

ENCOMPASS - THE DANIEL BRADEN RECONCILIATION TRUST
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2013

Charity Registration No. 1096213

ENCOMPASS - THE DANIEL BRADEN RECONCILIATION TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A K Braden A M Braden C R Braden P J Meekings N J Pressley
Patrons	Lord Patten of Barnes Alex King
Charity number	1096213
Principal address	Faraday House 45 – 51 Old Gloucester Street London WC1N 3AE
Independent examiner	P J Hussey FCA Spofforths LLP A2 Yeoman Gate Yeoman Way Worthing West Sussex BN13 3QZ

ENCOMPASS - THE DANIEL BRADEN RECONCILIATION TRUST

CONTENTS

	Page
Trustees' report	4 – 7
Statement of financial activities	8
Balance sheet	9
Notes to the accounts	10 – 13
Independent examiner's report	14

ENCOMPASS - THE DANIEL BRADEN RECONCILIATION TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The trustees present their report and unaudited accounts for the year ended 31 December 2013. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Governance and Management

The trustees who served during the year were:

A K Braden
A M Braden
C R Braden
P J Meekings
N J Pressley

The trustees are satisfied that they have the skills required for the Trust's governance and do not think it necessary to recruit further trustees at the present time.

The charity is led by a part time Chief Executive, Eric Appleby, and employs a Programme Manager, a Fundraising Manager and a Programme Development Officer.

The trustees meet quarterly, with the Chief Executive and staff members attending. Operational management is delegated to the Chief Executive with the trustees providing strategic management and direction and monitoring operational and financial performance.

The charity is associated with the "ENCOMPASS Trust, a Non-Profit Corporation" (a US based charitable organisation) and "ENCOMPASS Indonesia".

Objectives and activities

The Trust's objectives are to promote understanding and tolerance among young people of different backgrounds, faiths and cultures. This is achieved by means of challenging adventure programmes and facilitated discussions focusing on conflict, identity and cultural differences, with the long-term aim of creating a global alumni dedicated to peaceful co-existence. Members of the alumni are encouraged and supported to set up local community projects which fulfil the aims and objectives of the Trust.

Risk Management

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Public Benefit

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the charity's aims, objectives and activities and are satisfied that they fully meet it.

Review of the Year 2013

"A lot of us have this approach that we want to change the world. But how can we change a world that we don't know about?" The words of one of the American participants on the Journey of Understanding held in November 2013 and an expression of the development that takes place on an Encompass programme. Young adults arrive on the programme with an odd mix of energy and apprehension. The starting point is for them to learn about themselves and then to embark on the journey of learning how to engage with and understand others. By the time the programme ends, they don't know everything about the world, but have the awareness, the skills and the confidence to go out and lead others on a journey of understanding.

The international programmes held during the year provided the inevitable range of highs and lows as eyes were opened and the tensions were played out and, generally, understood, if not resolved. As Ameen, one of the participants, said 'The programme helped me learn how to talk, how to respect...'.

The test of the programme comes when participants are asked to plan and deliver their own workshop sessions based on their discussions. Not only were these of a high standard but, once the group had returned to London, were also taken out and delivered to young people in other community organisations, where they were seen to have a real impact.

We were pleased that we were finally, after a couple of false starts, able to involve participants from Pakistan for the first time. This has added an exciting new dimension to the programme and we look forward to building on our links there.

2013 also saw the addition of a new centre, at Derwentwater in the Lake District, to the venues used for the programmes and featured together with the existing favourite at Plas Gwynant.

However, perhaps the most pleasing aspect of our international work has been the growth in the range and scale of alumni activity. Our Palestinian partners have built an impressive range of workshops and other events through which our alumni take the Encompass message out to other community groups. Meanwhile alumni in Indonesia performed miracles in bringing together music and dance performers from across the very many islands, cultures and divides that characterise that country. The Chair, Chief Executive and Programme Manager were privileged to be in Malang to witness the finale, which also attracted key policymakers and commentators. In receiving an award, a musician from the divided island of Papua noted that it was the first time that, as a Papuan, he had felt that he was listened to, or taken seriously, by someone from the Java 'mainstream'. Plans are also being developed for a similar enhancement of follow-up activity in Israel and the US.

Our Programme Manager, Lucy, was also able to visit our teams in the Palestinian Territories and Israel where, in addition to developing plans with our Coordinators there and paying her first visit to our partners at the Tulkarem Peace Centre, was able to catch up with previous participants from the region and hear of their experiences as Encompass alumni.

