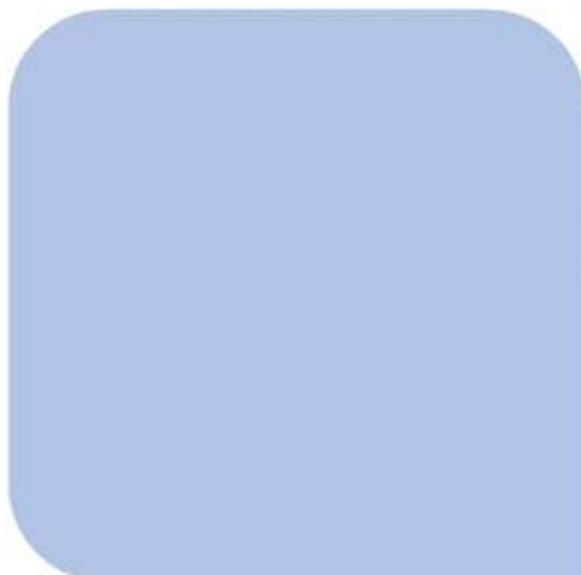
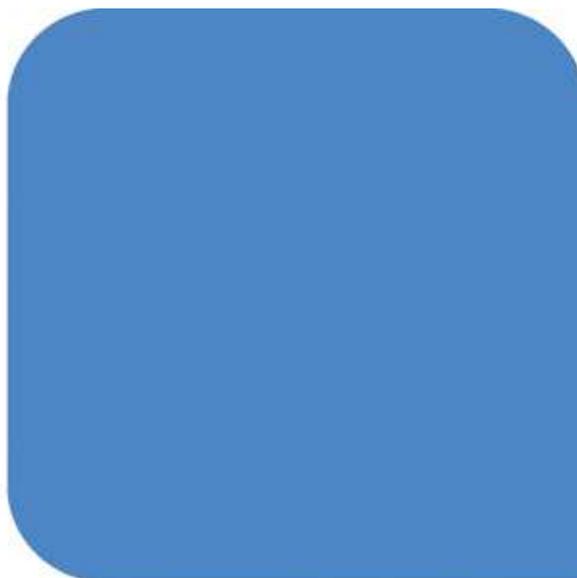
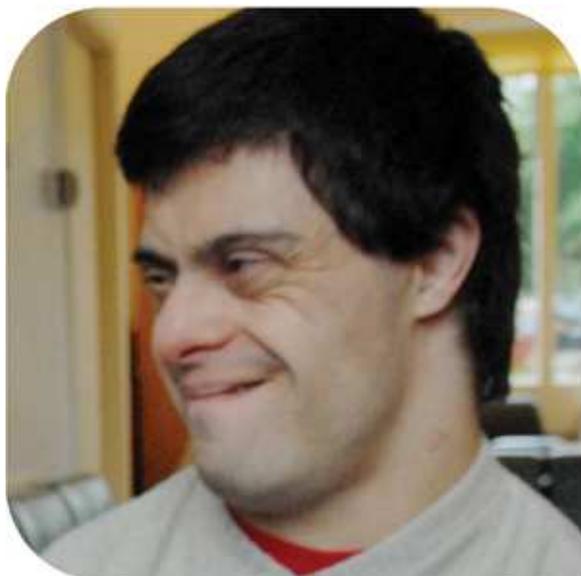


# Annual report and financial statements 2006/07



social care  
institute for excellence



The Social Care Institute for Excellence (SCIE) was established by Government in 2001 to improve social care services for adults and children in the United Kingdom.

We achieve this by identifying good practice and helping to embed it in everyday social care provision.

SCIE works to:

- . disseminate knowledge-based good practice guidance
- . involve service users, carers, practitioners, providers and policy makers in advancing and promoting good practice in social care
- . enhance the skills and professionalism of social care workers through our tailored, targeted and user-friendly resources.

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## Reference and administrative information

Status	<p>SCIE is a charitable company limited by guarantee, incorporated on 19 September 2001 and registered as a charity on 3 July 2002.</p> <p>In the event of the charity being wound up, members are required to contribute an amount not exceeding £1.</p>
Governing document	<p>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.</p>
Trustees	<p>Allan Bowman (Chair) Nadra Ahmed Ziggi Alexander Shokat Babul Peter Beresford John Fenton Jon Glasby Ann Mcfarlane Joanne Munyard Andy Nash Jenny Owen Terry Philpot Owen Stott Gail Tucker</p>
Company secretary	<p>Stephen Goulder</p>
Chief executive	<p>Bill Kilgallon</p>
Senior executives	<p>Amanda Edwards (Head of Knowledge Services) Stephen Goulder (Head of Corporate Services)</p>
Registered and principal office	<p>Goldings House 2 Hay's Lane London SE1 2HB T: +44 (0)20 7089 6840 F: +44 (0)20 7089 6841 E: <a href="mailto:info@scie.org.uk">info@scie.org.uk</a> W: <a href="http://scie.org.uk">scie.org.uk</a></p>
Company registration number	<p>4289790 (England and Wales)</p>
Charity registration number	<p>1092778</p>

Auditors	Buzzacott 12 New Fetter Lane London EC4A 1AG
Solicitors	Anthony Collins Solicitors LLP St Philip's Gate 5 Waterloo Street Birmingham B2 5PG
Bankers	Barclays Bank plc London Business Banking United Kingdom House 7 <sup>th</sup> Floor 180 Oxford Street London W1D 1EA

## Trustees' report Year to 31 March 2007

In this report, the trustees of the Social Care Institute for Excellence (SCIE) present their statutory report together with SCIE's financial statements for the year ended 31 March 2007.

The report has been prepared in accordance with Part VI of the *Charities Act 1993* and equates to a directors' report for the purpose of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 33 to 34 of the attached financial statements and comply with the charity's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice on 'Accounting and Reporting by Charities' issued in March 2005.

### How SCIE works

#### SCIE's charitable object

The Memorandum and Articles of Association state SCIE's object to be 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.

Our achievements, developments and future plans, which are organised by work theme in the following pages, reflect these activities.

### Statement of trustees' responsibilities

Company law requires SCIE's trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In preparing financial statements that give a true and fair view, 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 financial statements
- prepare the financial statements 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 that disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements 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 charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

All the trustees confirm individually that:

- so far as they are aware, there is no relevant audit information of which the company's auditors are unaware
- they have taken all 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 company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA.

### **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 10 members, including its chair. SCIE's trustees are also directors of SCIE, for the purposes of company legislation.

Existing trustees elect new 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) who 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.

On agreeing to become a trustee of the charity, the trustees receive a thorough briefing from their co-trustees on the history of the charity, the day-to-day management, the responsibilities of the trustees, the current objectives and future plans. The trustees are also encouraged to attend any courses that they

feel are relevant to the development of their role, and to keep up to date on changes in legislation.

