

Oxfam Annual Report & Accounts

2009/10

for the 11 month period ending 31 March 2010

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The Trustees present their report and the audited financial statements for the 11 month period ending 31 March 2010.

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 the vulnerable, including through humanitarian intervention
- to advance sustainable development
- to promote human rights and 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.

Corporate directory

Oxfam Council of Trustees as at 31 March 2010 and 16 July 2010

John Gaventa (Chair) ^{2,3}	Andy Friend ²
Vanessa Godfrey (Vice-Chair) ^{1,2,3}	Rajiv Joshi
Gareth Davies (Treasurer) ^{1,2}	Matthew Martin ¹
Maureen Connelly	Adebayo Olukoshi
Maja Daruwala	Majorie Scardino
Sandra Dawson	Tricia Zipfel ³

Richard Taylor and Stan Thekaekara retired from Council at the Annual General Meeting on 4 December 2009. Rajiv Joshi, Marjorie Scardino and Tricia Zipfel were appointed as Trustees at the same meeting.

Oxfam Association as at 31 March 2010

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

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

Miqdad Asaria	Thomas Lingard
Namukale Chintu	Anne Lloyd
Kate Cook ¹	Isobel McConnan ³
Edward Davey	Jabulani Ncube
Mark Dawson	John Richards
Janet Harrison	Tim Robinson ¹
Fiona Hodgson	Angela Sealey
Rizwana Khan ³	Robin Stafford
David Lingard ³	Bryan Zheng Zhang

¹ Member of Trustee Audit and Finance Group; ² Member of Remuneration Committee; ³ 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, 80 Strand, London WC2R 0AF

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 IS: Robert Humphreys

International: Penny Lawrence

Trading: David McCullough

Communications: Thomas Schultz-Jagow⁴

Company Secretary: Joss Saunders

⁴ Appointed 1 May 2010

Oxfam is a registered charity in England and Wales (no 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.

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Photo: Ami Vitale

Children do morning exercises in Mirebalais, Haiti. Communities here are feeling the strain of supporting family and friends who left Port-au-Prince following the earthquake.

About Oxfam

How we approach our work

We work with poor people in 63 countries in seven regions, which we believe gives us a greater understanding of the main causes of poverty and suffering, and enables us to have a greater impact.

Oxfam works with others to overcome poverty and suffering

Who we are

Oxfam is an independent organisation affiliated to Oxfam International, a global confederation of 14 independent Oxfams. We have partners, volunteers, supporters and staff of many nationalities; we are all part of a global movement to build a just and safer world.

What we do

The causes of poverty can be local, national or global, so we work at all levels, with governments and global institutions, and with local communities and individuals. We are committed to the principle that we should work with partners and people to promote self-reliance rather than dependency. To achieve the greatest impact we work on three mutually-reinforcing fronts:

- **Humanitarian.** We save lives by responding swiftly to provide support and protection during emergencies. Our particular expertise lies in the provision of clean water and sanitation facilities, which are vital in preventing the spread of disease; we can also provide food, shelter and essential equipment to people whose lives have been shattered by conflict or natural disaster. When an initial crisis is over, Oxfam stays to support people as they rebuild their lives. We work with vulnerable communities to help them prepare for, and minimise the impact of, natural disasters.

- **Development.** Working with local partner organisations, we empower people to work their own way out of poverty. For example, Oxfam provides support, training and funding to enable people to earn a better and more secure living. We also enable communities to overcome obstacles to prosperity – such as a lack of education and health care, and the effects of climate change. Oxfam also helps people to work together so they can campaign locally and nationally for their rights – including the right to a fair price for their goods, to a life free from domestic violence, and to basic public services.
- **Campaigning.** Oxfam's campaigns tackle the underlying policies and practices which create and sustain poverty. The focus of our campaigning is currently climate change, because it is hitting the world's poorest people first and hardest. As well as this, our *For All* campaign is pressing for better health, education, and water and sanitation services in developing countries. Our work in emergencies informs our constant lobbying for more and better aid, and for the protection of civilians during conflict. ■

Total net income for charitable application in 2010

£242.6 million

Our aims

To overcome poverty and suffering, we work to ensure that the rights of women and men are fulfilled and protected. All our work focuses on people's basic rights and falls within five aims.



The right to a sustainable livelihood.

We are working for a world in which every person has a secure income and supply of food, and has the opportunity to earn a living in decent working conditions. Climate change is already threatening livelihoods, so we're helping people to prepare and adapt.

Charitable Expenditure¹

20%



The right to life and security. We believe everyone has a fundamental right to a life free from fear and danger. We respond to emergencies – such as the earthquake in Haiti in January 2010 – by working to save and protect people's lives when conflict or natural disaster strikes.

Charitable Expenditure

42%



The right to basic services. Health care, education, clean water and sanitation are basic rights to which every person is entitled. But millions of people are still denied these rights. We lobby at a national and global level for state investment in health care and education.

Charitable Expenditure

9%



The right to be heard. Oxfam enables people to speak out together, so that their views are heard and taken into account. This means raising people's awareness of their rights and helping them lobby their government and other decision-makers.

Charitable Expenditure

8%



The right to equity: gender and diversity. Oxfam works to overcome discrimination and inequality – major causes of poverty. In particular, in a world where more than two-thirds of those living in poverty are women, we aim to encourage women's participation in all aspects of society.

Charitable Expenditure

11%

¹ Percentage shown relates to total charitable expenditure of £219.4m (see page 40 for further details)

Message from the Chair

In any year, there is usually one theme or event which stands out for Oxfam. This year, while we continued to monitor and respond to the fallout from the global recession, our focus also remained on climate change.

2009/10 involved a huge, continuing effort on the part of Oxfam and our allies to raise public awareness of the reality of climate change, and to persuade our global leaders that the Copenhagen summit in December was the time and place to commit to a fair, ambitious and binding global treaty to reduce carbon emissions. It will be remembered as the year when the world united to shout for decisive progress on climate change, and when the urgency and precariousness of the situation genuinely became headline news.

In the lead-up to the summit, a staggering 1.5m people in 35 countries attended climate hearings organised by Oxfam and our partners (see page 9). Their collected testimonies were brought to the attention of local and national leaders, and finally to world leaders at the summit. Despite initial procrastination (and thanks in no small part to pressure from ordinary people), 119 world leaders eventually attended Copenhagen – more than any summit in the history of the UN.

But there is no denying that Copenhagen was a disappointment. Two weeks of intense negotiations ended with the 'Copenhagen Accord', which is essentially an agreement to keep talking. Governments did commit to spending \$100bn on adaption and mitigation, which is an important step. But this historic opportunity to build a better future for all of us was missed. Now the challenge for us is to maintain and build on the global momentum which Oxfam campaigners and supporters helped to create, until a binding global treaty is reached.

Haiti earthquake response

Just weeks after the doors closed on the failed summit, the world's attention turned to the appalling human suffering following the earthquake in Haiti. In years of responding to disasters, the destruction and the logistical challenges caused by this earthquake were among the worst we've encountered. Oxfam's Haiti response (coordinated from a makeshift office in a battered hut after our Port-au-Prince office was destroyed) has been a story of obstacles overcome. In the toughest of conditions, and in spite of devastating personal bereavement and loss, our Haiti team worked

tirelessly to help survivors in the first days, before the huge-scale relief effort got under way. As with the Asian Tsunami almost exactly five years before, public support for the Haiti disaster was overwhelmingly generous. You can read in this report how, thanks to this support, Oxfam has helped hundreds of thousands of people who lost everything to cope in the days, weeks and months following the disaster (page 15).

“ I'm very proud to be part of an organisation that is made up of people from all over the world who have such different backgrounds and life experiences, but who share this common goal. ”

Not just aid... but control

It isn't just disasters in themselves which create suffering; it's people's vulnerability to disasters – their poverty and marginalisation – which puts them into positions where they cannot cope. Whether campaigning on climate change in Copenhagen or responding to the humanitarian crisis in Haiti, at the core of Oxfam's work lies a commitment to enable people to become less vulnerable and to gain control over decisions and forces which affect their lives.

This is seen clearly in our long-term development work too: while a project might concentrate on improving water and sanitation, education, health care or livelihoods, at its heart is our commitment to empowering women and to ensuring poor people are heard. Poverty can only end when decision-makers listen to poor people and take their needs into account, and when women have equal representation in political and economic life. You can read in this report how, with Oxfam's support, women and indigenous groups in Bolivia have successfully lobbied for policies which will make a big difference to their lives (page 23), and how in 17 countries we are helping women to overcome their exclusion from political, social and economic life (page 25). By shifting the power

¹ In our efforts to improve our accountability to our stakeholders, we strive to produce accurate figures as part of our reporting. At the same time, we recognise the difficulty in measuring these, presented by the breadth and depth of our work. All figures given in this report are taken from our own monitoring systems.



Photo: Andy Hall

John Gaventa (right) speaks with Oxfam activist Pushpanath Krishnamurthy.

imbalance between rich and poor people, and between men and women, we can make the biggest possible impact on poverty with our limited resources.

We are working to increase our impact at another level too: this year, a giant step was taken as the 14 Oxfams which make up the Oxfam International confederation agreed to work much more closely together in the countries where we are present. This will involve working to a single management structure, as one Oxfam. It will increase our influence and effectiveness in global campaigns, advocacy, development programmes and humanitarian response, and will lead to greater coherence, cost-efficiency, and agility. Ultimately, it will help us to make the greatest possible, long-term impact on the lives of women and men in poverty.

I'm very proud to be part of an organisation that is made up of people from all over the world who have such different backgrounds and life experiences, but who share this common goal. I'd like to take this opportunity to say thank you: to the volunteers who raise valuable money and are the public face of Oxfam in the UK; to the tireless campaigners who believe change can happen; to the many donors and fundraisers whose contributions enable us to get funds where they are needed, fast; to the staff all over the world who make many and varied contributions through their day-to-day work; and to my fellow Trustees and Association members who give generously of their time to help to ensure that Oxfam is governed effectively. I thank every one of you for all that you do for Oxfam, and for your contribution to the life-changing work that you can read about in this report.

John Gaventa
Chair of Oxfam ■

Our work reached

17 million¹

people living in poverty
in 64 countries

**Our funds available for
charitable expenditure
increased by**

8%

from 2008/09

An estimated

12 million

campaigners globally
took action with Oxfam
and our affiliates

**We gave financial
support to**

1,021

partner organisations
around the world

Everyone has the right to a

Sustainable livelihood

Oxfam wants a world where everyone has a secure source of food and income, and can earn a living in decent working conditions. Over recent years, we have placed a particular emphasis on climate change, which is threatening livelihoods across the world. We are also establishing links with the private sector to help poor farmers exploit market opportunities and increase their income.



Photo: Dan Chung

Building a fishing boat on the river banks of Char Atra, Bangladesh, where Oxfam is helping people to prepare for deeper and longer-lasting floods.

Corporate Objective:**Work with others to campaign on climate change**

Specifically, to influence the UN negotiations in Copenhagen in December 2009 to agree a fair and ambitious deal. The deal should guarantee that temperature rise is kept below 2°C, and provide support for developing countries to adapt to climate change while sustaining growth with equity.

What we planned

Work with allies to mobilise hundreds of thousands of people in the UK and key Southern countries, using traditional and digital campaigning tactics.



Oxfam campaigners gather at *The Wave* in London, December 2009.

What we did**Building public pressure**

In the build-up to the UN climate talks in Copenhagen, Oxfam encouraged people in the UK and across the world to highlight the human impact of climate change:

- In Copenhagen itself, Oxfam played a lead role in a rally involving over 100,000 people.
- Over 1.5 million people in 35 countries attended Climate Hearings organised by Oxfam and our partners (page 9).

- In London and Glasgow, nearly 60,000 people joined *The Wave* – the biggest climate change march in history – with representatives from the London march invited to speak with then Prime Minister Gordon Brown.
- Oxfam was an active member of the Global Campaign for Climate Action and the associated *TckTckTck* campaign which attracted over 15 million supporters worldwide. A *TckTckTck* global day of action involved over 4,000 events in more than 140 countries, highlighting public demand for a 'real deal'.
- We were able to raise awareness of the human impact of climate change through traditional and digital media, including all major broadcasters, and achieved coverage in China, the US, Europe and developing countries.

“ The Wave was an ideal opportunity to work with our long-term partner, Oxfam, and the Stop Climate Chaos Coalition, to mobilise our members to call for a safe and fair global deal at Copenhagen. We chartered three trains and 50 coaches from 30 locations across the UK to bring thousands of our members and Oxfam supporters to London. ”

Hannah Newcomb, International Development Adviser, The Co-operative

This work was successful in building public pressure, but ultimately it was not enough to force the hand of powerful countries to make a fair, ambitious and binding deal in Copenhagen. ▶

Sustainable livelihood continued

Lobbying the private sector

Throughout 2009/10, UK businesses came together to push for carbon reductions, working with Oxfam and led by the Prince of Wales' Corporate Leaders' Group on Climate Change. Through this, we collaborated closely with companies including Royal Mail, the National Grid, the Co-operative and Marks & Spencer. In July 2009, Oxfam and three UK company heads urged the UK Prime Minister to take action on climate change at the G8 meeting. In June 2009, a range of businesses wrote a letter to Ed Miliband, the then Secretary of State for Energy and Climate Change, who responded by saying the private sector "can be enormously helpful in building political conditions for a deal – both in the UK and overseas". The work

culminated in a Copenhagen communiqué, signed by over 500 business leaders, demanding an "ambitious, robust and equitable" global climate change deal.

Campaign success

As part of Oxfam's action on climate change, over 5,000 Oxfam campaigners pressured the UK energy company E.ON to scrap plans for a new coal-fired power station at Kingsnorth. Publicly, E.ON claimed the decision was due to market conditions, but we believe our combined public and political pressure was an important factor in the outcome. Oxfam's Campaigns Director, Thomas Schultz-Jagow, noted it had come after "thousands of campaigners raised the alarm about this proposal". The power station would have emitted six million tonnes of CO² annually.



Protestors gather to form a human chain around the perimeter of Kingsnorth coal-fired power station, owned by E.ON.

Photo: Justin Sutcliffe



Photo: Jens Astrup

Archbishop Desmond Tutu calls for action at the Copenhagen Climate Hearing.



Photo: Oxfam

Farmers and fishermen gather on their boats for a Climate Hearing in Bangladesh.



Photo: Jens Astrup

Climate witnesses from Bangladesh demand action at the International Climate Hearing in Copenhagen.



Photo: Oxfam

Luz Mariana Kjimo shares her experiences at a Climate Hearing in Peru.

What we planned

Support key emerging economies and developing countries to build and use demonstrable national civil society outrage to effectively negotiate at the UN negotiations.

What we did

Climate Hearings

During the year, over 1.5 million people in 35 countries attended Climate Hearings organised by Oxfam and our partners. Through this project, Oxfam was able to bring the voices of vulnerable people and those living in poverty directly to global policy environments. Pan-African and South African parliamentarians attended a hearing in Cape Town, while a pan-Asian hearing in Bangkok trialled a tribunal-style approach.

Country representatives known as 'climate witnesses' then travelled to the Copenhagen talks to attend a global hearing event attended by Archbishop Desmond Tutu. One of these witnesses, Constance from Uganda, stood up in front of the world's media and

said: "I'm here to tell world leaders that we want our seasons back. Children and old people are dying." Together, the climate witnesses delivered a 'people's verdict' on the need for action on climate change. ▶

“ Along with the PM, my colleague Ed Miliband, and the rest of the government, we are hearing the clear voice of people around this country, and around the world – including the 1.5 million who have attended Climate Hearings – who want us to fight for an ambitious deal that works for the world's poorest people. ”

Douglas Alexander, then Secretary of State for International Development

Sustainable livelihood continued



Oxfam activists take part in a march in Copenhagen on the last day of the summit.

Photo: Robert van Waarden

Copenhagen: Oxfam's influence

In December 2009, world leaders gathered to negotiate a new global climate deal in Copenhagen. What was needed was an historic, legally binding deal to ensure carbon emissions peak by 2015, keeping global temperature rise below 2°C. What was agreed instead was the 'Copenhagen Accord', which contained no binding commitment on emissions cuts, no commitment to supporting developing countries, and no clear plan for future talks. The weak agreement was pushed through by the US, but also China and India, pointing to a change in international power dynamics which could potentially further exclude people living in poverty. This gives our work in 2010/11 renewed focus and purpose.

