9</u>

### d. Incoming resources from charitable activities

#### i. Income from government, institutional donors and other public authorities

	Year to 31 March 2011 £ m	11 months to 31 March 2010 £ m
UK Government:		
DFID Resources for specific programmes	16.1	9.5
DFID Government and Transparency Fund	1.3	1.2
Other	0.3	0.4
European Union	40.0	42.5
UNHCR	3.4	0.7
Other UN agencies	13.8	12.7
Members of Oxfam International (Note 3c)	34.5	21.0
Non-UK governments	16.3	16.0
Other international agencies	8.3	6.0
Big Lottery Fund	0.1	0.2
Other UK agencies	4.0	2.5
	<u>138.1</u>	<u>112.7</u>

Contract Title	Country	Year to 31 March 2011 £'000	11 months to 31 March 2010 £'000
<b>DFID – Resources for specific programmes</b>			
West Africa Strategic Humanitarian Partnership	West Africa	3,705	726
Humanitarian Response to Floods in Sindh Province	Pakistan	2,849	–
Humanitarian Response to Floods in Lower Sindh Province	Pakistan	1,815	–
Hunger Safety Net Programme: management of the Administration Component	Kenya	962	867
INGO Partnership Agreement Programme	India	970	427
Freetown Public Health Consortium	Sierra Leone	902	508
DFID – Cap Haitian Cholera Response	Haiti	593	–
CHSF – Theme C – Building the Evidence and Strengthening Policy Making (DRR)	UK	534	–
Haiti Earthquake Response 2010	Haiti	500	500
Enhancing Livelihood and Food Security Resilience of Poor Households	Yemen	433	–
Emergency Public Health Response to Mogadishu Internally Displaced Persons (IDPs)	Somalia	429	551
Balaka Cash Transfer Response Project	Malawi	408	–
Somalia Emergency Public Health Response	Somalia	356	–
Emergency public health services for populations affected by conflict in Lubero	DRC	325	200
Integrated WATSAN and livelihood Support for Resettlement of IDPs	Sri Lanka	300	–
The Arms Trade Treaty (ATT) Sustainable Development (phase 2)	UK	224	156
Technical Advisory Support Team: Water and Sanitation Capacity Building	Chad	223	489
Climate Change Advocacy Officer Uganda	Uganda	153	–
Keeping the Heat on Health – Oxfam's Global Health Advocacy and Campaigns Project	UK	149	51
A Public Policy Forum for Development in Russia	Russia	135	145
Practical review of DRR investment results in recent natural disasters in Indonesia	Indonesia	55	–
Kulyab flood response 2010 – Rehabilitation	Tajikistan	50	–
Monitoring the impacts of the economic crisis and integration on poverty	Vietnam	34	–
Civil Society Mechanism – Committee on World Food Security (36th Session)	UK	30	–
CSO Mapping and Situational Analysis	Zambia	7	–
South Darfur Integrated Humanitarian Response Programme	Sudan	–	1,090
Liberia NGO Watsan Consortium	Liberia	–	842
Emergency Public Health & WASH Response	Sri Lanka	–	650
Emergency WASH Response for IDPs in NWFP	Pakistan	–	606
Livelihoods project supporting war-affected vulnerable people in the Gaza	oPT	–	600
In Support of Africa Climate Change Resilience Alliance	UK	–	266
Emergency Response to Typhoon Ketsana	Philippines	–	250
Flash Appeal Emergency Assistance to IDPs in Sa'ada	Yemen	–	150
Immediate Humanitarian Response in support of Gazan population	oPT	–	116
Rural Water Supply and Sanitation Programme – Debub Zone	Eritrea	–	115
Interim Arms Trade Treaty: NGO Alliance in Pursuit of an Arms Trade Treaty	UK	–	103
Strengthening Government of Malawi's Food Security Response in Southern Region	Malawi	–	57
Access to Water and Sanitation in South Sudan	Sudan	–	44
Arms Trade Treaty (ATT) Sustainable Development	UK	–	6
Protection And Assistance For Vulnerable Migrants In South Africa Urban Centres	South Africa	–	(7)
		<u>16,141</u>	<u>9,508</u>
<b>Governance and Transparency Fund</b>			
Raising Her Voice: Promoting Poor Women's Participation in Governance – Phase I	Global	1,299	1,151
<b>Programme Partnership Agreement (see Note 2a)</b>			
Programme Partnership Agreement (PPA)	Global	9,570	7,303

**ii. Primary purpose trading**

	Year to 31 March 2011	11 months to 31 March 2010
Income	£ m	£ m
Micro-credit schemes	1.9	1.3
Sale of humanitarian equipment	0.4	–
Sale of printed material	0.1	0.3
	<u>2.4</u>	<u>1.6</u>
<b>Costs included within charitable activities</b>		
Micro-credit schemes	(1.7)	(1.2)
Humanitarian equipment	(0.5)	(0.2)
Printed materials	–	(0.1)
	<u>(2.2)</u>	<u>(1.5)</u>
<b>Net income from primary purpose trading</b>	<u>0.2</u>	<u>0.1</u>

**e. Other incoming resources**

	Year to 31 March 2011	11 months to 31 March 2010
Income	£ m	£ m
Gain on disposal of fixed assets	1.3	–
Nursery fees	0.2	0.2
Miscellaneous overseas income	0.2	0.2
Other *	0.1	2.4
	<u>1.8</u>	<u>2.8</u>

\*2009/10 includes £2.2m interest on successful conclusion to a VAT claim.

**3. Resources expended****a. Costs of generating voluntary income**

Costs of generating voluntary income represents fundraising costs to raise both restricted and unrestricted income, excluding trading sales. This is analysed as follows:

	Year to 31 March 2011	11 months to 31 March 2010
	£ m	£ m
Regular giving	6.0	4.5
Legacies	0.2	0.2
Public donations, appeals, fundraising events and Disasters Emergency Committee (DEC) appeals	6.9	6.0
Income from government, institutional donors and other public authorities	1.4	1.2
Irrecoverable VAT	0.6	0.9
Support costs	1.5	1.0
Other *	4.2	3.4
	<u>20.8</u>	<u>17.2</u>

\* Other costs include costs of developing and maintaining fundraising information systems, market analysis and developing future fundraising products.