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

The following trustees were in office at 31 March 2007, and served throughout the year, except where shown:

<b>Trustee</b>	<b>Appointed/ resigned</b>	<b>Audit Committee</b>	<b>Remuneration Committee</b>	<b>Work Programme Committee</b>
Allan Bowman (Chair from 1 April 2006)	Appointed 1 April 2006			Chair
Nadra Ahmed	Appointed 5 July 2007			
Ziggi Alexander	Appointed 8 April 2005			
Shokat Babul	Appointed 28 May 2002	Member		
Peter Beresford	Appointed 1 October 2003			Member
Ratna Dutt	Appointed 20 March 2002 Retired 19 March 2007		Member	
John Fenton	Appointed 25 January 2005			
Jon Glasby	Appointed 1 October 2003	Member		Member
Janet Lewis	Appointed 1 October 2003 Retired 30 September 2006	Member		

Geraldine Macdonald	Appointed 20 March 2002 Retired 19 March 2007	Member		
Ann Macfarlane	Appointed 1 January 2007			Member
Diana McNeish	Appointed 20 March 2002 Retired 19 March 2007			
Joanne Munyard	Appointed 5 July 2007			
Andy Nash	Appointed 5 July 2007			
Jenny Owen	Appointed 1 January 2007		Chair	
Terry Philpot	Appointed 20 March 2002		Member	Member
Owen Stott	Appointed 5 July 2007			
Roy Taylor	Appointed 20 March 2002 Retired 24 November 2006		Chair	
Gail Tucker	Appointed 20 March 2002	Chair		

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 £31,580 (2006 – £30,900) for services undertaken in the administration of SCIE. Another trustee received £6,316 (2006 – £6,180) under the same provisions.

Out of pocket travelling expenses totalling £10,783 (2006 – £11,843) were reimbursed to 11 (2006 – 13) trustees during the year.

The charity made payments of £13,783 to the Race Equality Foundation and £102,448 to the University of Birmingham in the year. Ratna Dutt is a director of the Race Equality Foundation and Dr Jon Glasby is the Director of Academic

Programmes in the School of Public Policy at the University of Birmingham. The payments related to provision of services at arm's length.

## **Governance**

SCIE's Memorandum and Articles of Association were changed with the approval of the Charity Commission on 6 July 2006 and 14 September 2006.

## **Structure**

The chief executive and senior staff attend, and provide reports to, regular meetings of the board of trustees. This enables board to undertake its business, including strategy development and governance, collaboratively and in accordance with good practice. The chief executive manages the day-to-day business through the Executive Management Group. There are also regular meetings of the Knowledge Management and Corporate Services Management teams, which enable a wide range of staff to participate in policy development.

Through involvement of staff representatives, circulation of papers, and via the SCIE intranet, there is wide communication of board discussions and decisions to staff members.

## **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 have access to equal opportunities and, where appropriate and possible, receive 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 most of its funding. To mitigate this risk 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 over 45 representatives of national social care stakeholder organisations from across Wales, Northern Ireland and England (one third of which are users- or carer-led groups). The Partners' Council is a unique gathering of significant and key stakeholders in social care for adults and children, working together. The Partners' Council supports and challenges SCIE's role in shaping and influencing social care in the UK. The Council advises SCIE on its work programme, priorities and performance and disseminates information about SCIE and the work of member organisations.

The Partners' Council met three times in 2006/07 and advised on a number of key areas including: 'Our health, our care, our say', the Welfare reform green paper and SCIE's work programme.

An independent evaluation of the Partners' Council was conducted during the year using an appreciative inquiry methodology. The evaluation found that what people most value about the Partners' Council is the unique opportunity to meet and work with a wide range of people, representing all aspects of social care. Service users, practitioners, academics and SCIE staff talk together about a variety of important topics in a constructive, respectful environment. Its members see it as a model for working positively with diversity, equality and inclusion. This is a challenging 'brave experiment – which is working'.

During the year the membership has been refreshed and some new organisations recruited to ensure that the Council reflects the diversity of the social care sector. At the last meeting of the year, the Council said goodbye to co-chairs Carol Lee of People First and SCIE Board member Di McNeish. The Council is now co-chaired by Tina Coldham, a service user member of the Council, and Allan Bowman, who is also chair of SCIE's board.

Over the coming year the Partners' Council will focus on ensuring even closer working between itself and SCIE's board, implementing recommendations from the evaluation and also using digital media to increase access. Three meetings are planned: a summer residential in Cardiff and two further meetings, one of which will focus on building participative communities and the other on leadership in social care.

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 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 2006/07 and its plans for 2007/08 and beyond.

SCIE's plans are set out in its annual work programme. 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.

## Adults' services

This has been a particularly busy year for SCIE in adults' services.

### Achievements

SCIE has produced work in the following areas:

- Dignity – a report for Department of Health (DH) on promoting dignity in service provision for people using social care services.
- Protection of Vulnerable Adults (POVA) – a guide for employers who need to use the POVA system for dealing with staff who abuse people who use services.
- *Having a good day* – a knowledge review and practice guide of day activities for people with learning disabilities.
- *Supporting self advocacy* – a position paper leading to a practice guide on obtaining and maintaining high quality facilitation for self advocates.
- A guide for older people leaving hospital.
- Mental Capacity Act – joint work with DH to produce training materials for staff in health and social care in the use of the new Act.
- Joint work with DH on the production of training materials for training independent mental capacity advocates (IMCA).
- Adult placement – a guide for commissioners on setting up adult placement services.
- Individual budgets – a research briefing on choice and control in service provision.

### In development

- European Care Licence – work with English and European partners to promote induction and foundation training for first-line care workers moving to different countries across Europe.

## 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 2006/07, SCIE:

- published joint SCIE/National Institute for Health and Clinical Excellence (NICE) guidance on the clinical and cost-effectiveness of parent training programmes for the treatment of conduct disorders in children
- published a knowledge review on supporting disabled parents and parents with additional support needs

- published a research briefing *Factors that assist early identification of children in need in integrated or inter agency settings*.

### **In development**

In 2007/08, SCIE will publish:

- a resource guide on children of prisoners, focusing on the interface between social care, criminal justice, education and health
- a guide to using the joint SCIE/NICE guidance on parent training programmes in Children's Services
- a knowledge review on working with challenging and disruptive situations in residential care
- a guide to a systems approach to case reviews in children's services
- a research briefing *Young carers of parents with mental health problems: identifying support and good practice*
- a research briefing *Reviewing the experiences of BME parents with mental health problems and their children*
- a research briefing *Stress and resilience factors in parents with mental health problems and their children*
- a research briefing *The impact of domestic violence between parents on the health and well being of children*.

Additionally:

- SCIE will contribute to the development of the NICE *Indications of suspected maltreatment in children* clinical guideline
- SCIE will complete the pilot of the Common Assessment Framework (Wales).

In 2008–09, SCIE aims to undertake work on the following topics:

- child and adolescent mental health services for children with complex health needs and children in care
- positive outcomes for young people in secure children's homes
- further work on parent training in relation to disadvantaged, and black and minority ethnic, families.

### **e-Learning**

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

### **Achievements**

During 2006/07, SCIE:

- completed a major survey of the e-learning readiness of the sector
- managed an advisory group to inform material development
- worked with higher education institutions and commercial developers to develop e-learning materials to support teaching and learning in the social work degree, releasing 10 learning objects on our website and in national repositories.

## **In development**

In 2006/07, 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 regional Skills for Care initiatives
- developing e-learning materials from SCIE's products, the first of which on the theme of older people will be launched in 2007
- developing a series of learning objects on the theme of poverty for use in both further and higher education
- a three-year European project aligning business processes to work-based competencies
- funding a project using the web to deliver a transition portal for users with learning difficulties and their carers
- with the Joint Information Services Committee funding e-learning in teaching and learning project being managed by the Social Policy and Social Work subject centre of the Higher Education Academy (SWAP)
- commissioning work together with Skills for Care on supporting the induction process in social care and linking it to essential skills
- collaborative initiatives with The Open University, the NHS Core Learning Unit and others to produce shared e-learning resources.

## **Planned**

In 2007/08, SCIE aims to:

- continue working with higher education institutions to develop e-learning materials for the social work degree with plans for a further tranche of work to develop learning objects in an adoption phase of development
- develop further 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 following the development of the materials in our other work
- continue to develop e-learning materials from SCIE's products and to instigate the parallel development of SCIE products in more interactive e-enabled versions.