Despite the disappointment, Oxfam was still able to exert influence on proceedings and bring the voices of civil society to the talks:

- The Oxfam lobby team contained staff from across the world including Brazil, India, South Africa, Mexico and the US. Six staff were on the official delegations of their countries, including the Philippines, Bangladesh, Malawi and Mali. We also supported the participation of ten partner organisations from vulnerable countries.
- Before and during Copenhagen, we provided support to developing country governments and civil society groups, including the Pan Africa Justice Alliance and African parliamentarians, and provided media expertise to representatives from Lesotho.
- By supporting five country delegations, we put the human impact of climate change on the political agenda. While our campaigning contributed more to the climate change policies of Southern governments

than their Northern counterparts, we contributed to political debates, agendas, policies and legislation at all levels. One example was the section of the Copenhagen Accord dealing with adaptation financing for the most vulnerable countries. As an independent evaluation report on Oxfam's climate change campaign¹ stated, this came "directly from the Bangladesh delegation. This demand was picked up by the government of Bangladesh at the MVC Civil Society Conference organised by Oxfam and the Campaign for Sustainable Rural Livelihoods."

- Oxfam also helped to place climate finance on the EU agenda. We played a key role in highlighting climate financing in newspapers, and our research and lobbying helped to make a case for adaptation financing.² The evaluation report stated: "At UK, EU, and UNFCCC (United Nations Framework Convention on Climate Change) level, Oxfam's work around adaptation financing contributed to the formulation of concrete numbers by various actors (such as the World Bank and UNFCCC), which is likely to have influenced the debate and, potentially, concrete financing proposals."
- Our report, *Bolivia: Climate Change, Poverty and Adaptation*³ was launched at a UNFCCC event and helped to put climate change on the public, policy and media agenda in Bolivia. In December 2009, Oxfam launched another research report on how people in poverty in Haiti are experiencing climate change.⁴

In 2010/11 we will continue to campaign for a fair deal, with finance provided to poor countries so they can adapt to climate change. For examples of how we are already helping communities to adapt, see pages 18–19.

¹ Evaluation of Oxfam GB's Climate Change Campaign, Leitmotiv, 31 March 2010 ² For campaign reports and policy papers, see www.oxfam.org.uk/resources

³ See: www.oxfam.org.uk/resources/policy/climate_change/climate-change-poverty-bolivia.html ⁴ See *Haiti: A Gathering Storm*, www.oxfam.org.uk/resources/policy/climate_change/climate-change-poverty-haiti.html

Corporate Objective:

Improve food security and agriculture programmes

What we planned

Increase our engagement with the private sector, to increase profit and power for small-scale producers in national and global supply chains.

What we did

The Enterprise Development Programme

Oxfam's Enterprise Development Programme (EDP) links business-minded philanthropists in the UK with promising social enterprises that we already support. As promised, in 2009/10 we expanded the EDP from seven to eleven countries, and we now have links with enterprises in St Lucia, Indonesia, the occupied Palestinian Territories, Liberia, Russia, Haiti, Tanzania, Ethiopia, Honduras, Sri Lanka and Colombia.

New projects included helping women dairy farmers in Sri Lanka to maximise income from local markets; and supporting vegetable oil producers in Ethiopia, and sisal farmers in Tanzania, to sell to regional and global suppliers. We have worked in partnership with the private sector to bring in a rigorous business approach to the projects, with EDP donors and global business experts closely involved in overseeing the programme.

Since the start of the project, we have raised £3m and committed £1.5m to innovative projects that help poor farmers work their way out of poverty. Over the next three years, our aim is to have invested in a total of 30 predominantly rural enterprises, 15 of which will have become independent, viable businesses.

We continued to build and develop other private sector links in 2009/10:

- We are working with multinational company Unilever to help small-scale farmers in Azerbaijan provide dried vegetables for food products.
- We have partnered with Sysco, the US food supplier, to help women vegetable growers in a remote community in Guatemala provide frozen vegetables to the US market.

What we planned

Support local, regional and national governments and companies to deliver programmes and policies which support women's and men's smallholder production, taking into account the global recession and need for climate change adaptation.

What we did

In 2009/10 we produced a new worldwide strategy for our livelihoods work. The strategy recognises that climate change, and other risks such as the global recession, are critical challenges which need to be taken into account when planning our work. Between 2010 and 2015, we will devote particular attention to vulnerable people at risk of climate-related shocks and trends, and other abrupt changes to their livelihoods.

“The effects of climate change are a present reality in Ethiopia. Oxfam's work with local partners and farming families is helping to ensure that the poorest people are less vulnerable to the risk of drought and food shortages. As well as providing immediate relief to the most-affected people, Oxfam's projects help to create sustainable livelihoods and ensure long-term access to food and clean water.”

Joe Cannon, Charity Correspondent for the Band Aid Trust

Our Global Agricultural Scale-up programme continued to support major agricultural projects for smallholder producers in Ethiopia, Honduras and Tanzania. Last year, we helped producers to set up several hundred new business groups. These included 74 sisal farmer groups in Tanzania and 203 groups in Ethiopia's organic coffee sector.

The positive impact of this work has been far-reaching. For example, links with the private sector have helped to double the profit margins of 4,500 coffee farmers in Oromia, Ethiopia. Beekeepers in Amhara, also in Ethiopia, have quadrupled yields and increased profits by 30–40 per cent as a result of improved techniques.

We focused on increasing women's participation – for example, community banking groups in Honduras now have 42 per cent female membership. In partnership with the Royal Tropical Institute and the Bill & Melinda Gates Foundation, we researched women's collective action in agricultural markets. This will contribute to Oxfam and others' understanding of the most effective ways to support rural women producers. ■

Everyone has the right to

Life and security

Oxfam provides assistance and protection to ordinary men, women and children caught up in conflict or natural disasters. We are the world's leading agency in the provision of water, sanitation and hygiene promotion. We also lobby governments and the international community to live up to their responsibilities to protect civilians.



Photo: Ivan Muñoz

Cleaning up Tapis Rouge camp following the earthquake in Port-au-Prince, Haiti, as part of an Oxfam-supported 'cash for work' programme.

Corporate Objective:

Improve disaster preparedness and response

What we planned

Increase the quantity and quality of humanitarian assistance in emergencies through the growth of our own capacity and that of partner organisations, and respond according to our commitments.

What we did

In 2009/10, we provided humanitarian assistance to approximately 4,820,000 people, and we responded to more than 40 emergencies in 32 countries. The detailed examples in this section highlight our improved preparedness and links with partners, as well as the challenges we continue to face. We're also working in places such as the Democratic Republic of Congo, Somalia and Chad, where ongoing conflict is keeping people homeless and without basic services and supplies. And we continue to respond to chronic food shortages across East Africa, caused by a complex mix of poor rains, under-investment in agriculture and conflict over resources.

Conflict in Sri Lanka, May 2009

The start of the financial year saw thousands of people trapped behind rebel lines in the north of the country, while fierce fighting continued between government forces and the Liberation Tigers of Tamil Eelam (LTTE). As the bloody conflict ended, people poured out into a group of welfare centres and camps clustered around Manik Farm, in the northern town of Vavuniya. These camps eventually formed a 'city' of approximately 250,000 people.

Throughout the year, we provided safe water and sanitation facilities and promoted good hygiene practices to roughly 80,000 people. As the camps are vulnerable to monsoon rains, we worked with volunteers to construct surface drainage and carry out latrine maintenance. We also distributed 20,000 rainy-season kits – consisting of umbrellas and plastic storage buckets.

Much of our work focused on negotiating with the Sri Lankan government to make more sites available, and to allow people to leave the camps and return home. In the year ahead, we hope to support these people through local partner organisations.

Conflict in Pakistan, May 2009

A military campaign by the Pakistani government against Taliban forces in the Swat Valley, North West Frontier Province, forced over two million people to flee their homes. Where people could, they moved in with friends and relatives – so-called 'host families' – while thousands more crowded into camps.



Photo: Oxfam

Children wash their plates at an Oxfam water point in the Swat Valley, Pakistan.

The political nature of the conflict led to considerable funding constraints, but we were still able to support nearly 300,000 people. Giving people the help they needed was also very challenging because people were so dispersed. To help with this, we combined door-to-door visits to host families with large-scale operations in the camps themselves. We also lobbied British and EU governments and institutions to make funding available.

For displaced people we prioritised the provision of clean water, sanitation and shelter, especially in host communities, and at small camps and schools. For example, 181 community health volunteers, half of them women, have been recruited and trained in safe hygiene practices. They in turn have passed these messages on to over 30,000 people.

As the conflict moved into new areas, some people started to move back home. Insecurity means we cannot actually work in the areas people are returning to, but we supported the return process by giving 15,000 families seeds and tools to help them restart farming activities. In addition, we gave cash to 8,000 of the most vulnerable families, to help them buy the basic items they need to re-establish their lives. ▶

Life and security continued

We continued to call on all sides in the conflict to take special care to avoid harming civilians, and to allow humanitarian workers safe access.

Conflict in Yemen, August 2009

Fighting between Yemeni government forces and Al Houthi groups began to escalate in Sa'ada and Amran provinces, displacing tens of thousands of people. Insecurity prevented us from working in Sa'ada, but by mid-September we had begun work in Amran, in camps selected by the government.

In close collaboration with UNICEF, the only other agency operational in the area, we dug hundreds of latrines, distributed essential items, installed waste bins, and carried out hygiene-promotion campaigns. By the end of the year, with no sign of a peace settlement, the government opened further camps in Amran, where we expanded our sanitation and hygiene-promotion activities as well as installing water tanks.



Community members receive bins to help keep their temporary homes clean and safe in Al Mazarakh camp, northern Yemen.

Photo: Moso Dahab

Typhoon Ketsana in south-east Asia, September 2009

Tropical storm, Ketsana, swept across south-east Asia at the end of September 2009, causing widespread flooding and damage to homes and crops in the Philippines, Vietnam, Laos and Cambodia. By 2 October 2009, our local teams had mounted emergency responses in the Philippines, Vietnam and Cambodia, and re-routed contingency stocks of hygiene kits, shelter materials and water filters to where they were needed most.

We distributed hygiene kits – and other basic items according to local needs – to around 25,000 people in Cambodia, 40,000 in Vietnam, and 90,000 in the Philippines. We also provided clean water and sanitation, and gave cash grants to help the most vulnerable people to meet their basic needs, and to kick-start people's livelihoods.

Needs were greatest in the Philippines, though the size and speed of our response was limited by the lack of experienced staff already in-country. In the Philippines and Vietnam, we moved from disaster response to disaster risk reduction activities, in order to support vulnerable people and local authorities in their planning and preparation for future disasters.



Photo: Laura Eldon

Following the earthquake in Sumatra, Indonesia, children play a game of snakes and ladders which teaches them about safe hygiene.

Earthquake in Indonesia, September 2009

In late September 2009, a very powerful earthquake struck southern Sumatra, including the city of Padang and the surrounding villages. Our response highlights the importance of establishing connections with partner organisations and building their capacity.

In the early days, Padang was cut off from the outside world. However, we had strong links with three local organisations, and had already provided them with emergency supplies. Because of this, they were able to distribute tarpaulins and clothing as soon as the earthquake hit, and to assess wider needs. By the time experienced Oxfam staff arrived from Jakarta, much of the groundwork had been done.

The Oxfam staff augmented the efforts of the local partners, expanding the distributions with installations of water-treatment plants, rainwater-harvesting systems, bathing facilities and latrines. We also gave people cash grants to bridge a gap before a government compensation package was made available. This was a short-term response and, after supporting approximately 150,000 people, we closed our local office in February 2010. ▶

Earthquake in Haiti, January 2010



Photo: Ivan Muñoz

Local women clean the streets of their camp in Port-au-Prince, as part of an Oxfam-supported 'cash for work' scheme.

On 12 January 2010, a huge earthquake hit the area around Haiti's capital, Port-au-Prince. Much of the city was destroyed, killing hundreds of thousands of people and leaving about a million more homeless and in urgent need of support. The scale of the disaster, combined with its location in a crowded urban centre and a weak Haitian government, presented us with our biggest challenge of the year. It forced us to seek new and creative ways to meet the massive needs of the Haitian people.

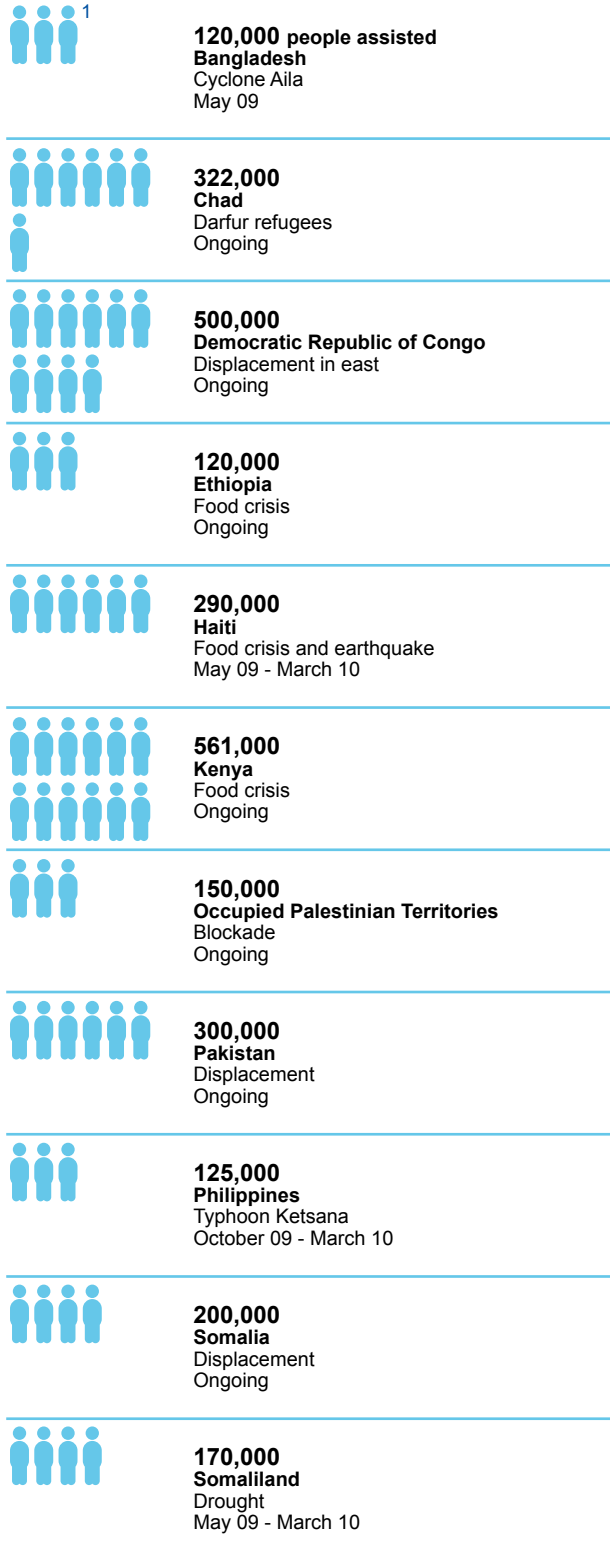
While we had a sizeable ongoing programme in Haiti, two of our staff were killed, one of our offices was badly damaged, and many staff lost relatives, friends and homes. However, within the first week we had accessed our local warehouses and distributed plastic sheeting and tools to people on the streets, and set up two portable water tanks. Over the following weeks, we supplemented this by providing essential clean water and sanitation, as well as clean-up equipment sourced locally and from the UK. While Haiti's airport was closed, we flew in our materials and support via neighbouring Santo Domingo.

Our fundraising efforts, and the spontaneous reaction of the UK public, gave us almost unequalled funds – the equivalent of £8.9m – for responding to this disaster. By the end of March, we were helping 180,000 people in a congested capital city, where installing adequate emergency shelters and large-scale sanitation facilities has been an immense challenge. Despite this, the funds available to us have allowed us to innovate. For example, we have worked closely with specialist engineering companies such as Arup to assess buildings for safety and clear vast amounts of rubble. The wet season brings huge challenges for the provision of water and sanitation, so we have been experimenting with new sanitation systems using biodegradable technology.