**b. Investment management costs**

	Year to 31 March 2011	11 months to 31 March 2010
	£ m	£ m
Staff costs	0.2	0.1

**c. Charitable activities****i. Functional analysis**

Expenditure on charitable activities can be analysed by the three main areas of activity as follows:

	Activities undertaken directly	Grant funding of activities	Support costs *	Year to 31 March 2011 Total	11 months to 31 March 2010 Total
	£ m	£ m	£ m	£ m	£ m
Humanitarian	75.6	26.4	9.6	111.6	76.2
Gifts in kind (mainly food aid)	13.6	–	–	13.6	16.4
Total humanitarian	89.2	26.4	9.6	125.2	92.6
Development	76.6	40.9	10.6	128.1	105.9
Campaigning and advocacy	10.5	5.2	3.7	19.4	17.8
	<u>176.3</u>	<u>72.5</u>	<u>23.9</u>	<u>272.7</u>	<u>216.3</u>

\* It is not appropriate to split support costs between activities undertaken directly and grant funding of activities due to the dual role played by programme support functions.

Oxfam's relief and development programme can also be analysed as shown below. Many programmes achieve aims in more than one of these categories, but are analysed for these purposes under the principal aim only:

	Humanitarian	Development	Campaigning and advocacy	Year to 31 March 2011 Total	11 months to 31 March 2010 Total
	£ m	£ m	£ m	£ m	£ m
Right to sustainable livelihoods	–	51.9	3.0	54.9	42.9
Right to essential services	–	20.4	3.3	23.7	20.3
Right to life and security	115.6	2.7	4.7	123.0	92.0
Right to be heard	–	16.6	2.2	18.8	17.1
Right to equity	–	25.9	2.5	28.4	24.1
Total costs of activities and grants	115.6	117.5	15.7	248.8	196.4
Support costs	9.6	10.6	3.7	23.9	19.9
Total charitable activities	<u>125.2</u>	<u>128.1</u>	<u>19.4</u>	<u>272.7</u>	<u>216.3</u>

**ii. Grants payable**

The top 50 financial grant recipients in the year to 31 March 2011 are listed below.

Name of Institution	No. of grants	£'000	Geographic region
1) LASOONA - Society for Human and Natural Resource Development	5	2,236	South Asia
2) Association Timidria	3	2,100	West Africa
3) Participatory Development Initiatives	10	1,587	South Asia
4) Association Nigérienne pour la Dynamisation des Initiatives Locales	2	1,522	West Africa
5) Horn of Africa Voluntary Youth Committee	9	1,424	HECA
6) Social Action Bureau for Assistance in Welfare and Organizational Networking	5	1,381	South Asia
7) Humanitarian Initiative Just Relief Aid (HIJRA)	1	1,226	HECA
8) Strengthening Participatory Organization	9	1,226	South Asia
9) Pirbhat Women Development Society	2	1,129	South Asia
10) Wajir South Development Association	7	1,061	HECA
11) Association pour la Redynamisation de l'Elevage au Niger	3	972	West Africa
12) Concern Worldwide	3	767	Global
13) Save the Children UK	6	762	Global
14) Sindh Agricultural and Forestry Workers Coordinating Organization	3	724	South Asia
15) Fundación para el Desarrollo Participativo Comunitario	7	700	LAC
16) MA'AN Development Center – Gaza	4	665	MEEECIS
17) Agency for Economic Development and Empowerment	2	654	West Africa
18) Research and Development Foundation	5	450	South Asia
19) Network Activities Group	6	418	East Asia
20) Centre for Development Resources	1	413	East Asia
21) Cruz Roja Colombiana	2	401	LAC
22) Organización de Desarrollo Étnico Comunitario	7	398	LAC
23) Partners in Revitalization and Building	1	394	South Asia
24) Sarvodaya	7	393	South Asia
25) Action Contre la Faim	3	388	Global
26) Centre de Promotion Socio – Sanitaire	4	380	HECA
27) Shangla Development Society	2	377	South Asia
28) Rupantar	7	373	South Asia
29) Projects Office – Blantyre Synod	6	367	Southern Africa
30) Save the Children United States of America	1	363	West Africa
31) Integrated Regional Support Programme	2	362	South Asia
32) Central Afghanistan Welfare Committee	1	328	South Asia
33) Dahabshill	1	322	HECA
34) Federação de Órgãos para Assistência Social e Educacional	4	319	LAC
35) Palestinian Farmers Union	2	317	MEEECIS
36) Afar Pastoralist Development Association	2	307	HECA
37) Rural Development Project	2	282	South Asia
38) PROGOTI	3	281	South Asia
39) Organismo Cristiano de Desarrollo Integral	5	281	LAC
40) Welfare Foundation	4	278	MEEECIS
41) Aran Humanitarian Regional Development Organization, Barda	6	275	MEEECIS
42) Digo Bikash Tatha Batabaran Samranchhen Kendra	4	257	South Asia
43) Doaba Foundation	7	256	South Asia
44) CARE International UK	4	255	Global
45) Integrated Development Society	4	253	South Asia
46) Solidarités International	1	243	West Africa
47) World Wildlife Fund	1	242	LAC
48) Bhandar Hari Sangat	3	241	South Asia
49) Rural Reconstruction Nepal	3	240	South Asia
50) DUTERIMBERE a.s.b.l	4	240	HECA
		<u>30,830</u>	

Key to geographic regions: HECA – Horn, East and Central Africa. LAC – Latin America and the Caribbean. MEEECIS – Middle East, Eastern Europe, and Commonwealth of Independent States. Global – the grants apply to more than one region.

The grants made by Oxfam to other Oxfams in the year to 31 March 2011 are listed below.

Name of other Oxfam	No of grants	£'000	Geographic region
Oxfam America	8	380	Global, West Africa, LAC
Oxfam Australia	1	52	South Asia
Oxfam Canada	1	30	LAC
Oxfam Hong Kong	2	216	East Asia
Oxfam India	3	1,764	South Asia
Intermon Oxfam	13	572	Global, West Africa, LAC
Oxfam International *	2	2,830	Global
Oxfam Ireland	2	53	Global, Southern Africa
Oxfam Japan	2	30	Global
Oxfam Novib	5	947	South Asia, West Africa, LAC
Oxfam Mexico	2	62	LAC
Oxfam Quebec	1	20	HECA
Grand Total		<u>6,956</u>	

\*Net of interest earned on funds held by Oxfam International of £479.