## **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 2006/07 SCIE:

- expanded the topics in the People Management (PM) website resource directory
- increased membership of the PM network to 765
- began the second year of the expanded Social Care Leadership Development Programme
- contributed to the development and publication of the Northern Ireland Department of Health, Social Services and Public Safety's *Social care governance handbook*.

## In development

In 2006/07, SCIE began/continued work on:

- expanding the PM website and PM network
- evaluating and expanding the Social Care Leadership Development Programme and the Social Care Futures Programme
- a resource guide to support the work in developing social care governance
- a knowledge review on effective improvement methods in social and health care.

## Planned

In 2007/08, SCIE will:

- publish a guide to developing a culture of participative change in social care
- publish a guide on improvement in social care
- publish a guide on the social care contribution to the *Civil Contingencies Act 2004*
- add topics to the PM website in consultation with the PM network.
- follow up actions from the Options for Excellence review including:
  - >updating and expanding SCIE's knowledge development materials, including *Leading practice*
  - >joint work with Skills for Care and the Children's Workforce Development Unit.

## Social work education

### Achievements

Key resources published during 2006/07 include:

- *Knowledge review 10: the learning, teaching and assessment of partnership work in social work education*
- *Knowledge review 12: teaching, learning and assessing communication skills with children and young people in social work education*
- *Resource guide 06: learning, teaching and assessment of law in social work education*
- resource guide on the teaching and learning of assessment
- review of interprofessional education

- scoping work on the teaching and learning of human growth and development
- *Participating and learning: Citizen involvement in social work education in the Northern Ireland context: a good practice guide.*

### **In development**

In 2006/07 SCIE began/continued work on:

- *Outcomes in social work education (OSWE)*
- This is a three-year development project (05–06 to 07–08) to assist educators to develop research on the outcomes of social work education.
- User involvement
- Work continues to publish a report by Shaping Our Lives on the aims of user involvement in social work education – *Common aims*.
- Joint Social Work Education Conference (JSWEC)
- SCIE continues to sponsor the JSWEC conference and has supported the development of a theme specifically focusing on social work research.
- Introductory pack for social work students
- An introductory pack was provided for all students on qualifying social work programmes in England, Wales and Northern Ireland.
- Video
- We produced a promotional video designed to encourage social work students to use SCIE resources.

### **Planned**

In 2007/08, we plan to finish the sequence of reviews of curriculum areas by focusing on human growth and development.

In addition, we will prepare a resource guide on partnership working.

Work on user involvement will continue to develop a web-based self-assessment tool. In Northern Ireland, work will continue on a framework of citizen involvement to support user and carer participation in social work education.

The project *Outcomes in social work education* will continue to take educators through to the stage of obtaining initial results from their research.

### **Stakeholder participation**

#### **Achievements**

During 2006/07 SCIE continued:

- the evaluation of the Partners' Council
- establishing SCIE's race equality scheme
- supporting Shaping Our Lives' user network to set up a database of service user organisations
- establishing a helpline for service users who receive benefits who are considering accepting payment from SCIE.

SCIE also:

- published race equality discussion papers focusing on diversity within organisations; refugees and asylum seekers; and independent living for black minority and ethnic communities
- published *Doing it for themselves: Participation and black and minority ethnic service users*
- published examples of how to involve services in systematic knowledge reviews.

## Planned

In 2007/08 SCIE aims to:

- publish a guide involving adult service users, including older people, in social care services
- publish a guide developing measures for effective user and carer participation
- publish a guide to the participation of seldom heard service users
- implement improvements to the Partners' Council and theme reference groups
- explore how to increase the participation of children and young people in the Partners' Council
- develop a single equalities scheme for the monitoring and reporting of equality and diversity
- complete consultancy to strengthen user involvement at a strategic level in Northern Ireland
- provide media training for care experienced young people and publish training materials
- consult on adapting participation resources for use in the private sector
- publish a guide about social care needs of refugee and asylum seekers.

## Using knowledge to support social care

### Achievements

During 2006/07, SCIE:

- produced a report on identifying research material on old age (Report 13), using the AgeInfo database available free through Social Care Online
- updated guidelines on conducting systematic reviews (Research resource 1)
- produced a report about how to involve service users and carers in carrying out a systematic review
- produced a systematic map of the research literature on parents with mental health problems (a systematic map generates an overview of the research literature to inform decisions about further work) (*Systematic map report 1*)
- initiated similar systematic maps on the recovery model in mental health and on depression among black and minority elders
- continued work with the Race Equality Foundation encouraging black and minority ethnic perspectives in social care research
- evaluated whether SCIE's 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 2007/08, SCIE aims to:

- publish a report about the strengths and limitations of social work research in British universities
- continue to support the development of capacity in SCIE's partners to undertake systematic reviews
- continue to develop methods of assessing the quality of research
- publish the report of a UK-wide consultation on a research strategy for social care
- develop support for a UK-wide social care research coordination group with a brief to coordinate research priorities, investment, governance, training, and dissemination and to establish a UK-wide comprehensive social care research register.

## **Dissemination of resources across the social care sector**

SCIE devotes a substantial proportion of its resources to disseminating 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 contacts
- dissemination through targeted presentations, seminars, events and conferences
- dissemination through networks and other activities.

## **Dissemination through web-based resources**

### **Achievements**

In 2006/07 SCIE's achievements included the:

- expansion of Social Care Online coverage to include non-print media
- inclusion of systematic reviews with in-depth abstracts
- running of six nationwide workshops on searching the social care literature
- pre-launch of National Research Register for Social Care (with WebDev)
- significantly increased activity on all websites
- development and successful pilot of the National Research Register for Social Care and toolkit
- development and successful pilot of the Joint Improvement Partnership (JIP) website
- development and launch of Race Equality Foundation website
- BME signposting project on SCIE website launched
- significant accessibility improvements to Social Care Online and SCIEnet
- production of a short promotional video.

## Planned

In 2007/08, SCIE aims include:

Social Care Online:

- To review the promotion of Social Care Online and continue coverage expansion and functionality enhancement.
- To work with the Scottish Institute for Excellence in Social Work Education to integrate ResearchWeb, the National Research Register for Social Care and The Learning Exchange (we have proposed conducting a feasibility study with them) in to one web-based resource for Scotland.

SCIE website:

- To launch a full review of the website.
- To add text reading functionality to the main SCIE website.
- To enhance searching and indexing of the main SCIE website.
- To pilot the search engine marketing project.

General:

- To implement SCIE's equality and diversity action plan for electronic information and systems.
- To commission accessibility and usability reviews for all SCIE's websites.

## Dissemination through our database of contacts

Very significant progress has been made in developing and expanding the Contacts Management System (CMS). The database can now be searched by key issues such as: subject area of interest; type of organisation; role; and geographical location. We arranged training for administrative staff in March 2007. Major work continues to expand and update this information.

Since the development of the CMS, SCIE has introduced a direct mail system. In 2006/07, the communications team coordinated three direct mail shots in October, December and February. These are targeted mailshots to:

- key group of stakeholders who receive all SCIE publications, including SCIE sponsors, directors of adult services, regional directors of the Commission for Social Care Inspection (CSCI), regional directors/managers of Skills for Care and registered librarians in UK
- individuals/organisations with a particular interest in the subject theme area of the resource, for example adult service users, directors of learning disabilities services.