In 2010/11, our plan is to help Haitians out of this emergency phase into longer-term recovery so they can rebuild their lives – we expect this to take several years. In addition, we are using our experiences of this response to improve our understanding of the specific challenges posed by urban settings – including issues of land ownership, lack of space, and working with damaged infrastructure.

Life and security continued

Oxfam emergency response 2009/10



Other responses reached 2,070,000 people

Source: Oxfam Programme Indicators

Improving our humanitarian assistance

As well as responding to emergencies, we have been developing our structures, systems and processes to enable us to increase the quality and quantity of our humanitarian assistance.

Building capacity

We continued to develop our capability to respond to emergency situations across the world. For example, in Southern Africa, a major restructure of both the country offices and the regional centre resulted in an increase in our capacity to respond to humanitarian situations.

All countries now have a Humanitarian Programme Coordinator tasked with preparing for disaster, disaster risk reduction and implementing humanitarian response. The regional centre also developed its 40-strong elite Emergency Response Team (ERT), which responded to food shortages, floods, and outbreaks of cholera in Malawi, Mozambique and Zimbabwe.

Team members specialise in various areas, including water and sanitation, food insecurity, logistics and project management. This year, the inclusion of additional expertise in advocacy, human resources, gender, HIV and AIDS, and finance has enabled the team to provide a range of functions. For example, even if an Oxfam Country Office used all its staff to undertake an emergency response, the ERT has the capability to keep the main administrative and financial functions of the office running.

In 2010/11, the ERT will expand again to include the staff of other Oxfam affiliates, partner organisations and institutions, and a wider set of stakeholders. The inclusion of external participants will increase the number of trained humanitarian workers available within the region.

“ We’re extremely proud to continue supporting Oxfam 365, which enables Oxfam to respond to emergencies worldwide within hours. This was particularly crucial this year with the devastating earthquake in Haiti. We’re proud to be a part of the response, which demonstrates our global commitment to social responsibility. ”

Marie Sigsworth,
Group Corporate Responsibility Director,
Aviva plc

¹ Each person illustrated represents 50,000 people (figures rounded up where appropriate)



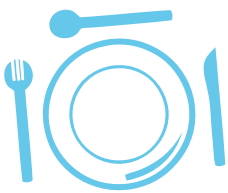
Number of people receiving livestock²

140,000



Number of people receiving shelter

435,000



Number of people receiving food assistance

1,000,000



Number of people receiving cash grants

740,000

Source: Oxfam Programme Indicators

Increasing the quality of humanitarian planning

In 2009/10, we rolled out a new software tool and way of working known as Helios. Ultimately, this system will help us save lives. It means we can deliver the right supplies, in the appropriate amount, at the best cost, on time, to the people who need it most. It will provide a real-time overview of what we have, where we have it and how efficiently we can move it elsewhere. It means we can get materials like water tanks, latrines and school supplies to remote and isolated places in a timely, cost-effective manner. It also saves us substantial amounts of money, and is good for the environment – better planning means we can send more stock via sea routes, for example, rather than relying on costly and carbon-heavy airfreight.

We are building a team of trainers and experts to implement Helios around the world, starting in Pakistan and Indonesia and their respective regional centres, and expanding to the Horn of Africa. We are also introducing it in Haiti at the request of the country and regional staff.

Humanitarian access

Recent years have seen increased attacks on aid workers, a proliferation of actors engaging in humanitarian assistance, and a rise in hostility of some governments to aid organisations. In response, we carried out a large piece of research in 2009/10, which focused on the problem of reaching vulnerable people in humanitarian situations. We spoke to people affected by crises, local authorities, media, and religious leaders in Pakistan, Afghanistan, Somalia and Yemen.

In short, this will fundamentally change the way we operate in humanitarian situations. The research and our wider learning already shows that we will need to be more flexible and considered in the way we work, depending

on local conditions, ease of access, and the capability of our partners. In situations where access is difficult, we will need to work solely through partners, helping them to grow to meet the demands. In 2010/11, we plan to broaden the research by looking at Sri Lanka, Zimbabwe and the Democratic Republic of Congo. ►

FACT:

8 million

People received support with water, sanitation and housing.

² Total number of people receiving livestock via both our emergency work and long-term development programmes

Life and security continued



Doan Minh Cuong directs a disaster-training exercise supported by Oxfam in Hai Lang district, central Vietnam.

What we planned

Ensure the increased vulnerability of women and men as a result of climate change and the global recession is taken into account.

What we did

In 2009/10, we carried out extensive research into the impact of the global recession on women – see page 27 for further detail. We also continued to help poor communities to adapt their livelihoods and homes to the effects of climate change:

- We now work on disaster risk reduction with communities and governments in 31 countries – exceeding our target of 21 countries.
- Examples of our work in 2009/10 include: helping flood-prone communities in Vietnam prepare for floods; implementing early warning systems for villagers affected by hurricanes in Haiti; and establishing new irrigation schemes for farmers hit by drought in Zimbabwe.
- We furthered our understanding of the impact of climate change on people in poverty through a number of research reports focused on several countries including Haiti, Bolivia and Tajikistan.¹
- On the basis of a pilot project in Pakistan, the Ministry of Environment in Pakistan has requested

Oxfam's input into a large-scale adaptation scheme in coastal areas.

- The government of Nepal requested that Oxfam be involved in reviewing its National Adaptation Programmes of Action (NAPA), a UN process that helps Least Developed Countries (LDCs) identify their adaptation priorities and activities.

Preparing for disaster in Vietnam

Hai Lang is a low-lying district in central Vietnam, and is vulnerable to increasingly unpredictable floods and storms which are destroying homes, crops and lives.² With support from Oxfam, Doan Minh Cuong, Chairman of the Red Cross for Hai Lang district, is helping to minimise losses by training his community in flood rescue, first aid, and strengthening homes.

"In recent years the weather in Hai Lang has become unpredictable," he says. "We always had yearly flooding but now the floods come early. The last flood came in September; the last time it came so early was 40 years ago. There's also more rain and more floods in any single year. We've started to inform people about the changing weather so they can prepare differently, getting ready earlier than they used to. It's all becoming more complicated. We inform people of these changes so that they can be aware and adapt."

¹ Reports and policy papers at www.oxfam.org.uk/resources ² Vietnam: *Climate Change, Adaption and Poor People*, November 2008



Photo: Mark Chilvers

Farmers use a canoe to cross the water surrounding the *camellones* in Beni, Bolivia.

Reviving ancient farming techniques in Bolivia

With support from Oxfam, flood-prone communities in the Bolivian region of Beni have looked to the past for ways to adapt to the changing climate and to secure their food supply.

Last used around 3,000 years ago, *camellones*, or 'camel humps', are raised, man-made platforms of farmland surrounded by water. The relationship between the water and the raised land improves the soil quality, resulting in a better quality, longer-term supply of food. And because the land is raised, crops are protected during floods – an enormous benefit in an area where flooding in 2007 and 2008 devastated food supplies, and forced thousands of families from their homes for up to three months.

"Responding to disasters inevitably diverts attention and resources away from our core work," explains Simon Ticehurst, Oxfam's Country Director in Bolivia. "We quickly realised that one of the major advantages of the *camellones* project is that it focuses on mitigating against disaster, rather than simply taking action when a disaster occurs." ■

“ The Tolkien Trust recognises that Oxfam is one of the world's leading specialists when it comes to responding to emergencies, hence our support of its East Africa Food Crisis appeal, which is providing aid to more than 750,000 people across the region through a variety of projects. ”

Tolkien Trust

Everyone has the right to **Basic services**

During 2009/10 Oxfam continued to support health and education projects across the world, and helped poor communities speak out and demand the basic services they are entitled to. We continued our *For All* campaign work, lobbying national and global leaders for state investment in basic services.



A pregnant woman receives attention at a hospital in Accra, Ghana. More and more women in Ghana now have access to free health care.

Providing child-centred education in Vietnam

In Lao Cai, a remote province in the north of Vietnam, many families don't consider education a priority – particularly for girls. The majority of people are from ethnic minority groups, which have the lowest levels of school enrolment. This is due to school costs, language barriers, and poor and outdated teaching methods.

Oxfam is helping to overcome some of these obstacles by training local teachers in child-centred teaching methods. These focus on the different learning needs of children who often have little experience of formal educational environments. We are also demonstrating to the government simple but effective methods that ensure ethnic minority children – especially girls – do not drop out of school. As a result, the quality of education in this province has improved. In September 2009, the Ministry of Education and Training in Vietnam agreed to introduce child-centred training models to teacher training institutions across the country. Once this has been implemented, it will benefit teachers and students in 18,000 schools throughout Vietnam.



Baby Dzao and his mother wait outside school for his two sisters in Lao Cai, north Vietnam.

Photo: Nguyen Thi Hoang Yen

Expanding access to health services for poor people

Clearly, the realisation of the right to good health for millions of people in poor countries depends upon a significant increase in health services. In previous years, international donors have promoted an expansion of private sector health care to deliver this increase. However, at the start of the year, an Oxfam research paper entitled *Blind Optimism: Challenging the myths about private health care in poor countries*,¹ argued that this focus is extremely unlikely to deliver adequate health services for poor people.



Photo: Oxfam

Pregnant women handing in messages about maternal health care to the then Prime Minister, Gordon Brown.

We maintain that governments and rich-country donors must strengthen state capacities to expand free, publicly provided health care, a proven way to save millions of lives worldwide. At the UN summit in September 2009, the governments of Nepal, Malawi, Ghana, Liberia, Burundi and Sierra Leone announced that they would expand popular access to health services, giving at least ten million more people free health care for the first time. To fund this, leaders at the summit agreed a huge global financing deal – the UK government alone pledged £250m as part of £600m of new commitments.

This was the fruit of a sustained period of campaigning and pressure from Oxfam. In the lead-up to the summit, we helped poor communities in Ghana, Malawi and Nepal to discuss this issue with their governments. We also arranged for lobbying letters from former UN Secretary General Kofi Annan and Archbishop Desmond Tutu to be handed to key governments, and organised a visit of pregnant mothers to 10 Downing Street to highlight the issue of maternal mortality (pictured). In September 2009, we published the lobby paper *Your Money or Your Life*² which outlined the changes needed at this summit. ■

“ Oxfam's education programme in Vietnam is dramatically improving the quality of education for girls and marginalised groups. During our project visit to Lao Cai, we saw real changes in the education environment and new opportunities for the future given to children from ethnic minorities. Everyone involved in the project, from teachers, students and parents, to the government officers in Lao Cai, now believes a positive future is possible for every child in Vietnam. ”

Hyunyi Hwang from Beautiful Store, a South Korean NGO which helps to fund this project.

¹ See: www.oxfam.org.uk/resources/policy/health/bp125_blind_optimism.html ² See: www.oxfam.org.uk/resources/policy/health/your-money-or-your-life.html

Everyone has the right to **Be heard**

Oxfam's experience has shown us that a major symptom – and cause – of poverty is powerlessness: a lack of opportunity to change things for the better. If people living in poverty are not included in decision-making, their needs and interests are not taken into account, and so the cycle of poverty continues. Ensuring that these people are heard by those in power is therefore central to Oxfam's approach to tackling poverty.



Local women take notes in preparation for a Climate Hearing in Uganda.

Oxfam enables women and men in poverty to engage with decision-makers and to have a say in the decisions that affect them. As an organisation, we ensure that poor communities are fully involved in the design and delivery of our humanitarian and long-term development work. And through our international lobbying we bring the voices of these people into the debate with political leaders and decision-makers. A recent example of this is Oxfam's Climate Hearings which brought the testimony of more than 1.5 million people in 35 countries to the attention of world leaders at the Copenhagen climate change summit (see page 9).

Holding politicians to account, Malawi

Despite real progress in the health sector, lack of access to essential drugs in rural areas remains one of the major challenges in Malawi. Oxfam's *Medicines for All* campaign aims to put the issue at the top of the political agenda, and used the presidential and parliamentary

elections in May 2009 as an opportunity to influence policy-makers. During the run-up to the election, more than 14,000 members of the public attended *Medicines for All* events and over

100 aspiring candidates signed a campaign pledge. As a result, access to medicines became one of the top three issues discussed by politicians and the media in the weeks before the election.

While it is too soon to measure progress in terms of people's ability to get hold of medicines from their local clinics, *Medicines for All* has enabled women and men in poverty to get involved in local politics – and to hold their leaders to account. As one person put it to a politician at a public event in Mzimba: "We want to hear about health and not your degree. How are you going to get the drugs here?"

Tackling inequality, Bolivia

During the last decade, Bolivia has experienced a period of crisis and change – but also of opportunity, with the re-emergence of grassroots movements for social justice. Oxfam has been working to increase people's awareness of their rights, and has successfully involved poor women and indigenous people in the process of drafting Bolivia's new constitution. Our contribution can be identified in a number of areas:

- Key components of the new constitution – in particular, the chapter on Indigenous Peoples, Territories, and the Right to Housing – reflect proposals put forward by organisations that Oxfam has been working with.

- Oxfam has helped individuals from social movements representing women and people in poverty to emerge as political leaders.
- Our support for poor women's movements led to changes in the drafting of the constitution and to greater engagement between urban and indigenous women's organisations.

The government has also introduced policies aimed at reducing poverty and inequality, including cash transfers to families with children at primary school, to new mothers without medical insurance, and to low-income residents aged over 60. Oxfam is now working to ensure that these and other improvements are sustained and developed.



Volunteer DJ Tommy Macenroe presents his regular show on the Sunny Govan community radio station in Glasgow.

Photo: Andy Hall

For the people, by the people, Scotland

Oxfam supports the Sunny Govan community radio station which broadcasts from Govan in Glasgow. Now known across the city, 'Sunny G' plays a vital role in giving the people of Govan a say – sometimes directly to local politicians or decision-makers – about the issues affecting their community, such as drugs, anti-social behaviour or gang violence.

"Community radio is for the people, by the people, to the people," explains Sunny G's founder and manager, Heather McMillan. "It's about people being experts on their own experience, and actually being able to say that, through time, collectively, we may well become agents of change." ■

“ For us, Sunny Govan isn't really about the technical aspect of radio, or how good things sound. It's the fact that it's a true voice from the area discussing a local issue. People can identify with that. ”

Jim McMillan, outreach worker with the Oxfam-supported Sunny Govan community radio station.

FACT: We worked with
1,021
partner organisations
in 2009/10

Everyone has the right to

Equity

Oxfam's vision is that millions more women will gain power over their lives, overcome the barriers that keep them in poverty, and participate equally with men in all aspects of public and political life and decision-making. To achieve this, we need to challenge often deeply entrenched beliefs that women are fundamentally of less value than men, and to transform the unequal power relations which result from these beliefs.



Photo: Cristián Iglesias

'Mis derechos no se negocian' (my rights are not negotiable): Campaigning for the rights of women workers in Chile.

“ This law is the end of years of struggle and will benefit many women who have been victims of violence. Women are to be congratulated. This is a day of celebration. ”

Adozinda, leader of a women's organisation in Mozambique that supports women victims of violence.

Achieving women's empowerment is fundamental to every aspect of Oxfam's work. It is not just an issue of justice: the evidence is clear that when women are educated, and able to participate equally in economic and political life, whole communities – and nations – reap the benefits. By improving opportunities for women and tackling gender discrimination, we can make the biggest possible impact on poverty.

Women and the recession

Throughout 2009/10, Oxfam published a number of reports demonstrating how women are paying the price for the global economic crisis and recession in south-east Asia, Latin America, and across the European Union. These reports brought the particular – and disproportionate – effects of recession on women to the attention of decision-makers. They also enabled Oxfam and our allies to call for policy measures that will further women's equality in the long term, as well as ensuring that economic development works for women as well as men in the wake of the crisis.

Raising Her Voice

Oxfam's *Raising Her Voice* initiative was developed to promote the rights and capacity of poor women to engage effectively in governance at all levels,

by increasing women's influence and making institutions more accountable to women. Oxfam is now working with local partner organisations in 17 countries to influence public policy, decision-making and expenditure to fairly reflect the interests of poor women, and to overcome women's exclusion from political, social, and economic life. The global average for women's representation in national government is still only 18 per cent.

In Mozambique in September 2009, *Raising Her Voice* contributed to the approval of the Law on Domestic Violence. This success was the culmination of a series of events and activities, including engaging and strengthening women's organisations to lobby the government, and carrying out a large-scale media promotion to raise awareness and popular support for the campaign.