	Year to 31 March 2011 £'000	11 months to 31 March 2010 £'000
Total value of largest grants	30,830	20,382
Total value of grants to other Oxfams	6,956	7,406
Other grants	34,672	26,555
Total grants payable in furtherance of the charity's objects	<u>72,458</u>	<u>54,343</u>
Total number of grants made	<u>1,563</u>	<u>1,451</u>

**iii. The values of grants received by Oxfam from other Oxfams are listed below.**

	Year to 31 March 2011 £'000	11 months to 31 March 2010 £'000
Oxfam America	7,166	1,127
Oxfam Australia	8,903	5,003
Solidarite (Oxfam in Belgium)	1,073	27
Oxfam Canada	4,397	2,032
Oxfam France	83	–
Oxfam Germany	2	538
Oxfam Hong Kong	2,882	1,447
Intermon Oxfam	577	576
Oxfam International Tsunami Fund	–	244
Oxfam International	7	(4)
Oxfam Ireland	1,714	2,496
Oxfam Japan	121	115
Oxfam New Zealand	137	78
Oxfam Novib	7,053	6,565
Oxfam Quebec	374	729
Total	<u>34,489</u>	<u>20,973</u>

The grants made to, and received by, Oxfam from the other Oxfams are separately determined by operational decisions based on the strategy or capacity of Oxfam affiliates in particular areas.

**iv. Costs of activities**

Oxfam's own overseas staff are involved in the delivery of the programme through the provision of specialist services (e.g. to address the water and sanitation needs of refugees) and through training and networking for local organisations. Included in 'Charitable activities' are all the in-country costs associated with programme delivery and monitoring of grants made to partner organisations e.g. direct programme costs, logistics, finance, human resources and programme management. This provides an accurate reflection of the true costs of our activities and support to those activities.

**v. Support costs**

Support costs include support to the programme from Oxford and the costs associated with supporting programme delivery at a regional level e.g. finance, human resources and senior programme management. Support costs also include central finance, human resources and corporate communications costs. Support costs are analysed as follows:

	Year to 11 months to					Total £ m	Total £ m
	Trading £ m	Fundraising £ m	Humanitarian £ m	Development £ m	Campaigning & advocacy £ m		
Regional programme support	–	–	4.3	4.7	0.2	9.2	8.2
Central programme costs	–	–	3.7	4.2	0.8	8.7	8.2
Exchange rate differences	–	–	0.3	0.3	–	0.6	–
Central finance	0.3	0.1	0.2	0.2	0.2	1.0	0.9
Central human resources	0.3	0.2	0.8	0.9	0.3	2.5	2.1
Corporate communications	0.8	1.2	0.3	0.3	2.2	4.8	2.1
Total support costs	1.4	1.5	9.6	10.6	3.7	26.8	21.5
Unrestricted	1.4	1.5	5.7	6.4	3.7	18.7	17.1
Restricted	–	–	3.9	4.2	–	8.1	4.4
	1.4	1.5	9.6	10.6	3.7	26.8	21.5

The basis of allocation of support costs is detailed in the Accounting Policies under Note 1h.

**d. Governance costs (see Note 1g)**

	Year to 11 months to	
	31 March 2011 £ m	31 March 2010 £ m
Finance, Trustees & legal costs	0.3	0.2
Audit fee	0.2	0.2
Internal audit	0.4	0.4
Directors' costs	0.1	0.1
Communications	0.2	0.2
	1.2	1.1

**e. Other resources expended**

	Year to 11 months to	
	31 March 2011 £ m	31 March 2010 £ m
VAT claim costs	–	0.2
Irrecoverable VAT *	–	0.8
Net exchange losses	0.5	–
Other	0.7	1.0
	1.2	2.0

\*2009/10 Irrecoverable VAT based on the conclusion of an appeal hearing

**4. Employees**

The headcount number of employees and full-time equivalent (FTE) for the year was:

**Oxfam Group**

	Year to 11 months to		Year to 11 months to	
	31 March 2011 Head count	31 March 2010 Head count	31 March 2011 FTE	31 March 2010 FTE
<b>GB payroll</b>				
Trading Division	1,037	1,031	824	817
Marketing Division	134	163	127	153
Corporate Functions	222	219	196	193
Communications*	64	–	60	–
Campaigns and Policy	167	180	157	169
Programme Headquarters	228	217	213	203
Programme Overseas	286	267	285	265
	2,138	2,077	1,862	1,800
<b>Overseas Payroll</b>				
	2,835	2,583	2,827	2,571
	4,973	4,660	4,689	4,371

\* Included within Marketing and Campaigns and Policy Divisions in 2009/10

The staff numbers for Oxfam only are the same as above except that the Trading Division includes 89 (2009/10: 97) OAL staff and Overseas Payroll includes 65 (2009/10: 39) staff for the micro-credit scheme, Finance for Development Ltd and 27 (2009/10: 26) staff for Frip Ethique SARL.

Oxfam's employment policies encourage a range of working patterns including job sharing and part-time working. These result in a significantly lower number of employees when based on full-time equivalents rather than on head count.

**5 Staff costs**

	Year to 11 months to	
	31 March 2011 £ m	31 March 2010 £ m
<b>GB payroll</b>		
Salaries	48.3	43.3
National Insurance	3.8	3.4
Pension contributions *	2.8	2.3
GB payroll staff costs	54.9	49.0
<b>Overseas payroll staff costs</b>	41.6	33.5
<b>Total staff costs</b>	96.5	82.5

\* The charge to the SOFA for the year was £2.9m (2009/10: £2.5m), representing pension contributions (£2.8m as above, 2009/10: £2.3m), adjusted following the defined benefit scheme actuarial valuation to reflect the actual service cost.

Staff costs are allocated according to the functions of each staff member and, therefore, form part of trading costs, fundraising costs, and charitable expenditure, as appropriate.

In addition, a great amount of time, the value of which is impossible to reflect in these accounts, is donated by more than 22,000 volunteers throughout Britain.

The table below shows the number of higher paid staff with emoluments falling in the following ranges. Emoluments include salary and taxable benefits in kind and other payments to employees. The total emoluments of the Director (Chief Executive) for the year were £107,006 (2009/10: £100,008).

	Year to 31 March 2011 Number	11 months to 31 March 2010 Number*
£60,000 to £69,999	16	12
£70,000 to £79,999	11	7
£80,000 to £89,999	8	7
£90,000 to £99,999	–	1
£100,000 to £109,999	1	4
£110,000 to £119,999	–	1

\* For 2009/10, figures have been based on a 12 month equivalent.