## Dissemination through targeted presentations, seminars, events and conferences

In 2006/07, SCIE held 31 events, which were attended by approximately 1,750 delegates in total. Most of these events were aimed at social care staff; 19 per cent were for SCIE's existing networks and 16 per cent were for carers. SCIE

took a decision at the end of 2005/06 to reduce the number of events it ran and to focus on participation in other organisations' events.

In 2006/07, SCIE participated in 157 events, including exhibiting at 51 events and speaking at 121 events. SCIE also sponsored 5 events.

### **Dissemination through networks and other activities**

In 2005/06 SCIE staff were members of 78 different external networks. In 2006/07 this has increased to 119 networks. This is a 52 per cent increase on the previous year. This is largely because SCIE staff are joining more networks hosted by the Department of Health and the Children's Workforce Development Council. A complete list is available on request.

SCIE continues to develop and maintain relationships with key sponsoring departments.

SCIE also worked with the All-Party Parliamentary Groups (APPGs) on Social Care and Primary Care to carry out a joint inquiry in to implementing the White Paper. The inquiry received written submissions from almost 30 social care and health organisations. There were three main oral evidence sessions, and an extra session dedicated to Sir Derek Wanless's presentation. The report has been published, and follow-up meetings held with Ivan Lewis and the chairs of both APPGs.

SCIE and the General Social Care Council (GSCC) ran joint fringe events on social care and its contribution to health and well-being at each of the three party conferences.

In 2006/07, SCIE responded to over 20 consultations.

### **Other projects**

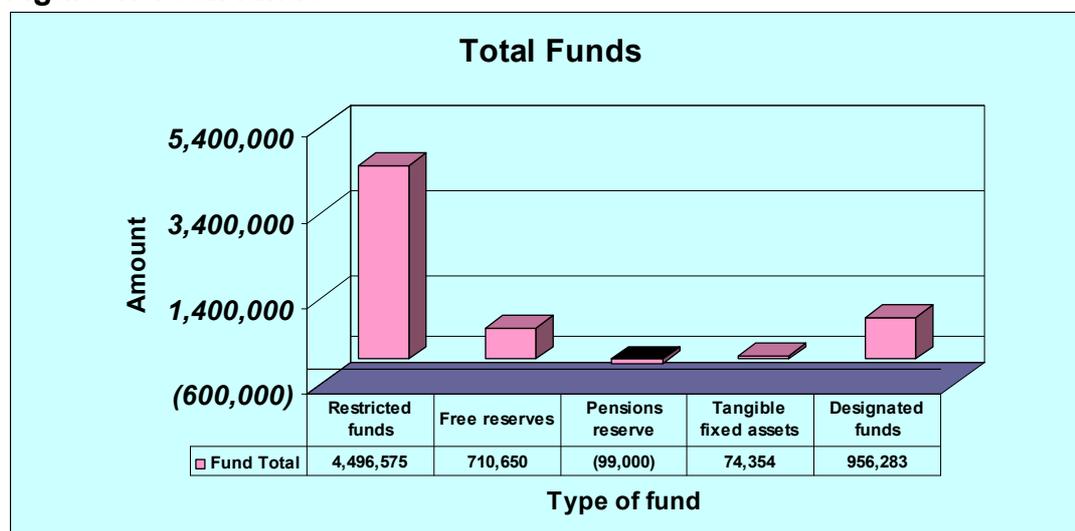
SCIE was delighted in March 2007 to receive confirmation of its successful recognition as an Investor in People (IiP). SCIE's assessor described the outcome as 'well deserved' and in her report highlighted a number of areas of good practice.

Working towards IiP has been a helpful process for the organisation. It has sharpened SCIE's ability to relate learning and development plans to overall business objectives. The comments in the report about the culture of SCIE – one in which staff feel supported in their work and confident to challenge – are especially encouraging and provide a sound basis from which to develop.

## Financial review for 2006/07

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

**Figure 1: Total funds**



The balance sheet shows total funds of £6,138,862 at 31 March 2007. Of this, £4,496,575 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 15 to the financial statements together with an analysis of movements in the year.

A further £74,354 of the total funds is represented by tangible fixed assets and £956,283 has been set aside, or designated, by the trustees to fund projects that were ongoing at 31 March 2007.

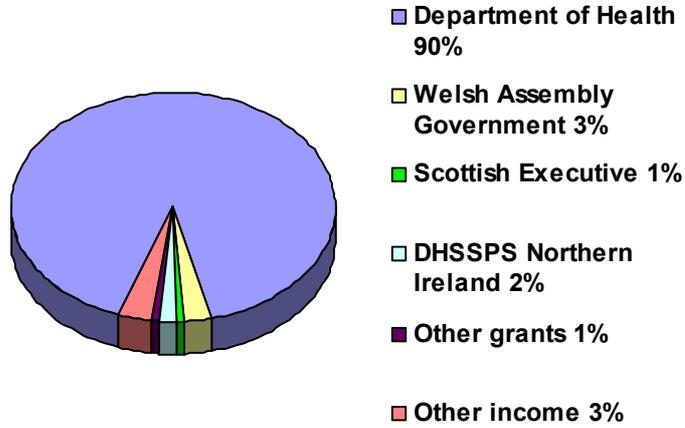
The remaining general funds of SCIE are 'free reserves' and total £710,650 at 31 March 2007. The trustees consider that this level of free reserves is adequate but not excessive given SCIE's short life and provides a solid foundation on which to build so as to achieve the reserves policy set out below.

The actuaries have calculated SCIE's share of the deficit on the defined benefit pension fund at 31 March 2007 to be £99,000.

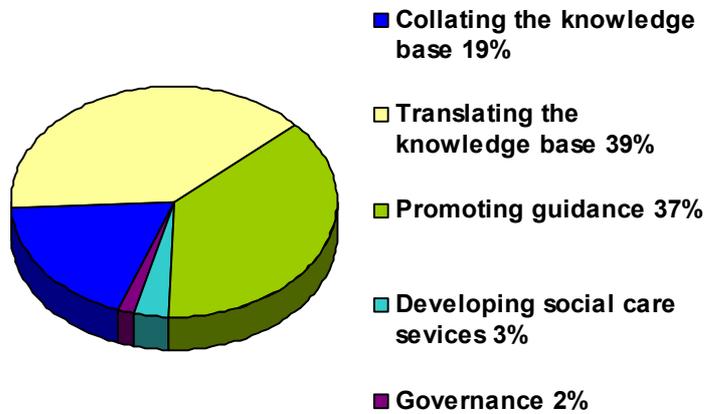
SCIE received its income mainly in the form of grants and spent its money on charitable activities set out in service level agreements and in restricted fund agreements.

**Figure 2: Incoming resources**

**Where we got our money from**



**Figure 3: Resources expended**



## 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 financial statements.

## 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:

Trustee

Approved by the trustees on:

## Independent auditors' report 31 March 2007

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

We have audited the financial statements on pages 28 which have been prepared under the historical cost convention and the accounting policies set out on pages 33 and 34.

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 7 and 8, 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the *Companies Act 1985*. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, 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 financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, 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 the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

### In our opinion:

- The financial statements 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 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- The financial statements have been properly prepared in accordance with the *Companies Act 1985*.
- The information in the trustees' report is consistent with the financial statements.

