Annual Reports and Accounts
2005/06

social care
institute for excellence

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Reference and administrative information

Status	SCIE is a charitable company limited by guarantee, incorporated on 19 September 2001 and registered as a charity on 3 July 2002.
Governing document	The organisation was established under a memorandum of association, which established the objects and powers of the organisation, and is governed under its articles of association.
Trustees	Jane Campbell (Chair until 31 March 2006) Allan Bowman (Chair from 1 April 2006) Ziggi Alexander Shokat Babul Peter Beresford Ratna Dutt John Fenton Jon Glasby Janet Lewis Geraldine Macdonald Diana McNeish Terry Philpot Roy Taylor Gail Tucker
Company secretary	Victoria McNeill
Chief executive	Bill Kilgallon
Senior executives	Amanda Edwards (Head of Knowledge Services) Victoria McNeill (Head of Corporate Services)
Registered and principal office	Goldings House 2 Hay's Lane London SE1 2HB T: +44 (0)20 7089 6840 F: +44 (0)20 7089 6841 E: info@scie.org.uk www.scie.org.uk
Company registration number	4289790 (England and Wales)
Charity registration number	1092778
Auditors	Buzzacott 12 New Fetter Lane London EC4A 1AG

Solicitors	Anthony Collins Solicitors St Philip's Gate 5 Waterloo Street Birmingham B2 5PG
Bankers	Barclays Bank plc London Business Banking United Kingdom House 7th Floor 180 Oxford Street London W1D 1EA

Trustees' report

In this report, the trustees of the Social Care Institute for Excellence (SCIE) present their statutory report together with SCIE's accounts for the year ended 31 March 2006.

The report has been prepared in accordance with Part VI of the Charities Act 1993.

The accounts have been prepared in accordance with the accounting policies set out on pages 33 to 35 of the attached accounts and comply with the charity's memorandum and articles of association, applicable laws and the requirements of the Charity Commission as set out in its accounting and reporting by charities: statement of recommended practice (SORP 2005).

How SCIE works

SCIE's charitable object

As set out in the memorandum and articles of association, SCIE's object is the 'relief of need arising from youth, illness, disability, old age or poverty, by the review, provision and dissemination of knowledge of, and guidelines for, good practice, and other information, to persons who use, work in or are otherwise involved in social care'.

To fulfil its charitable object SCIE conducts its work under three core functions:
- creating a knowledge base about what works in social care
- translating the findings into good practice guidance to improve practice and service delivery
- disseminating this guidance across the social care sector.

These activities are reflected in our achievements, developments and future plans, which are organised by work theme in the following pages.

Statement of trustees' responsibilities

Company law requires SCIE's trustees to prepare accounts which give a true and fair view of the charity's financial status at the end of the financial period, of its incoming resources and of the application of those resources, including its income and expenditure, for the coming financial period. In preparing accounts, the trustees are required to:
- select suitable accounting policies and apply them consistently
- 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 in the accounts
- prepare the accounts on the going-concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charitable company website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The trustees confirm that so far as they are aware, there is no relevant audit information of which the charitable company's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

SCIE's board of trustees

Up to 15 people are able to sit on SCIE's board of trustees. At the time of this report, the board had 13 members, including its chair. SCIE's trustees are also directors of SCIE, for the purpose of the Companies Act 1985.

New trustees are elected by existing trustees (the Secretary of State for Health being entitled to nominate three trustees, the Welsh Assembly Government one trustee and the Department of Health, Social Services and Public Safety in Northern Ireland one trustee) and serve for a term of three years before retiring from office. Retiring trustees can be nominated to serve a second consecutive term provided that no trustee serves more than two consecutive terms of office, except with the unanimous support of all the other trustees. Constant regard is paid to the skills mix of the trustees to ensure that they have all the necessary skills required to contribute fully to the charity's development.

An audit committee and a remuneration committee, each comprising three trustees, meet throughout the year.

The following trustees were in office at 31 March 2006, and served throughout the year, except where shown:

Trustee	Appointed / Resigned
Jane Campbell	(Chair until 31 March 2006) Resigned 31 March 2006
Allan Bowman	(Chair from 1 April 2006) Appointed 1 April 2006
Shokat Babul *	
Peter Beresford	
Ratna Dutt #	
John Fenton *	
Jon Glasby *	
Janet Lewis	
Geraldine MacDonald *	
Diana McNeish	
Terry Philpot #	
Roy Taylor #	
Gail Tucker *	

* Audit committee members # Remuneration committee members

During the year, with the express permission of the Charity Commission and in accordance with provisions set out in the charity's memorandum of association, the Chair of the Board of Trustees was paid £30,900 (2005 – £30,000) for services undertaken in the administration of SCIE. Another trustee received £6,180 (2005 – 6,000) under the same provisions.

Out of pocket travelling expenses totalling £11,843 (2005 – £4,724) were reimbursed to 13 (2005 – 10) trustees during the year.

Governance

SCIE's memorandum and articles of association were changed with the approval of the Charity Commission on 21 December 2005 to enable the reasonable and proper remuneration for the chair of SCIE, provided that the chair is not invited to attend any meeting or part thereof at which the remuneration is being decided.

Employees

SCIE is an equal opportunities employer and applies objective criteria to assess merit. It aims to ensure that no job applicant or employee receives less favourable treatment on the grounds of age, race, colour, nationality, religion, ethnic or national origin, gender, marital status, sexual orientation or disability.

Selection criteria and procedures are reviewed regularly to ensure that individuals are selected, promoted and treated on the basis of their relevant merits and abilities. All employees are given equal opportunities and, where appropriate and possible, special training to enable them to progress both within and outside the organisation.

Risks and opportunities

The trustees have assessed the major risks to which SCIE is exposed, in particular those relating to the specific operational areas of the charity and its finances. The trustees believe that by monitoring reserve levels, by ensuring controls exist over key financial systems, and by examining the operational and business risks faced by SCIE, they have established effective systems to mitigate these risks.

One of the key risks SCIE faces is its dependency on the Department of Health for the majority of its funding. However, in the short term this risk is minimal as the Department of Health has guaranteed a core grant of £4,430,000 for the year ended 31 March 2006 and has indicated a similar amount for the following year. For long-term security however, the trustees are developing plans for SCIE to diversify its funding base.

Trustees have also taken care to minimise risk in the production of SCIE's good practice guidance by ensuring that our products are tested, reviewed and quality assured.

Partnerships and networks

In addition to its board of trustees, SCIE also has a Partners' Council – an advisory body comprising 43 organisations from across the social care sector. The Partners' Council met three times in 2005–06 and advised on a number of key areas.

SCIE also has a Practice Partners' Network, with 38 member organisations from the statutory, voluntary service user-led and independent sectors. The new network members signed up for a two-year period, starting in January 2006, and they have so far contributed to work on:

- adult placements
- developing social care
- the impact of SCIE
- improvement initiatives in social care
- digital media in social care
- parental mental health network
- emotional needs of children in residential care
- participation of groups that are seldom heard or that agencies find hard to reach
- developing measures for effective service user and carer participation
- guidance on people with learning disabilities and challenging behaviour in high-cost placements
- implementing the Carers Act
- minimising risk and learning from mistakes.

SCIE continues to run the Parental Mental Health and Child Welfare Network, which now has more than 850 members. Membership is made up of organisations from across the health and social care spectrum working in both children's and mental health services. The Network continues to bring people together to share knowledge and practice and disseminate it.

At the end of 2005–06, SCIE started to develop a People Management Network to accompany its People Management website. The website is designed for all social care agencies and care providers who, as well as running an organisation and providing services, are responsible for the welfare and performance of their staff. The site assists smaller employers in developing good people management practices.

Achievements, developments and future plans

The following pages list SCIE's achievements and developments for the year 2005–06 and its future plans for 2006–07 and beyond.

SCIE's plans are set out in its annual work programme. During 2005–06 SCIE succeeded in completing a substantial number of its planned projects (see 'Achievements') and began work on the remainder (see 'In development'). There were no projects in the work programme on which SCIE made no progress.

SCIE's work is conducted under eight work themes:

- adults' services
- children and families' services
- e-learning
- people management
- social work education
- stakeholder participation
- using knowledge to support social care
- knowledge management.