Raising Her Voice has met with similar successes in other countries, where the circumstances vary enormously but the discrimination and obstacles which women face are very similar. In the words of Lusine Avetyan, head of her village council in Armenia: “A lot of things have changed thanks to this project. Before, women did not approach the local authorities with their problems and requests. Now they are actively involved in the social and political life of the community. At the last community council elections, two of the six elected candidates were women. This is evidence of a change in people's attitudes towards women's participation in public decision-making and the role of women leaders.” ■

FACT: Globally

9 million

women benefited directly from our work



Photo: Susana Dewi R

Martina Tekege has her say at a *Raising Her Voice* training session for women's groups in Tipakotu village, Papua, Indonesia. As a result of the project, women are now more vocal at local meetings and public events. During religious festivals in August 2009, women led prayers for the very first time.

Supporting the programme

In 2009/10, we continued to monitor and respond to the global recession so that Oxfam emerges in a strong position. We have also focused on improving the way we work, to ensure we achieve the maximum impact on poverty.



Signing for a food voucher in Dadeldhura district, Nepal. In spring 2010, Oxfam funded the distribution of rice to 94 vulnerable households.

Corporate Objective:

Monitor and respond to the recession



Actor Bill Nighy starred in a video, produced by Richard Curtis, to promote the Robin Hood Tax.

What we planned

Ensure that Oxfam emerges from the recession in a strong position, both financially and organisationally, retaining our competitive advantage.

What we did

Because we took action early to review our central activities, we were able to reduce our support costs by 16% compared with 2008/09. This enabled us to protect our future programme work from unexpected cuts.

We also sought to improve our engagement with supporters through more effective digital communications. This resulted in an increase of traffic to our website of 20 per cent from 2008/09. We also saw an increase in online donations to over £4.5m (of which £3m was for the Haiti appeal in January 2010). We agreed additional investments in our website which will improve our connection with supporters next year.

The focus of our corporate communications was on maintaining the presence and health of the Oxfam brand. Despite a reduction in intended spend due to the recession, well-targeted activities in October 2009 and March 2010 led to Oxfam remaining at number one in

FACT: We increased our website traffic by

20%

through more effective digital communications

terms of spontaneous awareness among the UK general public.¹ Our brand tracking activity² also reported that people who had experienced our communications were left feeling more involved and engaged with the organisation.

What we planned

Influence the responses of the UK government and multilateral institutions to ensure that these meet the needs of poor people and include a focus on women.

What we did

The global economic crisis and the recession which followed have pushed 50 million more people worldwide into extreme poverty.³ Throughout the year, Oxfam brought the voices of these people into the policy debate, to ensure that their needs and interests are taken into account by policy-makers in the planning and delivery of economic recovery measures.

At the G8 and the G20 Summits, Oxfam pressed for a green stimulus to mitigate the effect of the economic crisis on the world's poorest people. We also published policy reports to highlight the impact of the recession on people living in poverty, particularly women. These papers make recommendations for gender-sensitive economic development.⁴

In February 2010, Oxfam joined forces with a host of charities, unions and campaigning groups in the UK to launch a campaign for a 'Robin Hood Tax'.⁵ A tiny tax of 0.05 per cent on banks' speculative financial transactions could help tackle global poverty, while ensuring that the financial markets take responsibility for the damage caused to poor people by the economic crisis. Introduced globally, a Robin Hood Tax would generate billions of pounds each year – money that could boost education and health care in developing countries, and help the world get back on track to reach the Millennium Development Goals (MDGs). The campaign launch attracted primetime media coverage in the UK, and more than 47,000 people have signed up in support of the Robin Hood Tax. ▶

¹ 600 members of the public who support charities were asked to name the first charity they could think of ² Brand Tracking Activity run by Hall & Partners, October 2009 and March 2010 ³ S. Chen and M. Ravallion (2009) 'The Impact of the Global Financial Crisis on the World's Poorest: June Update', Washington DC: World Bank

⁴ Policy papers are available at: www.oxfam.org.uk/resources/policy/gender/index.html ⁵ See www.robinhoodtax.org.uk

Supporting the programme continued

Corporate Objective: Raise income

What we planned

Achieve total income of £272.8m and with net funds of £194.8m available to our programme work.

What we did

Our total income was £318.0m against a £272.8m budget. Costs to raise income, at £75.4m, were lower than the budget of £78.0m, leaving net income available at £242.6m (see Finance summary, page 36).

Total income from fundraising was £222.6m compared to a budget of £186.3m, with fundraising costs reduced to £17.2m against a budget of £18.8m. This gave a net fundraised income of £205.4m against a budget of £167.5m. Income from shops was £74.4m against a budget of £75.3m, with costs of £58.1m against a budget of £59.1m, giving a net income of £16.3m, against a budget of £16.2m.



Author Joanna Trollope sorts through the shelves at Oxfam's Marylebone bookshop during Oxfam Bookfest 2009.

Photo: Mark Chilvers

In 2009/10, we launched two major new events to raise funds and public support. The first ever Oxfam Trailtrekker team endurance event took place in the Yorkshire Dales in May 2009. More than 600 walkers took part, supported by over 100 volunteers, raising almost £400,000. In

July, we held our first fortnight-long 'Bookfest', with more than 250 events at Oxfam shops nationwide to promote Oxfam as a second-hand book retailer, and to encourage people to buy and donate books.

Bestselling authors Joanna Trollope and Monica Ali were among celebrity Bookfest supporters who helped out in the shops and ensured that the event gained widespread local and national media coverage.

FACT: More than

600

people took part in the first ever Trailtrekker endurance event



Photo: Toby Adamson

A Trailtrekker participant embarks on the epic walk through the Yorkshire Dales.

We are continuing to develop fundraising opportunities through running events. Oxfam was confirmed as the official charity of the 2011 Virgin London Marathon; this is expected to generate more than £1m additional income for Oxfam next year.

Corporate Objective:

Implement National Change Strategies

What we planned

Continue the implementation of National Change Strategies in all countries. These will have well-designed programme implementation plans and sound monitoring, evaluation and learning frameworks.

What we did

Oxfam's National Change Strategies (NCS) help us ensure that we achieve the maximum impact on poverty, given the particular circumstances and opportunities of each country in which we operate. The work to implement the NCS has progressed well this year, with revisions to some strategies to reflect changes in context, for example, as a result of the effects of the global recession, or in response to new funding opportunities.

Programme Implementation Plans (PIPs) have been developed within the framework of the NCS, each with clear objectives and strategies for monitoring, learning and evaluation. Many NCS now include national-level advocacy, and most country offices employ at least one person in an advocacy position. This has enabled us to incorporate advocacy into our country programmes, to get involved in national-level campaigns, and to provide support to our partners on advocacy and campaigning.

As part of the Oxfam International move to a Single Management Structure, we are starting to work on Oxfam International Joint Country Strategies. These will replace the NCS as each country makes the transition to SMS (see 'Deliver results').

Corporate Objective:

Deliver results

What we planned

Develop staff and volunteers' skills and ways of working, with a focus on delivering results through better project management, planning and processes, and the sharing of advice and best practice.

What we did

The most significant improvement to our ability to deliver results is the agreement for Oxfam International to move to a Single Management Structure. This three-to-five-year project aims to increase the impact and coherence of our programmes, and increase cost-effectiveness, by improving the way Oxfam affiliates work together at country level across the world. This is a major change process for Oxfam International, and will have a significant impact on the way that Oxfam works.

In the UK, we introduced a programme focusing on delivering results. This included improving project management skills throughout our UK-based workforce by training over 500 staff and creating a 'community of practice' where advice and best practice is shared, and mentoring is available to less experienced staff.

We have investigated the challenges faced by staff working together across different divisions with different working cultures, and shared learning from where this has worked effectively. ■

FACT: We trained more than **500** staff in project management, and created a 'community of practice'

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). Its objects and powers are set out in its Memorandum and Articles of Association. At their Annual General Meeting in December 2009, Oxfam's Members adopted a revised Memorandum and Articles of Association, which incorporated many of the changes made necessary under the Companies Act 2006. Members also incorporated an additional power to allow Oxfam's Council (its Trustees) to appoint a Chair designate for a year, prior to the retirement of the incumbent Chair, should they desire to do so. This will help provide continuity of governance by allowing the Chair designate to shadow the incumbent Chair for a year prior to taking office. Trustees are grateful to the Charity Commission for their assistance in approving the changes to Oxfam's constitution.

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 Frip Ethique SARL (a private-sector enterprise in Senegal), which became a subsidiary during the period. Oxfam has two dormant subsidiaries, one of which, Just Energy Limited, was incorporated in the period (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 made, and paid to Oxfam, a profit of £2.2m (2008/09: £1.8m) before interest on working capital, of £0.1m (2008/09: £0.2m).

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 period was £1.2m, offset by £1.2m of expenditure.

Oxfam still maintains a 'special share' in Coffee Producers Company Limited (a company registered in the United Kingdom, number 5144719), which owns 25 per cent of Progreso Cafés Limited and has control over the Coffee Producers Trust, which also owns 25 per cent. Since Oxfam does not have either a dominant or significant influence in Progreso, it has not been consolidated.

Oxfam Activities Limited increased its interest from 50 per cent to 100 per cent of the shares in Frip 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 loss of £0.1m in the period.

Oxfam Activities Limited has a 10 per cent (2008/09: 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 facility' called Ethex, 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 13 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 £21.0m (2008/09: £22.8m) from the other members of Oxfam International, and made grants of £7.4m (2008/09: £4.4m) 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 are the Trustees, collectively known as Oxfam's Council. This Council, Oxfam's governing body, comprises a minimum of ten and a maximum of 12 Trustees. They 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 32. 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, and it has actively considered how Oxfam should apply the Turnbull guidance on internal control and the Smith guidance on audit committees. 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). 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.

The Trustees have reviewed the governance of Oxfam in the light of the Code of Governance for the Voluntary and Community Sector in the UK (www.governancehub.org.uk). We comply with the seven principles of the Code in our UK operations, but the Code does not address the international operations of UK charities. There are a number of detailed standards in the Code, and we comply with most of them, although we consider that full compliance for some of the standards is not possible. We have our own complaints and public information policies.

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 inside front cover). The members of the CMT are not directors for the purposes of company law. ►

Structure, governance and management continued

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 to 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, 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 audits undertaken cover all the major risk areas as identified by the CMT and Council, and 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, i.e. 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 'Have your Say' 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 'Have your Say' 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 disabled people, developing their skills, and taking every reasonable measure to adapt our premises and working conditions to enable disabled people to work or volunteer with Oxfam.

Volunteers

More than 20,000 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 tries to apply the principles of involvement and equality to its many volunteers. ►

Structure, governance and management continued

Oxfam 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 2009/10, in partnership with the Stop Climate Chaos Coalition Scotland we campaigned successfully to achieve world-leading climate change legislation in the Scottish Parliament, using a wide variety of approaches including lobbying, mass rallies and communicating through the Scottish media. 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, targeting the constituencies of the former Prime Minister, Chancellor and Secretary of State for International Development. Our campaigning 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 also focused on tackling poverty and inequality in Scotland. In particular, we concentrated on ensuring that regeneration programmes and resources meet the often very different needs of women and men who experience poverty; that local communities have a proper stake in economic development and investment; that particularly vulnerable groups have their labour rights and incomes secured; and that the media portrays the issue of asylum in a more balanced and accurate manner. We continue to work in Development Education, working with education authorities, the International Development Education Association of Scotland (IDEAS) network and other partners to improve Scottish pupils' knowledge of international development issues and the concept of global citizenship. Our fundraising work in Scotland has included the work of our network of shops, plus regular donations from many Scots, and support from trusts and institutional funders. We have 55 shops in Scotland with an estimated 1,700 volunteers working in them. We have received funding from the Scottish Government for our work in Malawi and in Haiti and we have supported the Haiti Disaster Emergency Committee appeal with our colleagues in other aid agencies in Scotland in the past year.

Accountability

In 2007, Oxfam published our first accountability report,¹ as part of our ongoing efforts towards becoming more accountable to our stakeholders. This set out our definition of accountability, and our goals for three years, until March 2010. In summer 2010, we published a full report (*Accountability Report 2010*²), which reflects on our progress, and highlights key achievements and areas of learning from the past three years.

For Oxfam, accountability is based on four dimensions: transparency, participation, learning and evaluation, and feedback mechanisms. These allow us to give account to, take account of, and be held to account by stakeholders. We started the year by completing our set of policies for each of these dimensions, and publishing our new evaluation policy. During the year, we made good progress in implementing this, in particular by extending experience in monitoring and evaluation from our programme work to our campaigning and advocacy.

We have also focused on the area of participation, especially in our international work. Detailed information is provided in the *Accountability Report 2010*, but highlights include partner participation in *Raising Her Voice*, positive feedback in our online survey of partners, and partner feedback in staff appraisals.

We have not made as much progress as we had planned in improving our transparency and our feedback mechanisms, and will review both areas in 2010/11. In both cases, we have had positive feedback in the UK, but we have not devoted sufficient attention to these internationally.

In the UK, we continued to reduce our carbon footprint and publish the relevant statistics showing this. Globally, data for our work in this area is not robust enough for us to make a judgement, but continued investment in technology has enabled us to hold more video conferences and therefore reduce the amount of staff travel.

The work we had planned on organisational governance has been completed; this included a substantial revision of our constitution (information available on www.oxfam.org.uk). We also contributed to the new NGO sector supplement of the Global Reporting Initiative, which we hope will contribute to more effective accountability reporting by international NGOs in future.

The *Accountability Report 2010* also sets out the objectives, which will help us improve our accountability to our main stakeholder groups over the next three years – a summary of which is detailed opposite. As in previous years, we have adopted the standards of both the Global Reporting Initiative (GRI) and the Non-Governmental Organisations' Accountability Charter. ■

¹ The *Accountability Report 2006/07* can be found at www.oxfam.org.uk/resources ² The *Accountability Report 2010* can be found at www.oxfam.org.uk/resources

	Objectives
1. Governance	We will become an increasingly effective and accountable organisation.
2. People and communities	We will make demonstrable improvements in our ability to give account to, take account of and be held to account by our primary stakeholders – the people affected by our programmes.
3. Women in communities, women's rights organisations³ and gender specialists	We will put women's rights at the heart of everything we do.
4. Partners	We will make demonstrable progress in consistently putting into practice the values and principles embodied in our Partnership Policy.
5. Supporters	We will remain committed to ensuring we communicate with our supporters in a clear and transparent way and seek their feedback.
6. Staff and volunteers	We will remain committed to seeking feedback from staff, volunteers, Trustees and Members about our effectiveness in achieving Oxfam's mission and reflecting our values.
7. Governments and regulators (and through them, the public)	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.
8. The targets of our advocacy	Our advocacy and campaigning work will follow the core principles of our global campaigning and advocacy model.
9. The environment	We will develop appropriate, challenging targets that reflect the 35 per cent reduction in our CO ² emissions achieved during 2007-10. Our programme and advocacy work will increase the adaptive capacity and resilience of poverty-affected, vulnerable and marginalised women and men who are at risk from climate change and climate-related disasters.

³ Organisations which have, as their main aim, the promotion of women's rights and the achievement of gender equality

Finance summary

Income

Oxfam changed its financial year end to 31 March in 2010 to bring it in line with the other Oxfam affiliates, which means that this annual report covers a period of only 11 months. Despite the shorter period, our total income increased by £9.7m to £318.0m. This income derives principally from the activities of trading and fundraising. Trading income increased by 2 per cent on a like-for-like period with the sale of donated clothing holding up through the economic downturn. Trading income represents 23 per cent of total income, compared to 26 per cent in recent years, which reflects the increase in income from government and institutional donors. Fundraising income (which includes both income from supporters and the public, and institutional donor income) increased by 18 per cent on last year over a like-for-like period. The ratio of unrestricted to restricted fundraising income was 34:66, which shows a shift towards restricted funding compared to last year's ratio of 40:60. A detailed analysis of income is shown in the Consolidated Statement of Financial Activities (SOFA) and Note 2 to the Accounts (page 50).