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

## Financial statements

### Statement of financial activities Year to 31 March 2007

	Notes	Unrestricted funds £	Restricted funds £	2007 Total funds £	2006 Total funds £
<b>Income and expenditure</b>					
<b>Incoming resources</b>					
Incoming resources from generated funds					
• Interest receivable	1	224,489	—	224,489	187,525
Incoming resources from charitable activities	2	4,821,063	3,441,900	8,262,963	7,233,200
Other incoming resources	3	70,843	—	70,843	58,157
<b>Total incoming resources</b>		<u>5,116,395</u>	<u>3,441,900</u>	<u>8,558,295</u>	<u>7,478,882</u>
<b>Resources expended</b>					
Charitable activities					
• Collating the knowledge base	4	1,423,617	32,969	1,456,586	1,495,323
• Translating the knowledge base into policy guidance and practice		2,279,158	752,876	3,032,034	2,252,801
• Promoting guidance in order to enhance quality		2,025,532	876,202	2,901,734	2,446,033
• Developing social care services		—	259,939	259,939	347,686
Governance costs	5	130,590	—	130,590	190,281
<b>Total resources expended</b>		<u>5,858,897</u>	<u>1,921,986</u>	<u>7,780,883</u>	<u>6,732,124</u>
<b>Net (outgoing) incoming resources for the year before transfers</b>	7	(742,502)	1,519,914	777,412	746,758

<b>Transfers between funds</b>	15 299,800	(299,800)	—	—
<b>Statement of total recognised gains and losses</b>				
<b>Net (outgoing) incoming resources for the year after transfers i.e. net (expenditure) income</b>	(442,702)	1,220,114	777,412	746,758
<b>Other recognised gains and losses</b>				
Actuarial gain on defined benefit pension scheme	19 397,000	—	397,000	104,000
<b>Net movement in funds</b>	(45,702)	1,220,114	1,174,412	850,758
<b>Fund balances brought forward at 1 April 2006</b>	1,687,989	3,276,461	4,964,450	4,113,692
<b>Fund balances carried forward at 31 March 2007</b>	1,642,287	4,496,575	6,138,862	4,964,450

All 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 2007**

	Notes	2007 £	2007 £	2006 £	2006 £
<b>Fixed assets</b>					
Tangible assets	11		<b>251,669</b>		107,235
<b>Current assets</b>					
Debtors	12	<b>185,393</b>		164,087	
Short term deposits		<b>6,200,000</b>		5,600,000	
Cash at bank and in hand		<b>4,050</b>		10,575	
		<b>6,389,443</b>		<u>5,774,662</u>	
<b>Creditors:</b> amounts falling due within one year	13	<b>(403,250)</b>		<u>(539,447)</u>	
<b>Net current assets</b>			<b><u>5,986,193</u></b>		<u>5,235,215</u>
<b>Total net assets excluding pension liability</b>			<b>6,237,862</b>		5,342,450
Pension liability	19		<b><u>(99,000)</u></b>		<u>(378,000)</u>
<b>Total net assets including pension liability</b>			<b><u>6,138,862</u></b>		<u>4,964,450</u>
<b>Represented by:</b>					
<b>Funds and reserves</b>					
<b>Income funds:</b>					
Restricted funds	15		<b>4,496,575</b>		3,276,461
Unrestricted funds					
• General fund					
> Free reserve			<b>710,650</b>		510,650
> Pension reserve	19		<b>(99,000)</b>		(378,000)
			<b>611,650</b>		132,650
• Tangible fixed assets fund			<b>74,354</b>		104,593
• Designated funds	16		<b>956,283</b>		1,450,746
			<b>6,138,862</b>		4,964,450

Approved by the trustees  
and signed on their behalf by:

Trustee

Approved on:

**Cash flow statement Year to 31 March 2007**

	Notes	2007 £	2006 £
<b>Cash inflow from operating activities</b>	A	<b>603,491</b>	774,895
<b>Returns on investment and servicing of finance</b>	B	<b>224,489</b>	187,525
<b>Capital expenditure</b>	B	<b>(234,505)</b>	(119,649)
		<b>593,475</b>	842,771
<b>Management of liquid resources</b>	B	<b>(600,000)</b>	(1,000,000)
<b>Decrease in cash</b>	C	<b>(6,525)</b>	(157,229)

**Notes to the cash flow statement for the year to 31 March 2007****A Adjustment of net incoming resources for the year to net cash inflow from operating activities**

	2007 £	2006 £
Net incoming resources for the year	<b>777,412</b>	746,758
FRS17 pension credit	<b>118,000</b>	(35,000)
Interest receivable	<b>(224,489)</b>	(187,525)
Depreciation charge	<b>140,755</b>	73,236
Deficit/(surplus) on disposal of tangible fixed assets	<b>444</b>	(722)
(Increase)/decrease in debtors	<b>(21,306)</b>	30,423
(Decrease)/increase in creditors	<b>(187,325)</b>	147,725
<b>Net cash inflow from operating activities</b>	<b>603,491</b>	774,895

**B Gross cash flows**

	2007 £	2006 £
<b>Returns on investment and servicing of finance</b>		
Interest received	<b>224,489</b>	187,525
<b>Capital expenditure</b>		
Payments to acquire tangible fixed assets	<b>(234,705)</b>	(120,371)
Proceeds from disposal of tangible fixed assets	<b>200</b>	722
	<b>(234,505)</b>	(119,649)
<b>Management of liquid resources</b>		
Cash invested in short term deposits	<b>(600,000)</b>	(1,000,000)

**C Analysis of changes in net funds**

	At 1 April 2006 £	Cash flows £	At 31 March 2007 £
Cash in hand and at bank	10,575	(6,525)	<b>4,050</b>
Short-term deposits	5,600,000	600,000	<b>6,200,000</b>
	<u>5,610,575</u>	<u>593,475</u>	<b><u>6,204,050</u></b>

## Principal accounting policies 31 March 2007

### Basis of accounting

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

### 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 incoming resources from charitable activities 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 that 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;
  - publicity and dissemination costs
  - 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 that 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
- Leasehold improvements      over the remaining period of the lease.

### **Fund accounting**

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

Designated funds are monies set aside out of the general fund 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 held under unrestricted funds. This fund has been separated from other unrestricted funds in order to emphasise that the assets are of fundamental importance to the charity's being able to achieve its charitable objectives and, as such, their value should not be regarded as realisable.

The general fund represents those monies that 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 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.

### **Liquid resources**

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

## Notes to the financial statements 31 March 2007

### 1 Interest receivable

	Unrestricted funds £	Restricted funds £	2007 Total funds £	2006 Total funds £
Interest receivable on bank deposits	224,489	—	<b>224,489</b>	187,525

### 2 Contracts, grants and service agreements

	Unrestricted funds £	Restricted funds £	2007 Total funds £	2006 Total funds £
Department of Health				
• Section 64 Core Grant	4,430,000	1,497,000	<b>5,927,000</b>	4,430,000
• project grants	—	1,817,900	<b>1,817,900</b>	1,795,950
	4,430,000	3,314,900	<b>7,744,900</b>	6,225,950
Welsh Assembly Government	190,000	63,000	<b>253,000</b>	600,000
The Scottish Executive	50,000	—	<b>50,000</b>	50,000
Department of Health, Social Services and Public Safety (Northern Ireland)	151,063	—	<b>151,063</b>	147,519
IMC Information	—	—	<b>—</b>	100,031
Other funders	—	64,000	<b>64,000</b>	109,700
	4,821,063	3,441,900	<b>8,262,963</b>	7,233,200

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

• Collating the knowledge base	1,205,266	91,000	<b>1,296,266</b>	1,181,956
• Translating the knowledge base into policy guidance and practice	1,607,021	1,909,700	<b>3,516,721</b>	2,700,916
• Promoting guidance in order to enhance quality	2,008,776	929,800	<b>2,938,576</b>	3,327,328
• Capital refurbishment	—	489,600	<b>489,600</b>	—
• Other	—	21,800	<b>21,800</b>	23,000
	4,821,063	3,441,900	<b>8,262,963</b>	7,233,200