Our UK programmes have been developing over the last two years, but received a boost and step-change in capacity with the arrival in July of funding from Comic Relief and the Dulverton Trust to enable us to run four programmes each year and to put in place skills training and mentoring support for those taking part. This will also enable us to take our UK work outside London (previous funding had been London-specific). Discussions are taking place and we expect 2014 to see us mounting programmes in venues in Bristol, Manchester and Slough. The first two programmes to benefit from this new funding took place and were led, with the support of staff, by alumni from previous programmes who were able to put into practice the skills that they had learned. Further mentoring and skills follow-up were particularly important in boosting the confidence of participants to take their learning out and beyond the confines of the programme.

Allied to the upgrading of our UK programmes has been a corresponding stepping up of the alumni work. Led by the alumni themselves, the Youth Board has been augmented by a Steering group whose role is to plan major projects and to support the activities of the wider alumni membership. The first major project was to develop a programme of workshops to take to Indonesia and to deliver in partnership with Encompass Indonesia; UK alumni not only developed the plans and methodology but also fundraised independently to cover the costs of the venture.

The benefits of young people getting involved in Encompass and subsequent activities has been enhanced during the year by our successful registration with AQA as a body able to award accreditation for young people's efforts in taking forward the Encompass message. Those efforts and the views and experiences of our alumni are increasingly now being made accessible via blogs written by them. These can be found at <http://theencompassdiaries.wordpress.com/> and speak much more eloquently than any staff reports of the transformations that take place as a result of our programmes.

Fundraising - never easy - has been as challenging as it has ever been. However, we were pleased to be able to make a Radio 4 appeal, from which we netted around £9,000, and to have some dedicated supporters who undertook sponsored runs/cycle rides, not least the father and daughter duo who recruited a team of runners to take part in the Water of Life series of runs. We also made our first foray into direct marketing with inserts placed in a number of faith publications.

Fundraising also relies on people knowing us and what we do, and so the first in a new series of events entitled 'Encompass Presents' was held in November. Jo Berry, whose father was killed in the 1984 bombing at the Grand Hotel in Brighton, presented in tandem with Patrick Magee, who planted that bomb, talking about the background to the bombing, the impact on each of their lives and the nature of their reconciliation. A large audience was enthralled by the event.

Underpinning these initiatives were the regular donors, small and large, whose continued support not only keeps the organisation moving forward but also confirms the value of what we do in their willingness to maintain their long-term and consistent support.

There was one staff change during the year – but a significant one. Our Programme Manager, Rori Donaghy, left to take up a post elsewhere, with Lucy Frankenburg moving from her role as Programme Development Officer to take over the position. Lucy's replacement was Sahdia Khan, who was first involved with Encompass as a participant on a Journey of understanding in 2007. We were delighted to have her back to take on this demanding role, confident that her knowledge gained on the programme and subsequently as a teacher, will stand her in good stead. This is already proving to be the case.

2014 promises to be just as challenging as the last year in all respects. Nonetheless, we have ambitious plans, with the following objectives:

- Tying partner UK organisations more closely into our work so as to create longer-term, sustainable partnerships
- Further development of the Youth Board role and structure so as to more actively promote and support post-programme activity
- Developing and supporting post-programme activity in those countries where little currently occurs
- Taking the UK programme outside London
- Improving monitoring and recording of long-term impact, including through the medium of storytelling
- Further develop external communications, notably via social media

While there is much work to be done in each of these areas, we are confident that our staff, trustees and partners can, between us, continue to make real progress and make an impact in changing the future, in changing the world.

Partners include:

Active Change Foundation
Aik Saath
The Board of Deputies of British Jews
Derwentwater Independent Hostel
Help Somalia Foundation
Joseph Interfaith Foundation
Liberal Jewish Synagogue
Lotus Life Ladies
Love Life Generation
Media Trust
The Movement for Reform Judaism
One Voice
Plas Gwynant
Praxis
Princes Trust
Salmon Youth Centre
St. Ethelburga's
Slough Police Cadets
SWIPE
The Scouts Association
Syracuse University, USA
UK Youth

Main Donors:

Fritz Albada Jelgersma
C Ambrogi
Berco Ltd
Bloomberg Philanthropies
C. J. N. Braden
City Bridge Trust
Comic Relief
Dulverton Trust
Fellfoot Charitable Trust
P Florin
N Hill
Holman Fenwick Willan
Dr Arthur Miller
C. Moeke
Morgan Stanley
L'Occitane
Syracuse University, London Campus
K Taylor
J Whiting
A & J Winch
YCO Group
YPI

Plus all our regular supporters and donors.