Retirement benefits are accruing under a defined benefit scheme for 5 (2009/10: 9) higher paid employees. In addition, Oxfam paid £64,948 (2009/10: £48,576) into a defined contribution pension scheme for 11 (2009/10: 10) higher paid employees.

**6 Trustees' and Chief Executive's expenses**

Members of Oxfam's Council of Trustees receive no remuneration for their services. Directly incurred expenses of the Trustees borne by the charity in 2010/11, paid to 14 Trustees (2009/10: 12), were £25,000 (2009/10: £16,000).

Directly incurred expenses of the Chief Executive in 2010/11 were £35,000 (2009/10: £20,000).

The most significant element of the Trustees' and Chief Executive's expenses is the cost of visits to overseas programmes.

## 7 Net incoming/(outgoing) resources for the financial period is stated after charging/(crediting):

	Year to 31 March 2011	11 months to 31 March 2010
	£ m	£ m
Depreciation of tangible fixed assets	3.9	4.3
Gain on disposal of fixed assets	(1.3)	–
Hire of vehicles and equipment	4.3	3.1
Property rental	20.6	18.7
Auditors' remuneration – statutory audit (GB) *	0.2	0.2
Auditors' remuneration – audit (overseas)	–	0.1
Rental income	(0.5)	(0.6)
Exchange rate differences	1.4	(0.4)
Irrecoverable VAT	1.1	1.8

\* Auditors' remuneration includes £0.1m in respect of donated services.

The reported exchange rate loss was £1.4m (2009/10: gain £0.4m). This reported (loss)/gain consists of two elements;

- Realised exchange gains/losses resulting from carrying out transactions in multiple currencies, receiving income predominantly in Sterling and Euros and incurring charitable expenditure in US Dollars and other foreign currencies (net loss £0.9m; 2009/10 net gain £0.3m).
- Unrealised gains/losses resulting from the fluctuation in the Sterling value of assets and liabilities, mainly foreign currency bank account balances, held during the year (net loss £0.5m; 2009/10 net gain £0.1m).

## 8 Tangible fixed assets

Oxfam	Freehold property £ m	Leasehold property £ m	Furniture fixtures equipment £ m	Motor vehicles £ m	Total £ m
<b>Cost</b>					
At 1 April 2010	7.4	8.8	32.0	3.7	51.9
Additions	–	0.8	1.6	0.4	2.8
Disposals	(0.8)	(0.5)	(1.2)	(0.3)	(2.8)
At 31 March 2011	6.6	9.1	32.4	3.8	51.9
<b>Depreciation</b>					
At 1 April 2010	2.7	8.5	25.5	2.7	39.4
Charge for the year	0.1	0.1	3.0	0.5	3.7
Disposals	(0.3)	(0.5)	(1.2)	(0.3)	(2.3)
At 31 March 2011	2.5	8.1	27.3	2.9	40.8
<b>Net Book Value</b>					
At 31 March 2011	4.1	1.0	5.1	0.9	11.1
At 31 March 2010	4.7	0.3	6.5	1.0	12.5
<b>Oxfam Group</b>					
<b>Cost</b>					
At 1 April 2010	7.4	9.1	32.4	4.1	53.0
Additions	–	1.0	2.1	0.4	3.5
Disposals	(0.8)	(0.5)	(1.2)	(0.3)	(2.8)
At 31 March 2011	6.6	9.6	33.3	4.2	53.7
<b>Depreciation</b>					
At 1 April 2010	2.7	8.7	25.9	3.1	40.4
Charge for the year	0.1	0.1	3.2	0.5	3.9
Disposals	(0.3)	(0.5)	(1.2)	(0.3)	(2.3)
At 31 March 2011	2.5	8.3	27.9	3.3	42.0
<b>Net Book Value</b>					
At 31 March 2011	4.1	1.3	5.4	0.9	11.7
At 31 March 2010	4.7	0.4	6.5	1.0	12.6

The book value of land (which is not depreciated) included in freehold properties is £1.3m (2009/10: £1.5m). All tangible fixed assets are held for charitable use.

## 9 Fixed asset investments

Oxfam	Freehold property £ m	Cash £ m	Unquoted* £ m	Investments Total £ m	Programme related investments Unquoted £ m	Fixed asset investments Total £ m
Market Value:						
At 1 April 2010	0.4	2.5	1.6	4.5	–	4.5
Additions	0.1	–	–	0.1	–	0.1
Revaluation	0.4	–	–	0.4	–	0.4
Disposals	(0.1)	–	–	(0.1)	–	(0.1)
At 31 March 2011	0.8	2.5	1.6	4.9	–	4.9
<b>Oxfam Group</b>						
Market Value:						
At 1 April 2010	0.4	2.5	–	2.9	0.1	3.0
Additions	0.1	–	–	0.1	–	0.1
Revaluation	0.4	–	–	0.4	–	0.4
Disposals	(0.1)	–	–	(0.1)	–	(0.1)
At 31 March 2011	0.8	2.5	–	3.3	0.1	3.4

### 9a Investments

\* This includes a loan of £1.6 million to Oxfam Activities Limited, which is incorporated in England and Wales. The loan is secured by a fixed and floating charge. Interest was charged on the outstanding balance of the loan at 2% above LIBOR. Terms, including interest, are agreed between the parties and repayment is due in three equal instalments following the issue of a repayment notice.

Freehold investment properties with an original cost of £0.3 million are included in the Balance Sheet at market value of £0.8 million. Investment properties have been valued by surveyors, all of whom are Associates of the Royal Institute of Chartered Surveyors and are employees of Oxfam. The valuation of assets was on an open market basis, in accordance with the guidelines issued by the Royal Institute of Chartered Surveyors and is carried out on an annual basis.

At 31 March 2011, Oxfam had an interest in the following subsidiary undertakings:

Organisation name	Country of registration	Nature of business	Class of share capital held	Parent company interest	Consolidation	Year end date
Oxfam Activities Limited	United Kingdom	Raises funds through trading activities	Ordinary	100%	Yes	31 March
Finance for Development Ltd	Azerbaijan	Micro-credit scheme	Ordinary	100%	Yes	31 December
Frip Ethique SARL	Senegal	Second-hand clothing	Ordinary	100%	Yes	31 December
Just Energy Ltd	United Kingdom	Renewable energy projects	N/A	100%	No (dormant)	31 March

The aggregate total amount invested in all Oxfam's subsidiaries is £1.6m (2009/10: £1.6m).