Below, we list the projects completed, in development and planned for the first seven of these themes. Projects within the knowledge management theme are included within our dissemination activities.

In addition to developing the social care knowledge base and producing practice guides and other resources, a substantial amount of SCIE's resources (more than 36 per cent in 2005–06) is expended on promoting and embedding SCIE's findings. Many of these activities are referred to in the 'Dissemination' section below.

Explanations of the types of products that SCIE produces can be found in Appendix A.

* An asterisk indicates that although a project was in development during the 2005–06 period, it was complete at the time of printing.

Adults' services

SCIE's work on adults' services focuses on maximising service users' choice, independence and involvement in decision-making through the provision of resources for social care workers.

Achievements

During 2005–06, SCIE:

- published a position paper with the views of almost 1,000 service users, practitioners and others on the future of adult social care (Position paper 04).
- published a practice guide on adult placements and person-centred approaches for people with learning disabilities (Practice guide 04).
- published a resource guide on direct payments (Resource guide 05).
- published a research briefing on helping older people to take prescribed medication in their own home (Research briefing 15).
- published a research briefing on fathering a child with disabilities (Research briefing 18).
- published a practice guide on implementing the Carers (Equal Opportunities) Act 2004 (Practice guide 05).
- worked with the Department for Work and Pensions on the implementation of the Strategy Unit's *Improving the life chances of disabled people* through the facilitation of cross-government work.

In development

In 2005–06, SCIE began/continued work on:

- a practice guide on making referrals to the Protection of Vulnerable Adults (POVA) list* (Practice guide 07).
- redeveloping *Practice guide 02: Assessing the mental health needs of older people**.
- updating *Practice guide 4: Adult placements and person-centred approaches*.
- a knowledge review on the different models of community-based day activities for people with learning disabilities to develop understanding and identify areas for development.
- a knowledge review on outcomes-focused services for older people.
- joint SCIE/National Institute for Health and Clinical Excellence (NICE) guidelines on dementia care.
- a guide for older people who have been discharged from hospital looking at what they should expect, answering frequently asked questions and providing benchmarks against which they can monitor their progress.
- a knowledge review on commissioning, providing and regulating services for people with learning disabilities and complex needs or challenging behaviour.

Planned

In 2006–07, SCIE aims to:

- publish a practice guide about community-based day activities for people with learning disabilities.
- publish a practice guide about outcomes-focused services for older people.
- publish joint guidelines with NICE on dementia care.
- publish a knowledge review and practice guide about advocacy services for African-Caribbean men with mental health problems, in particular those who are subject to compulsory mental health legislation.
- publish a research briefing on social care support for people seeking work
- publish a research briefing on identifying older people with visual and/or hearing impairments.
- work with the National Institute for Mental Health England (NIMHE) to establish a social work and social inclusion network.
- create a website on Dignity in Care to provide information, advice and resources to empower local people to take action against poor-quality services.
- develop a framework for collaboration between key national mental health organisations with the aim of maximising the impact of the collective work on policy and practice, and start work on new topics including day activities in mental health and black and minority ethnic elders.

In 2007–08, SCIE aims to:

- undertake a project on increasing the participation of carers in assessment, with particular reference to respite and breaks for carers.
- undertake a project on self-assessment, with specific reference to long-term conditions.

Children and families' services

SCIE's work on children and families' services focuses on developing good practice guidance that ensures families are treated as a whole and that people experience a smooth transition between children's and adults' services.

Achievements

During 2005–06, SCIE:

- published a report on managing risk and minimising mistakes in services to children and families (Report 06).
- published a research briefing on therapies and approaches for helping children and adolescents who deliberately self-harm (Research briefing 17).
- published a research briefing on deliberate self-harm (DSH) among children and adolescents (Research briefing 16).
- published a research briefing on the impact of environmental housing conditions on the health and well-being of children (Research briefing 19).

In development

In 2005–06, SCIE began/continued work on:
- a knowledge review on the social care needs of children with complex health problems and their families.
- a knowledge review and resource guide on providing support for disabled parents.
- a knowledge review on meeting children's emotional needs in residential care.
- a knowledge review, with NICE, about working with parents with mental health problems and their families.
- the second phase of work on managing risk and minimising mistakes in services to children and families which will look at what risk management strategies are in place at an organisational level in local authorities and independent agencies, how they are evaluated, and how service users are involved in setting up or evaluating such strategies.

Planned

In 2006–07, SCIE aims to:
- publish joint SCIE/NICE guidance on the clinical and cost-effectiveness of parent training programmes for the treatment of conduct disorders in children.
- publish a research briefing on factors that assist early identification of children in need in integrated or inter-agency settings.
- continue work on children of prisoners focusing on the interface between social care, criminal justice, education and health.

In 2007–08, SCIE aims to:
- update the foster care guide.
- start work on supporting parents with learning disabilities.

E-learning

SCIE's e-learning programme centres on the use of information and communication technologies, including the internet and World Wide Web, to improve and support teaching, training and learning.

Achievements

During 2005–06, SCIE:
- worked with higher education institutions to develop e-learning materials to support teaching and learning in the social work degree, and to create an advisory group to inform material development.

In development

In 2005–06, SCIE began/continued work on:

- the infrastructure necessary for the use of information and communications technology (ICT) in training and workforce development in social care by maintaining contact with the further education sector and keeping abreast of local Skills for Care initiatives.
- a major research project about the social care sector's readiness for e-learning
- a three-year European project related to work-based competencies.
- developing e-learning materials from SCIE's products, the first of which will be launched in 2006.

Planned

In 2006–07, SCIE aims to:

- continue working with higher education institutions to develop e-learning materials for the social work degree.
- further develop the infrastructure necessary for the use of ICT in training and workforce development in social care by continuing our contact and partnership agreements with Skills for Care and other stakeholders in the support for and development of both materials and training support.
- develop opportunities to improve work-based learning by continuing to support e-learning initiatives and research into the effective application and implementation of e-learning.
- continue to develop e-learning materials from SCIE's products and to incorporate the parallel development of complementary e-learning materials alongside other SCIE products.

People management

SCIE's work on people management focuses on supporting both human resources professionals and small employers in recruiting, retaining and supporting social care workers and on developing leaders within the sector.

Achievements

During 2005–06, SCIE:

- launched the People Management website and People Management Network.
- launched the Social Care Leadership Development Programme and the Social Care Futures Programme.

In development

In 2005–06, SCIE began/continued work on:
- expanding the People Management website and People Management Network.
- evaluating and expanding the Social Care Leadership Development Programme and the Social Care Futures Programme.
- a resource guide to support the work of the Northern Ireland Department of Health, Social Services and Public Safety in developing social care governance.
- a resource guide about developing a culture in social care of participative change management.
- a knowledge review on effective improvement methods in social and health care.

Planned

In 2006–07, SCIE aims to:
- further expand the People Management website and network.

In 2007–08, SCIE aims to:
- identify what is known about the contribution of social care to emergency response and recovery in the UK, with a view to informing the emergency planning required at a local level by the Civil Contingency Act 2004.

Social work education

SCIE's work on social work education focuses on developing good practice guidance in the core areas of achievement required of social work students.

Achievements

During 2005–06, SCIE:
- published a knowledge review on the teaching, learning and assessment of law in social work education (Knowledge review 08).
- published a knowledge review on textbooks and frameworks on assessment in social work education (Knowledge review 09).
- published an introductory guide to *Resource guide 3: Teaching and learning communication skills in social work education*.

In development

In 2005–06, SCIE began/continued work on:
- a knowledge review on the learning, teaching and assessment of partnership work in social work education* (Knowledge review 10).
- a knowledge review on teaching and learning communicating with children in social work education.

- a project with the national user organisation Shaping Our Lives that aims to assist service user and carer organisations to take the lead in building their capacity for involvement in the undergraduate and postgraduate social work degree by developing a national forum of service user and carer organisations in social work education.
- supporting the work of the University of Ulster in developing a strategy of citizen involvement in social work education suitable for Northern Ireland.
- supporting a Joint Universities Council Social Work Education Committee's project on working with social work educators to develop outcomes-based evaluation of the social work degree.