Four-year analysis of trading and fundraising net income

	2006/07	2007/08	2008/09	2009/10 (11 months)
	£ m	£ m	£ m	£ m
Trading sales	75.8	77.7	79.3	74.4
Trading costs	(60.0)	(60.6)	(62.9)	(58.1)
Trading net income	15.8	17.1	16.4	16.3
Trading profit margin	21%	22%	21%	22%
Fundraising income	194.6	203.6	200.5	222.6
Fundraising costs	(23.9)	(23.5)	(19.8)	(17.2)
Fundraising net income	170.7	180.1	180.7	205.4
Fundraising net margin	88%	88%	90%	92%
Net income from trading and fundraising	186.5	197.2	197.1	221.7
Gifts-in-kind	14.6	8.6	19.4	15.7
Net miscellaneous income*	5.6	9.7	9.0	5.2
Total net income in year	206.7	215.5	225.5	242.6
Increase (decrease) in funds	(6.5)	1.3	(10.3)	23.2
Total charitable				
Expenditure in the year	£213.2	£214.2	£235.8	£219.4

*This represents *Other Incoming Resources* plus *Primary Purpose Trading Income* plus *Investment Income* less *Investment Management Costs*.

Trading sales, at £74.4m for the 11 months, are higher on a like-for-like basis than 2008/09. Despite the 11 month period and difficult economic environment,

trading contribution was consistent with last year at £16.3m. The overall contribution from our shop network, which includes sales from *Oxfam Unwrapped* and donations received in shops, increased to £21.6m, an increase of 13 per cent over a like-for-like period compared to last year. The contribution from *Oxfam Unwrapped* remained fairly consistent with last year at around £2m.

Fundraised income increased by £22.1m to £222.6m. This increase was mainly driven by a £26.7m increase in restricted income from governments, institutional donors and other public authorities. In particular, grants from the European Union and non-UK governments increased by 62 per cent and 116 per cent respectively. Income from legacies increased 39 per cent compared to a similar period last year, while income from regular giving fell by 3 per cent in this period highlighting the difficult economic climate experienced over the last year.

The cost of raising voluntary income, as shown in Note 3a, has decreased by 5 per cent to £17.2m during 2009/10, resulting in net fundraised income being £205.4m, which is significantly higher than last year despite the economic downturn, and has delivered a net margin of 92 per cent.

Gifts-in-kind can fluctuate significantly, reflecting the scale and nature of emergency response in any year. This period's gifts-in-kind total of £15.7m mainly represents food aid for Kenya and Zimbabwe.

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

Other Incoming Resources this year includes £2.2m in respect of interest received from HM Revenue & Customs following the successful conclusion of our VAT claim under the Fleming Case ruling.

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 £219.4m has increased by 1.5 per cent over a like-for-like period compared to last year. Unrestricted charitable spend has decreased by 11 per cent, while restricted charitable spend has increased by 10 per cent resulting

from increased humanitarian work as well as the securing of additional restricted funding. The amount spent on support costs during the period reduced by £6.7m (17 per cent over a like period) reflecting the efforts made to streamline the organisation to meet the demands of the difficult economic climate.

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 and commitment to creating sustainable livelihoods. The relative spend on the Right to Basic Services has decreased as well as the percentage spent on support costs. 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.

	2006/07	2007/08	2008/09	2009/10 (11 months)
Sustainable livelihood	20%	20%	18%	20%
Basic services	10%	12%	10%	9%
Life and security	44%	38%	41%	42%
Be heard	7%	8%	8%	8%
Equity (gender and diversity)	8%	10%	11%	11%
Total	89%	88%	88%	90%
Other charitable expenditure*	11%	12%	12%	10%
Total charitable expenditure	100%	100%	100%	100%
	£213.2m	£214.2m	£235.8m	£219.4m

* Other Charitable Expenditure includes support costs, governance costs and other resources expended.

Our cash balances have increased by £20.8m during the period to £66.5m at 31 March 2010, driven by the increase in unrestricted and restricted 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 2009/10 was established as between £30m and £34m. 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 £3.4m during 2009/10, with the balance of general reserves being £38.1m at the end of March 2010. This increase has resulted in general reserves being above the target range of £30m to £34m and is a result of a number of unforeseen items:

- During the period, we were able to secure higher than expected restricted funding to cover certain activities for which we had budgeted unrestricted resources.
- Legacy income, which is difficult to predict, was around £5m higher than expected.
- Settlement was reached over two VAT claims with HM Revenue & Customs, which resulted in additional net income of £1.0m.

General reserves are represented by net current assets and are equivalent to approximately three months' unrestricted expenditure at 2009/10 levels.

Pension scheme deficit

The valuation of Oxfam's pension scheme at 31 March 2010, for the purposes of FRS17, showed a funding deficit of £29.3m (2008/09: £24.5m) (see Note 20d). This deficit represents the difference ►

Finance summary continued

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 £29.3m deficit relates to future pension contributions. The valuation of the pension scheme's assets 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 £12.8m (2008/09: £13.9m) 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 £1.7m at the end of March 2010 along with the retained loss of Fripp Ethique SARL in Senegal of £0.1m. A new designated fund, Single Management Structure, has been established this year to cover anticipated additional costs in reorganising our overseas operations to improve the coordination of programme activity throughout the Oxfam International affiliation. Further details of the designated funds and their movements during the year are shown in Note 19.

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 2010, unspent restricted funds were £39.3m (2008/09: £24.0m). The restricted fund balance includes total deficit balances of £13.3m (2008/09: £10.8m). 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).

Endowment funds

Endowment funds of £2.5m (2008/09: £2.4m) 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 31 March 2010 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 1.95 per cent compared with a base rate of 0.50 per cent 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.

Auditors

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

Grant-making policies

In 2009/10 we spent £54.3m (2008/09: £53.9m) in grants to international, national and local partner organisations. We made 1,451 grants to 1,021 organisations (2008/09: 1,851 grants to 1,278 organisations). The average grant per project was £37,000 (2008/09: £29,000) and per partner was £53,000 (2008/09: £42,000). 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 for 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.

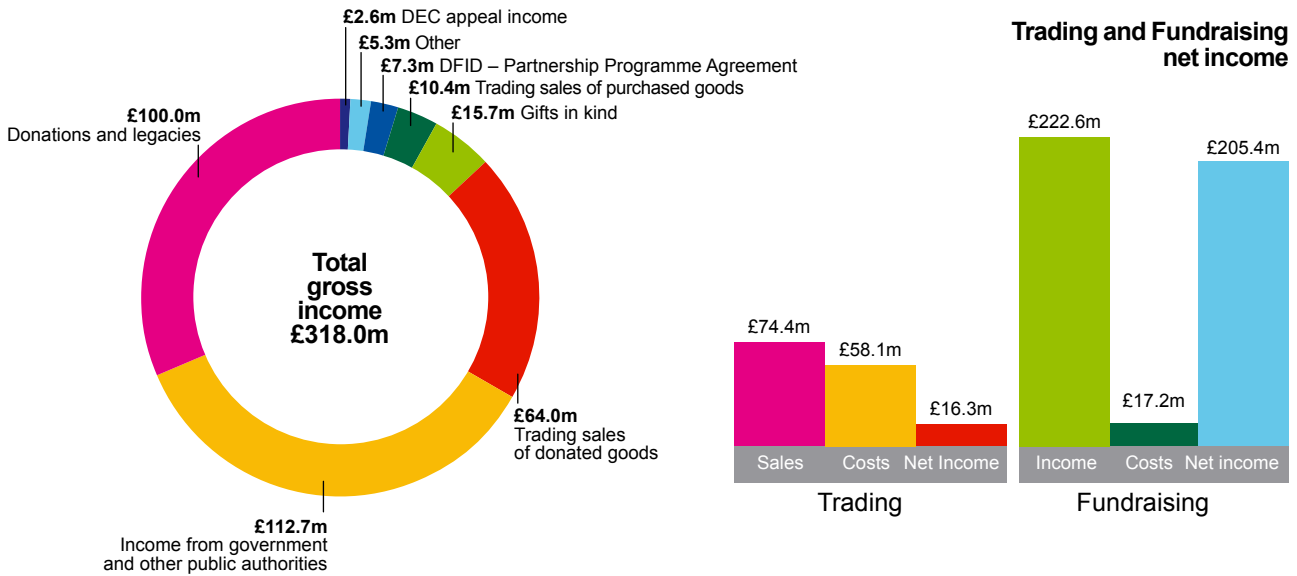
Grants are managed through specific agreements with partners, which set out the conditions of the grant, including reporting requirements, and when and how disbursement will happen. The agreement also outlines Oxfam's responsibilities in the partnership to ensure that it can be held to account by partners and other stakeholders (see Accountability update, page 34). Grants are usually disbursed in separate instalments 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.

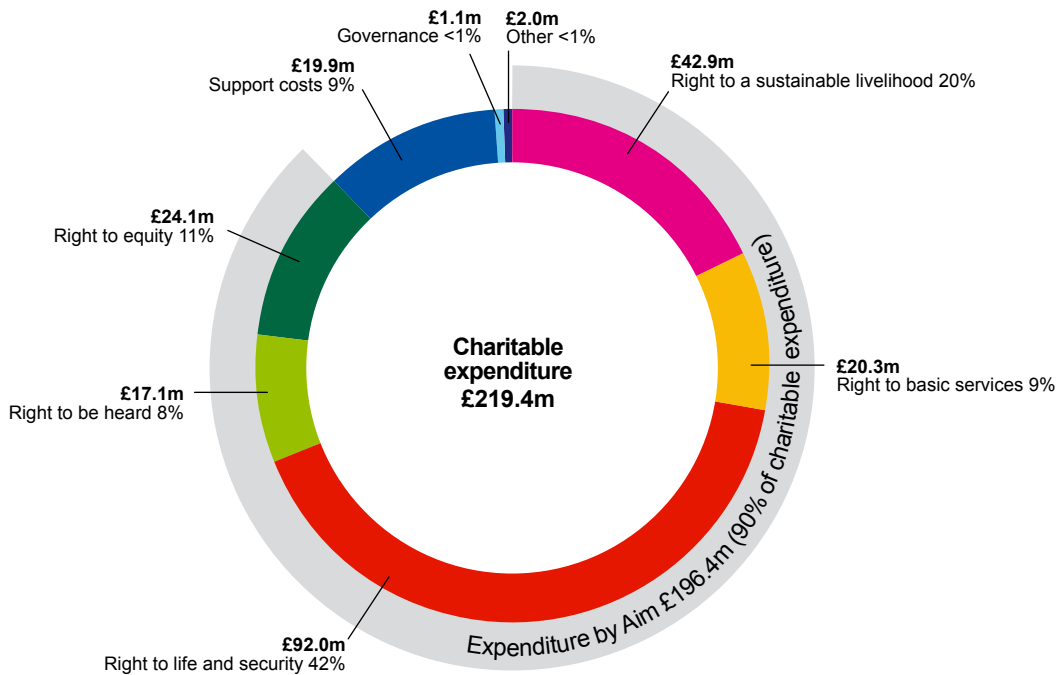
If we are not satisfied that the grant is being managed according to the partner agreement, we discontinue the grant. ■

Where our funds came from



Trading and Fundraising net income £221.7m
 Gifts in kind £15.7m
 Other net income £5.2m
Total net income available for charitable application £242.6m

How they were used



The year ahead

The combined issues of the global economic crisis, food prices and, above all, climate change, are making the lives of people living in poverty even harder. Our role is to help them build their resilience, whether in preparedness for humanitarian crises or adapting agricultural production to a world affected by climate change. This is the focus for 2010/11.

In terms of our income, we expect a slow recovery from the global economic recession. However, in this context we plan to have an incremental growth in our income. This will allow us to invest in acquiring new supporters in the UK, and to strengthen the Oxfam International confederation through a movement to a Single Management Structure (see Deliver results on page 29). In the long run, this investment will improve our delivery and effectiveness as an international NGO, but we recognise that managing the process of change will be challenging.

The following principles will continue to underpin the way we work:

- putting women's rights at the heart of all we do
- improving our accountability to all stakeholders
- ensuring the diversity of our workforce and supporters
- developing, and, where possible, internally promoting our staff
- continuing to work to reduce our carbon footprint.

Our specific objectives for 2010/11 are:

1. Monitor and respond to external events

- Invest in innovative research into how to respond to, and monitor, the effects of climate change and the global economic crisis on poor people.

2. Develop economic opportunities for women

- Increase support for producer organisations in urban and rural areas.
- Engage more with multinational and national companies.
- Stop or change livelihoods programmes that:
 - fail to include a meaningful analysis of the potential to promote gender equality, or work within social values and structures that perpetuate women's inequality

- engage in direct provision of services (such as microfinance) and assets (for example livestock), except in emergency situations
- do not explicitly analyse and respond to risk.

3. Protect poor people from the effects of climate change

- Renew efforts to work towards a fair, ambitious and binding deal on climate action over the next two years, with an emphasis on achieving adequate finance for adaptation in poor countries.
- Reduce people's vulnerability to disaster, build their resilience to shocks, and ensure they have a more secure source of food, especially in poor, rural areas.
- Build capacity in country and regional teams to realise our vision for our humanitarian work.

4. Develop within Oxfam International

- Begin to implement a Single Management Structure (see Deliver results on page 29).

5. Improve our communications

- Improve the way that Oxfam communicates its effectiveness to key audiences.
- Become leaders in the use of digital media to amplify poor people's voices, to create change and to enable our supporters to play a role in that change.

6. Secure our resources

- Achieve restricted income of £169.1m and net restricted funds available for programme of £163.7m.
- Achieve unrestricted income of £163.5m and net unrestricted funds available for programme of £76.7m.
- Build future income streams.

Approved by the Council of Trustees on 16 July 2010 and signed on its behalf by:



John Gaventa
Chair of Oxfam
16 July 2010

Accounts

For 11 months to 31 March 2010



Photo: Neo Nisoma

A girl learns to count in Zambézia, Mozambique. Oxfam is working with local communities to help them lobby their government for a focus on education.

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

We have audited the financial statements of Oxfam for the period ended 31 March 2010 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 statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The Trustees' (who are also the directors of the charity for the purposes of company law) responsibilities for preparing the Annual Report and Accounts (including the financial statements) in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the statement of trustees' statutory responsibilities.

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

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charity's 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 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view, 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. We also report to you whether in our opinion the information given in the Trustees' Report is consistent with those financial statements.

We also report to you if, in our opinion, the charity has not kept adequate and proper accounting records, if the charity's financial statements are not in agreement with these accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information

comprises only the Corporate Directory (inside front cover), the Trustees' Report (pages 2 to 41) and the Acknowledgements on page 68. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and the charity's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the charity's affairs as at 31 March 2010 and of the group's incoming resources and application of resources, including its income and expenditure and cash flows, for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements 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; and
- the information given in the Trustees' Report is consistent with the financial statements.



Liz Hazell (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

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

London
16 July 2010

Consolidated statement of financial activities

(including income and expenditure account and statement of total recognised gains and losses)

Notes	Trading Funds £ m	Unrestricted Funds £ m	Restricted Funds £ m	Endowment Funds £ m	11 months to 31 March 10 Total £ m	Year to 30 April 09 Total £ m
Incoming resources						
Incoming resources from generated funds						
2a	–	76.4	49.1	0.1	125.6	133.9
2b	74.4	–	–	–	74.4	79.3
2c	–	0.8	0.1	–	0.9	2.5
Incoming resources from charitable activities						
2d	–	–	112.7	–	112.7	86.0
2d	–	1.6	–	–	1.6	2.4
2e	–	2.8	–	–	2.8	4.2
Total incoming resources						
	74.4	81.6	161.9	0.1	318.0	308.3
Costs of generating funds						
3a	–	12.9	4.3	–	17.2	19.8
2b	58.1	–	–	–	58.1	62.9
3b	–	0.1	–	–	0.1	0.1
Net incoming resources available for charitable application						
	16.3	68.6	157.6	0.1	242.6	225.5
	(16.3)	16.1	0.2	–	–	–
Net incoming resources available for charitable application						
	–	84.7	157.8	0.1	242.6	225.5
Charitable activities						
3c		38.6	67.3	–	105.9	115.4
3c		21.2	71.4	–	92.6	97.9
3c		14.0	3.8	–	17.8	21.1
3d		1.1	–	–	1.1	1.2
3e		2.0	–	–	2.0	0.2
Total charitable expenditure						
		76.9	142.5	–	219.4	235.8
Total resources expended						
		148.0	146.8	–	294.8	318.6
Net income/(expenditure) for the period						
19		7.8	15.3	0.1	23.2	(10.3)
19		–	–	–	–	–
7		–	–	–	–	–
Net incoming/(outgoing) resources before other recognised gains and losses						
		7.8	15.3	0.1	23.2	(10.3)
Other recognised gains/losses						
9		–	–	–	–	–
20		(7.2)	–	–	(7.2)	(14.3)
Net movement in funds						
		0.6	15.3	0.1	16.0	(24.6)
Reconciliation of funds						
Total funds brought forward at 1 May						
		25.9	24.0	2.4	52.3	76.9
Total funds carried forward at 31 March						
		26.5	39.3	2.5	68.3	52.3

Total unrestricted incoming resources for the period amounted to £156.1m (2008/09: £167.3m).