Their financial results for the year were:

	Oxfam Activities Ltd		Finance for Development		Frip Ethique SARL	
	Year to 31 March 2011	11 months to 31 March 2010	Year to 31 March 2011	11 months to 31 March 2010	Year to 31 March 2011	11 months to 31 March 2010
	£m	£m	£m	£m	£m	£m
Income	15.2	15.1	1.9	1.2	1.6	1.1
Expenditure	(13.9)	(12.9)	(1.7)	(1.2)	(1.5)	(1.2)
Trading profit/(loss)	1.3	2.2	0.2	-	0.1	(0.1)
Loan interest paid to Oxfam	(0.1)	(0.1)	-	-	-	-
Profit gift-aided to Oxfam	(1.2)	(2.1)	-	-	-	-
Profit for the period	-	-	0.2	-	0.1	(0.1)
	<b>At 31 March 2011</b>	<b>At 31 March 2010</b>	<b>At 31 March 2011</b>	<b>At 31 March 2010</b>	<b>At 31 March 2011</b>	<b>At 31 March 2010</b>
	£m	£m	£m	£m	£m	£m
Net Assets/(liabilities)	0.1	0.1	1.9	1.7	-	(0.1)

Just Energy was dormant for both 2010 and 2011 and has no net assets.

In order to operate in some countries Oxfam is required by local legislation to establish 100% controlled, locally registered organisations. These organisations, which are listed below, are treated as branches of Oxfam and their accounts are included within the accounts of Oxfam.

Organisation name	Country of registration	Nature of business
Oxfam UKI Inc	Barbados	As per Oxfam
Associacao Recife – Oxford para a Cooperacao ao Desenvolvimento	Brazil	As per Oxfam
Sociedad De Desarrollo Oxfam Limitada	Chile	As per Oxfam
Oxfam Great Britain	South Africa	As per Oxfam

## 9b Programme-related investments

### Cafédirect plc

This comprises 903,000 ordinary shares of 25p each in Cafédirect plc, a company registered in Scotland, which represents a 10 per cent interest in the company. The principal activity of the company is the promotion of fair trade through the marketing and distribution of coffee and tea.

### The Guardian Share Company Limited

Oxfam Activities Limited holds a 25 per cent shareholding (one £1 ordinary share) in The Guardian Share Company Limited, a company registered in the UK. This company, which is jointly owned by the founding members of Cafédirect plc (including OAL) aims to promote fair trade through Cafédirect plc and, through its holding of one 25p special share in Cafédirect plc.

### Micro-credit schemes

In order to operate micro-credit schemes in some countries, Oxfam is required by local legislation to establish registered organisations. Details of Finance for Development Limited, a locally registered micro-credit scheme are set out above and in Notes 1b and 1j

## 10 Stocks

	Oxfam		Oxfam Group	
	2011 £ m	2010 £ m	2011 £ m	2010 £ m
Oxfam trading stocks	-	-	1.7	1.8
Humanitarian supplies	1.5	1.3	1.5	1.3
	<u>1.5</u>	<u>1.3</u>	<u>3.2</u>	<u>3.1</u>

Trading and other stocks relate to goods for resale. Humanitarian supplies represent equipment to be used on emergency response.

## 11 Debtors

	Oxfam		Oxfam Group	
	2011 £ m	2010 £ m	2011 £ m	2010 £ m
<b>Amounts falling due within one year</b>				
Amount due from subsidiaries	0.2	-	-	-
Loans by micro-credit schemes	-	-	5.0	4.6
Other debtors	2.8	2.1	3.1	2.3
Prepayments	5.8	5.3	5.9	5.3
Accrued income	1.2	1.0	1.2	1.0
Tax recoverable	8.4	8.3	8.4	8.3
Amounts due from institutional donors	18.7	20.5	18.7	20.5
	<u>37.1</u>	<u>37.2</u>	<u>42.3</u>	<u>42.0</u>
<b>Amounts falling due outside one year</b>				
Loans by micro-credit schemes	-	-	0.3	0.5
Other debtors	0.9	1.0	0.9	1.0
	<u>0.9</u>	<u>1.0</u>	<u>1.2</u>	<u>1.5</u>
<b>Total debtors</b>	<u>38.0</u>	<u>38.2</u>	<u>43.5</u>	<u>43.5</u>

## 12 Cash at bank and in hand

	Oxfam		Oxfam Group	
	2011 £ m	2010 £ m	2011 £ m	2010 £ m
Cash on short-term deposit	41.0	42.0	41.0	42.0
Cash and bank balances	31.9	23.3	32.7	24.5
	<u>72.9</u>	<u>65.3</u>	<u>73.7</u>	<u>66.5</u>

## 13 Creditors – amounts falling due within one year

	Oxfam		Oxfam Group	
	2011 £ m	2010 £ m	2011 £ m	2010 £ m
Amounts due to subsidiaries	-	0.8	-	-
Trade creditors	8.7	6.6	9.1	7.3
Other tax and social security	0.3	0.4	0.3	0.4
Accruals	10.2	7.4	10.7	8.0
Deferred income *	0.5	1.5	0.5	1.5
Loans to micro-credit schemes **	-	-	2.4	0.9
Interest-free loans	0.1	0.2	0.1	0.2
	<u>19.8</u>	<u>16.9</u>	<u>23.1</u>	<u>18.3</u>

\* Deferred income of £0.5m arose in the period and £1.5m brought forward from 2009/10 was released.

\*\* There is no security on the loans. The rate of interest varies according to the loan provider with the average approximately 10%.

## 14 Creditors – amounts falling due after more than one year

	Oxfam		Oxfam Group	
	2011 £ m	2010 £ m	2011 £ m	2010 £ m
Deferred income *	0.3	-	0.3	-
Loans to micro-credit schemes **	-	-	1.5	3.7
	<u>0.3</u>	<u>-</u>	<u>1.8</u>	<u>3.7</u>

\* Deferred income of £0.3m arose in the period.

\*\* See note 13.