### 3 Other incoming resources

	Unrestricted funds £	Restricted funds £	2007 Total funds £	2006 Total funds £
Net return on pension scheme	44,000	—	<b>44,000</b>	16,000
Other income	26,843	—	<b>26,843</b>	42,157
	70,843	—	<b>70,843</b>	58,157

**4 Cost of charitable activities**

	Unrestricted funds	Restricted funds	2007 Total funds	2006 Total funds
	£	£	£	£
<b>Collating the knowledge base</b>				
• Staff costs	479,892	194	<b>480,086</b>	424,058
• Office costs	36,172	—	<b>36,172</b>	39,905
• Premises costs	70,561	—	<b>70,561</b>	64,991
• Commissioning costs	128,018	1,500	<b>129,518</b>	248,523
• Publicity and dissemination	107,003	2,138	<b>109,141</b>	187,466
• Support costs	601,971	29,137	<b>631,108</b>	530,380
	<u>1,423,617</u>	<u>32,969</u>	<u><b>1,456,586</b></u>	<u>1,495,323</u>
<b>Translating the knowledge base into policy guidance and practice</b>				
• Staff costs	819,136	106,377	<b>925,513</b>	782,981
• Office costs	48,229	1,254	<b>49,483</b>	56,884
• Premises costs	94,081	—	<b>94,081</b>	92,645
• Commissioning costs	377,222	575,724	<b>952,946</b>	415,398
• Electronic access and publication costs	53	—	<b>53</b>	8
• Publicity and dissemination	137,834	30,672	<b>168,506</b>	148,828
• Support costs	802,603	38,849	<b>841,452</b>	756,057
	<u>2,279,158</u>	<u>752,876</u>	<u><b>3,032,034</b></u>	<u>2,252,801</u>
<b>Promoting guidance in order to enhance quality</b>				
• Staff costs	573,768	373,651	<b>947,419</b>	769,992
• Office costs	60,286	1,875	<b>62,161</b>	64,708
• Premises costs	117,601	—	<b>117,601</b>	102,676
• Commissioning costs	108,094	447,625	<b>555,719</b>	272,751
• Electronic access and publication costs	140,921	—	<b>140,921</b>	147,644
• Publicity and dissemination	21,553	4,491	<b>26,044</b>	182,701
• Support costs	1,003,309	48,560	<b>1,051,869</b>	905,561
	<u>2,025,532</u>	<u>876,202</u>	<u><b>2,901,734</b></u>	<u>2,446,033</u>
<b>Developing social care services</b>				
• Staff costs	—	48,234	<b>48,234</b>	156,389
• Office costs	—	593	<b>593</b>	582
• Commissioning costs	—	181,864	<b>181,864</b>	122,221
• Publicity and dissemination	—	29,248	<b>29,248</b>	68,494
	<u>—</u>	<u>259,939</u>	<u><b>259,939</b></u>	<u>347,686</u>
<b>Total</b>	<u>5,728,307</u>	<u>1,921,986</u>	<u><b>7,650,293</b></u>	<u>6,541,843</u>

**5 Governance costs**

	Unrestricted funds £	Restricted funds £	<b>2007 Total funds £</b>	2006 Total funds £
Legal and professional fees	9,794	—	<b>9,794</b>	7,226
Trustees' expenses, payments to trustees and other trustee-related costs (note 9)	71,222	—	<b>71,222</b>	111,878
Partners' council costs	48,958	—	<b>48,958</b>	71,177
Miscellaneous	616	—	<b>616</b>	—
	<b>130,590</b>	<b>—</b>	<b>130,590</b>	<b>190,281</b>

**6 Support costs**

	Collating the knowledge base £	Translating the knowledge base £	Promoting guidance £	Developing social care services £	<b>2007 Total funds £</b>	2006 Total funds £
Staff costs	385,914	514,528	643,215	—	<b>1,543,657</b>	<b>1,186,175</b>
Premises costs	50,961	67,947	84,934	—	<b>203,842</b>	<b>195,407</b>
Refurbishment costs	29,137	38,849	48,560	—	<b>116,546</b>	—
Office costs	26,124	34,832	43,540	—	<b>104,496</b>	<b>119,982</b>
Electronic access and publication costs	3,737	4,982	6,228	—	<b>14,947</b>	<b>44,480</b>
Publicity and dissemination costs	132,137	176,183	220,228	—	<b>528,548</b>	<b>635,363</b>
Other costs	3,098	4,131	5,164	—	<b>12,393</b>	<b>10,591</b>
	<b>631,108</b>	<b>841,452</b>	<b>1,051,869</b>	<b>—</b>	<b>2,524,429</b>	<b>2,191,998</b>

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 £	2007 Total funds £	2006 Total funds £
Staff costs (note 8)	3,424,777	528,454	<b>3,953,231</b>	3,330,142
Auditors' remuneration				
• Statutory audit services	9,794	—	<b>9,794</b>	7,226
Depreciation	74,001	66,754	<b>140,755</b>	73,236
(Deficit) surplus on disposal of tangible fixed assets	(444)	—	<b>(444)</b>	722
Operating lease rentals	333,765	—	<b>333,765</b>	334,367

## 8 Employees and staff costs

Staff costs during the period were as follows:

	2007 £	2006 £
Wages and salaries	<b>2,338,578</b>	2,009,843
Social security costs	<b>209,278</b>	185,508
Other pension costs	<b>361,485</b>	154,507
	<b>2,909,341</b>	2,349,858
Payments to agency staff	<b>750,523</b>	644,672
Other staff-related costs	<b>293,367</b>	335,612
	<b>3,953,231</b>	3,330,142

Other pension costs include FRS 17 pension charge of £162,000 (2006 – credit of £19,000).

Payments to agency staff during the period reflect the need to have personnel in post in order to progress the work of SCIE while 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:

	2007 No.	2006 No.
Charitable activities		
• Collating the knowledge base	15	12
• Translating the knowledge base into policy guidance and practice	21	19
• Promoting guidance in order to enhance quality	26	21
	<b>62</b>	<b>52</b>

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

	2007 No.	2006 No.
£60,001 – £70,000	—	2
£70,001 – £80,000	1	1
£80,001 – £90,000	—	—
£90,001 – £100,000	—	1
£100,001 – £110,000	1	—

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

## 9 Trustees' remuneration

In accordance with the charity's memorandum and articles of association the Chair of the trustees was paid £31,580 (2006 – £30,900) during the year for services undertaken in the administration of the charity. One other trustee was paid £6,316 (2006 – £6,180) on the same basis. The payment for such services has been authorised by the Charity Commission.