Planned

In 2006–07, SCIE aims to:

- publish a resource guide on teaching and learning communication skills with children.
- publish a resource guide on teaching and learning partnership working.

Stakeholder participation

SCIE's work on stakeholder participation centres on involving all those involved in social care, in particular service users and carers, in the development of SCIE's plans and products and on producing guidance in this area for the use of social care organisations.

Achievements

During 2005–06, SCIE:

- published a report looking at the difficulties faced by service users in being paid for their contribution to reviewing, planning and developing services and the difficulties payments cause with the benefits system (Report 08).
- published a practice guide on involving children and young people in developing social care (Practice guide 06).
- consulted with social care experts and prepared a consultation response to the green paper *Independence, well being and choice: our vision for the future of social care for adults in England*.
- supported Shaping our Lives and the National Centre for Independent Living in consulting with service users about the green paper *Independence, well being and choice*.
- consulted with service users (and potential service users) and carers that are seldom heard or 'hard-to-reach' on *Independence, well being and choice* and wrote a report (*'I'm not asking to live like the Queen'*).

In development

In 2005–06, SCIE began/continued work on:

- a practice guide on involving adults in developing social care.
- published a position paper on how carers have been involved in changing and improving social care services across England, Wales and Northern Ireland.
- race equality discussion papers focusing on diversity within organisations, refugees and asylum seekers and independent living for black minority and ethnic communities.
- involving service users, carers and stakeholders in SCIE's work through the Partners' Council, reference groups, and quality assurance groups.
- on assessing how well the Partners' Council is functioning, its effectiveness and what improvements can be made.
- supporting Shaping Our Lives in the establishment of a network of service users' organisations to enable them to network with each other and for SCIE to consult and work with them.
- a helpline to provide advice to service users working with SCIE, the Commission for Social Care Inspection (CSCI) and the Practice Learning Taskforce on the receipt of payments for service user involvement and the potential impact on the benefits they receive.
- a project looking at what is meant by the participation of services users who are seldom heard and who agencies find difficult to engage, including barriers to participation and the advantages and disadvantages of different models of participation.
- assessing the feasibility of a social care media awards programme.

Planned

In 2006–07, SCIE aims to:

- map current practice in social care initiatives for refugees and asylum seekers.
- work with A National Voice, the CSCI and the Rainer Foundation to provide training for young people on working with organisations for social care improvement.
- publish a resource guide about measuring the effectiveness of service user and carer involvement.

In 2007–08, SCIE aims to:

- start work on a resource for Guardians ad Litem and social workers on maximising the participation of children who are the subject of care proceedings in public and private law proceedings.
- assess the potential for producing a resource on how participation works in the private sector, its benefits and challenges and ways of increasing participation.

Using knowledge to support social care

SCIE's work on using knowledge to support social care is about developing a national coordinated and robust approach to social care research and on ensuring that SCIE's work is based on the best available knowledge.

Achievements

During 2005–06, SCIE:

- launched Social Care Online – the UK's biggest database of social care information.
- hosted a series of workshops around England, Wales and Northern Ireland to educate people about Social Care Online.
- published a report on using qualitative research in systematic reviews using the example of older people's views on hospital discharge (Report 09).
- published a report on developing the evidence base for social work and social care practice (Report 10).
- assisted several voluntary organisations in building and maintaining their websites.
- piloted a type of research called the 'collaborative' method. SCIE is piloting this method to evaluate the effectiveness and usefulness of the practice guide to fostering.

In development

In 2005–06, SCIE began/continued work on:

- a report evaluating the AgeInfo database* (Report 13), a database available free through Social Care Online.
- expanding the resources and databases available through Social Care Online.
- updating SCIE's guidelines on conducting systematic reviews.
- developing and testing an interim tool for assessing the quality of information included in a systematic review.
- a report about how to involve service users and carers in carrying out a systematic review.
- piloting the use of 'systematic mapping' (a map of all the literature available on any given topic used by researchers to gauge the credibility of a proposed piece of work and which can be used as the basis of systematic review).
- developing ways of assessing the quality of different kinds of social work research, together with the Joint Universities Council Social Work Education Committee.
- a project with the Economic and Social Research Council and the Scottish Institute for Excellence in Social Work Education about alternative approaches to assessing quality in the social sciences.
- developing outcomes-based inspections standards together with the CSCI using SCIE's good practice guides.
- a project with the Race Equality Unit encouraging black and minority ethnic perspectives in social care research.
- a feasibility study on using digital media to disseminate information and good practice to paid carers of older people.

- developing an online national social care research register that all local authorities – and eventually other agencies carrying out projects in the social care arena – can record their research on.
- evaluating whether SCIE stakeholders know about and use our resources and publications, their perceptions of the quality and relevance of SCIE's resources, and whether they link changes in policy and practice to our resources.

Planned

In 2006–07, SCIE aims to:

- publish a report about the strengths and limitations of social work research in British Universities, including a proposed framework for assessing the quality of research.
- work with the Children and Family Court Advisory and Support Service (CAFCASS) to add their digests to Social Care Online and to create a database for their archived digests.
- work with the Rix Centre and others to develop a cross-organisational information website for young people with learning disabilities and their supporters on the transition from children's to adults' services learning disabilities.
- conduct a UK-wide consultation on a research strategy for social care.

Dissemination of resources across the social care sector

SCIE devotes a substantial proportion of its resources to disseminating its guidance across the social care sector through a range of activities. Dissemination activity falls into four categories:

- dissemination through web-based resources
- dissemination through our database of contacts
- dissemination through targeted presentations, seminars, events and conferences
- dissemination through networks and other activities.

In 2006–07, SCIE will research, develop and commence implementation of a communications strategy to support the 2006–09 corporate plan. This strategy will be presented to SCIE's board for approval in November 2006 and will incorporate many of the issues outlined below.

Dissemination through web-based resources

Achievements

In 2005–06, SCIE:

- launched Social Care Online (www.scie-socialcareonline.org.uk), the UK's most extensive database of social care information and advertised this nationally.
- launched the People Management website (www.scie-peoplemanagement.org.uk) to enable social care providers to review and improve their human resource (or people management) policies and practice.
- redeveloped and re-launched reSearchWeb (www.researchweb.org.uk), a source of information and research on all aspects of social care in Scotland.
- continued to develop Social Care Online by making available more systematic reviews with in-depth abstracts, adding Really Simple Syndication (RSS) feeds for all topics, and functionality that allows users to register for daily email updates.
- continued to update and develop the SCIE website (www.scie.org.uk), adding new products and publicising news and events (the site received 76,230 visitors in March 2006).
- prepared a feasibility report into a cross-organisational information website for young people with learning disabilities and their supporters.
- developed an online tutorial for Social Care Online.
- developed and maintained websites for the following organisations: Association of Social Care Communicators (ASCC), Care Services Development Initiative (CSDI), Inter-Centre Network for the Evaluation of Social Work Practice (Intsoceval), Race Equality Unit (REU), Social Services Research Group (SSRG) and 'This is NOT a suitcase campaign' for A National Voice.

In development

In 2005–06, SCIE began/continued work on:

- the development of a national social care research register – due to be launched to local authorities in November 2006.
- the Shaping Our Lives networking website (www.solnetwork.org.uk), a site intended to help service user-led organisations to share information.
- a new email newsletter, which will be sent to the 2,500+ people who have registered for email updates.
- improving the structure and content of the SCIE website to enhance search engine rankings.
- further developments to Social Care Online, including back-end work to improve performance and new functionality to allow users to send search results by email.
- further online tutorials for Social Care Online.

Planned

In 2006–07, SCIE aims to:
- work with the Children and Family Court Advisory and Support Service (CAFCASS) to add its digests to Social Care Online and to create a database for its archived digests.
- add content to Social Care Online.
- develop a way of highlighting content on the SCIE website that is relevant to black and minority ethnic communities.
- add content to the SCIE People Management website.
- work with the General Social Care Council (GSCC), CSCI and Skills for Care on a project looking at IT and support needed by service users and carers.
- work with the Social Services Improvement Agency (Wales) to develop the former All Wales Unit website.
- consider ways of widening access to Social Care Online, through third-party portals and by making it 'URL compliant'.

Dissemination through our database of contacts

Achievements

In 2005–06, SCIE:
- mailed its contacts targeted publications such as the annual review, invitations to events, promotional material and so on.