## 15 Provisions for liabilities and charges

	End of contract £ m	Dilapidations £ m	Other £ m	Oxfam Total £ m	Oxfam Activities Limited Total £ m	Oxfam Group Total £ m
At 1 April 2010	5.7	2.2	1.1	9.0	0.1	9.1
Arising in the year	2.3	0.3	–	2.6	0.2	2.8
Released in the year	(2.2)	(0.2)	(0.6)	(3.0)	–	(3.0)
At 31 March 2011	5.8	2.3	0.5	8.6	0.3	8.9

The end of contract provision is a two-fold arrangement for staff on non-UK contracts. The first element is a gratuity, where a lump sum is paid at the end of their contract in lieu of Oxfam paying monthly amounts into a pension scheme. The second element is a loyalty bonus, which is paid specifically to staff on fixed-term contracts as an incentive to complete the full period of service.

The provision for dilapidations is to cover the probable future costs of restoring properties to their required condition at the end of their lease.

## 16 Contingent liabilities

Members of Oxfam's defined benefit scheme are entitled to join a Pension Trust Growth Plan into which they can pay additional voluntary contributions to fund additional benefits. Oxfam does not make employer contributions into the Plan but under government regulations, which came into force in September 2005, there is a potential employer liability on withdrawal from the Plan, or in the event of the Plan winding up when it is not fully funded on a buy-out basis. The amount of employer liability on withdrawal for Oxfam as at 30 September 2010, has been calculated as £1.0m (2009/10: £1.0m). However, Oxfam has no intention of withdrawing from the Plan and at this moment in time the trustees of the Plan have no intention of winding it up; it is therefore unlikely that the liability will crystallise in the foreseeable future.

## 17 Endowment funds

	At 1 April 2010 £ m	Oxfam and Oxfam Group Transfers in year £ m	Unrealised gain in year £ m	At 31 March 2011 £ m
<b>Permanent endowment funds</b>				
The Mary & Henry Makinson Spink Memorial Fund	1.4	–	–	1.4
The Ellen & Ronald Carr–Webb Memorial Trust Fund	1.0	–	–	1.0
Other permanent endowment funds	0.1	–	–	0.1
	2.5	–	–	2.5

Income generated by The Mary & Henry Makinson Spink Memorial Fund is used for unrestricted purposes. Income generated by The Ellen & Ronald Carr–Webb Memorial Trust Fund is required to be used for restricted purposes, for our humanitarian and development work. The income from the other permanent endowment funds is mainly restricted.

## 18 Restricted funds

	At 1 April 2010 £ m	Oxfam and Oxfam Group Income £ m	Expenditure £ m	At 31 March 2011 £ m
<b>Regional funds</b>				
LAC	3.4	31.0	(36.1)	(1.7)
HECA	9.2	35.1	(35.2)	9.1
West Africa	2.7	17.2	(17.4)	2.5
Humanitarian	(0.7)	4.6	(3.8)	0.1
MEEECIS	2.2	9.6	(9.6)	2.2
Southern Africa	0.9	10.2	(10.5)	0.6
South Asia	6.1	39.7	(34.9)	10.9
UK Poverty Programme	(0.1)	0.6	(0.3)	0.2
East Asia	1.8	8.3	(8.9)	1.2
Campaigns and Policy	1.8	3.7	(4.0)	1.5
Goods and services in kind	–	13.6	(13.6)	–
Oxfam Unwrapped	2.7	3.7	(3.6)	2.8
Other funds	2.5	3.2	(3.5)	2.2
DFID - Partnership Programme Agreement	1.4	9.6	(11.0)	–
<b>Appeals</b>				
South Asia earthquake	0.1	–	–	0.1
DRC Appeal	0.1	0.1	(0.1)	0.1
Myanmar cyclone	0.1	–	(0.1)	–
Pakistan conflict	0.3	–	–	0.3
East Africa food crisis	1.0	0.1	(0.8)	0.3
East Asia Appeal	0.7	–	(0.5)	0.2
Haiti earthquake	2.8	0.7	(3.1)	0.4
Pakistan floods	–	6.0	(1.3)	4.7
West Africa food crisis	–	1.3	(1.1)	0.2
Other appeal funds	0.3	(0.1)	(0.1)	0.1
	39.3	198.2	(199.5)	38.0

Fund balances may be negative when expenditure is made on a project that is expected to be reimbursed by a government or other agency, but where, at the end of the financial period, not all the conditions have been met that would justify this income being recognised within the accounts. This results in an excess of expenditure over income on some project funds. The total deficit fund balances amounted to £16.4m (2009/10: £13.3m). The Trustees consider that the likelihood of reimbursement is of sufficient level to justify the carrying of these deficit funds at the end of the year.

## 19 Unrestricted funds

Movements on unrestricted funds are as follows:

	Oxfam		Revaluation reserve £ m	Designated fund other £ m	Pension reserve £ m	Total £ m
	General reserves £ m	Designated fund fixed assets £ m				
At 1 April 2010	38.1	12.7	0.1	3.2	(29.3)	24.8
Surplus/(deficit) for the year	10.7	(2.6)	–	(0.6)	(0.1)	7.4
Gains and losses	0.1	–	0.3	–	8.3	8.7
Transfers between funds	(7.5)	1.7	–	3.0	2.8	–
At 31 March 2011	41.4	11.8	0.4	5.6	(18.3)	40.9

	Oxfam Group		Revaluation reserve £ m	Designated fund other £ m	Pension reserve £ m	Funds held in non-charitable subsidiary £ m	Total £ m
	General reserves £ m	Designated fund fixed assets £ m					
At 1 April 2010	38.1	12.7	0.1	4.8	(29.3)	0.1	26.5
Surplus/(deficit) for the year	10.7	(2.6)	–	(0.3)	(0.1)	–	7.7
Gains and losses	0.1	–	0.3	–	8.3	–	8.7
Transfers between funds	(7.5)	1.7	–	3.0	2.8	–	–
At 31 March 2011	41.4	11.8	0.4	7.5	(18.3)	0.1	42.9

The movement in 'Designated fund other' is analysed as follows:

	At 1 April 2010 £ m	Net income/ (expenditure) in the year £ m	Transfers between funds £ m	At 31 March 2011 £ m
Micro-credit scheme retained reserves	1.7	0.2	–	1.9
Frip Ethique SARL	(0.1)	0.1	–	–
Single Management Structure (SMS)	3.2	(0.6)	–	2.6
Network Project	–	–	3.0	3.0
<b>Oxfam Group</b>	<b>4.8</b>	<b>(0.3)</b>	<b>3.0</b>	<b>7.5</b>

The designated fund for fixed assets represents resources invested in the charity's tangible fixed assets and certain fixed asset investments. The fund is therefore not readily available for other purposes.