Financial Review and Prospects

The statement of financial activities shows a decrease in unrestricted funds of £38,417 (2012: increase £12,469). The total unrestricted funds have decreased from £65,447 to £27,030. The major reason for this is a decline in private donations.

The budget for 2014 has been set to achieve at least a break even position

There was an increase in restricted funds of £36,955 (2012: decrease £12,312). These represent amounts received in advance from the grants of £37,350 and £26,000 from Comic Relief (Sports Programme) and Dulverton Trust for alumni work, staff and project costs.

Reserves Policy

The trustees determined in 2010 that it is necessary to have reserves of £60,000 to cover salary and overhead costs for a 3 month period and any shortfall in funding for the next programme.

The deficit incurred this year has meant that this policy is no longer being achieved. The trustees are clear on the need to rebuild the reserves and are examining ways in which this can be done.

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the Trustees' Report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, 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 accounting standards have been followed, subject to any material departures disclosed and explained, and;
- prepare the accounts on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

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 accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the charity's governing document. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approval

This report was approved by the Trustees on

and signed on their behalf by

P J Meekings
Trustee

ENCOMPASS – THE DANIEL BRADEN RECONCILIATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	Unrestricted Funds	Restricted Funds	Totals 2013	Totals 2012
		£	£	£	£
Incoming resources from generated funds					
Grants from trusts and organisations	2	66,721	65,350	132,071	91,300
Private donations		52,934	-	52,934	106,055
Fundraising events		13,379	-	13,379	14,901
Radio 4 Appeal		8,913	-	8,913	-
		<u>141,947</u>	<u>65,350</u>	<u>207,297</u>	<u>212,256</u>
Investment income		17	-	17	69
Total incoming resources		<u>141,964</u>	<u>65,350</u>	<u>207,314</u>	<u>212,325</u>
Resources expended	3				
Costs of generating voluntary income		36,466	-	36,466	39,004
Charitable activities		143,195	28,395	171,590	172,324
Governance costs		720	-	720	840
Total resources expended		<u>180,381</u>	<u>28,395</u>	<u>208,776</u>	<u>212,168</u>
Net movements in funds		<u>(38,417)</u>	<u>36,955</u>	<u>(1,462)</u>	<u>157</u>
Total funds brought forward		<u>65,447</u>	<u>4,900</u>	<u>70,347</u>	<u>70,190</u>
Total funds carried forward		<u>27,030</u>	<u>41,885</u>	<u>68,885</u>	<u>70,347</u>

ENCOMPASS – THE DANIEL BRADEN RECONCILIATION TRUST

BALANCE SHEET AS AT 31 DECEMBER 2013

	Notes	2013 £	2012 £
Current assets			
Debtors		6,838	10,514
Cash at bank		62,767	66,177
		<u>69,605</u>	<u>76,691</u>
Creditors: amounts falling due within one year		(720)	(6,344)
		<u></u>	<u></u>
Net current assets		68,885	70,347
Total assets less current liabilities		<u>68,885</u>	<u>70,347</u>
Income funds			
Restricted funds	6	41,855	4,900
Unrestricted funds		27,030	65,447
		<u>68,885</u>	<u>70,347</u>

The accounts were approved by the Trustees on

.....
P J Meekings
Trustee

.....
N J Pressley
Trustee

ENCOMPASS – THE DANIEL BRADEN RECONCILIATION TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2013

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Charities Act, 2011.

1.2 Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on the expenditure imposed by the donors. Whilst some donations and grants are received mainly for specific programmes run during the year, the trustees consider that these are unrestricted.

1.3 Incoming resources

All incoming resources, including voluntary income, received by way of grants and donations, are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

1.4 Resources expended

Expenditure is recognised on an actual basis as a liability is incurred.

Costs of generating voluntary income comprise of the actual costs together with an appropriate proportion of overhead costs.

Governance costs are those primarily associated with constitutional and statutory requirements.

1.5 Foreign currency translation

Transactions denominated in foreign currencies are recovered at the rate ruling at the date of the transaction.

