



The Oxfam Pension Scheme

Chair's Statement

Welcome to the review of the Oxfam Pension Scheme for the year ending September 2003.

The key points of this year are:

- The investment markets remained volatile during the year but achieved a positive return for the year following two successive years of negative returns. The assets of the Scheme were transferred to the Legal & General Investment Management's FTSE4Good fund.
- Investment performance has been exactly in line with objectives since the assets were transferred. The return achieved on the Scheme's assets during the year was 11.7%.
- The number of members has increased over the year from 1,789 to 1,968.
- Contributions to the Scheme totalled £3.6m. Since the year end a special payment of £4.5m has been made by Oxfam to offset a deterioration in the Scheme's funding since the 2001 valuation.

I would like to take this opportunity to thank the members of the Oxfam Pension Committee for their continued contribution during the year.



Angela Sealey
Chair, Oxfam Pensions Committee
April 2004

Investment Results

In the review of the year 2002, it was recorded that the return achieved on the Oxfam Scheme assets had been disappointing and substantially below the return achieved by the average UK pension fund. At that time the Socially Responsible Investment provision operated by ISIS was being reviewed by The Pensions Trust Trustee, in consultation with Oxfam. Since then the decision has been taken to transfer the assets from ISIS Managed Pension Funds Limited to another investment manager as from 23 April 2003.

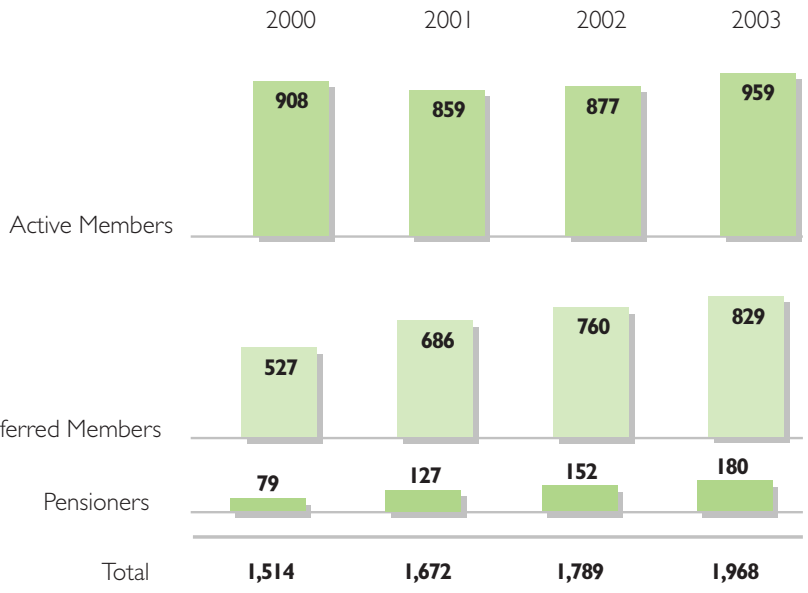
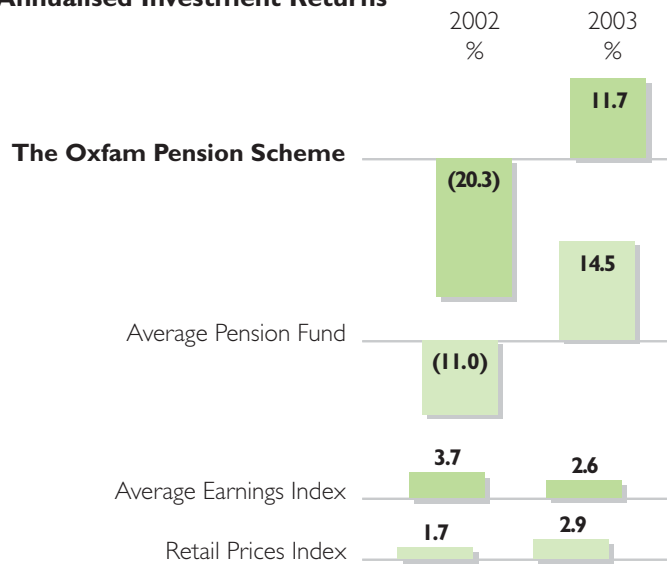
As from this date, the assets of the Oxfam Pension Scheme have been invested in a Common Investment Pool operated by The Pensions Trust and in a Socially Responsible Investment (SRI) Fund run by Legal & General Investment Management (FTSE4Good).