The Single Management Structure designated fund represents funds set aside for the anticipated additional costs in reorganising our overseas operations in conjunction with the other Oxfam affiliates to improve the coordination of programme activity throughout the Oxfam International affiliation.

The Network Project designated fund represents funds set aside for upgrading our global Information Systems Network.

Transfers to/(from) the fixed asset designated fund represent capital additions less disposal proceeds. Transfers to the pension reserve represent one-off lump sum payments into the scheme during the year.

## 20 Commitments

### a. Capital

At 31 March 2011 there were no capital commitments (at 31 March 2010: none).

### b. Financial

Oxfam had committed the following amount in grants to international projects which will form part of the grants allocated in future years:

	Oxfam		Oxfam Group	
	At 31 March 2011 £ m	At 31 March 2010 £ m	At 31 March 2011 £ m	At 31 March 2010 £ m
Within one year	18.1	16.7	18.1	16.7
Between two and five years	5.1	5.5	5.1	5.5
	23.2	22.2	23.2	22.2

### c. Operating leases

There were the following annual commitments under non-cancellable operating leases:

	Oxfam		Oxfam Group	
	At 31 March 2011 £ m	At 31 March 2010 £ m	At 31 March 2011 £ m	At 31 March 2010 £ m
<b>i) Land and buildings</b>				
Operating leases which expire:				
Within one year	2.1	2.3	2.1	2.3
In the second to fifth years inclusive	9.8	6.9	9.8	6.9
After five years	1.7	4.2	1.7	4.2
	13.6	13.4	13.6	13.4
<b>ii) Vehicles</b>				
Operating leases which expire:				
Within one year	0.1	0.1	0.1	0.1
In the second to fifth year inclusive	0.3	0.3	0.3	0.3
	0.4	0.4	0.4	0.4

### d. Pension scheme commitments

Oxfam operates defined benefit and defined contribution pension schemes for the benefit of its employees.

#### i) Defined benefit pension scheme

The assets of the pension scheme are held separately from those of Oxfam and are administered by The Pensions Trust. The pension cost is determined on the advice of independent qualified actuaries. An actuarial valuation was carried out at 31 March 2011 by a qualified independent actuary, based on the amendment to the provisions of FRS17 (issued December 2006).

The scheme was closed to new members on 31 January 2003. As a result, under the 'attained age' method of valuation, the current service cost increases as the members of the scheme approach retirement. The scheme is funded and the employer's contribution is 10.0% of pensionable pay (2009/10: 10.0%). The employees' contribution is 7.0% of pensionable pay (2009/10: 7.0%). The pension costs for this scheme for the year were £1.5m (2009/10: £1.3m). Contributions paid by Oxfam GB during the year were £4.0m (2009/10: £3.5m). In addition, Oxfam Ireland and Oxfam International paid £0.2 (2009/10: £0.2m) of contributions into the scheme for their employees. The best estimate of contributions expected to be paid to the scheme by Oxfam for the year to 31 March 2012 is £4.9m.

As required by FRS17, the defined benefit liabilities have been measured using the projected unit method. The tables below state the FRS17 actuarial assumptions upon which the valuation of the scheme was based.

#### Financial assumptions

	31 March 2011 %	31 March 2010 %
Rate of increase in salaries	3.40	3.50
Rate of increase of pensions (deferred and in payment)	3.40	3.50
Rate of inflation	3.40	3.50
Rate used to discount scheme liabilities*	5.50	5.50

\* Under FRS17 the rate used to discount scheme liabilities is based on corporate bond yields.

The mortality assumptions adopted imply the following life expectancies at age 65 (2009/10 at age 60)

	At 31 March 2011 Years	At 31 March 2010 Years
<b>Non-pensioners:</b>		
Males	23.9	28.8
Females	25.4	31.5
<b>Pensioners:</b>		
Males	22.1	27.0
Females	23.8	29.8

**Scheme assets and expectation of return**

	At 31 March 2011 £ m	At 31 March 2010 £ m	At 30 April 2009 £ m	At 30 April 2008 £ m	At 30 April 2007 £ m
Equities	54.5	50.6	39.4	44.0	45.2
Government Bonds	24.7	21.4	13.7	18.6	22.6
Property	4.9	4.5	3.9	4.9	–
Cash	0.7	0.6	0.6	0.6	0.4
Total fair value of assets	84.8	77.1	57.6	68.1	68.2
Present value of scheme liabilities	(103.1)	(106.4)	(82.1)	(81.1)	(88.3)
Net pension liability	(18.3)	(29.3)	(24.5)	(13.0)	(20.1)

	Expected rate of return at 31 March 2011 %	Expected rate of return at 31 March 2010 %
Equities	8.00	8.40
Bonds	5.10	5.10
Property	7.00	7.40
Cash	0.50	0.50
<b>Total</b>	<b>7.04</b>	<b>7.37</b>

None of the fair values of the assets shown include any of the Group's own financial instruments or any property occupied by, or other assets used by, the Group.

**Analysis of amounts charged to statement of financial activities**

	Year to 31 March 2011 £ m	11 months to 31 March 2010 £ m
Current service cost	1.4	0.7
Interest cost on scheme liabilities	5.8	4.8
Expected return on assets in the scheme	(5.7)	(4.2)
Net finance charge	0.1	0.6
Actual return less expected return on pension scheme assets	(0.7)	12.5
Experience gains on liabilities	2.5	–
Changes in assumptions underlying the present value of scheme liabilities	6.5	(19.7)
Total actuarial gain/(loss) recognised	8.3	(7.2)

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since 1 May 2004 is a loss of £14.5m (2009/10: £22.8m loss).

**Reconciliation of opening and closing balances of the present value of the scheme liabilities**

	2011 £ m	2010 £ m
Scheme liabilities at the start of the year	106.4	82.1
Current service cost	1.4	0.7
Interest cost	5.8	4.8
Contributions by scheme participants	0.4	0.7
Actuarial (gain)/loss	(9.0)	19.7
Benefits paid	(1.9)	(1.6)
Scheme liabilities at the end of the year	103.1	106.4

**Reconciliation of opening and closing balances of the fair value of the scheme assets**

	2011 £ m	2010 £ m
Scheme assets at the start of the year	77.1	57.6
Expected return on scheme assets	5.7	4.2
Actuarial (loss)/gain	(0.7)	12.5
Contributions by employer	4.2	3.7
Contributions by scheme participants	0.4	0.7
Benefits paid	(1.9)	(1.6)
Scheme assets at the end of the year	84.8	77.1

The actual return on scheme assets for the year was a gain of £5.0m (2009/10: £16.7m gain).