In development

In 2005–06, SCIE began/continued work on:
- redeveloping our database of contacts to improve capacity for targeted communications and for storing marketing information.
- categorising and updating information on its contacts database.
- expanding the database, including the addition of seldom-heard groups.
- merging all existing SCIE databases into a single database.
- providing email alerts on specific topics of particular use and interest to our clients.

Planned

In 2006–07, SCIE aims to:
- finalise the structure and categories within the database.
- establish and implement a system for routinely updating contacts.
- expand the contacts on the database, particularly for Wales and Northern Ireland.
- review the standard dissemination list for publications.

Dissemination through targeted presentations, seminars, events and conferences

Achievements

In 2005–06, SCIE:

- held its biennial conference in Birmingham. The theme of the conference was 'practice matters'.
- held a human rights conference, where international and domestic speakers met with social care practitioners, law professionals, policy makers and users of social care services to discuss how human rights legislation can affect access to social care, health, education and justice services.
- held a service user perspective seminar about the benefits system at the request of the then Parliamentary Under Secretary of State for Care Services, Liam Byrne. The seminar included service users, carers, and staff from a wide range of organisations that offer services for older people, disabled people, and people with mental health problems. SCIE was able to arrange for the diverse group to meet through its links with many user-led organisations.
- held meetings at all the political party conferences.
- organised parental Mental Health and Child Welfare Network study days.
- held a people management study day (to launch the People Management website).
- held a number of regional launch events for Social Care Online.
- held a number of regional events to disseminate *Practice guide 03: Fostering*.
- carried out a targeted branding exercise to introduce the 13,000 student social workers in England, Wales and Northern Ireland as a major stakeholder for SCIE.
- released 30 media releases about SCIE's products and news.
- received 83 (known) media mentions.
- placed 19 articles in specialist media about SCIE products.

In development

In 2005-06, SCIE began/continued work on:

- a series of regional roadshows introducing the work of SCIE.
- attendance at party conferences in partnership with the GSCC.
- rationalising the number of events we attend and exhibit at.

Planned

In 2006–07, SCIE aims to:

- review its events policies and procedures.
- establish an events database to support monitoring of activity, including diversity of audiences and speakers.
- maximise use of external organisations events (for example, for product launches).
- attend three party conferences in partnership with the GSCC.

- appoint an external event management company to administer SCIE's national conference.
- finalise and promote a programme for SCIE's biennial conference (to be held in June 2007).

Dissemination through networks and other activities

Achievements

In 2005–06, SCIE:
- continued to expand the Practice Partners' Network.
- further developed the Parental Mental Health and Child Welfare Network.
- worked with higher education institutions and the Practice Learning Taskforce to promote SCIE's *Leading practice* and *learning organisations* training packs.
- raised awareness about SCIE among social work students by distributing a branded information pack to every social work student in England, Wales and Northern Ireland.
- expanded communications capacity including recruitment of a director of communications, an additional publicity and promotions manager, and a communications administrator.
- targeted seldom-heard groups with mailings and visits.

In development

In 2005-06, SCIE began/continued work on:
- establishing a People Management Network.
- building links with existing networks such as the English Community Care Association.
- developing a media handling policy and rolling media work plan.
- expanding its media list to include key in-house newsletters.
- establishing a national social care communications network, with representation from SCIE, GSCC, Skills for Care and CSCI.
- developing in-house publishing expertise by recruiting a full-time publishing manager.
- developing communications strategies specifically for Northern Ireland.

Planned

In 2006–07, SCIE aims to:
- research, develop and commence implementation of a communications strategy to support the corporate plan for 2006–09, together with separate communications strategies for Northern Ireland and Wales. Mapping and linking into existing networks will be an essential element of this strategy.
- produce a report on using digital media to disseminate information and good practice to paid carers of older people.
- produce a map of the literature available on parental mental health and child welfare.
- work with higher education institutions to develop e-learning materials to enhance capacity.

- work within higher education consortiums on developing first-line managers for the social care sector.
- provide skills development sequence on organisational development for the Practice Partners' Network.
- devolve the Parental Mental Health and Child Welfare Network.
- expand the national social care communications network to include the Children's Workforce Development Council and Ofsted.
- research and meet the information needs of: domiciliary care workers (for example, through a new series of practice briefings); inspectors (for example, through targeted briefings on implications of new products for inspection).
- establish performance management and feedback systems for all SCIE products and activities.
- support a joint review of the white paper *Our health, our care, our say: a new direction for community services by the all party parliamentary groups on social care and primary care*.
- target key opinion formers and policy makers in central government to ensure they are up-to-date with SCIE's activities and are aware of our value-for-money delivery of products and services. This includes working with all party parliamentary groups.

Other projects

Human resources and facilities

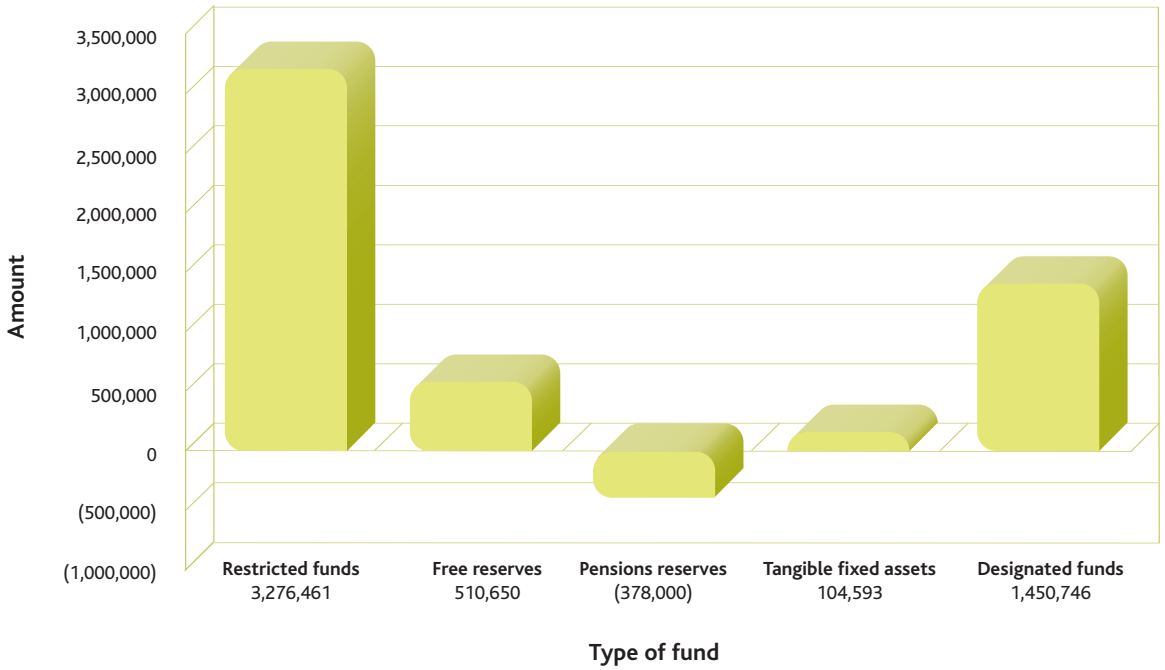
SCIE continued to pursue its objective to seek accreditation with Investors in People. During the year major strides were made towards that accreditation.

Financial review for 2005–06

SCIE cleared the pensions deficit as certified by the actuary at the last triennial review of the pension. This is calculated on a different basis to the Financial Reporting Standard (FRS) 17 deficit as shown in Note 20. The main difference is that the FRS 17 assumptions are more conservative and prudent than the actuarial assumptions used when calculating the deficit.

The financial position at the end of the year is set out below.

Figure 1: Total funds



The balance sheet shows total funds of £4,964,450 at 31 March 2006. Of this, £3,276,461 is restricted. These monies have either been restricted for use on specific projects or they comprise donations subject to donor-imposed conditions. Full details of these restricted funds can be found in Note 16 to the accounts together with an analysis of movements in the year.