The investment objectives of the FTSE4Good Fund are to track the total returns of relevant market indices for each of the sector funds in which they are invested. Over the past 3 and 6 months and for the whole period since April 2003 the fund has achieved performance exactly in line with these objectives.

Membership Growth

Total membership increased by 10.0% between 2002 and 2003. Total membership at 30 September was 1,968.

Annualised Investment Returns



Your Scheme Benefits Include:

- A pension payable from retirement for the rest of your life, related to your salary at retirement;
- You can retire from age 60 without penalty on service built up before 1 May 2002;
- Early retirement options;
- Guaranteed pension increases in retirement;
- The option of a tax-free lump sum on retirement as well as a pension;
- Survivor's and/or children's pensions if you die before or after retirement;
- Life assurance if you die whilst contributing to the Scheme;
- An immediate pension if you retire due to ill health (in defined circumstances).

Fund Statement

Brackets denote negative figures.

	2003	2002
	£000	£000
Contributions paid by members and employers	3,560	2,943
Group and individual transfers in	264	212
Total money in	3,824	3,155
Benefits paid	(754)	(1,113)
Administrative costs	(177)	(160)
Specific expenses allocated	(12)	(15)
Total money out	(943)	(1,288)
Net new money available for investment	2,881	1,867
Net return on investments	3,320	(6,689)
Net increase in the fund during the year	6,201	(4,822)
Fund summary		
Value of the fund at the beginning of the Scheme year	28,356	33,178
Value of the fund at the end of the Scheme year	34,557	28,356

The Oxfam Pension Scheme is a part of The Pensions Trust and this statement summarises the transactions of the Scheme and its proportionate share of expenses, investment returns and investment. The figures shown in the statement have been extracted from the audited accounts of The Pensions Trust, which were approved at a meeting of the Trustee on 16 December 2003.

This summary report is not intended to be a summary financial statement within the term defined by SORP (Statement of Recommended Practice for Pension Schemes). The full Report & Accounts of the Trust and the Scheme are available on request.

The Scheme

The Oxfam Pension Scheme is an occupational pension scheme, administered by The Pensions Trust.

AVCs

If members of the Oxfam Pension Scheme wish to increase their benefits, they are entitled to buy added years in the Scheme or pay contributions to The Pensions Trust's Growth Plan or Unitised Ethical Plan. Information is available on request from your administration team.

Members may also choose to have a Free Standing AVC with another pension provider, or to join the Oxfam Stakeholder pension scheme (provided earnings are under £30,000 p.a.).

Your Pensions Committee

The Committee meets several times a year to monitor the Scheme. The Committee acts as an advisory body to the CMT on pension matters, recommends changes where appropriate and monitors the applications of agreed pension arrangements.

The current Committee members are:

Angela Sealey (Chair)

Geoffrey Paine

Jackie Gunn

Elizabeth Stamp

Jane Cotton

Ian Barry

Rosemary Ellis

Professional Advisers and Bankers

Investment Consultant

Watson Wyatt LLP

Mercer Human Resource Consultancy Ltd

Scheme Actuary

Steven Robinson of HSBC Actuaries & Consultants Ltd
(from 1 October 2003)

Peter Lofthouse of Watson Wyatt LLP
(to 30 September 2003)

Auditors

KPMG LLP

Solicitors

Mayer, Brown, Rowe & Maw LLP

McGrigor Donald

Bankers

The Royal Bank of Scotland plc

Measurement of Investment Performance

The Northern Trust Company

The WM Company

Investment Managers

ISIS Managed Pension Funds Ltd (to April 2003)

Legal & General Investment Management Ltd
(from 8 April 2003)

Custodians

The Northern Trust Company

Pension Consultants

SBJ Benefit Consultants Ltd

Keeping us up to date:

- We need to know if you change your home address or if your circumstances change (e.g. you get married);
- If you have not told us or have changed who you would like to nominate to receive the life assurance benefit and/or survivor's pension if you were to die, please inform us in writing;
- In all correspondence, please quote your membership number.

Please note:

Individual benefit statements are issued annually. Anyone nearing retirement can request a statement at any time.

If you require further information about the Scheme or your own benefits, please contact The Pensions Trust at the address below.



Administered by
The Pensions Trust

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