**History of experience gains and losses**

	2011	2010	2009	2008	2007
Difference between the expected and actual return on scheme assets (£ m)	(0.7)	12.5	(18.4)	(7.9)	0.4
As % of scheme assets	(0.8%)	16.2%	(32.0%)	(11.6%)	0.6%
Experience gains on scheme liabilities (£ m)	2.5	–	–	1.6	0.1
As % of liabilities	2.4%	0.0%	0.0%	2.0%	0.0%

**ii) Defined contribution pension scheme**

For employees not in the defined benefit scheme, Oxfam operates a Stakeholder Pension Scheme. This is a unit-linked money purchase scheme from Norwich Union. From 1 January 2003, Oxfam contributed double the employee contributions up to a maximum of 10% of pensionable pay. Oxfam contributed £1.6m (2009/10: £1.3m) to this pension scheme in relation to the year to 31 March 2011.

**iii) Alternative pension arrangements**

When staff are not eligible to join the Stakeholder Pension Scheme or the Oxfam Pension Scheme, Oxfam offers alternative arrangements as appropriate.

**21 Post balance sheet events**

On 30 April 2011 a fire at the Wastesaver recycling warehouse in Huddersfield destroyed just over half of the premises. An interim solution was implemented in May with the support of the employees, landlord and suppliers. Insurance for assets, stock, rent and increased costs of working currently appear to adequately cover the impact of the fire on Wastesaver. Operating results are not expected to be materially impacted in 2011/12.

**22 Analysis of group net assets between funds**

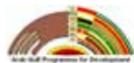
	Unrestricted funds £ m	Restricted funds £ m	Endowment funds £ m	Total funds £ m
<b>Oxfam</b>				
Fund balances at 31 March 2011 are represented by:				
Tangible fixed assets	11.1	–	–	11.1
Investment assets	2.4	–	2.5	4.9
Current assets	74.4	38.0	–	112.4
Current and long term liabilities and provisions	(28.7)	–	–	(28.7)
Pension liability	(18.3)	–	–	(18.3)
Total net assets at 31 March 2011	40.9	38.0	2.5	81.4
<b>Oxfam Group</b>				
Fund balances at 31 March 2011 are represented by:				
Tangible fixed assets	11.7	–	–	11.7
Investment assets	0.9	–	2.5	3.4
Current assets	82.4	38.0	–	120.4
Current and long term liabilities and provisions	(33.8)	–	–	(33.8)
Pension liability	(18.3)	–	–	(18.3)
Total net assets at 31 March 2011	42.9	38.0	2.5	83.4

**23 Related party transactions**

There were no material related party transactions during the year (2009/10: none).

## Acknowledgements

Central to Oxfam's way of working are our relationships with numerous local partners and allies worldwide. Our sincere thanks to the many organisations and individuals who make our work possible.



Oxfam acknowledges funding from the Big Lottery Fund (BLF) of £84,360 for Refugee and Asylum Seeking Women in Wales.<sup>1</sup>

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ActionAid  
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Australian Agency for International Development (AusAID)  
Bureau of Population, Refugees, and Migration (BPRM)  
Canadian International Development Agency (CIDA)  
Comic Relief  
Communities and Local Government (CLG)  
Empowerment Fund  
Danish International Development Agency (DANIDA)  
Department for International Development (DFID)  
Department for Work and Pensions  
Disasters Emergency Committee  
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European Union: DG EuropeAid Development and Cooperation (DEVCO), DG Humanitarian Aid and Civil Protection (ECHO) and DG Employment, Social Affairs and Inclusion (EMPL)  
Foreign and Commonwealth Office (FCO)  
Government of Belgium  
Government of Finland  
Government of Germany  
Government of Ireland Department of Foreign Affairs (Irish Aid)  
Government of Mozambique  
Government of the Netherlands  
Isle of Man Overseas Aid Committee  
Norwegian Agency for Development Cooperation (NORAD)  
Scottish Government  
States of Guernsey Overseas Aid Commission  
States of Jersey Overseas Aid Commission  
Swedish International Development Cooperation Agency (SIDA)  
Swiss Agency for Development and Cooperation (SDC)  
UN Women  
Food and Agriculture Organization of the United Nations (FAO)  
United Nations Democracy Fund (UNDEF)  
United Nations Development Program (UNDP)  
United Nations Educational Scientific and Cultural Organisation (UNESCO)  
Office of the United Nations High Commissioner for Refugees (UNHCR)  
United Nations Children's Fund (UNICEF)  
United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)  
United Nations Office for Project Services (UNOPS)  
United Nations World Food Program (WFP)

US Agency for International Development (USAID-OFDA)  
The World Bank  
The Asia Foundation  
Band Aid Trust  
The Balcombe Trust  
The Beautiful Store  
The Big Give  
Bill & Melinda Gates Foundation  
CARE USA  
Conrad N. Hilton Foundation  
The D G Charitable Trust  
Ellen & Ronald Carr-Webb Memorial Trust Fund  
Entwicklungshilfe Klub  
Flora Family Foundation  
Ford Foundation  
Foundation Open Society Institute (Zug)  
H&S Davidson Trust  
John Davidson Trust  
The Looma Foundation  
Margaret A. Cargill Foundation  
The M J Samuel Charitable Trust

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Nokia  
PayPal  
People's Postcode Lottery  
PizzaExpress  
Profile Books  
Quantum  
Romo Ltd  
Royal Bank of Scotland  
Safaricom Limited  
Standard Life  
State Street Bank & Trust Company  
Star Tours  
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Oxfam Japan  
Oxfam New Zealand  
Oxfam Novib  
Oxfam Quebec  
Oxfam International Secretariat

<sup>1</sup>Refugee and Asylum Seeking Women in Wales spend: £88,937.34

Cover photo: Asekon Elailo, a member of a pastoralist community in Turkana, Kenya. These communities are experiencing the worst drought in their history and, with their livestock dying, are currently reliant on Oxfam food aid.  
Photo: Andy Hall

Inside cover: Sadaf Haruzel training at the National Stadium in Kabul. She dreams of travelling to the UK for the London 2012 Olympics as part of Afghanistan's first female boxing team.  
Photo: Abbie Trayler-Smith

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