Out-of-pocket travelling expenses totalling £10,783 (2006 – £11,843) were reimbursed to 11(2006 – 13) 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 (2006 – £8,489) and provides cover of up to a maximum of £2 million (2006 – £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		Total	
	Computer and IT equipment	Office furniture and fittings	Computer and IT equipment	Leasehold improvements	Office furniture and fittings	
	£	£	£	£	£	£
<b>Cost</b>						
At 1 April 2006	366,466	77,457	6,592	—	—	<b>450,515</b>
Additions	44,406	—	58,712	137,484	45,231	<b>285,833</b>
Disposals	(41,450)	—	—	—	—	<b>(41,450)</b>
At 31 March 2007	<b>369,422</b>	<b>77,457</b>	<b>65,304</b>	<b>137,484</b>	<b>45,231</b>	<b>694,898</b>
<b>Depreciation</b>						
At 1 April 2006	272,911	66,419	3,950	—	—	<b>343,280</b>
Charge for year	68,035	5,966	21,075	34,371	11,308	<b>140,755</b>
Eliminated on disposals	(40,806)	—	—	—	—	<b>(40,806)</b>
At 31 March 2007	<b>300,140</b>	<b>72,385</b>	<b>25,025</b>	<b>34,371</b>	<b>11,308</b>	<b>443,229</b>
<b>Net book values</b>						
At 31 March 2007	<b>69,282</b>	<b>5,072</b>	<b>40,279</b>	<b>103,113</b>	<b>33,923</b>	<b>251,669</b>
At 31 March 2006	<b>93,555</b>	<b>11,038</b>	<b>2,642</b>	<b>—</b>	<b>—</b>	<b>107,235</b>

**12 Debtors**

	<b>2007</b>	2006
	£	£
Prepayments	<b>64,716</b>	66,990
Other debtors	<b>120,677</b>	97,097
	<b>185,393</b>	164,087

**13 Creditors: amounts falling due within one year**

	<b>2007 £</b>	2006 £
Expense creditors	<b>142,228</b>	279,673
Other creditors	<b>13,984</b>	31,641
Rent and service charge payable	<b>18,945</b>	16,033
Accruals	<b>108,218</b>	152,100
Deferred income (see note 14)	<b>119,875</b>	60,000
	<b>403,250</b>	539,447

**14 Deferred income**

	<b>2007 £</b>	2006 £
Balance at 1 April 2006	<b>60,000</b>	54,750
Grant income received in advance	<b>119,875</b>	60,000
Released to statement of financial activities	<b>(60,000)</b>	(54,750)
Balance at 31 March 2007	<b>119,875</b>	60,000

## 15 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 2006 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2007 £
Care Services	679,388	—	(259,939)	—	<b>419,449</b>
Development Initiative					
E-learning strategy in social care	1,536,836	907,000	(827,642)	(65,000)	<b>1,551,194</b>
Leadership programme	502,492	500,000	(288,997)	(32,500)	<b>680,995</b>
Options for Excellence	51,750	—	(30,186)	(6,500)	<b>15,064</b>
Service user and carer involvement in social work education	105,995	90,000	(3,832)	—	<b>192,163</b>
Common Assessment Framework (Wales)	400,000	63,000	(184,451)	(25,000)	<b>253,549</b>
Recovery project	—	25,000	(10,580)	(4,000)	<b>10,420</b>
Benefits helpline	—	14,800	—	(14,800)	<b>—</b>
Mental Capacity Act training	—	1,240,500	(199,813)	(40,000)	<b>1,000,687</b>
Capital refurbishment	—	489,600	(116,546)	—	<b>373,054</b>
Research register database	—	6,300	—	(6,300)	<b>—</b>
Creative Community	—	1,200	—	(1,200)	<b>—</b>
Parental mental health and child welfare guidelines	—	40,000	—	(40,000)	<b>—</b>
JIP website development	—	16,500	—	(16,500)	<b>—</b>
LILAC project	—	40,000	—	(40,000)	<b>—</b>
Northern Ireland Social Care Council	—	7,000	—	(7,000)	<b>—</b>
Housing – National Knowledge Services	—	1,000	—	(1,000)	<b>—</b>
	<b>3,276,461</b>	<b>3,441,900</b>	<b>(1,921,986)</b>	<b>(299,800)</b>	<b>4,496,575</b>

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

- i. Care Services Development Initiative  
This 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. 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.
- vi. 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.
- vii. Recovery project  
This fund represents monies from the Department of Health to produce a position paper showing the benefits of adopting recovery as the guiding principle for mental health practice and services.
- viii. Benefits helpline  
This fund represents £7,400 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.
- ix. Mental Capacity Act training  
This fund represent monies paid to SCIE by the Department of Health to develop a training programme as well as training materials to support the induction of independent mental capacity advocates as set out in the *Mental Capacity Act 2005*.
- x. Capital refurbishment  
This fund represents monies from the Department of Health to enable SCIE to be supported adequately by IT equipment and office space.
- xi. Research register database  
This fund represents monies to be used for the online National Social Care Research register, which will enable all local authorities to record their research.
- xii. Creative Community  
This fund represents monies for a project that aims to do some initial scoping work to explore the potential for better links between regeneration initiatives and small-scale providers of community-based services.
- xiii. Parental mental health and child welfare guidelines  
This fund is for the joint SCIE and National Institute of Health and Clinical Excellence (NICE) knowledge review, which will look at what is known about working with parents with mental health problems and their families.

- xiv. Joint Improvement Partnership website development  
This fund is to help build and support the development of a pilot website for the Joint Improvement Partnership, which will include user log-in, self-assessment tools and links to improvement resources.
- xv. LILAC project  
This fund is for a project that aims to draw upon the experiences and expertise of care-experienced young people to improve the policy and practice of local authorities in how they involve and consult with looked-after children and care leavers.
- xvi. Northern Ireland Social Care Council  
This fund is for some consultancy work focusing on investigating user involvement.
- xvii. Housing – National Knowledge Services  
This fund is for a resource guide on housing advice for families.

Transfers in the year relate to general overhead costs.

## 16 Designated funds

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

	At 1 April 2006 £	New designations £	Utilised/ released £	At 31 March 2007 £
Project fund	1,250,746		—(294,463)	<b>956,283</b>
Response fund	200,000		—(200,000)	<b>—</b>
	<u>1,450,746</u>		<u>—(494,463)</u>	<b><u>956,283</u></b>

The project fund represents monies set aside to fund projects that were ongoing at 31 March 2007.

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

**17 Analysis of net assets between funds**

	General fund £	Tangible fixed assets fund £	Designated funds £	Restricted funds £	Total 2007 £
<b>Fund balances at 31 March 2007 are represented by:</b>					
Tangible fixed assets	—	74,354	—	177,315	<b>251,669</b>
Current assets	942,897	—	956,283	4,490,263	<b>6,389,443</b>
Creditors: amounts falling due within one year	(232,247)	—	—	(171,003)	<b>(403,250)</b>
<b>Total net assets excluding pension liability</b>	<b>710,650</b>	<b>74,354</b>	<b>956,283</b>	<b>4,496,575</b>	<b>6,237,862</b>

**18 Leasing commitments**

## Operating leases

At 31 March 2007 the charity had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2007 £	2006 £	2007 £	2006 £
Operating leases that expire:				
Within two to five years	<b>397,984</b>	—	<b>9,399</b>	9,399
Thereafter	—	397,984	<b>706</b>	—
	<b>397,984</b>	<b>397,984</b>	<b>10,105</b>	<b>9,399</b>

**19 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 per cent 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 cent per annum and that salary increases would average 4.3 per cent 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' (FRS 17) requires the surplus or deficit on the Scheme as at 31 March 2007, calculated in accordance with the requirements of FRS 17, to be included on the balance sheet. 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 2007, the actuaries have rolled forward the actuarial value of the assets and liabilities at 31 March 2004.