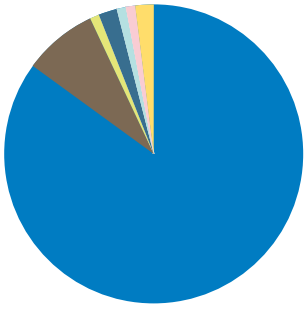
A further £104,593 of the total funds is represented by tangible fixed assets and £1,450,746 has been designated to meet the requirements of projects which were ongoing at 31 March 2006.

The remaining general funds of SCIE are 'free reserves' and total £510,650 at 31 March 2006. The trustees consider that this level of free reserves is adequate but not excessive given SCIE's short life and provides a solid foundation on which to build so as to achieve the reserves policy set out below.

The actuaries have calculated SCIE's deficit in the pension fund at 31 March 2006 to be £378,000 when the assumptions set out in FRS 17 are applied.

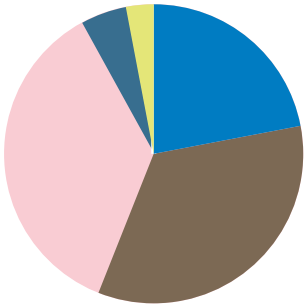
SCIE received its income mainly in the form of grants and spent its money on charitable activities set out in service level agreements and in restricted fund agreements.

Figure 2: Incoming resources



Department of Health	84%
Welsh Assembly Government	8%
Scottish Executive	1%
Department of Health, Social Services and Public Safety (Northern Ireland)	2%
IMC Information	1%
Other grants	1%
Other income	2%

Figure 3: Resources expanded



Collating the knowledge base	22%
Translating the knowledge base	34%
Promoting guidance	36%
Developing social care services	5%
Governance	3%

Accounting policies

Reserves policy

SCIE carries out a diverse range of activities, some of which comprise short-term and externally-funded projects, whilst others are long-term projects requiring significant ongoing financial commitment and investment.

The trustees have examined the requirement for free reserves, that is, those unrestricted funds not invested in tangible fixed assets, designated for specific purposes or otherwise committed. The trustees consider that, given the nature of SCIE's work, the level of free reserves should be approximately £1,000,000. Around half the requirement arises from staff contracts of employment and contracts for equipment, with the balance being potential future liabilities deriving from membership of the Local Government Pension Scheme.

The Department of Health provides agreed funding quarterly in advance and the trustees are satisfied that SCIE is adequately funded for routine expenditure at any one time. At their meeting in May 2002 the trustees adopted the stated reserves policy. The reserves policy was reviewed during this financial year and will be regularly reviewed.

Investment policy

SCIE does not have long-term investments. Funds that are surplus to requirements in the short term are kept on treasury deposit.

The charity's assets

Acquisitions and disposals of fixed assets during the year are recorded in the notes to the accounts.

Auditors

The auditors, Buzzacott, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

Approved by the trustees and signed on their behalf by:

Allan Bowman
Chair of the Board of Trustees

Approved by the trustees on: 14 September 2006

Report of the independent auditors to the members of Social Care Institute for Excellence

We have audited the accounts on pages 29 to 48 which have been prepared under the historical cost convention and the accounting policies set out on pages 33 to 35.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on pages 3 and 4 and the trustees, who are also the directors of Social Care Institute for Excellence for the purposes of company law, are responsible for the preparation of the trustees' report and accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' report is not consistent with the accounts, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the trustees' report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of 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 accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the charitable company's state of affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information in the trustees' report is consistent with the accounts.

Buzzacott
Chartered Accountants and Registered Auditors
12 New Fetter Lane
London
EC4A 1AG

6 October 2006

Statement of financial activities Year to 31 March 2006

	Notes	Unrestricted funds £	Restricted funds £	2006 Total funds £	2005 Total funds (as restated) £
Income and expenditure					
Incoming resources					
Incoming resources from generated Funds					
• Interest receivable	1	187,525	—	187,525	206,410
Incoming resources from charitable activities	2	4,889,469	2,343,731	7,233,200	7,675,081
Other incoming resources	3	57,443	714	58,157	8,424
Total incoming resources		5,134,437	2,344,445	7,478,882	7,889,915
Resources expended					
Charitable activities	4				
• Collating the Knowledge Base		1,482,538	12,785	1,495,323	1,292,852
• Translating the Knowledge Base into policy guidance and practice		2,035,301	217,500	2,252,801	1,776,554
• Promoting guidance in order to enhance quality		2,170,792	275,241	2,446,033	1,918,298
• Developing social care services		—	347,686	347,686	894,597
Governance costs	5	190,281	—	190,281	161,440
Total resources expended		5,878,912	853,212	6,732,124	6,043,741
Net (outgoing) incoming resources for the year before transfers	7	(744,475)	1,491,233	746,758	1,846,174
Transfers between funds	16	158,518	(158,518)	—	—
Statement of total recognised gains and losses					
Net (outgoing) incoming resources for the yearafter transfers					
i.e. net (expenditure) income		(585,957)	1,332,715	746,758	1,846,174
Other recognised gains and losses					
Actuarial (loss) gain on defined benefit pension scheme	20	104,000	—	104,000	45,000
Net movement in funds		(481,957)	1,332,715	850,758	1,891,174
Fund balances brought forward at 1 April 2005 (as restated)	15	2,169,946	1,943,746	4,113,692	2,222,518
Fund balances carried forward at 31 March 2006		1,687,989	3,276,461	4,964,450	4,113,692

The 2005 figures have been restated following the full implementation of Financial Reporting Standard 17 (see note 15).
All of the charity's activities derived from continuing operations during the above two financial periods.
The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheet 31 March 2006

	Notes	2006 £	2006 £	2005 (As restated) £	2005 (As restated) £
Fixed assets					
Tangible assets	11		107,235		60,100
Current assets					
Debtors	12	164,087		194,510	
Short term deposits		5,600,000		4,600,000	
Cash at bank and in hand		10,575		167,804	
		5,774,662		4,962,314	
Creditors: amounts falling due within one year	13	(539,447)		(391,722)	
Net current assets			5,235,215		4,570,592
Total net assets excluding pension liability			5,342,450		4,630,692
Pension liability	20		(378,000)		(517,000)
Total net assets including pension liability			4,964,450		4,113,692
Represented by:					
Funds and reserves					
Income funds:					
Restricted funds	16		3,276,461		1,943,746
Unrestricted funds					
• General fund					
•• Free reserve			510,650		310,650
•• Pension reserve	20		(378,000)		(517,000)
			132,650		(206,350)
• Tangible fixed assets fund			104,593		56,595
• Designated funds	17		1,450,746		2,319,701
			4,964,450		4,113,692

Approved by the trustees
and signed on their behalf by:

Allan Bowman
Chair of the Board of Trustees

Approved on: 14 September 2006

Cash flow statement Year to 31 March 2006

	Notes	2006 £	2005 £
Cash inflow from operating activities	A	774,895	1,358,761
Returns on investment and servicing of finance	B	187,525	206,410
Capital expenditure	B	(119,649)	(67,588)
		842,771	1,497,583
Management of liquid resources	B	(1,000,000)	(1,500,000)
Decrease in cash	C	(157,229)	(2,417)

Notes to the cash flow statement for the year to 31 March 2006

A Adjustment of net incoming resources for the year to net cash inflow from operating activities

	2006 £	2005 £
Net incoming resources for the year	746,758	1,846,174
FRS17 pension credit	(35,000)	(429,000)
Interest receivable	(187,525)	(206,410)
Depreciation charge	73,236	57,036
(Surplus) deficit on disposal of tangible fixed assets	(722)	3
Decrease (increase) in debtors	30,423	(35,025)
Increase in creditors	147,725	125,983
Net cash inflow from operating activities	**774,895**	**1,358,761**

B Gross cash flows

	2006 £	2005 £
Returns on investment and servicing of finance		
Interest received	187,525	206,410
Capital expenditure		
Payments to acquire tangible fixed assets	(120,371)	(68,143)
Proceeds from disposal of tangible fixed assets	722	555
	(119,649)	(67,588)
Management of liquid resources		
Cash invested in short term deposits	(1,000,000)	(1,500,000)

C Analysis of changes in net funds

	At 1 April 2005 £	Cash flows £	At 31 March 2006 £
Cash in hand and at bank	167,804	(157,229)	10,575
Short term deposits	4,600,000	1,000,000	5,600,000
	4,767,804	842,771	5,610,575

Principal accounting policies 31 March 2006

Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 1985. Applicable United Kingdom accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these accounts.