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 results 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 period ended 31 March 2010 was £23.3m (2008/09: net expenditure £11.1 million).

The Notes on pages 47 to 67 form part of these financial statements.

Balance sheets at 31 March

Notes	Oxfam		Oxfam Group	
	At 31 March 2010 £ m	At 30 April 2009 £ m	At 31 March 2010 £ m	At 30 April 2009 £ m
Fixed assets				
8 Tangible assets	12.5	14.2	12.6	14.3
9 Investments:				
9a Investments	4.5	4.4	2.9	2.8
9b Programme related investments	–	–	0.1	0.1
	<u>17.0</u>	<u>18.6</u>	<u>15.6</u>	<u>17.2</u>
Current assets				
10 Stocks	1.3	1.8	3.1	4.1
11 Debtors	38.2	36.1	43.5	40.7
12 Cash at bank and in hand	65.3	44.4	66.5	45.7
	<u>104.8</u>	<u>82.3</u>	<u>113.1</u>	<u>90.5</u>
13 Creditors: amounts falling due within one year	(16.9)	(16.7)	(18.3)	(19.3)
Net current assets	<u>87.9</u>	<u>65.6</u>	<u>94.8</u>	<u>71.2</u>
Total assets less current liabilities	<u>104.9</u>	<u>84.2</u>	<u>110.4</u>	<u>88.4</u>
14 Creditors: amounts falling due after more than one year	–	–	(3.7)	(2.3)
15 Provisions for liabilities and charges	(9.0)	(9.2)	(9.1)	(9.3)
Net assets before pension scheme liability	<u>95.9</u>	<u>75.0</u>	<u>97.6</u>	<u>76.8</u>
20 Defined benefit pension scheme liability	(29.3)	(24.5)	(29.3)	(24.5)
Net assets	<u>66.6</u>	<u>50.5</u>	<u>68.3</u>	<u>52.3</u>
Charitable funds				
19 Designated fund – fixed assets	12.8	13.9	12.8	13.9
19 Designated fund – other	3.2	–	4.8	1.7
19 General reserves	38.1	34.7	38.1	34.7
	<u>54.1</u>	<u>48.6</u>	<u>55.7</u>	<u>50.3</u>
Charitable unrestricted funds excluding pension reserves	<u>54.1</u>	<u>48.6</u>	<u>55.7</u>	<u>50.3</u>
19 Pension reserves	(29.3)	(24.5)	(29.3)	(24.5)
Total charitable unrestricted funds	<u>24.8</u>	<u>24.1</u>	<u>26.4</u>	<u>25.8</u>
17 Endowment funds	2.5	2.4	2.5	2.4
18 Restricted funds	39.3	24.0	39.3	24.0
	<u>66.6</u>	<u>50.5</u>	<u>68.2</u>	<u>52.2</u>
Total charitable funds	<u>66.6</u>	<u>50.5</u>	<u>68.2</u>	<u>52.2</u>
19 Funds retained within a non-charitable subsidiary	–	–	0.1	0.1
Total funds	<u>66.6</u>	<u>50.5</u>	<u>68.3</u>	<u>52.3</u>

The Notes on pages 47 to 67 form part of these financial statements.

Approved by the Council of Trustees on 16 July 2010 and signed on its behalf by:



John Gaventa
Chair of Oxfam
Company Number 612172
16 July 2010

Consolidated cash flow statement

	At 31 March 2010		At 30 April 2009	
	£ m	£ m	£ m	£ m
Net cash inflow/(outflow) from operating activities		22.8		(26.1)
Returns on investments and servicing of finance				
Deposit interest received	0.9		3.0	
		0.9		3.0
Capital expenditure and financial investment				
Payments to acquire fixed asset investments	(0.1)		–	
Receipts from sales of fixed investments	–		0.4	
Payments to acquire tangible fixed assets	(3.6)		(3.2)	
Receipts from sales of tangible fixed assets	0.3		0.8	
		(3.4)		(2.0)
Net cash inflow/(outflow) before management of liquid resources and financing		20.3		(25.1)
Management of liquid resources				
Cash withdrawn from short-term deposit	70.9		85.9	
Cash invested on short-term deposit	(89.9)		(71.4)	
		(19.0)		14.5
Increase/(decrease) in cash in the year		1.3		(10.6)

Notes

a Reconciliation of net incoming/(outgoing) resources to net cash inflow/(outflow) from operating activities

	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m
Net incoming/(outgoing) resources before revaluations and investment asset disposals	23.2	(10.3)
Deposit interest and investment income receivable	(0.9)	(2.5)
Depreciation charge	4.3	4.5
Profit on disposal of fixed assets	–	(0.6)
Decrease in stocks	1.0	–
(Increase) in debtors	(2.8)	(14.2)
Increase/(decrease) in creditors and provisions	0.4	(0.2)
FRS17 difference between pension contributions and current service costs	(2.4)	(2.8)
Net cash inflow/(outflow) from operating activities	22.8	(26.1)

b Analysis of net funds

	At 1 May 2009 £ m	Cash flow movement £ m	At 31 March 2010 £ m
Cash at bank and in hand	22.7	1.8	24.5
Cash on short-term deposit	23.0	19.0	42.0
Debt due within one year	(1.8)	0.9	(0.9)
Debt due after one year	(2.3)	(1.4)	(3.7)
Net funds	41.6	20.3	61.9

c Reconciliation of net cash flow to movement in net funds

	2010 £ m
Increase in cash	1.3
Cash outflow from increase in liquid resources *	19.0
Net funds at 1 May 2009	41.6
Net funds at 31 March 2010	61.9

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

Notes to the financial statements

1. Accounting policies

a. Accounting conventions

The Trustees' Report and 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.

During the period the charity and its subsidiary company, Oxfam Activities Limited, changed their year-end from 30 April to 31 March.

b. Basis of consolidation

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

Oxfam also holds a special non-redeemable £1 share in Coffee Producers Company Limited. This company exists to allow coffee producers' cooperatives to hold an interest in Progreso Cafés Limited. The special share provides Oxfam with super voting rights and the consent of the special shareholder is required to appoint directors and change the nature of the business of Coffee Producers Company Limited. The company is not consolidated on the grounds of materiality.

Oxfam also has an interest in Coffee Producers' Trust by way of appointment of the majority of the Trustees. The object of the Trust, among others, is of strengthening the influence, income and security of coffee producing companies anywhere in the world. The Trust is not consolidated on the grounds of materiality.

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 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.

In May 2009, Oxfam Activities Limited increased its shareholding from 50% to 100% in Fripp Ethique SARL, a company based in Senegal. From May 2009, 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.

In May 2009, Just Energy Limited, a company limited by guarantee was incorporated. The company 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 2010 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 funds 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. They would otherwise form part of the general reserves.

In accordance with FRS17 – Retirements Benefits, a pension reserve is included within unrestricted funds to meet 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 period 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 prefinancing 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 which include payments to be made in future years, these payments are disclosed in Note 20 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.

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 namely fundraising income and campaigns.
- 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 SARL are treated on the same basis in the charity's accounts but the company has 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 our 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 is 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 2010 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 scheme

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 directly 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 SORP 2005, 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 where material, with loans received and given out reflected in creditors and debtors respectively.

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

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	11 months to 31 March 2010 Total £ m	Year to 30 April 2009 Total £ m
Regular giving *	50.4	0.9	–	51.3	57.6
Legacies	13.2	0.1	–	13.3	10.5
Public donations, appeals, and fundraising events *	12.3	21.9	0.1	34.3	30.4
Disasters Emergency Committee (DEC) appeals	–	2.6	–	2.6	4.2
UK government: Department for International Development – Partnership Programme Agreement	–	7.3	–	7.3	11.2
Gifts in kind	–	15.7	–	15.7	19.4
Donated services and facilities	0.5	0.6	–	1.1	0.6
	<u>76.4</u>	<u>49.1</u>	<u>0.1</u>	<u>125.6</u>	<u>133.9</u>

* Includes related Gift Aid.

The value of gifts in kind not distributed at 31 March 2010 is £1.1m (2008/09: £0.5m).

At 31 March 2010, 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 £7.8m (2008/09: £8.8m). Accrued legacy income included within the accounts amounts to £0.5m (2008/09: £0.6m).

b. Activities for generating funds: trading income

	Oxfam £ m	OAL £ m	Frip Ethique £ m	11 months to 31 March 2010 Total £ m	Year to 30 April 2009 Total £ m
Turnover from donated goods	58.2	4.7	1.1	64.0	67.1
Turnover from purchased goods	–	10.4	–	10.4	12.2
Total trading sales	<u>58.2</u>	<u>15.1</u>	<u>1.1</u>	<u>74.4</u>	<u>79.3</u>
Direct trading expenses – donated goods	43.5	2.9	1.1	47.5	50.6
Direct trading expenses – purchased goods	–	10.0	–	10.0	12.0
Support costs	0.6	–	–	0.6	0.3
Total trading costs	<u>44.1</u>	<u>12.9</u>	<u>1.1</u>	<u>58.1</u>	<u>62.9</u>
Net trading income	<u>14.1</u>	<u>2.2</u>	<u>–</u>	<u>16.3</u>	<u>16.4</u>
<i>In addition, the following other amounts were collected through the shops and are included in voluntary income.</i>					
Oxfam Unwrapped net income	1.9	–	–	1.9	2.2
Net trading income including Oxfam Unwrapped	<u>16.0</u>	<u>2.2</u>	<u>–</u>	<u>18.2</u>	<u>18.6</u>
Unrestricted donations	2.7	–	–	2.7	1.9
Restricted donations	0.7	–	–	0.7	0.4
Total net trading income	<u>19.4</u>	<u>2.2</u>	<u>–</u>	<u>21.6</u>	<u>20.9</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

	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m
Deposit interest – unrestricted	0.8	2.3
Deposit interest – restricted	0.1	0.2
	<u>0.9</u>	<u>2.5</u>

d. Incoming resources from charitable activities**i. Income from government, institutional donors and other public authorities**

	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m
UK Government:		
DFID Resources for specific programmes – CHASE	2.9	0.3
DFID Resources for specific programmes – Desks and Regions	7.4	9.2
DFID Government and Transparency Fund	1.2	0.8
Other	0.4	0.6
European Union	42.5	26.2
UNHCR	0.7	1.2
Other UN agencies	12.7	11.4
Members of Oxfam International (Note 3c)	21.0	22.8
Non-UK governments	16.0	7.4
Other international agencies	5.2	3.2
Big Lottery Fund	0.2	0.5
Commonwealth Education Fund	–	0.1
Other UK agencies	2.5	2.3
	<u>112.7</u>	<u>86.0</u>

Contract Title	Country	11 months to 31 March 2010 £'000	Year to 30 April 2009 £'000
DFID - Conflict, Humanitarian and Security Department (CHASE)			
DFID - Grande Saline Emergency Response Flooding October 2007	Haiti	–	61
Arms Trade Treaty (ATT) Sustainable Development	UK	6	209
Arms Trade Treaty (ATT) Sustainable Development (phase 2)	UK	156	–
Interim Arms Trade Treaty: NGO Alliance in Pursuit of an Arms Trade Treaty	UK	103	–
In Support of Africa Climate Change Resilience Alliance	UK	266	–
Emergency Public Health & WASH Response	Sri Lanka	650	–
Emergency WASH Response for Internally Displaced Persons (IDPs) in NWFP	Pakistan	606	–
Flash Appeal Emergency Assistance to IDPs in Sa'ada	Yemen	150	–
Emergency public health services for populations affected by conflict in Lubero	DRC	200	–
Emergency Response to Typhoon Ketsana in the Philippines	Philippines	250	–
Haiti Earthquake Response 2010	Haiti	500	–
		<u>2,887</u>	<u>270</u>

Contract Title	Country	11 months to	Year to
		31 March 2010	30 April 2009
		£'000	£'000
DFID – Desks and Regions			
Zimbabwe Protracted Relief Programme	Zimbabwe	–	443
Strengthening civil society engagement in pro-poor local government policies	Indonesia	–	49
South Omo –Turkana Cross Border Peace Building, Ethiopia	Ethiopia	–	93
Access to Water and Sanitation in South Sudan	Sudan	44	420
Rural Water Supply and Sanitation Programme – Debub Zone	Eritrea	115	192
Promoting A Culture of Equal Representation (PACER)	Sierra Leone	–	182
Cash Transfer Interventions for Livelihood Support Work: Red Sea State	Sudan	–	18
South Darfur Integrated Humanitarian Response Programme	Sudan	–	568
Liberia NGO Watsan Consortium	Liberia	842	929
INGO Partnership Agreement Programme – India	India	427	243
Early Warning Unit and Participatory Poverty Assessment in Red Sea State	Sudan	–	124
Integrated WatSan and Public Health response to floods and landslides in Teso	Uganda	–	624
Hunger Safety Net Programme: management of the Administration Component	Kenya	867	389
Technical Advisory Support Team: Water and Sanitation Capacity Building in Chad	Chad	489	88
Food Security, Drought Recovery and Risk Reduction in Turkana	Kenya	–	1,238
Humanitarian Reform Coordinator	DRC	–	66
South Darfur Integrated Humanitarian Response Programme	Sudan	1,090	1,594
Freetown Public Health Consortium	Sierra Leone	508	–
Protection And Assistance For Vulnerable Migrants In South Africa Urban Centres	South Africa	(7)	403
Access to Water and Sanitation basic services in Upper Nile	Sudan	752	143
First Phase Emergency Response Programme, North Kivu	DRC	–	700
Keeping the Heat on Health – Oxfam's Global Health Advocacy and Campaigns Project	UK	51	100
Immediate Humanitarian Response in support of Gazan population	occupied Palestinian Territories	116	485
Strengthening Government of Malawi's Food Security Response in Southern Region	Malawi	57	79
Emergency Public Health Response to Mogadishu IDPs	Somalia	551	–
Livelihoods project supporting war-affected vulnerable people in Gaza	occupied Palestinian Territories	600	–
A Public Policy Forum for Development in Russia	Russia	145	–
West Africa Strategic Humanitarian Partnership	West Africa	726	–
G20 Voice Project	UK	–	49
		<u>7,373</u>	<u>9,219</u>
DFID - Governance and Transparency Fund			
Raising Her Voice: Promoting Poor Women's Participation in Governance – Phase I	Global	1,151	774
DFID - Programme Partnership Agreement (see Note 2a)			
Programme Partnership Agreement (PPA)	Global	7,303	11,240

ii. Primary purpose trading

Income	11 months to	Year to
	31 March 2010	30 April 2009
	£ m	£ m
Micro-credit schemes	1.3	2.1
Sale of humanitarian equipment	–	–
Sale of printed material	0.3	0.3
	<u>1.6</u>	<u>2.4</u>
Costs included within charitable activities		
Micro-credit schemes	(1.2)	(1.3)
Humanitarian equipment	(0.2)	–
Printed materials	(0.1)	(0.3)
	<u>(1.5)</u>	<u>(1.6)</u>
Net income from primary purpose trading	<u>0.1</u>	<u>0.8</u>

e. Other incoming resources

Income	11 months to	Year to
	31 March 2010	30 April 2009
	£ m	£ m
Gain on disposal of fixed assets	–	0.6
Nursery fees	0.2	0.2
Miscellaneous overseas income	0.2	0.3
Net exchange gains	–	2.8
Other *	2.4	0.3
	<u>2.8</u>	<u>4.2</u>

* 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:

	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m
Regular giving	4.5	4.1
Legacies	0.2	0.2
Public donations, appeals, fundraising events and Disasters Emergency Committee (DEC) appeals	6.0	6.9
Income from government, institutional donors and other public authorities	1.2	1.3
Irrecoverable VAT	0.9	1.0
Support costs	1.0	0.3
Other *	3.4	6.0
	<u>17.2</u>	<u>19.8</u>

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

b. Investment management costs

	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m
Staff costs	0.1	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 £ m	Grant funding of activities £ m	Support costs * £ m	11 months to 31 March 2010 Total £ m	Year to 30 April 2009 Total £ m
Humanitarian	54.0	14.3	7.9	76.2	78.5
Gifts in kind (mainly food aid)	16.4	–	–	16.4	19.4
Total humanitarian	<u>70.4</u>	<u>14.3</u>	<u>7.9</u>	<u>92.6</u>	<u>97.9</u>
Development	60.0	36.0	9.9	105.9	115.4
Campaigning and advocacy	11.7	4.0	2.1	17.8	21.1
	<u>142.1</u>	<u>54.3</u>	<u>19.9</u>	<u>216.3</u>	<u>234.4</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 £ m	Development £ m	Campaigning and advocacy £ m	11 months to 31 March 2010 Total £ m	Year to 30 April 2009 Total £ m
Right to a sustainable livelihood	–	40.0	2.9	42.9	43.1
Right to basic services	–	17.3	3.0	20.3	23.6
Right to life and security	84.7	2.4	4.9	92.0	95.5
Right to be heard	–	14.7	2.4	17.1	19.5
Right to equity (gender and diversity)	–	21.6	2.5	24.1	25.1
Total costs of activities and grants	<u>84.7</u>	<u>96.0</u>	<u>15.7</u>	<u>196.4</u>	<u>206.8</u>
Support costs	7.9	9.9	2.1	19.9	27.6
Total charitable activities	<u>92.6</u>	<u>105.9</u>	<u>17.8</u>	<u>216.3</u>	<u>234.4</u>

ii. Grants payable

The top 50 financial grant recipients in the 11 months to 31 March 2010 are listed below.