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

	<b>2007</b>	2006	2005
	%	%	%
	<b>per</b>	per	per
	<b>annum</b>	annum	annum
Rate of increase in salaries	<b>4.6</b>	4.4	4.4
Rate of increase in pension payments	<b>3.1</b>	2.9	2.9
Discount rate	<b>5.4</b>	5.4	5.4
Inflation assumptions	<b>3.1</b>	2.9	2.9

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

	Expected return at 31 March 2007 %	Value at 31 March 2007 £'000	Expected return at 31 March 2006 %	Value at 31 March 2006 £'000	Expected return at 31 March 2005 %	Value at 31 March 2005 £'000
Equities	7.5	4,149	7.0	3,662	7.5	2,663
Government bonds	4.7	593	4.3	540	4.7	425
Other bonds	5.4	377	4.9	291	5.4	228
Property	6.5	748	6.0	603	6.5	441
Cash	5.25	120	4.5	99	4.75	108
<b>Total market value of assets</b>		<b>5,987</b>		<b>5,195</b>		<b>3,865</b>

	31 March 2007 £'000	31 March 2006 £'000
Charity's estimated asset share	5,987	5,195
Present value of scheme liabilities	(6,086)	(5,573)
<b>Deficit in the scheme</b>	<b>(99)</b>	<b>(378)</b>

	31 March 2007 £'000	31 March 2006 £'000
<b>Funds and reserves</b>		
Funds excluding FRS 17 pension liability	6,238	5,323
Net pension liability	(99)	(378)
Funds including FRS 17 pension liability	<b>6,139</b>	<b>4,945</b>

The above deficit of £99,000 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. Since the date of transfer to SCIE, the FRS 17 valuation has continued to be affected adversely, particularly by low investment returns and a fall in real interest rates, thereby affecting 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 2007:

	<b>Year ended 31 March 2007 £'000</b>	Year ended 31 March 2006 £'000
<b>Analysis of the amount charged to the statement of financial activities</b>		
Service cost	<b>(355)</b>	(266)
Past service gain		
• Gain arising from changes in scheme benefits	<b>—</b>	121
Total operating charge	<b>(355)</b>	(145)
<b>Analysis of net return on pension scheme</b>		
Expected return on pension scheme assets	<b>331</b>	263
Interest on pension liabilities	<b>(287)</b>	(247)
Net return on assets	<b>44</b>	16

	<b>Year ended 31 March 2007 £'000</b>	Year ended 31 March 2006 £'000
<b>Amount recognised in the statement of total recognised gains and losses (STRGL)</b>		
Actual return less expected return on pension scheme assets	<b>41</b>	790
Experience gains and losses arising on the scheme liabilities	<b>—</b>	(188)
Changes in financial assumptions underlying the present value of the scheme liabilities	<b>356</b>	(498)
Actuarial gain recognised in the STRGL	<b>397</b>	104
<b>Movement in deficit during the year</b>		
Deficit at 1 April 2006	<b>(378)</b>	(517)
Current service cost	<b>(355)</b>	(266)
Employer contributions	<b>193</b>	164
Past service gain	<b>—</b>	121
Net return on assets	<b>44</b>	16
Actuarial gain	<b>397</b>	104
Deficit at 31 March 2007	<b>(99)</b>	(378)

	<b>Year ended 31 March 2007 £'000</b>	Year ended 31 March 2006 £'000	Year ended 31 March 2005 £'000	Year ended 31 March 2004 £'000
<b>History of experience gains and losses</b>				
Difference between the expected and actual return on assets	<b>41</b>	790	144	248
Value of assets	<b>5,987</b>	5,195	3,865	2,443
Percentage of assets	<b>0.68%</b>	15.2%	3.7%	10.2%
Experience (losses) gains on liabilities	<b>—</b>	(188)	259	(170)
Present value of liabilities	<b>6,086</b>	5,573	4,382	3,434
Percentage of the present value of liabilities	<b>0%</b>	3.4%	5.9%	5.0%
Actuarial gain (loss) recognised in STRGL	<b>397</b>	104	45	(49)
Present value of liabilities	<b>6,086</b>	5,573	4,382	3,434
Percentage of the present value of liabilities	<b>6.5%</b>	1.9%	1.0%	1.4%

## **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 that 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?**

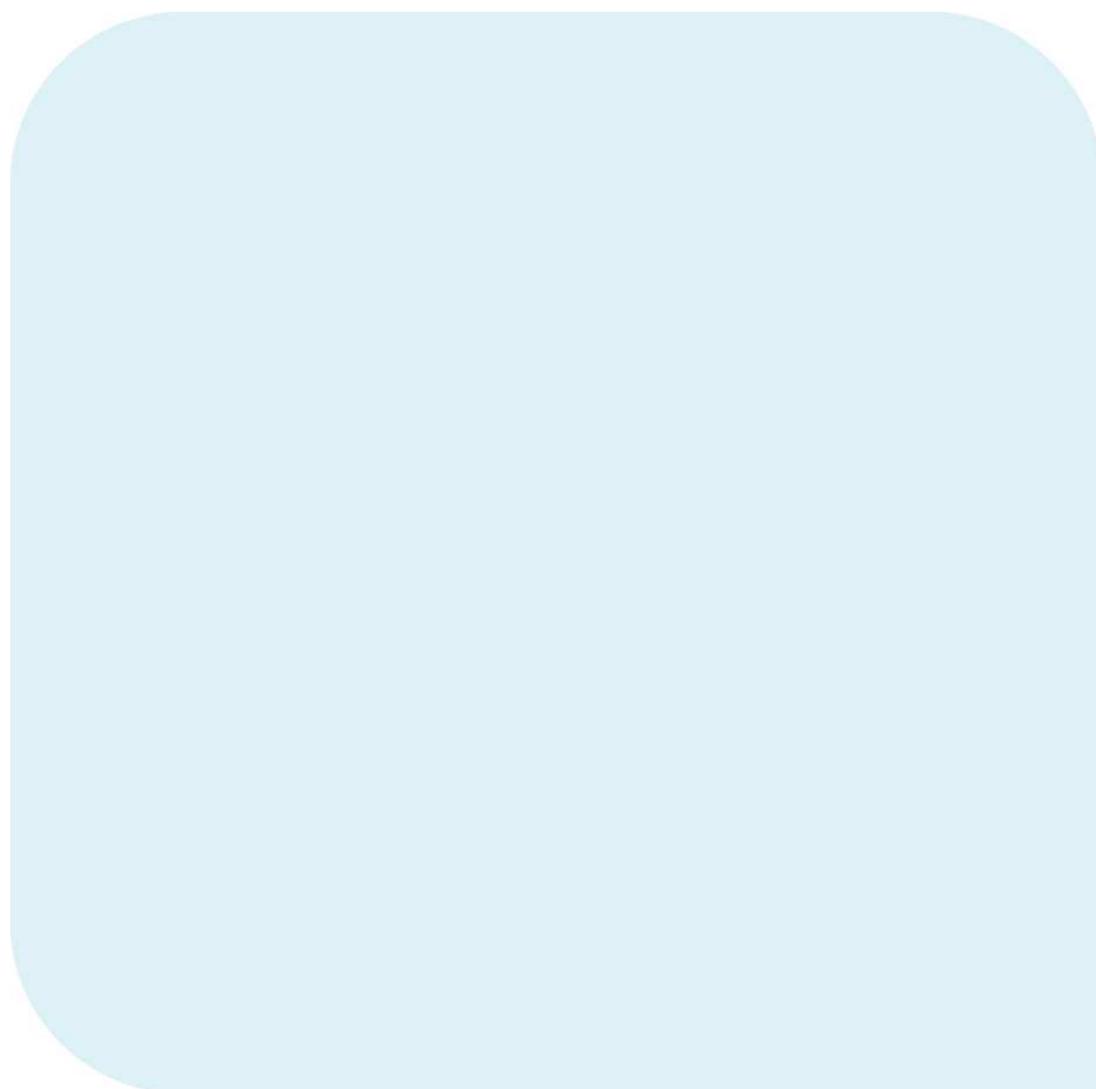
Resource guides direct people to information about a particular area of social care, especially where there is a lot of information and it is hard to know what information to use, or where there is a new area of social care, such as social care education, that people need to know about. Resource guides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



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