ENCOMPASS - THE DANIEL BRADEN RECONCILIATION TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2013

2 Grants from trusts and organisations

	2013	2012
	£	£
Restricted Funds		
Comic Relief	37,350	-
Dulverton Trust	26,000	-
Woodward Charitable Trust	2,000	-
City Bridge Trust	-	30,000
	<hr/>	<hr/>
Total Restricted Funds	65,350	30,000
	<hr/>	<hr/>
Unrestricted Funds		
Grants from trusts and organisations		
For programmes:		
Bloomberg Philanthropies	30,253	-
Syracuse University	11,500	12,200
Fellfoot Trust	2,000	2,000
Edith Maud Ellis Charitable Trust	1,000	-
Leach 14 Trust	1,000	-
Harley Charitable Trust	500	-
Interfaith Youth Trust	468	-
Aqualung Trust	-	25,000
Others	-	2,100
	<hr/>	<hr/>
	46,721	41,300
	<hr/>	<hr/>
For accommodation:		
Syracuse University	20,000	20,000
	<hr/>	<hr/>
	20,000	20,000
	<hr/>	<hr/>
Total Unrestricted Funds	66,721	61,300
	<hr/>	<hr/>
TOTAL	132,071	91,300
	<hr/>	<hr/>

ENCOMPASS - THE DANIEL BRADEN RECONCILIATION TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 £	2012 £
3 Resources expended		
Cost of generating voluntary income		
Salary of fundraising programme manager	26,648	21,773
Fundraising event costs	-	7,703
Fundraising costs	4,336	3,090
Overhead costs	5,482	6,438
	<u>36,466</u>	<u>39,004</u>
Charitable activities		
Direct programme costs	66,068	58,410
Salaries	28,149	20,132
Partnership building costs	1,686	2,793
Alumni work	1,068	-
Overhead costs	46,224	48,827
	<u>143,195</u>	<u>130,162</u>
Governance costs		
Independent examiner's fee	720	840
	<u>720</u>	<u>840</u>
4 Overhead costs		
Chief executive	27,391	24,803
Office cost	20,000	20,000
Insurance	1,033	1,027
IT and internet costs	2,833	4,247
Website design	-	7,970
Office expenses	3,567	4,878
	<u>54,824</u>	<u>62,925</u>
Allocated		
Charitable activities	46,224	48,827
Costs of generating voluntary income	5,482	6,438
Restricted funds	3,118	7,660
	<u>54,824</u>	<u>62,925</u>

The value of the accommodation and services provided by Syracuse University is estimated to be £20,000 and is reflected in the Statement of Financial Activities.

ENCOMPASS - THE DANIEL BRADEN RECONCILIATION TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2013

5 Employees

Number of employees

The average monthly number of employees during the year was 4 (2012: 3).

Employment costs

	2013 £	2012 £
Salaries	93,871	71,785
National insurance	8,809	6,540
	<hr/>	<hr/>
	102,680	78,325
	<hr/>	<hr/>

There were no employees whose annual emoluments were £60,000 or more.

6 Restricted Funds

	Balance at 1.1.13 £	Incoming resources £	Salaries £	Other Resources Expended £	Proportion of overheads £	Balance at 31.12.13 £
City BridgeTrust	4,900	-	(4,862)	-	(38)	-
Comic Relief	-	37,350	(13,875)	(3,120)	-	20,355
Dulverton Trust	-	26,000	(1,755)	(1,665)	(3,080)	19,500
Woodward Charitable Trust	-	2,000	-	-	-	2,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,900	65,350	(20,492)	(4,785)	(3,118)	41,855
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Comic Relief (Sports Programme) have awarded a grant of £75,000 for a 2 year period from 1 July 2013 for alumni work, staff and project costs, of which £37,350 was received in the year.

The Dulverton Trust have awarded a grant of £26,000 for the same 2 year period to cover further costs of the programme.

The grant from the Woodward Charitable Trust is for an inclusion project to build trust and community cohesion across different cultures and backgrounds in the UK.

The City Bridge Trust awarded a grant of £90,000 to fund the employment of a youth development officer, and related costs, for a 3 year period from September 2009. The final £30,000 was received in 2012 and the balance brought forward of £4,900 was fully utilised in the current year.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses.

ENCOMPASS - THE DANIEL BRADEN RECONCILIATION TRUST

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ENCOMPASS – THE DANIEL BRADEN RECONCILIATION TRUST

I report on the accounts of the charity for the year ended 31 December 2013, which are set out on pages 8 to 13, which comprise the Statement of Financial Activities, Balance Sheet and Notes to the Accounts.

Respective responsibilities of the trustees and the examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

Basis of the independent examiner's statement

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts with those records. It also includes the consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the examiner's statement is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the Act; and
- to prepare accounts which accord with the accounting records and comply with the requirements of the Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Peter Hussey FCA
For and on behalf of Spofforths LLP
Chartered Accountants
A2 Yeoman Gate
Yeoman Way
Worthing
West Sussex
BN13 3QZ**

Date: