THE SALVATION ARMY INTERNATIONAL TRUST

England & Wales · Charity number 1000566

Details

Status	Registered
Legal form	Trust
Company number	02538134
Registered	1990-10-18
Register	View on the Charity Commission register

Contact

Address	Salvation Army International Headquarters 101 Queen Victoria Street London EC4V 4EH
Phone	02073328116
Email	IHQ-HeadofFinance@salvationarmy.org
Website	www.salvationarmy.org

Activities

Objects: TO FURTHER THE WORK OF THE ARMY IN ANY PART OF THE WORLD AND IN PARTICULAR THE WORK OF THE INTERNATIONAL HEADQUARTERS OF THE ARMY AND OTHERWISE IN FURTHERANCE OF THE OBJECTS OF THE ARMY AS SET OUT IN SECTION 3 OF THE ACT NAMELY THE ADVANCEMENT OF THE CHRISTIAN RELIGION AS PROMULGATED IN THE RELIGIOUS DOCTRINES SET OUT IN SECTION 1 TO THE ACT WHICH ARE PROFESSED BELIEVED AND TAUGHT BY THE ARMY AND PURSUANT THERETO THE ADVANCEMENT OF EDUCATION, THE RELIEF OF POVERTY AND OTHER CHARITABLE OBJECTS BENEFICIAL TO SOCIETY OR THE COMMUNITY OF MANKIND AS A WHOLE.

Activities: THE CHARITY'S MAIN ACTIVITIES ARE TO CONTINUE THE ADVANCEMENT OF THE CHRISTIAN RELIGION THROUGH EVANGELISTIC OUTREACH, PROVIDING FINANCIAL ASSISTANCE TO SALVATION ARMY TERRITORIES, FACILITATING INTERNATIONAL PERSONNEL TRAINING AND DEVELOPMENT, CRISIS RELIEF, WORKING IN COMMUNITIES TO IMPROVE ACCESS TO QUALITY PRIMARY HEALTH CARE SERVICES AS CLOSE TO THE FAMILY UNIT AND FIGHTING HUMAN TRAFFICKING.

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Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Religious Activities, Human Rights/religious Or Racial Harmony/equality Or Diversity
- **Who:** Children/young People, Elderly/old People, People With Disabilities, The General Public/mankind

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Geography

- Angola
- Antigua And Barbuda
- Argentina
- Australia
- Austria
- Bangladesh
- Barbados
- Belgium
- Belize
- Bermuda
- Bolivia
- Botswana
- Brazil
- Burkina Faso
- Burma
- Burundi
- Cambodia
- Canada
- Chile
- China
- Colombia
- Congo
- Congo (Democratic Republic)
- Costa Rica
- Cuba
- Czech Republic
- Denmark
- Dominican Republic
- Ecuador
- El Salvador
- Estonia
- Eswatini
- Faroe Islands
- Fiji

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- Finland
- France
- French Guiana
- Gabon
- Georgia
- Germany
- Ghana
- Greece
- Greenland
- Grenada
- Guam
- Guatemala
- Guernsey
- Guyana
- Haiti
- Honduras
- Hong Kong
- Hungary
- Iceland
- India
- Indonesia
- Ireland
- Isle Of Man
- Italy
- Jamaica
- Japan
- Jersey
- Kenya
- Kuwait
- Latvia
- Lesotho
- Liberia
- Lithuania
- Macau
- Madagascar

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- Malawi
- Malaysia
- Mali
- Marshall Islands
- Mexico
- Micronesia
- Moldova
- Mongolia
- Mozambique
- Namibia
- Nepal
- Netherlands
- New Zealand
- Nicaragua
- Nigeria
- Northern Ireland
- Norway
- Pakistan
- Panama
- Papua New Guinea
- Paraguay
- Peru
- Philippines
- Poland
- Portugal
- Puerto Rico
- Romania
- Russia
- Rwanda
- Saint Helena
- Saint Vincent
- Samoa
- Scotland
- Sierra Leone
- Singapore

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- Sint Maarten
- Slovakia
- Solomon Islands
- South Africa
- South Korea
- Spain
- Sri Lanka
- St Kitts And Nevis
- St Lucia
- Suriname
- Sweden
- Switzerland
- Taiwan
- Tanzania
- The Bahamas
- Togo
- Tonga
- Trinidad And Tobago
- Turks And Caicos Islands
- Uganda
- Ukraine
- United Arab Emirates
- United States
- United States Virgin Islands
- Uruguay
- Venezuela
- Zambia
- Zimbabwe

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Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£81,784,000	£65,109,000	£419,249,000	272
2024-03-31	£85,972,000	£64,083,000	£404,053,000	270
2023-03-31	£76,666,000	£63,075,000	£359,412,000	248
2022-03-31	£49,047,000	£53,776,000	£344,214,000	239
2021-03-31	£56,868,000	£57,662,000	£332,937,000	219

Trustees

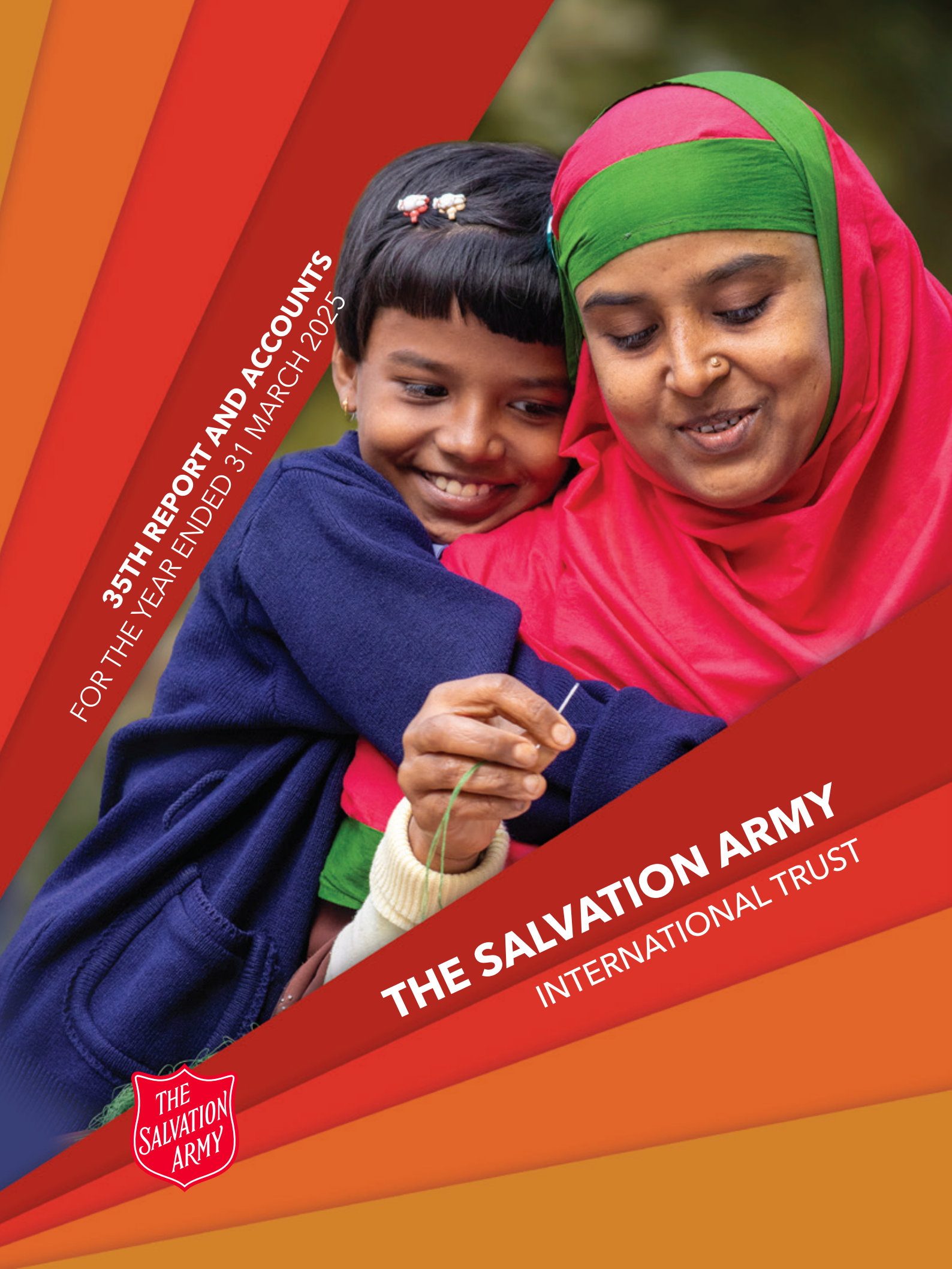
Name	Role	Appointed
THE SALVATION ARMY INTERNATIONAL TRUSTEE COMPANY		1990-09-21

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THE SALVATION ARMY INTERNATIONAL TRUST

England & Wales - Charity number 1000566

Accounts



35TH REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

THE SALVATION ARMY

INTERNATIONAL TRUST

Front-cover photo: Reshma and her daughter in Bangladesh. She is an artisan working with Others – a Salvation Army project which is transforming lives through job creation and the fight against poverty

MISSION STATEMENT

International Headquarters exists to support the General as he/she leads The Salvation Army to accomplish its God-given worldwide mission to preach the gospel of Jesus Christ and meet human needs in his name without discrimination.

THE SALVATION ARMY
International Headquarters
101 Queen Victoria Street
London EC4V 4EH

THE SALVATION ARMY

WORLDWIDE FACTS & FIGURES



GENERAL INFORMATION

Countries and territories where SA serves **134**
Corps, outposts, societies, new plants and recovery churches **14,495**
Goodwill centres **133**
Officers **25,840**
- Active **15,908**
- Retired **9,932**

Auxiliary-Captains **315**
Envoys/sergeants/non-officer personnel, full-time **994**
Cadets **729**
Employees **109,215**

THE SALVATION ARMY MEMBERSHIP

Senior soldiers **1,260,832**
Adherents **176,663**
Junior soldiers **399,344**

CORPS PROGRAMMES

Senior band musicians **28,491**
Senior songsters **103,394**
Other senior musical group members **112,981**
Senior and young people's local officers **157,272**
Women's Ministries (all groups) members **710,618**
League of Mercy – members **186,439**
SA Medical Fellowship – members **9,805**
Over-60 clubs – members **52,589**
Men's fellowships – members **132,510**
Young people's bands – members **15,419**
Young people's singing companies – members **162,079**
Other young people's music groups – members **114,924**
Corps cadets **39,408**
Sunday schools – members **597,595**
Junior youth groups (Scouts, Guides, etc., and clubs) – members **194,006**
Senior youth groups – members **202,870**
Parent and toddler groups **862**
- Capacity **64,461**

Corps-based community development programmes **53,148**
- Beneficiaries/clients **664,263**

Thrift stores/charity shops (corps/territorial/social) **2,561**
Recycling centres **38**

ADDICTION DEPENDENCY

Non-residential programmes **116**
- Capacity **1,093**

Residential programmes **180**
- Capacity **11,314**

Harbour Light programmes **22**
- Capacity **1,317**

Other services for those with addictions **68**
- Capacity **1,892**

SOCIAL PROGRAMMES

Residential accommodation for the homeless **10,611**
- Capacity **44,691**

Children's homes **211**
- Capacity **6,400**

Homes for elderly persons **146**
- Capacity **10,649**

Homes for disabled persons **41**
- Capacity **1,420**

Homes for blind persons **3**
- Capacity **96**

Remand and probation homes **133**
- Capacity **1,062**

Mother and baby homes **92**
- Capacity **918**

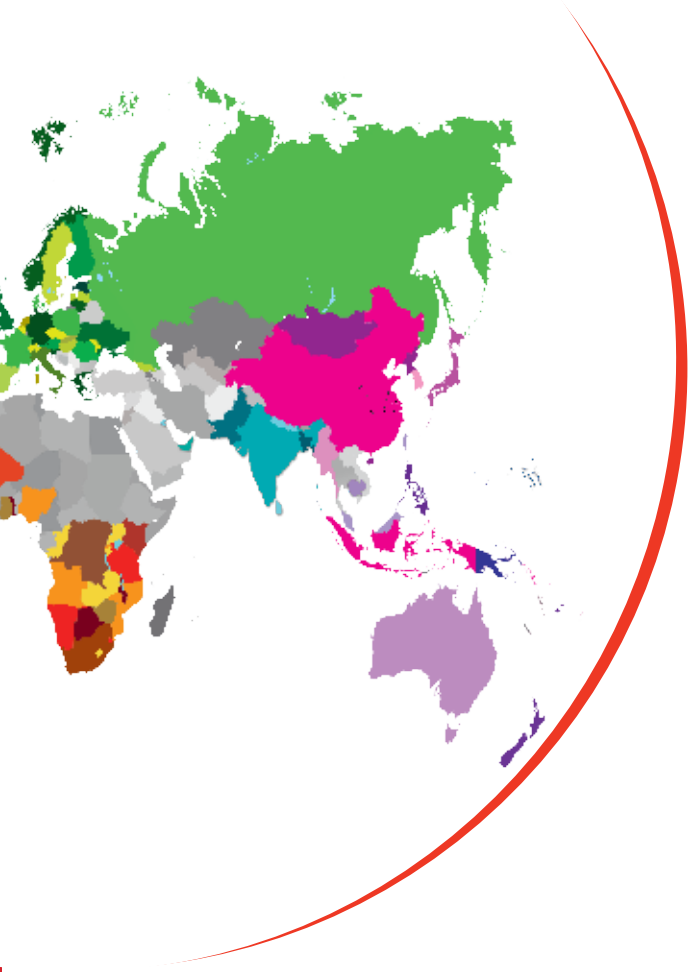
Training centres for families **52**
- Capacity **551**

Care homes for vulnerable people **599**
- Capacity **2,200**

Other residential care homes/hostels **20**
- Capacity **721**

EDUCATION PROGRAMMES

Pre-school/kindergarten/sub-primary **709**
Primary schools **1,217**
Secondary and high schools **464**
Colleges and universities **17**
Vocational training schools/centres **52**
Pupils **560,193**
Teachers **21,228**
Schools for blind students (included in above totals) **19**
Schools for disabled students (included in above totals) **39**
Boarding schools (included in above totals) **111**
Staff training and development centres **138**
Learning centres **9**



Source of aggregate statistics for Salvation Army territories:
The Salvation Army Year Book 2025
(as recorded at 1 January 2024)

HEALTH PROGRAMMES

General hospitals **27**
Capacity **2,223**
Hospice long-term care **6**
Capacity **95**
Maternity hospitals **40**
Capacity **1,037**
Other specialist hospitals **66**
Capacity **589**
Specialist clinics **22**
Capacity **3,364**
General clinics/health centres **107**
Mobile clinics/community health posts **1,704**
Inpatients **134,228**
Outpatients **1,314,317**
Doctors/medics **5,441**
Non-medical staff **1,825**
Invalid/convalescent homes **3**
Capacity **88**
Health education programmes (HIV/Aids, etc.) **94**
Beneficiaries **160,836**
Day care programmes **41**

SERVICES TO THE ARMED FORCES

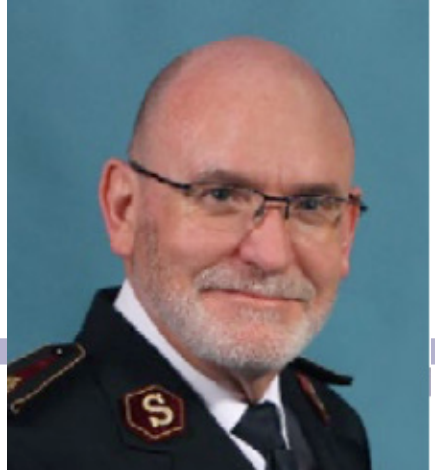
Mobile units for service personnel **15**
Chaplains **55**

SERVICES TO THE COMMUNITY

Community centres **430**
Capacity **429,308**
Day centres for the elderly **54**
Capacity **2,254**
Day centres for street children **10**
Capacity **1,053**
Day nurseries **494**
Capacity **44,488**
Drop-in centres for youth **181**
Capacity **8,288**
Other day care centres **116**
Capacity **5,583**
Prisoners visited **45,297**
Prisoners helped on discharge **19,337**
Police courts – people helped **40,091**
Missing persons – applications **2,413**
Number traced **2,891**
Night patrol/anti-suicide – number helped **213,879**
Employment bureaux – applications **67,087**
Initial referrals **55,138**
Counselling – people helped **260,431**
General relief – people helped **10,873,524**
Emergency relief (disasters) – people helped **596,155**
Emergency mobile units **1,318**
Feeding centres **1,703**
Restaurants and cafés **227**
Apartments for elderly **1,190**
Capacity **3,546**
Hostels for students, workers, etc. **42**
Capacity **3,220**
Land settlements (capacity) **3**
Social Services summer camps **305**
Participants **13,112**

EMERGENCY DISASTER RESPONSE

Disaster rehabilitation schemes **99**
Participants **36,531**
Refugee programmes – host country **73**
Participants **248,932**
Refugee rehabilitation programmes **61**
Participants **106,337**
Other response programmes **31**
Participants **41,190**



Foreword by
General Lyndon Buckingham

Greetings in the name of our Lord and Saviour Jesus Christ! I commend to you this edition of The Salvation Army International Trust ('SAIT') Annual Report. Thank you to all who played a role in its production.

The facts and figures contained in this report are more than just numbers. They tell a story – a story of God's plan and providence, of his compassion and care. They tell of God's people doing his work; his hands and feet working and serving for the benefit of all.

The Army has always been about holistic ministry: seeking salvation, restoration and wholeness for soul, mind and body. Our International Mission Statement declares our intent: 'To preach the gospel of Jesus Christ and to meet human needs in his name without discrimination.' We have sometimes been called 'Christianity with its sleeves rolled up'. An Army of people that sees a need – and gets to work.

Compass, our Global Strategic Framework, is designed to help us in our work. It points the way, guides us and challenges us to a focused, sustainable mission. People. Mission. Legacy. The way forward.

In the days ahead, the worldwide Army is initiating many of the recommendations that have come through the Compass workstreams. I am grateful to The Salvation Army International Trustee Company ('SAITCo') for playing its part.

As I read through the following pages, my heart is drawn to the words of the apostle Paul, 'I thank my God every time I remember you. In all my prayers for all of you, I always pray with joy because of your partnership in the gospel from the first day until now, being confident of this, that he who began a good work in you will carry it on to completion until the day of Christ Jesus' (Philippians 1:3-6).

This is indeed my prayer. I am grateful for the officers, soldiers, staff, volunteers, friends and donors who make our work possible. And I thank you, the reader, for your support, encouragement and partnership in the gospel.

Yours in his service,



Lyndon Buckingham
GENERAL



Foreword by the Chief of the Staff
Commissioner Edward Hill

As Chair of the Board of Directors of The Salvation Army International Trustee Company ('SAITCo'), I am pleased to present the 2024/25 Annual Report, reflecting our continued commitment to stewardship, governance and mission fulfilment.

The Salvation Army International Trust ('the Trust') exists to advance the Christian faith and meet human need worldwide, underpinning the work of The Salvation Army and supporting the strategic direction of International Headquarters ('IHQ'). In a world marked by increasing complexity and need, The Salvation Army's global work remains essential and deeply valued. I am grateful for the wise and conscientious management of resources that enables sustained, high-quality service delivery.

Reliance Bank Limited ('the Bank'), a wholly owned subsidiary of the Trust, has undergone significant strategic transformation since 2018, shifting its focus to social impact lending. Backed by capital investment from the Trust, the Bank emerged from a challenging period of investment and market volatility to achieve profitability in 2022/23. In 2023/24, the Bank recorded a pre-tax profit of £1.9 million and a further £1.4 million in 2024/25. It plays a vital role in supporting more than 30 global Salvation Army territories, offering secure, multi-currency banking services, and also donates a proportion of its net taxable profits to support the Trust. In 2024/25, governance of the Bank was strengthened with the formation of the Reliance Bank Shareholder Committee of SAITCo, enhancing information flow and strategic oversight.

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited ('the Leaders' Training College'), also a wholly owned subsidiary of the Trust and established as a separate legal entity in Kenya in 2020, continues to provide training for African Salvation Army leaders and reports through the Trust's group accounts.

SAITCo's governance is structured through several internal boards (Finance, Business, Projects) and informed by rigorous internal and external audit processes. Reforms initiated since 2019 have strengthened board operations, policies and accountability, with ongoing benchmarking to the Charity Governance Code. Further enhancements, including strategic planning initiatives and a full board performance review, are planned for 2025/26.

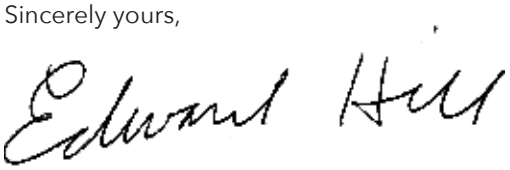
Our risk management framework is comprehensive, with a regularly updated Risk Register, strengthened climate risk considerations and extensive internal audit functions. The roll-out of cloud-based accounting systems by 2025/26 will support improved financial transparency and oversight across financially supported territories.

We remain committed to equitable remuneration practices, guided by independent benchmarking, a transparent pay structure and a commitment to Living Wage Foundation standards. Staff remuneration is subject to regular cost-of-living and other reviews.

Full financial and operational details for the Trust and its subsidiaries – Reliance Bank and the Leaders' Training College – are provided in the 2024/25 group accounts.

I extend my sincere thanks to my fellow SAITCo Directors for their expertise, diligence and steadfast support. Their contributions have positioned the Trust to meet its responsibilities with confidence and purpose. Together, we are ensuring that The Salvation Army remains well-equipped to advance its mission and bring meaningful, lasting impact around the world.

Sincerely yours,



Edward Hill
CHIEF OF THE STAFF

THE SALVATION ARMY INTERNATIONAL TRUST

TRUSTEE'S REPORT

The Trustee is pleased to present the annual report for The Salvation Army International Trust (referred to as 'the Trust' or 'SAIT') for the year ended 31 March 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The General, acting under powers contained in The Salvation Army Act 1980, established the Trust to further the worldwide work of The Salvation Army. The Salvation Army International Trustee Company ('SAITCo'), a company limited by guarantee, was formed and appointed as the ordinary Trustee of the Trust. The directors of SAITCo are thus effectively the charity's trustees.

THE SALVATION ARMY INTERNATIONAL TRUST
Registered Charity No. 1000566
Trust Settlement Deed dated 21 September 1990 (Governing Document)

THE SALVATION ARMY INTERNATIONAL TRUSTEE COMPANY – ORDINARY TRUSTEE
Company Registration No 2538134

The General of The Salvation Army, as founder of the Trust, specifies the qualifying offices and the experts for SAITCo. Qualifying offices are such offices of The Salvation Army as the General may from time to time specify by notice to SAITCo, and experts are persons who satisfy such conditions and/or who have such qualifications or expertise as the General may from time to time specify by notice to SAITCo. Both the qualifying offices' holders and the experts make application for membership of SAITCo with consent to become directors and are accepted by the Board of Directors of SAITCo.

All new directors follow teaching modules prepared specifically for The Salvation Army on its constitution, operational scope and the duties and responsibilities of directors. In addition, individual directors follow external courses.

8 STRUCTURE, GOVERNANCE AND MANAGEMENT
16 OBJECTIVES AND ACTIVITIES
17 ACHIEVEMENTS AND PERFORMANCE
45 FINANCIAL REVIEW
62 STATEMENT OF FINANCIAL ACTIVITIES
63 BALANCE SHEET
65 CASH FLOW STATEMENT
66 NOTES TO THE ACCOUNTS

The SAITCo Directors who served throughout the period under review and to the date of approval of this report and accounts are as follows:

SAITCO DIRECTORS

Commissioner Keith Conrad	from 1 August 2019
Commissioner Edward Hill *MDiv, MACE*	from 1 May 2021
Commissioner Lyn Hills	from 2 July 2024
Commissioner Debbie Horwood	from 1 July 2021
Commissioner Eva Kleman	from 1 November 2020 to 30 June 2024
Commissioner John Kumar Dasari	from 2 April 2024
Commissioner Robyn Maxwell	from 1 November 2020 to 31 May 2025
Commissioner Kenneth Maynor	from 2 September 2023
Commissioner Susan McMillan *BCom, MBA, FCPA, FCGA*	from 17 July 2023 to 28 February 2025
Commissioner Garth Niemand *MBA, BTh*	from 3 September 2023
Commissioner Suresh Pawar	from 12 November 2020 to 1 April 2024
Commissioner Kelvin Pethybridge *ThA, BA, MA*	from 1 September 2025
Commissioner Widiawati Tampai *BTh*	from 1 June 2025
Lieut-Colonel Judith Hilditch *BSc, MSc*	from 1 March 2025
Ms Rosie Bichard *GCB.D, CFA*	from 1 January 2025
Mr Robin Foale	from 1 May 2019
Mr James Gardner *MA*	from 1 May 2022
Mr Mark Goodale *BA, FIA*	from 1 May 2019
Mr Robert Lister	from 1 January 2016 to 31 December 2024
Mr Tim Sketchley *BA, MA (Cantab), FRICS*	from 1 May 2022

AUDIT COMMITTEE MEMBERS

Ms Rosie Bichard *GCB.D, CFA* (Chair)
Mr Mark Goodale *BA, FIA*
Mr Tim Sketchley *BA, MA (Cantab), FRICS*
Mr Andrew Stickland *BA (Hons), FCA*

PRINCIPAL OFFICERS

Commissioner Garth Niemand *MBA, BTh*	Managing Director
Dr Matthew Carpenter *BA, MBA, DBA, MCMI*	Company Secretary
Commissioner Susan McMillan *BCom, MBA, FCPA, FCGA*	Head of Finance to 28 February 2025
Lieut-Colonel Judith Hilditch *BSc, MSc*	Head of Finance from 1 March 2025

BANKERS

HSBC Bank plc
60 Queen Victoria Street
London EC4N 4TR

Reliance Bank Limited
Faith House, 23–24 Lovat Lane
London EC3R 8EB

National Westminster Bank
38 Strand
London WC2N 5JB

SOLICITORS

Slaughter and May
1 Bunhill Row
London EC1Y 8YY

AUDITORS

Forvis Mazars LLP
6 Sutton Plaza
Sutton Court Road
Sutton SM1 1FS

INVESTMENT MANAGER

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

The Trust exists to further the work of The Salvation Army and of its International Headquarters ('IHQ'), which is to advance the Christian religion and meet human need as and where it occurs throughout the world. The operation of IHQ is therefore an integral part of the work of the Trust. IHQ is responsible for coordinating the international work and overseeing strategy.

The Salvation Army is, for administrative purposes, divided into autonomous territories (generally by region or country). Each territory is governed, through local registration(s), in accordance with the applicable local laws, and the Trust works with and through these separate legal entities. However, The Salvation Army remains under the oversight, direction and control of the General of The Salvation Army, as set out in greater detail in The Salvation Army Act 1980.



CONNECTED ENTITIES

The Salvation Army Retired Officers' Allowance Scheme

Registered Charity No. 1153681
Declaration of Trust dated 13 December 2012

The Salvation Army Retired Officers' Allowance Scheme is a separately registered charity that is administered by SAITCo as the Trustee.

The objectives of The Salvation Army Retired Officers' Allowance Scheme are to relieve the poverty of retired officers and the financial hardship among elderly retired officers of The Salvation Army anywhere in the world.

The Salvation Army in the United Kingdom and the Republic of Ireland

The work of The Salvation Army in the United Kingdom and the Republic of Ireland is directed by the United Kingdom and Ireland Territory, with resources provided through trusts administered by The Salvation Army Trustee Company. The two principal trusts of this territory are The Salvation Army Trust and The Salvation Army Social Work Trust. The work and results of The Salvation Army in the United Kingdom and the Republic of Ireland are excluded from this annual report.

Reliance Bank Limited

The banking company, Reliance Bank Limited ('the Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership and through the delivery of its five-year strategic plan, the Bank aimed to become an important, positive social impact bank. Between December 2019 and November 2025, £16 million of additional share capital was invested by the Trust in the Bank to support its new strategic plan and future growth. The Bank experienced a loss-making period for the four years to 31 March 2022, against the background of the global pandemic, ultra-low interest rates and the Bank's investments in people, systems and resources. The Bank returned to profit in 2022/23 and recorded a record profit before tax of £1.9 million in 2023/24, and this positive outlook continued in 2024/25 when a profit before tax of £1.4 million was achieved, notwithstanding workforce expansion and investment in systems upgrades.

Historically, the Bank's business model was to invest the funds it received from customers, with treasury counterparties, and the margin received more than covered the fixed costs of running the Bank. As interest rates fell after 2008, this model became unsustainable and since 2018 the Bank has instead built a social impact lending portfolio, not only to improve financial

returns, but also to align to the mission of supporting communities and meeting human need. Growth in the loan book, together with rising interest rates, has driven improved income levels and the return to profitability. Earnings are expected to stabilise as these investments take effect and interest rates moderate.

The Bank offers transactional banking services to more than 30 Salvation Army territories, providing a vital 'safe haven' for project funds and IHQ operational grants and a secure platform for international fund transfers for the global Salvation Army. The Bank offers these territories a comprehensive product range, including current accounts and fixed interest products in GBP, USD and EUR, as a UK-domiciled bank authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Additionally, the Bank meets the functional banking requirements of IHQ (as distinct from the territories), processing payments to a wide range of international locations, providing personal banking services for non-UK nationals working at IHQ, creating bespoke banking arrangements for territories to match specific IHQ requirements and obtaining bank ratings information to inform IHQ evaluation of proposed bankers for territories. The Bank also provides a wide range of banking services to The Salvation Army (UK and Ireland Territory) and offers employees of Salvation Army organisations fee-free personal current account services at market rates.

Reliance Bank more widely provides banking services and lending secured on property to other UK charities and positive social impact organisations, as well as savings and other deposit accounts to small- and medium-sized enterprises and the public.

In 2018, SAITCo, as ordinary Trustee of the Trust, undertook considerable due diligence before acquiring sole ownership of the Bank, with the Board of Directors receiving multiple reports from appointed consultants on legal, tax, accounting, governance, risk and regulatory considerations, including a detailed critical analysis of the Bank's five-year strategic plan and consideration of alternative options to proceeding with sole ownership. The Trust refreshed this diligence in 2021/22 and 2022/23, to support investment of additional share capital, with the engagement of external consultants to review the Bank's performance to the five-year strategic plan and advise SAITCo on other related matters. During 2024/25, SAITCo introduced a Reliance Bank Shareholder Committee to further enhance contact and information flows between the Bank and SAITCo, and the Bank has actively engaged with this new body.

Ordinarily, it is expected that the Bank will donate a proportion of its net taxable profits to support the mission of the Trust. No donations were made during the early years of sole ownership of the Bank by the Trust, as the Bank was in an investment phase. However, in 2023/24 the Bank made a Gift Aid payment of £100,000 to the Trust and a further £100,000 was paid in 2024/25, with £400,000 paid in July 2025 following the 2024/25 year-end.

While the Trust is the Bank's parent controlling entity, a Nominations Committee – comprising Non-Executive Directors of the Bank – recommends the appointment of Directors to its board. This includes consideration of proposed shareholder-representative Directors.

The Bank, in common with all banks, faces several inherent risks, such as credit risk, interest-rate risk, risk arising from holding foreign currencies, climate-change risk, compliance risk, conduct risk and operational risk. Policies are in place to ensure that the Bank's exposure to these risks is monitored and controlled. The Bank maintains a risk register which is regularly reviewed by its Board Conduct, Risk and Compliance Committee and Executive Committee.

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited is a wholly owned subsidiary of the Trust.

During 2020/21, a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for Salvation Army territories in Africa that hitherto operated as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo, as ordinary Trustee of the Trust and on behalf of the Trust, to which the Trust transferred assets, and so, from 1 August 2020 and during the year under review (2024/25), is no longer reported within the charity-only accounts of the Trust but within the Group accounts. The assets

transferred from the Trust to the separate legal entity in 2020 in the sum of £26,309 are not material to the Trust.

Consolidated accounts for the Trust incorporating the subsidiary companies Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited are presented for 2024/25 on pages 62 to 89, as well as charity results, assets and liabilities for the Trust.

GOVERNANCE

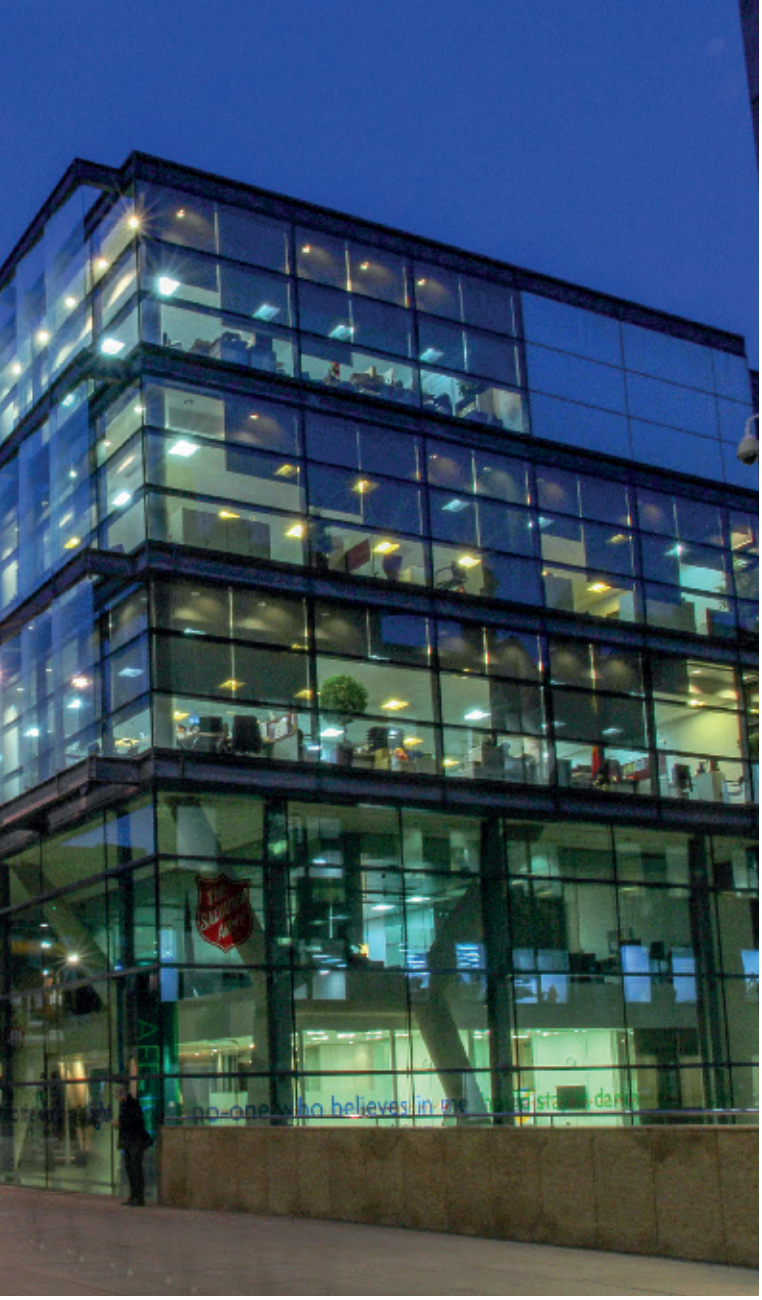
The Trust utilises a committee structure to supervise its operations. SAITCo's Board of Directors, including five Independent Non-Executive Directors, delegates day-to-day financial management decisions to the International Finance Board ('IFB'), International Business Board and International Projects Board within clearly defined parameters. The terms of reference for subsidiary boards and the minutes of all meetings of these boards are reviewed by the Directors on a regular basis with the latest review of terms of reference undertaken in May 2025.

SAITCo has a Serious Incident Reporting Policy and Procedure in place, last reviewed in August 2025, outlining the process to be followed to decide if an incident relating to the Trust would be appropriate to be reported to the Charity Commission as a serious incident in accordance with the latest regulatory guidance.



The Salvation Army Internatio

A well-established Internal Audit Department also carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working, and a framework of internal controls and local financial management systems are in place, supported by a manual of International Financial and Accounting Standards ('IFAS') for The Salvation Army issued from IHQ. Salvation Army territories also share findings of locally instructed external audits of territorial operations with IHQ for review and consideration within the internal audit process. The IFAS manual was reviewed and updated during 2022/23, following a comprehensive committee-led drafting process, including formal review of consultation materials by 50 Salvation Army territories, with a revised 2023 edition of IFAS issued from IHQ in February 2023 and effective from January 2024. A project is also well advanced to roll out cloud-based accounting software to all financially supported territories by 2025/26, enabling more regular and more detailed reporting both within territories and from territories to IHQ, with more than 30 financially supported territories using the software as at November 2025. A new reporting mechanism from all territories to the IFB commenced in 2020/21 and this was further developed in 2022/23, based upon the suite of 16 Key Financial Indicators ('KFIs') defined within the IFAS manual, allowing IHQ to be better informed of the financial position in territories as a significant enhancement to internal controls.



nal Headquarters, London, UK, with St Paul's Cathedral in the background

An Audit Committee also meets on a quarterly basis and comprises four members, including three Independent Non-Executive Directors of SAITCo, with none of the members holding executive responsibility for management of the Trust. The Committee holds delegated responsibility on behalf of SAITCo for continual review of the financial management and internal controls of the Trust, and holds a direct line of communication to the internal and external auditor.

SAITCo has undertaken a wide-ranging and significant governance review in recent years, assisted by an external consultant and involving a review of SAITCo membership, structure, inter-relationships with other IHQ bodies, performance and effectiveness, as well as benchmarking to good governance practice as outlined within the Charity Governance Code.

A Board Charter for SAITCo was developed during 2019/20 as an early action within the governance review process and remains in place. The Charter defines the roles, responsibilities and authorities of SAITCo in the effective and efficient functioning of the Trust, and considers mission objectives, board roles, board procedures, board composition, board committees, board induction and ongoing training, conflicts of interest and board evaluation.

During 2020/21, the Articles of Association of SAITCo were revised and the SAITCo Board Charter further reviewed and updated to embed reforms prompted by the governance review. An operational review of IHQ was then undertaken with a number of enhancements implemented in 2021/22 and 2022/23, including changes to the operation of subsidiary boards, committees and councils, update of expenditure authority thresholds for financial decision-making and internal staffing reorganisations.

During 2023/24, an external consultant was engaged by SAITCo to benchmark IHQ practice to the Charity Governance Code and explore opportunities for further development. An action plan was developed to further align SAITCo practice to the Code and was approved by SAITCo for implementation from May 2024 with progress to the action plan reviewed by SAITCo in July 2025. SAITCo already embraces many governance activities outlined within the Code, such as conducting board induction and training, board performance monitoring, managing potential or actual conflicts of interest, and regularly reviewing terms of reference for subsidiary boards with development work ongoing in areas such as board consultation with beneficiaries and board review of longer-term financial strategy.

Additional work was also undertaken during 2024/25 to apply updated risk management protocols following approval of a revised and refreshed SAITCo Risk Register by SAITCo for implementation from January 2024. Work also commenced during 2024/25 on a further review of the SAITCo Articles of Association and SAITCo Board

Charter, with revised documents to be finalised during 2025/26. Further anticipated activities during 2025/26 include a wide-ranging review of SAITCo board performance, led by an external consultant and featuring benchmarking to the new 2025 edition of the Charity Governance Code, a review of SAIT Investment Policy and enhancements to board strategic planning processes, with the commencement of a new strategic planning exercise for IHQ and the Trust to take effect from 2026/27.