Incoming resources

Incoming resources are recognised in the year in which the charity is entitled to receipt and the amount can be measured with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period.

Grants from government and other agencies have been included as income from activities in furtherance of the charity's objectives as these comprise either contracts for services or they relate to specific services.

Resources expended and the basis of apportioning costs

Expenditure is included in the statement of financial activities when incurred and includes any attributable VAT which cannot be recovered.

Resources expended comprise the following:

a. Charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report. Such costs include:
   - Salaries and other staff related costs;
   - Office and property related costs;
   - Costs of research commissions;
   - Support costs.

The majority of costs are directly attributable to specific activities although certain shared costs are apportioned, based on the number of employees undertaking each specific activity.

b. Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment. These costs are allocated out to the activities they are supporting on the basis described in note 6.

c Governance costs comprise the costs incurred which are directly attributable to the management of the charity's assets, organisational procedures and the necessary legal procedures for compliance with statutory requirements.

Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are capitalised and depreciated at the following annual rates in order to write them off over their estimated useful lives:

- Office furniture and fittings 25% per annum based on cost
- Computer and IT equipment 33.3% per annum based on cost

Fund accounting

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to donor imposed conditions.

Designated funds are monies set aside out of general funds and designated for specific purposes by the trustees.

The tangible fixed asset fund represents the net book value of the charity's tangible fixed assets. This fund has been separated from other unrestricted funds in order to emphasise that the assets are of fundamental importance to the charity being able to achieve its charitable objectives and, as such, their value should not be regarded as realisable.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Pension costs

The charity contributes to a defined benefits pension scheme providing benefits based on final pensionable salary. The assets of the scheme are held and managed separately from those of the charity.

Pension scheme assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet.

Any change in the asset or liability between balance sheet dates is reflected in the statement of financial activities in recognised gains and losses for the period.

This represents a change in accounting policy following the full implementation of Financial Reporting Standard 17 "Retirement Benefits" (FRS 17) for the first time in these accounts. (In prior periods, pension costs for the defined benefit section of the Scheme were charged

to the statement of financial activities so as to spread the cost over the employees' working lives). The change in accounting policy has been reflected in the accounts via a prior year adjustment (see note 15).

Liquid resources

Liquid resources represent monies held on short term deposit with United Kingdom banks.

Notes to the accounts

1 Interest receivable

	Unrestricted funds £	Restricted funds £	2006 Total funds £	2005 Total funds £
Interest receivable on bank deposits	187,525	—	187,525	206,410

2 Contracts, grants and service agreements

	Unrestricted funds £	Restricted funds £	2006 Total funds £	2005 Total funds £
Department of Health				
• Section 64 Core Grant	4,430,000	—	4,430,000	4,430,000
• Project grants	49,450	1,746,500	1,795,950	2,853,000
	4,479,450	1,746,500	6,225,950	7,283,000
Welsh Assembly Government	200,000	400,000	600,000	200,000
The Scottish Executive	50,000	—	50,000	50,000
Department of Health, Social Services and Public Safety (Northern Ireland)	147,519	—	147,519	147,519
Joseph Rowntree Foundation	—	—	—	(5,438)
IMC Information	—	100,031	100,031	—
Other funders	12,500	97,200	109,700	—
	4,889,469	2,343,731	7,233,200	7,675,081

The above contracts, grants and service agreements related to the following charitable activities:

• Collating the Knowledge Base	1,091,956	90,000	1,181,956	1,371,178
• Translating the Knowledge Base into policy guidance and practice	1,700,216	1,000,700	2,700,916	1,960,775
• Promoting guidance in order to enhance quality	2,097,297	1,230,031	3,327,328	2,623,128
• Developing social care service	—	—	—	1,720,000
• Other	—	23,000	23,000	—
	4,889,469	2,343,731	7,233,200	7,675,081

3 Other incoming resources

	Unrestricted funds £	Restricted funds £	2006 Total funds £	2005 Total funds £
Net return on pension scheme	16,000	—	16,000	—
Publication sales	—	—	—	6
Other income	41,443	714	42,157	8,418
	57,443	714	58,157	8,424

4 Cost of charitable activities

	Unrestricted funds £	Restricted funds £	2006 Total funds £	2005 Total funds (As restated) £
Collating the Knowledge Base				
• Staff costs	424,048	10	424,058	517,403
• Office costs	39,905	—	39,905	50,014
• Premises costs	64,991	—	64,991	75,391
• Commissioning costs	236,081	12,442	248,523	216,175
• Publicity and dissemination	187,133	333	187,466	102,799
• Support costs	530,380	—	530,380	331,070
	1,482,538	12,785	1,495,323	1,292,852
Translating the Knowledge Base into policy guidance and practice				
• Staff costs	757,624	25,357	782,981	685,194
• Office costs	56,884	—	56,884	57,159
• Premises costs	92,645	—	92,645	86,162
• Commissioning costs	225,142	190,256	415,398	461,498
• Electronic access and publication costs	8	—	8	—
• Publicity & dissemination	146,941	1,887	148,828	79,413
• Support costs	756,057	—	756,057	407,128
	2,035,301	217,500	2,252,801	1,776,554
Promoting guidance in order to enhance quality				
• Staff costs	585,203	184,789	769,992	775,937
• Office costs	63,044	1,664	64,708	86,372
• Premises costs	102,676	—	102,676	118,472
• Commissioning costs	196,748	76,003	272,751	123,142
• Electronic access and publication costs	147,644	—	147,644	232,209
• Publicity and dissemination	169,916	12,785	182,701	34,609
• Support costs	905,561	—	905,561	547,557
	2,170,792	275,241	2,446,033	1,918,298
Developing social care services				
• Staff costs	—	156,389	156,389	542,174
• Office costs	—	582	582	845
• Legal and professional	—	—	—	6,866
• Commissioning Costs	—	122,221	122,221	182,899
• Publicity and dissemination	—	68,494	68,494	161,813
	—	347,686	347,686	894,597
Total	**5,688,631**	**853,212**	**6,541,843**	**5,882,301**

5 Governance costs

	Unrestricted funds	Restricted funds	2006 Total funds	2005 Total funds (As restated)
Legal and professional fees	7,226	—	7,226	6,815
Trustees' expenses, payments to trustees and other trustee related costs (note 9)	111,878	—	111,878	50,134
Partners' council costs	71,177	—	71,177	100,491
Miscellaneous	—	—	—	4,000
	190,281	—	190,281	161,440

6 Support costs

	Collating the Knowledge Base	Translating the Knowledge Base	Promoting guidance	Developing social care services	2006 Total funds	2005 Total funds (As restated)
Staff costs	287,009	409,132	490,034	—	1,186,175	638,974
Premises costs	47,281	67,399	80,727	—	195,407	193,864
Office costs	29,031	41,384	49,567	—	119,982	128,611
Electronic access and publication costs	10,762	15,342	18,376	—	44,480	20,119
Publicity and dissemination costs	153,733	219,148	262,482	—	635,363	297,414
Other costs	2,564	3,652	4,375	—	10,591	6,773
	530,380	756,057	905,561	—	2,191,998	1,285,755

Staff costs include a credit of £19,000 (2005 - £433,000) relating to the movement in pension liability under FRS 17.

Support costs are allocated to the activities they are supporting on the basis of the numbers of staff working in each activity.

7 Net (outgoing) incoming resources for the year before transfers

This is stated after charging:

	Unrestricted funds	Restricted funds	2006 Total funds	2005 Total funds (As restated)
Staff costs (note 8)	2,963,597	366,545	3,330,142	3,193,686
Auditors' remuneration				
• Statutory audit services	7,226	—	7,226	6,815
Depreciation	71,038	2,198	73,236	57,036
Surplus (deficit) on disposal of tangible fixed assets	722	—	722	(3)
Operating lease rentals	334,367	—	334,367	333,918

8 Employees and staff costs

Staff costs during the period were as follows:

	2006 £	2005 (As restated) £
Wages and salaries	2,009,843	1,597,285
Social security costs	185,508	144,786
Other pension costs	154,507	212,876
	2,349,858	1,954,947
Payments to agency staff	644,672	929,482
Other staff related costs	335,612	309,257
	3,330,142	3,193,686

Other pension costs include an FRS 17 pension credit of £19,000 (2005 - £433,000).
Payments to agency staff during the period reflect the need to have personnel in post in order to progress the work of SCIE whilst recruitment for permanent staff is in progress. Other staff related staff costs include expenditure in respect of staff training and reimbursed out-of-pocket expenses.

The average number of employees during the period, calculated on a full time equivalent basis and analysed by function, was as follows:

	2006 No.	2005 No.
Activities in furtherance of the charity's objectives		
• Collating the Knowledge Base	12	12
• Translating the Knowledge Base into policy guidance and practice	19	14
• Promoting guidance in order to enhance quality	21	18
	52	44

The number of employees who earned £60,000 per annum or more (including taxable benefits but excluding employer pension contributions) during the period was as follows:

	2006 No.	2005 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	1	—
£80,001 - £90,000	—	—
£90,001 - £100,000	1	1

Contributions were made to a defined benefit pension scheme in respect of the above employees.

9 Trustees' remuneration

In accordance with the charity's memorandum and articles of association the Chair of the trustees was paid £30,900 (2005 - £30,000) during the year for services undertaken in the administration of the charity. One other trustee was paid £6,180 (2005 – £6,000) on the same basis. The payment for such services has been authorised by the Charity Commission.

Out of pocket travelling expenses totalling £11,843 (2005 - £4,724) were reimbursed to 13 (2005 – 10) trustees during the year.

The charity has purchased insurance to protect it from any loss arising from the neglect or defaults of its trustees, employees and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part. The insurance premium paid by the charity during the year totalled £8,489 (2005 - £7,171) and provides cover of up to a maximum of £2 million (2005 - £2 million).

10 Taxation

SCIE is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

SCIE is not registered for VAT and therefore is unable to reclaim VAT suffered on expenditure.

11 Tangible fixed assets

	Unrestricted fund assets		Restricted fund assets	
	Computer and IT equipment £	Office furniture and fittings £	Computer and IT equipment £	Total £
Cost				
At 1 April 2005	279,052	77,457	5,258	361,767
Additions	119,037	—	1,334	120,371
Disposals	(31,623)	—	—	(31,623)
At 31 March 2006	366,466	77,457	6,592	450,515
Depreciation				
At 1 April 2005	241,242	58,672	1,753	301,667
Charge for year	63,292	7,747	2,197	73,236
Eliminated on disposals	(31,623)	—	—	(31,623)
At 31 March 2006	272,911	66,419	3,950	343,280
Net book values				
At 31 March 2006	93,555	11,038	2,642	107,235
At 31 March 2005	37,810	18,785	3,505	60,100

12 Debtors

	2006 £	2005 £
Prepayments	66,990	66,521
Restricted fund debtors – grants receivable	—	6,567
Other debtors	97,097	121,422
	164,087	194,510

13 Creditors: amounts falling due within one year

	2006 £	2005 £
Expense creditors	279,673	157,130
Other creditors	31,641	22,255
Rent and service charge payable	16,033	12,839
Accruals	152,100	144,748
Deferred income (see note 14)	60,000	54,750
	539,447	391,722

14 Deferred income

	2006 £
Balance at 1 April 2005	54,750
Grant income received in advance (restricted)	60,000
Released to statement of financial activities	(54,750)
Balance at 31 March 2006	60,000

15 Fund balances brought forward at 1 April 2005

As explained under principal accounting policies, the requirements of Financial Reporting Standard 17 "Retirement Benefits" (FRS 17) have been implemented in full for the first time in these accounts. This represents a change in accounting policy and has necessitated a prior year adjustment to the fund balances brought forward at 1 April 2005 as follows:

	Unrestricted funds £	Restricted funds £	2006 Total funds £	2005 Total funds £
Fund balances at 1 April 2005				
• As previously reported	2,686,946	1,943,746	4,630,692	3,213,518
• Prior year adjustment following the full implementation of FRS 17	(517,000)	—	(517,000)	(991,000)
• As restated	2,169,946	1,943,746	4,113,692	2,222,518

The effect of the change in accounting policy has been to increase the net incoming resources for the year by £35,000 (2005 - £429,000) and to decrease the net movement in funds by £13,000 (2005 - increase by £474,000). Further details relating to the full implementation of FRS 17 are given in note 20 to these accounts.

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	At 1 April 2005 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2006 £
Care Services Development Initiative	1,031,360	714	(347,686)	(5,000)	679,388
e-learning strategy in social care	608,830	1,230,031	(275,241)	(26,784)	1,536,836
Leadership Programme	264,776	500,000	(212,750)	(49,534)	502,492
Options for Excellence	—	56,500	(4,750)	—	51,750
Service user and Carer involvement in Social Work Education	38,780	90,000	(12,785)	(10,000)	105,995
Common Assessment Framework (Wales)	—	400,000	—	—	400,000
Fostering	—	44,200	—	(44,200)	—
Benefit Helpline	—	13,000	—	(13,000)	—
Human rights conference	—	10,000	—	(10,000)	—
	1,943,746	2,344,445	(853,212)	(158,518)	3,276,461

The specific purposes for which the funds are to be used are as follows:

i **Care Services Development Initiative**
The fund represents monies to be used to establish a Care Services Development Initiative in partnership with the Department of Health to address the care services agenda in England.

ii **e-learning strategy in social care**
This fund represents monies obtained from the Department of Health to create an e-learning strategy for social care.

iii **Leadership Programme**
This fund represents monies from the Department of Health to fund the creation of a development programme for social care leaders.

iv **Options for Excellence**
This fund represents monies from the Department of Health to fund consultations with service users and carers on the quality of practice and of social care workers.

v **Fostering**
This fund represents monies used for nine regional seminars held during the year to promote fostering good practice.

vi **Benefits Helpline**
This fund represents £6,500 each from Skills for Care and the Commission for Social Care Inspection as their contribution towards a benefits helpline for the involvement of users and carers who use social services.

vii **Human rights conference**
This fund represent the Disability Rights Commission's contribution towards the costs of SCIE's human right conference.

viii **Service user and Carer involvement in Social Work Education**
This fund represents monies from the Department of Health to build and sustain strategies and practice for user and carer participation in the social work degree, through supporting the development of service user and carer controlled organisations.

ix **Common Assessment Framework (Wales)**
This fund represents monies from the Welsh Assembly Government to develop and pilot a common assessment framework and information index in Wales.

Transfers in the year relate to general overhead costs.

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 April 2005 £	New designations £	Utilised/ released £	At 31 March 2006 £
Project fund	2,119,701	49,200	(918,155)	1,250,746
Response fund	200,000	125,477	(125,477)	200,000
	2,319,701	174,677	(1,043,632)	1,450,746

The project fund represents monies set aside to fund projects which were ongoing at 31 March 2006.

The response fund represents monies set aside to enable the charity to respond to, or to undertake, projects that are not identified when the annual work programme is agreed prior to the commencement of the financial year.

18 Analysis of net assets between funds

	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2006 £
Fund balances at 31 March 2006					
Are represented by:					
Tangible fixed assets	—	104,593	—	2,642	107,235
Current assets	990,097	—	1,450,746	3,333,819	5,774,662
Creditors: amounts falling Due within one year	(479,447)	—	—	(60,000)	(539,447)
Total net assets excluding pension liability	510,650	104,593	1,450,746	3,276,461	5,342,450

19 Leasing commitments

Operating leases
At 31 March 2006 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2006 £	2005 £	2006 £	2005 £
Operating leases which expire:				
Within two to five years	—	—	9,399	10,825
Thereafter	397,984	397,984	—	—
	397,984	397,984	9,399	10,825

20 Pension commitments

The charity operates a pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separate from those of the charity, being invested with the Essex County Council Pension Scheme. The contributions are determined on the basis of triennial valuations by a qualified actuary using the projected unit method.

The most recent valuation, at 31 March 2004, showed that the market value of the scheme's assets was £1,916 million and that the actuarial value of those assets represented 71.4 % of the benefits that had accrued to members, after allowing for expected future increases in earnings. The principal assumptions made were that the investment returns would be 4.6% per annum and that salary increases would average 4.3% per annum. No allowance was made for possible discretionary increases in pensions beyond those prescribed in the scheme rules.

FRS 17

Financial Reporting Standard 17 "Retirement Benefits" (FRS17) requires the surplus or deficit on the Scheme as at 31 March 2006, calculated in accordance with the requirements of the FRS17, to be included on the balance sheet. In previous years these figures have been disclosed for illustrative purposes only and have not been required to be included on the balance sheet. Accordingly, in these accounts prior year figures have been amended accordingly. For the purpose of FRS 17, the assets of the scheme have been taken at market value and the liabilities have been calculated by a qualified independent actuary.

In order to assess the actuarial value of the charity's assets and liabilities as at 31 March 2006, the actuaries have rolled forward the actuarial value of the assets and liabilities at 31 March 2004. However, the actuaries have also taken into account the impact of certain changes in benefits to the Scheme made with effect from 29 March 2006. These changes have resulted in a past service gain of £121,000 (see tables below). One of the most significant changes arises from the new provisions which allow members of the Scheme who retire on or after 6 April 2006 to take a higher retirement lump sum in exchange for a lower retirement pension. These "commutation savings" have been built into the FRS 17 disclosures below. It is the opinion of the actuaries that the financial effects of these changes made to the Scheme prior to the year end accounting date should be reflected in the FRS 17 revenue costs and year end liabilities. However, this treatment contradicts advice issued by the Audit Commission which states that the savings arising from the commutation savings should be treated as a non-adjusting post balance sheet event. The view of the actuaries is that, given the Regulations implementing the changes to the Scheme were made and laid before Parliament before 31 March 2006, the effects should be allowed for in the year end figures irrespective of the fact that the revised commutation terms only apply to retirements from 6 April 2006 onwards.

The major assumptions used by the actuary in preparing the FRS 17 figures were:

	2006 % per annum	2005 % per annum	2004 % per annum
Rate of increase in salaries	4.4	4.4	4.3
Rate of increase in pension payments	2.9	2.9	2.5
Discount rate	5.4	5.4	5.4
Inflation assumptions	2.9	2.9	2.5

The charity's share of the assets in the scheme and the expected rates of return were:

	Expected return at 31 March 2006 %	Value at 31 March 2006 £'000	Expected return at 31 March 2005 %	Value at 31 March 2005 £'000	Expected return at 31 March 2004 %	Value at 31 March 2004 £'000
Equities	7.0	3,662	7.5	2,663	8.5	1,730
Government bonds	4.3	540	4.7	425	4.5	518
Other bonds	4.9	291	5.4	228	—	—
Property	6.0	603	6.5	441	7.0	137
Cash	4.5	99	4.75	108	4.0	58
Total market value of assets		5,195		3,865		2,443

	31 March 2006 £'000	31 March 2005 £'000
Charity's estimated asset share	5,195	3,865
Present value of scheme liabilities	(5,573)	(4,382)
Deficit in the scheme	(378)	(517)

Funds and reserves

	31 March 2006 £'000	31 March 2005 £'000
Funds excluding FRS 17 pension liability	5,323	4,631
Net pension liability	(378)	(517)
Funds including FRS 17 pension liability	4,945	4,114

The above deficit of £378,000 is attributable, in part, to the following factors:

i Under a transfer deed dated 1 October 2001, National Institute for Social Work (NISW), a company limited by guarantee (Company Registration Number 726022) and a registered charity (Charity Registration Number 313402), transferred certain of its employees to SCIE with effect from the date of the deed. Under the transfer arrangements, NISW agreed to make good any deficit arising on the Essex County Council Pension Scheme in respect of these employees as at the date of transfer. The assumptions used in calculating the payment required from NISW were the same as those used in carrying out the usual triennial valuation. Had the assumptions used when carrying out an FRS 17 valuation been applied instead, the calculations would have shown the payment needed would have been approximately £200,000 greater. This is because the FRS 17 assumptions are more conservative and prudent. Approximately £200,000 of the above deficit , therefore, equates to the difference that existed at 1 October 2001 as a result of the different assumptions applied in these two types of valuation.

ii (ii)Since the date of transfer to SCIE, the FRS17 valuation has continued to be affected adversely, particularly by low investment returns and a fall in real interest rates, thereby increasing the deficit.

In accordance with FRS 17 the following components of pension charge have been recognised in the statement of financial activities for the year ended 31 March 2006.

	Year ended 31 March 2006 £'000	Year ended 31 March 2005 £'000
Analysis of the amount charged to the statement of financial activities		
Service cost	(266)	(206)
Past service gain		
• Gain arising from changes in scheme benefits	121	—
Total operating (charge)	(145)	(206)
Analysis of net return on pension scheme		
Expected return on pension scheme assets	263	194
Interest on pension liabilities	(247)	(198)
Net return	16	(4)
Amount recognised in the statement of total recognised gains and losses (STRGL)		
Actual return less expected return on pension scheme assets	790	144
Experience gains and losses arising on the scheme liabilities	(188)	259
Changes in financial assumptions underlying the present value of the scheme liabilities	(498)	(358)
Actuarial gains/(losses) recognised in the STRGL	104	45
Movement in deficit during the year		
Deficit at 1 April 2005	(517)	(991)
Current service cost	(266)	(206)
Employer contributions	164	639
Past service gain	121	—
Net return on assets	16	(4)
Actuarial (loss) gain	104	45
Deficit at 31 March 2006	(378)	(517)

	Year ended 31 March 2006 £'000	Year ended 31 March 2005 £'000	Year ended 31 March 2004 £'000
History of experience gains and losses			
Difference between the expected and actual return on assets	790	144	248
Value of assets	5,195	3,865	2,443
Percentage of assets	15.2%	3.7%	10.2%
Experience (losses) gains on liabilities	(188)	259	(170)
Present value of liabilities	5,573	4,382	3,434
Percentage of the present value of liabilities	3.4%	5.9%	5.0%
Actuarial loss (gain) recognised in STRGL	104	45	(49)
Present value of liabilities	5,573	4,382	3,434
Percentage of the present value of liabilities	1.9%	1.0%	1.4%

21 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £1.

Appendix A: Explanation of SCIE's resources

What is a knowledge review?

Knowledge reviews pull together knowledge from service user, research and practice. They describe what knowledge is available, highlight the evidence that has emerged and draw practice points from the evidence. Knowledge reviews are available both in hard copy and online.

What is a position paper?

Position papers present a summary of a particular policy question, for example whether service user involvement has made a difference to social care services. They identify issues and key messages and are available both in hard copy and online.

What is a practice guide?

Practice guides are online resources which bring together information, research and current good practice about particular areas of social care. The guides give users the opportunity to develop their own knowledge about what works well and apply it effectively in their day-to-day work.

What is a resource guide?

Resource guides direct people to information about a particular area of social care, especially where there is a lot of information and it is hard to know what information to use, or where there is a new area of social care, such as social care education, that people need to know about. Resource guides are available both in hard copy and online.

What is a report?

SCIE produces reports from time to time about various areas of social care. SCIE's reports are available both in hard copy and online.

What is a research briefing?

A research briefing is a summary of information on a particular topic to update practice at the health and social care interface. It is a concise document summarising the knowledge base in a particular area to act as a 'launch pad' or signpost to more in-depth material.

OCTOBER 2006

SCIE

Better knowledge for better practice

SCIE works with people and organisations throughout the social care sector to identify useful information, research and examples of good practice.

Using this information, we produce resources which evaluate practice in a particular area of social care, draw out key messages for good practice and identify areas where more research is needed to inform good practice.

Practitioners, researchers, service users and policy makers rely on SCIE's resources as a central and trusted point for evidence-based good practice guidance.

SCIE's work covers the breadth of social care including services for adults, children and families, participation, human resource development, social work education, e-learning and the use of knowledge in social care.

This Trustee's Report and Accounts outlines our objectives and achievements in 2005/06, as well as our future plans. It should be read in conjunction with our annual review, corporate plan and yearly business plans.

All our resources are available free of charge. For details visit www.scie.org.uk where you can view or order our resources, and sign up for a regular email alert about future activities.

This publication is available in an alternative format upon request.

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