	Name of Institution	No. of grants	£'000	Geographic Region
1)	MA'AN Development Center – Gaza	5	1,696	MEEECIS
2)	Hijra Somalia	1	1,151	HECA
3)	Concern Worldwide	3	744	Global
4)	Organismo Cristiano de Desarrollo Integral de Honduras	8	716	LAC
5)	RUPANTAR	10	692	South Asia
6)	Action Contre la Faim	1	674	West Africa
7)	Tearfund	1	669	West Africa
8)	Zibika	3	618	South Asia
9)	Integrated Regional Support Programme	2	606	South Asia
10)	Sarvodaya	10	598	South Asia
11)	Solidarites	1	565	West Africa
12)	Horn of Africa Voluntary Youth Committee	6	559	HECA
13)	Gana Unnayan Kendra	11	523	South Asia
14)	Wajir South Development Association	6	504	HECA
15)	Samakal Samaj Unnayan Sangstha	5	470	South Asia
16)	Centre de Promotion Socio Sanitaire	3	464	HECA
17)	Fundación para el Desarrollo Participativo Comunitario	4	453	LAC
18)	Organizacion de Desarrollo Etnico Comunitario	7	426	LAC
19)	Economic & Social Development Centre of Palestine	3	386	MEEECIS
20)	Save the Children – UK	4	379	Global
21)	Partners in Revitalization and Building	1	366	South Asia
22)	Strengthening Participatory Organization	7	358	South Asia
23)	Liberia Ministry Of Health	2	347	West Africa
24)	Progoti	5	342	South Asia
25)	People's Oriented Program Implementation	8	326	South Asia
26)	Welfare Foundation	4	300	MEEECIS
27)	Agency for Economic Development and Empowerment	1	299	West Africa
28)	Amhara Development Association	1	297	HECA
29)	Projects Office – Blantyre Synod	4	296	Southern Africa
30)	Central Afghanistan Welfare Committee	1	292	South Asia
31)	Programme de Promotion des Soins de Sante Primaires	3	265	HECA
32)	LASOONA – Society for Human and Natural Resource Development	3	264	South Asia
33)	CARE International UK	3	258	Global
34)	National Gender and Community Development Organisation	6	257	South Asia
35)	Idara-e-Taleem-o-Aagahi (ITA)	1	236	South Asia
36)	Institute for Community Partnership	1	235	MEEECIS
37)	WatSan Village Councils	1	233	MEEECIS
38)	Organization for Rehabilitation and Development in Amhara	2	225	HECA
39)	Corporación Centro Regional de Derechos Humanos y Justicia de Género, HUMANAS	4	224	LAC
40)	ARAN – Humanitarian Regional Development Organization, Barda	5	223	MEEECIS
41)	Organization of Human Welfare	3	212	South Asia
42)	Arid Lands Development Focus	5	197	HECA
43)	Practical Action	3	191	Global
44)	Organization for Poverty Relief of Afghans	1	188	South Asia
45)	Association pour la Redynamisation de l'Elevage au Niger	1	184	West Africa
46)	Pampanga Disaster Response Network	2	184	East Asia
47)	Veterinaires Sans Frontieres – Dierenartsen Zonder Grenzen Belgium	2	176	HECA
48)	Federation of Chamber of Commerce and Industry Sri Lanka	2	172	South Asia
49)	Federacao de Orgaos para Assistencia Social e Educacional	4	171	LAC
50)	World Wildlife Fund, Inc	2	171	Global
			<u>20,382</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 11 months to 31 March 10 are listed below.

Name of other Oxfam	No of grants	£'000	Geographic Region
Oxfam America	10	775	LAC, West Africa, Global
Oxfam Canada	3	102	LAC, Southern Africa
Oxfam Hong Kong	2	190	East Asia
Oxfam India	3	2,924	South Asia
Intermón Oxfam	14	543	West Africa, LAC
Oxfam International	1	2,369	Global
Oxfam Ireland	2	77	HECA
Oxfam Novib	6	230	Global, South Asia, West Africa
Oxfam Mexico	3	156	LAC
Oxfam Quebec	2	40	LAC, Global
Grand Total		7,406	

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.

	11 months to 31 March 2010 £'000	Year to 30 April 2009 £'000
Total value of largest grants	20,382	18,370
Total value of grants to other Oxfams	7,406	4,363
Other grants	26,555	31,141
Total grants payable in furtherance of the charity's objects	54,343	53,874
Total number of grants made	1,451	1,851

iii. The values of grants received by Oxfam from other Oxfams in 2009/10 are listed below.

	11 months to 31 March 2010 £'000	Year to 30 April 2009 £'000
Oxfam America	1,127	2,098
Oxfam Australia	5,003	2,275
Solidarité (Oxfam in Belgium)	27	235
Oxfam Canada	2,032	2,754
Oxfam Germany	538	425
Oxfam Hong Kong	1,447	1,419
Intermón Oxfam	576	935
Oxfam International Tsunami Fund	244	4,199
Oxfam International	(4)	51
Oxfam India	–	27
Oxfam Ireland	2,496	3,188
Oxfam Japan	115	173
Oxfam New Zealand	78	205
Oxfam Novib	6,565	4,075
Oxfam Quebec	729	764
Total	20,973	22,823

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 (eg. 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, eg. 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 eg. 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:

						11 months to 31 March 2010	Year to 30 April 2009
	Trading £ m	Fundraising £ m	Humanitarian £ m	Development £ m	Campaigning & advocacy £ m	Total £ m	Total £ m
Regional programme support	–	–	3.6	4.4	0.2	8.2	11.4
Central programme costs	–	–	3.2	4.2	0.8	8.2	10.7
Exchange rate differences	–	–	–	–	–	–	1.7
Central finance	0.3	0.1	0.2	0.2	0.1	0.9	1.2
Central human resources	0.3	0.2	0.6	0.7	0.3	2.1	2.2
Corporate communications	–	0.7	0.3	0.4	0.7	2.1	1.0
Total support costs	0.6	1.0	7.9	9.9	2.1	21.5	28.2
Unrestricted	0.6	1.0	5.9	7.5	2.1	17.1	23.9
Restricted	–	–	2.0	2.4	–	4.4	4.3
	0.6	1.0	7.9	9.9	2.1	21.5	28.2

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

d. Governance costs (see Note 1g)

	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m
Finance, Trustees & legal costs	0.2	0.2
Audit fee	0.2	0.2
Internal audit	0.4	0.6
Directors' costs	0.1	0.1
Communications	0.2	0.1
	1.1	1.2

e. Other resources expended

	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m
VAT claim costs	0.2	–
Irrecoverable VAT*	0.8	–
Other	1.0	0.2
	2.0	0.2

* Irrecoverable VAT based on the conclusion of an Appeal Hearing.

4 Employees

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

Oxfam Group

	11 months to 31 March 2010 Head count	Year to 30 April 2009 Head count	11 months to 31 March 2010 FTE	Year to 30 April 2009 FTE
GB payroll				
Trading Division	1,031	1,011	817	800
Marketing Division	163	172	153	163
Corporate Functions	219	230	193	205
Campaigns and Policy	180	192	169	179
Programme Headquarters	217	235	203	218
Programme Overseas	267	311	265	309
	2,077	2,151	1,800	1,874
Overseas payroll	2,583	3,423	2,571	N/A*
	4,660	5,574	4,371	N/A

The staff numbers for Oxfam only are the same as above except that the Trading Division includes 97 (2008/09: 95) Oxfam Activities Limited staff and Overseas Payroll includes 39 (2008/09: 39) staff for the micro-credit scheme, Finance for Development Ltd and 26 staff for Frip Ethique SARL.

* The number of employees based overseas on local contracts is only expressed in terms of headcount for 2008/09 since a full-time equivalent is not available.

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 headcount.

5 Staff costs

	11 months to 31 March 2010	Year to 30 April 2009
	£ m	£ m
GB payroll		
Salaries	43.3	48.9
National Insurance	3.4	3.8
Pension contributions *	2.3	2.5
GB payroll staff costs	<u>49.0</u>	<u>55.2</u>
Overseas payroll staff costs	<u>33.5</u>	<u>39.5</u>
Total staff costs	<u>82.5</u>	<u>94.7</u>

* The charge to the SOFA for the period was £2.5m (2008/09: £2.2m), representing pension contributions (£2.3m as above, 2008/09: £2.5m), 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 20,000 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 11 months were £100,008 (2008/09: £107,700). For key members of staff working in our International Programme, emoluments may include accommodation and education, which allow us to be appropriately competitive in recruiting and retaining such staff in a global job market. Salaries for these staff are determined on a net (after tax) basis and high rates of income tax in certain countries result in high levels of gross salary.

	11 months to 31 March 2010 Number*	Year to 30 April 2009 Number
£60,000 to £69,999	12	11
£70,000 to £79,999	7	9
£80,000 to £89,999	7	5
£90,000 to £99,999	1	1
£100,000 to £109,999	4	2
£110,000 to £119,999	1	–

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

The increase this year reflects the higher costs of expat benefits because of the declining value of Sterling.

Retirement benefits are accruing under a defined benefit scheme for 9 (2008/09: 9) higher-paid employees. In addition, Oxfam paid £48,576 (2008/09: £46,966) into a defined contribution pension scheme for 10 (2008/09: 8) 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 2009/10, paid to 12 Trustees (2008/09: 13), were £16,000 (2008/09: £21,000).

Directly incurred expenses of the Chief Executive in 2009/10 were £20,000 (2008/09: £32,000).

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):

	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m
Depreciation of tangible fixed assets	4.3	4.5
Gain on disposal of fixed assets	–	(0.6)
Hire of vehicles and equipment	3.1	3.5
Property rental	15.8	17.6
Auditors' remuneration – statutory audit (GB)*	0.2	0.2
Auditors' remuneration – audit (overseas)	0.1	0.1
Auditors' remuneration – non-audit services	–	–
Rental income	(0.6)	(0.8)
Exchange rate differences	(0.4)	(3.5)
Irrecoverable VAT	1.8	1.0

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

The reported exchange rate gain was £0.4m (2008/09 gain £3.5m). This reported gain consists of two elements:

i) 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 gain £0.3m; 2008/09 net loss £1.6m).

ii) 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 gain £0.1m; 2008/09 net gain £5.1m).

8 Tangible fixed assets

Oxfam	Freehold property £ m	Leasehold property £ m	Furniture fixtures equipment £ m	Motor vehicles £ m	Total £ m
Cost					
At 1 May 2009	7.5	10.1	30.5	3.9	52.0
Additions	–	0.1	2.6	0.2	2.9
Disposals	(0.1)	(1.4)	(1.1)	(0.4)	(3.0)
At 31 March 2010	<u>7.4</u>	<u>8.8</u>	<u>32.0</u>	<u>3.7</u>	<u>51.9</u>
Depreciation					
At 1 May 2009	2.6	9.8	22.8	2.6	37.8
Charge for the period	0.1	0.1	3.7	0.4	4.3
Disposals	–	(1.4)	(1.0)	(0.3)	(2.7)
At 31 March 2010	<u>2.7</u>	<u>8.5</u>	<u>25.5</u>	<u>2.7</u>	<u>39.4</u>
Net Book Value					
At 31 March 2010	<u>4.7</u>	<u>0.3</u>	<u>6.5</u>	<u>1.0</u>	<u>12.5</u>
At 30 April 2009	<u>4.9</u>	<u>0.3</u>	<u>7.7</u>	<u>1.3</u>	<u>14.2</u>
Oxfam Group	Freehold property £ m	Leasehold property £ m	Furniture fixtures equipment £ m	Motor vehicles £ m	Total £ m
Cost					
At 1 May 2009	7.5	10.4	30.9	4.3	53.1
Additions	–	0.1	2.6	0.2	2.9
Disposals	(0.1)	(1.4)	(1.1)	(0.4)	(3.0)
At 31 March 2010	<u>7.4</u>	<u>9.1</u>	<u>32.4</u>	<u>4.1</u>	<u>53.0</u>
Depreciation					
At 1 May 2009	2.6	10.0	23.2	3.0	38.8
Charge for the period	0.1	0.1	3.7	0.4	4.3
Disposals	–	(1.4)	(1.0)	(0.3)	(2.7)
At 31 March 2010	<u>2.7</u>	<u>8.7</u>	<u>25.9</u>	<u>3.1</u>	<u>40.4</u>
Net Book Value					
At 31 March 2010	<u>4.7</u>	<u>0.4</u>	<u>6.5</u>	<u>1.0</u>	<u>12.6</u>
At 30 April 2009	<u>4.9</u>	<u>0.4</u>	<u>7.7</u>	<u>1.3</u>	<u>14.3</u>

The book value of land (which is not depreciated) included in freehold properties is £1.5m (2008/09: £1.5m).

All tangible fixed assets are held for charitable use.

9 Fixed asset investments

	Investments				Programme related investments	Fixed asset investments
	Freehold property £ m	Cash £ m	Unquoted* £ m	Total £ m	Unquoted £ m	Total £ m
Oxfam						
Market value:						
At 1 May 2009	0.4	2.4	1.6	4.4	–	4.4
Additions	–	0.1	–	0.1	–	0.1
Revaluation	–	–	–	–	–	–
Disposals	–	–	–	–	–	–
At 31 March 2010	0.4	2.5	1.6	4.5	–	4.5
	Freehold property £ m	Cash £ m	Unquoted £ m	Total £ m	Programme related investments	Fixed asset investments
Oxfam Group						
Market value:						
At 1 May 2009	0.4	2.4	–	2.8	0.1	2.9
Additions	–	0.1	–	0.1	–	0.1
Revaluation	–	–	–	–	–	–
Disposals	–	–	–	–	–	–
At 31 March 2010	0.4	2.5	–	2.9	0.1	3.0

9a Investments

* Unquoted investments include a loan of £1.6m 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. No repayment notice has been issued.

Freehold investment properties with an original cost of £0.3m are included in the Balance Sheet at market value of £0.4m. 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 2010, 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	Minority interest	Consolidation	Year end date
Oxfam Activities Limited	United Kingdom	Raises funds through trading activities	Ordinary	100%	0%	Yes	31 March
Finance for Development Ltd	Azerbaijan	Micro-credit scheme	Ordinary	100%	0%	Yes	31 December
Frip Ethique SARL	Senegal	Second-hand clothing	Ordinary	100%	0%	Yes	31 December
Just Energy Ltd	United Kingdom	Renewable energy projects	N/A	100%	0%	No (dormant)	31 March
Coffee Producers Company Ltd	United Kingdom	Dormant	Special share	Oxfam have control of activities but no right to the assets	100%	No (not material)	30 June

The aggregate total amount invested in all Oxfam's subsidiaries, including the loan to OAL, is £1.6m (2008/09: £1.6m).

Their financial results for the year were:

	Oxfam Activities Limited		Finance for Development Limited		Frip Ethique SARL
	11 months to 31 March 2010 £m	Year to 30 April 2009 £ m	11 months to 31 March 2010 £ m	Year to 30 April 2009 £ m	11 months to 31 March 2010 £ m
Income	15.1	17.9	1.2	2.1	1.1
Expenditure	(12.9)	(16.1)	(1.2)	(1.3)	(1.2)
Trading profit/(loss)	2.2	1.8	–	0.8	–
Loan interest paid to Oxfam	(0.1)	(0.2)	–	–	–
Profit gift aided to Oxfam	(2.1)	(1.6)	–	–	–
Profit for the period	–	–	–	0.8	(0.1)
	At 31 March 2010	At 30 April 2009	At 31 March 2010	At 30 April 2009	At 31 March 2010
	£ m	£ m	£ m	£ m	£ m
Net assets	0.1	0.1	1.7	1.7	(0.1)

Coffee Producers Company Limited was dormant for both 2009 and 2010 and has no net assets.

Just Energy was incorporated on 13 May 2009 and has remained dormant throughout the period.

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% 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 (including Oxfam Activities Limited) 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	
	2010 £ m	2009 £ m	2010 £ m	2009 £ m
Oxfam trading stocks	–	–	1.8	2.3
Humanitarian supplies	1.3	1.6	1.3	1.6
Other stocks	–	0.2	–	0.2
	1.3	1.8	3.1	4.1

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

11 Debtors

	Oxfam		Oxfam Group	
	2010 £ m	2009 £ m	2010 £ m	2009 £ m
Amounts falling due within one year				
Amount due from subsidiaries	–	0.1	–	–
Loans to micro-credit schemes	–	–	4.6	3.4
Other debtors	2.1	2.0	2.3	2.3
Prepayments	5.3	3.8	5.3	3.8
Accrued income	1.0	0.9	1.0	0.9
Tax recoverable	8.3	14.1	8.3	14.1
Amounts due from institutional donors	20.5	15.1	20.5	15.1
	<u>37.2</u>	<u>36.0</u>	<u>42.0</u>	<u>39.6</u>
Amounts falling due outside one year				
Loans to micro-credit schemes	–	–	0.5	1.0
Other debtors	1.0	0.1	1.0	0.1
	<u>1.0</u>	<u>0.1</u>	<u>1.5</u>	<u>1.1</u>
Total debtors	<u>38.2</u>	<u>36.1</u>	<u>43.5</u>	<u>40.7</u>

12 Cash at bank and in hand

	Oxfam		Oxfam Group	
	2010 £ m	2009 £ m	2010 £ m	2009 £ m
Cash on short-term deposit	42.0	23.0	42.0	23.0
Cash and bank balances	23.3	21.4	24.5	22.7
	<u>65.3</u>	<u>44.4</u>	<u>66.5</u>	<u>45.7</u>

13 Creditors – Amounts falling due within one year

	Oxfam		Oxfam Group	
	2010 £ m	2009 £ m	2010 £ m	2009 £ m
Amount due to subsidiaries	0.8	–	–	–
Trade creditors	6.6	8.1	7.3	8.7
Other tax and social security	0.4	1.5	0.4	1.5
Accruals	7.4	5.5	8.0	5.7
Deferred income	1.5	1.4	1.5	1.4
Loans from micro-credit schemes	–	–	0.9	1.8
Interest-free loans	0.2	0.2	0.2	0.2
	<u>16.9</u>	<u>16.7</u>	<u>18.3</u>	<u>19.3</u>

14 Creditors – Amounts falling due after more than one year

	Oxfam		Oxfam Group	
	2010 £ m	2009 £ m	2010 £ m	2009 £ m
Loans from micro-credit schemes *	–	–	3.7	2.3
	<u>–</u>	<u>–</u>	<u>3.7</u>	<u>2.3</u>

* There is no security on the loans and no interest is payable.

15 Provisions for liabilities and charges

	End of contract £ m	Dilapidations £ m	Other £ m	Oxfam Total £ m	Oxfam Activities Limited dilapidations £ m	Oxfam Group Total £ m
At 1 May 2009	6.8	1.9	0.5	9.2	0.1	9.3
Arising in the period	1.8	0.5	1.0	3.3	–	3.3
Released in the period	(2.9)	(0.2)	(0.4)	(3.5)	–	(3.5)
At 31 March 2010	5.7	2.2	1.1	9.0	0.1	9.1

The end of contract provision is a two-fold arrangement for staff on non-UK contracts. The first element is 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 loyalty, 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 2009 has been calculated as £1.0m (2008/09: £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 May 2009 £ m	Oxfam and Oxfam Group		At 31 March 2010 £ m
		Additions in period £ m	Unrealised gain in period £ m	
Permanent endowment funds				
The Mary & Henry Makinson Spink Memorial Fund	1.4	–	–	1.4
The Ellen & Ronald Carr-Webb Memorial Trust Fund	0.9	0.1	–	1.0
Other permanent endowment funds	0.1	–	–	0.1
	2.4	0.1	–	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

	Oxfam and Oxfam Group			
	At 1 May 2009 £ m	Income £ m	Expenditure £ m	At 31 March 2010 £ m
Regional funds				
LAC	3.4	12.3	(12.3)	3.4
HECA	3.9	34.6	(29.3)	9.2
West Africa	2.6	11.5	(11.4)	2.7
Humanitarian	0.8	1.9	(3.4)	(0.7)
MEEECIS	2.1	10.3	(10.2)	2.2
Southern Africa	(0.3)	12.2	(11.0)	0.9
South Asia	2.1	24.6	(20.6)	6.1
UK Poverty Programme	0.1	0.3	(0.5)	(0.1)
East Asia	0.9	13.1	(12.2)	1.8
Goods and services in kind	–	16.4	(16.4)	–
Oxfam Unwrapped	1.9	4.1	(3.3)	2.7
Other funds	0.8	4.6	(1.1)	4.3
DFID – Partnership Programme Agreement	2.7	7.3	(8.6)	1.4
Appeals				
Asian Tsunami	0.5	–	(0.5)	–
South Asia earthquake	0.5	–	(0.4)	0.1
DRC Appeal	0.5	–	(0.4)	0.1
Myanmar cyclone	0.3	–	(0.2)	0.1
Zimbabwe Appeal	0.3	–	(0.3)	–
Pakistan conflict	–	0.7	(0.4)	0.3
East Africa food crisis	–	1.2	(0.2)	1.0
East Asia Appeal	–	1.0	(0.3)	0.7
Haiti earthquake	–	5.4	(2.6)	2.8
Other appeal funds	0.9	0.6	(1.2)	0.3
	<u>24.0</u>	<u>162.1</u>	<u>(146.8)</u>	<u>39.3</u>

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 £13.3m (2008/09: £10.8m). 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 period.

19 Unrestricted funds

Movements on unrestricted funds are as follows:

Oxfam	General reserves £ m	Designated fund fixed assets* £ m	Designated fund other £ m	Pension reserve £ m	Total £ m
At 1 May 2009	34.7	13.9	–	(24.5)	24.1
Surplus for the period	12.9	(3.7)	–	(1.3)	7.9
Gains and losses	–	–	–	(7.2)	(7.2)
Transfers between funds	(9.5)	2.6	3.2	3.7	–
At 31 March 2010	38.1	12.8	3.2	(29.3)	24.8

Oxfam Group	General reserves £ m	Designated fund fixed assets* £ m	Designated fund other £ m	Pension reserve £ m	Funds held in non-charitable subsidiary £ m	Total £ m
At 1 May 2009	34.7	13.9	1.7	(24.5)	0.1	25.9
Surplus for the period	12.9	(3.7)	(0.1)	(1.3)	–	7.8
Gains and losses	–	–	–	(7.2)	–	(7.2)
Transfers between funds	(9.5)	2.6	3.2	3.7	–	–
At 31 March 2010	38.1	12.8	4.8	(29.3)	0.1	26.5

* Included in the designated fund fixed assets is a revaluation reserve of £0.1m.

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

	At 1 May 2009 £ m	Net income/ (expenditure) in the year £ m	Transfers between funds £ m	At 31 March 2010 £ m
Micro-credit scheme retained reserves	1.7	–	–	1.7
Frip Ethique SARL	–	(0.1)	–	(0.1)
Single Management Structure (SMS)	–	–	3.2	3.2
Oxfam Group	1.7	(0.1)	3.2	4.8

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.

Transfers to/(from) the fixed asset designated fund represent capital additions less disposal proceeds. Transfers to the pension reserve represent contributions paid into the scheme during the period, along with changes resulting from the FRS17 valuation.

20 Commitments

a. Capital

At 31 March 2010 there were no capital commitments (at 30 April 2009: 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	
	2010 £ m	2009 £ m	2010 £ m	2009 £ m
Within one year	16.7	6.4	16.7	6.4
Between two and five years	5.5	2.1	5.5	2.1
	22.2	8.5	22.2	8.5

c. Operating leases

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

	Oxfam		Oxfam Group	
	2010 £ m	2009 £ m	2010 £ m	2009 £ m
i) Land and buildings				
Operating leases which expire:				
Within one year	2.3	4.2	2.3	4.2
In the second to fifth years inclusive	6.9	10.3	6.9	10.3
After five years	4.2	2.0	4.2	2.0
	<u>13.4</u>	<u>16.5</u>	<u>13.4</u>	<u>16.5</u>
ii) Vehicles				
Operating leases which expire:				
Within one year	0.1	0.1	0.1	0.1
In the second to fifth year inclusive	0.3	0.2	0.3	0.2
	<u>0.4</u>	<u>0.3</u>	<u>0.4</u>	<u>0.3</u>

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 2010 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 (2008/09: 10.0%). The employees' contribution is 7.0% of pensionable pay (2008/09: 7.0%). The pension costs for this scheme for the period were £1.3m (2008/09: £1.1m). Contributions paid by Oxfam GB during the period were £3.5m (2008/09: £3.9m). In addition, Oxfam Ireland and Oxfam International paid £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 2011 is £3.7m.

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 2010 %	30 April 2009 %
Rate of increase in salaries	3.50	3.10
Rate of increase of pensions (deferred and in payment)	3.50	3.10
Rate of inflation	3.50	3.10
Rate used to discount scheme liabilities *	5.50	6.40

* 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 60:

	2010 Years	2009 Years
Non-pensioners:		
Males	28.8	28.8
Females	31.5	31.5
Pensioners:		
Males	27.0	27.0
Females	29.8	29.8

Scheme assets and expectation of return

	31 March 2010 £ m	30 April 2009 £ m	30 April 2008 £ m	30 April 2007 £ m	30 April 2006 £ m
Equities	50.6	39.4	44.0	45.2	41.1
Government Bonds	21.4	13.7	18.6	22.6	20.2
Property	4.5	3.9	4.9	–	–
Cash	0.6	0.6	0.6	0.4	0.4
Total fair value of assets	77.1	57.6	68.1	68.2	61.7
Present value of scheme liabilities	(106.4)	(82.1)	(81.1)	(88.3)	(85.0)
Net pension liability	(29.3)	(24.5)	(13.0)	(20.1)	(23.3)
	Expected rate of return at 31 March 2010	Expected rate of return at 30 April 2009			
	%	%			
Equities	8.40	8.40			
Bonds	5.10	5.96			
Property	7.40	8.40			
Cash	0.50	0.50			
Total	7.37	7.74			

The overall expected rate of return on the Scheme assets has been based on the average expected return for each asset class, weighted by the amount of assets in each class.

None of the fair values of the assets shown includes 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

	31 March 2010 £ m	30 April 2009 £ m
Current service cost	0.7	1.0
Interest cost on scheme liabilities	4.8	5.1
Expected return on assets in the scheme	(4.2)	(5.0)
Net finance charge	0.6	0.1
Actual return less expected return on pension scheme assets	12.5	(18.4)
Experience gains on liabilities	–	–
Changes in assumptions underlying the present value of scheme liabilities	(19.7)	4.1
Total actuarial loss recognised	(7.2)	(14.3)

The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities since 1 May 2004 is a loss of £22.8m (2008/09: £15.6m loss).

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

	2010 £ m	2009 £ m
Scheme liabilities at the start of the period	82.1	81.1
Current service cost	0.7	1.0
Interest cost	4.8	5.1
Contributions by scheme participants	0.7	0.7
Actuarial loss/(gain)	19.7	(4.1)
Benefits paid	(1.6)	(1.7)
Scheme liabilities at the end of the period	106.4	82.1

The actual return on scheme assets for the period was a gain of £16.7m (2008/09: £13.4m loss).

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

	2010 £ m	2009 £ m
Scheme assets at the start of the period	57.6	68.1
Expected return on scheme assets	4.2	5.0
Actuarial gain/(loss)	12.5	(18.4)
Contributions by employer	3.7	3.9
Contributions by scheme participants	0.7	0.7
Benefits paid	(1.6)	(1.7)
Scheme assets at the end of the period	77.1	57.6

History of experience gains and losses

	2010	2009	2008	2007	2006
Difference between the expected and actual return on scheme assets (£ m)	12.5	(18.4)	(7.9)	0.4	6.5
As % of scheme assets	16.2%	(32.0%)	(11.6%)	0.6%	10.6%
Experience gains on scheme liabilities (£ m)	–	–	1.6	0.1	0.1
As % of liabilities	0.0%	0.0%	2.0%	0.0%	0.1%

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 £1.3m (2008/09: £1.3m) to this pension scheme in relation to the period to 31 March 2010.

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 Analysis of group net assets between funds

	Unrestricted funds £ m	Restricted funds £ m	Endowment funds £ m	Total funds £ m
Oxfam				
Fund balances at 31 March 2010 are represented by:				
Tangible fixed assets	12.5	–	–	12.5
Investment assets	2.0	–	2.5	4.5
Current assets	65.5	39.3	–	104.8
Current and long-term liabilities and provisions	(25.9)	–	–	(25.9)
Pension liability	(29.3)	–	–	(29.3)
Total net assets at 31 March 2010	<u>24.8</u>	<u>39.3</u>	<u>2.5</u>	<u>66.6</u>
	Unrestricted funds £ m	Restricted funds £ m	Endowment funds £ m	Total funds £ m
Oxfam Group				
Fund balances at 31 March 2010 are represented by:				
Tangible fixed assets	12.6	–	–	12.6
Investment assets	0.5	–	2.5	3.0
Current assets	73.8	39.3	–	113.1
Current and long-term liabilities and provisions	(31.1)	–	–	(31.1)
Pension liability	(29.3)	–	–	(29.3)
Total net assets at 31 March 2010	<u>26.5</u>	<u>39.3</u>	<u>2.5</u>	<u>68.3</u>

22 Related party transactions

There were no related party transactions during the period.

2008/09: Development Finance International Ltd, a company in which one of our Trustees, Matthew Martin, is a director, undertook consultancy work for Oxfam, conducting research and providing a report on the IMF Policy Support Instrument. In line with Oxfam's standard consultancy terms and conditions, the company received £6,000 in respect of this work.

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.



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ActionAid
 Australian Agency for International Development (AusAID)
 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
 Dubai Cares
 European Commission: DG Europeaid, DG Employment, Social Affairs and Equal Opportunities and DG ECHO (Humanitarian Aid department of the European Commission)
 Foreign and Commonwealth Office (FCO)
 Government of Belgium
 Government of Finland
 Government of Germany
 Government of Honduras
 Government of Ireland Department of Foreign Affairs (Irish Aid)
 Government of Mozambique
 Government of the Netherlands
 Isle of Man Overseas Aid Committee
 Khalifa Bin Zayed Al Nahyan Foundation
 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)
 United Nations Democracy Fund (UNDEF)
 United Nations Development Fund for Women (UNIFEM)
 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 World Food Program (WFP)
 Food and Agriculture Organization of the United Nations (FAO)
 United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)
 United Nations Children's Fund (UNICEF)
 US Agency for International Development (USAID-OFDA)
 The World Bank

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¹ Roars not Whispers Youth Empowerment Program in Scotland spend: £104,076

² Refugee and Asylum Seeking Women in Wales spend: £63,959

³ Anti-Poverty Network in Wales spend: £24,312

⁴ Mainstreaming Gender in CEP Partners Globally spend: £7,549

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