SAITCo has in place a number of dedicated governance arrangements in respect of its role as sole owner of Reliance Bank Limited, having taken advice on this from an external consultant as part of the body of due diligence work undertaken towards acquiring sole ownership of the Bank. An additional Director with banking expertise was successfully recruited to the SAITCo Board in May 2019 and remains in post with two shareholder representatives appointed to the Bank board and mechanisms in place for performance reporting for the Bank to SAITCo and risk management for the Bank to the Risk Management Committee of the Trust. During 2024/25, SAITCo refreshed and enhanced its governance arrangements with the creation of a new subsidiary committee of SAITCo, the Reliance Bank Shareholder Committee, which is chaired by the 'banking expert' SAITCo Independent Non-Executive Director. This Committee provides a primary point of contact and forum for engagement between SAITCo and the Bank, receiving regular updates on financial performance, governance, risk, audit, regulatory and other relevant matters relating to the Bank, and ensuring pertinent items are highlighted to SAITCo.

REMUNERATION

SAITCo is committed to ensuring a proper balance between paying staff to attract and retain the best people for the job, and careful management of charitable funds.

Management remuneration policies and practices within the Trust are reviewed periodically by SAITCo, with day-to-day decisions delegated to the Employee Review Board within clearly defined parameters. The IHQ Remuneration Policy was last reviewed and updated by SAITCo in July 2025.

SAITCo is committed to paying the living wage as set by the Living Wage Foundation to all staff as a minimum and IHQ is accredited by the Living Wage Foundation as a living wage employer.

There are two grading structures currently used at IHQ – an IT specialist scale and a main pay scale for all other employees. The differentiation is to address the market salary demands of IT specialists in the third sector. Within the main pay scale, posts are graded between seven evenly distributed grades, each of which contain nine main spine points (three per cent apart) and two upper spine points (six per cent apart). The scales were formulated, and are subject to ongoing review, with assistance from an external consultant to undertake market comparisons and objective benchmarking to comparable roles in other organisations. The lowest full-time salary at IHQ is always set in line with or above the living wage as set by the Living Wage Foundation.

New staff are usually appointed at the lower spine points of the grades, though this can differ for some specialist posts or due to candidate experience. Postholders may progress through the pay grade via a pay progression business case. The business case should identify evidence of excellent contribution/ performance and external benchmarking, and will be thoroughly reviewed by IHQ HR and Finance professionals before being presented to the Employee Review Board. Cost-of-living increases are also awarded periodically to all staff by SAITCo, with an assessment made within the annual budget setting process to determine any proposed inflationary adjustment with reference to the Consumer Price Index and the financial position of the Trust.

Further remuneration disclosures for the Trust and Group for this reporting period are shown within Note 14 to the Accounts. The Trust did not have any UK volunteers, excluding trustees, during the reporting period.

MODERN SLAVERY ACT

The Salvation Army is very active in bringing practical assistance to those whose lives have been affected by the evil of modern slavery, and as such is sensitive to the danger of inadvertently finding itself falling short of its own beliefs and standards in this regard, as well as the standards set out in the

UK Government's Modern Slavery Act 2015. The Modern Slavery Act 2015 compliance statement for SAITCo, reviewed and updated in December 2024, can be accessed at http://www.salvationarmy.org/ihq/modernslaveryact2015 and provides details of the variety of measures undertaken by SAITCo to avoid and reduce the risk of inadvertently supporting modern slavery in any way.

FUNDRAISING

Section 162a of the Charities Act 2011, as amended by the Charities Act 2022, requires charities to make a statement regarding fundraising activities. Although the Trust does not actively undertake widespread fundraising from the general public, the legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Such amounts receivable are presented in the Accounts as 'Other Donations and Legacies'.

In relation to the above, SAITCo confirms that no fundraising activity has been taken by the Trust, or by anyone acting on its behalf, that no fundraising standards or scheme for fundraising regulation have been subscribed to by the Trust, or by anyone acting on its behalf, that no complaints in relation to fundraising activities have been received and that any solicitations are managed internally, without involvement of commercial participators or professional fundraisers.

ENVIRONMENTAL PERFORMANCE

SAITCo is committed to continuously improving the environmental sustainability of the work of the Trust, seeking to be responsible stewards of God's creation and to mitigate where possible the environmental harm arising from operations of the Trust.

The Trust, as a charity with SAITCo as corporate trustee, is not within the scope of the Streamline Energy and Carbon Reporting ('SECR') requirements outlined within The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, but has compiled the below environmental reporting as a voluntary disclosure seeking to mirror where possible SECR requirements:

		2024/25	2023/24
Core reporting:			
Scope 1 emissions from the combustion of gas	tCO2e	254	316
Scope 1 emissions from the combustion of fuel for transport purposes	tCO2e	20	18
Scope 1 total	tCO2e	274	334
Scope 2 emissions from purchased electricity (location-based)	tCO2e	317	359
Scope 3 emissions from business travel in rental cars or employee-owned vehicles	tCO2e	8	10
Total carbon based on the above emissions	**tCO2e**	**599**	**703**
Energy consumption used to calculate emissions	**kWh**	**3,034,001**	**3,576,470**
Intensity ratio: tCO2e per 1,000 square metres of properties in scope	tCO2e	62	72
Additional reporting:			
Scope 1 emissions from other activities (fugitive emissions)	tCO2e	0	83
Scope 3 emissions from business travel in vehicles not owned or controlled by the Trust (air travel)	tCO2e	3,641	3,463
Grand total carbon of all reported emissions	**tCO2e**	**4,240**	**4,248**

Further details on the methodology followed for this reporting are shown in the footnote below.[1] Due to the international focus of the work of IHQ, air travel has a material impact and so related emissions have also been included as additional reporting.

The Trust is actively working to enhance environmental performance, and during 2024/25 carried out the following energy efficiency actions:

- procured a voluntary energy audit for selected IHQ properties
- completed a substantial switch to LED lighting at selected IHQ properties
- reviewed the building management system settings for the main IHQ building, which will result in an estimated saving of approximately 114,000 kWh per year or 23 tCO2e
- reviewed all printing activities at IHQ, resulting in the removal of many smaller printers and introducing newer, more energy-efficient central models, together with new default settings to reduce energy and resource use
- completed self-assessments using an Energy Management Matrix, prompting additional actions with further energy-saving activities planned for 2025/26.

'The activities of the charity are rendered without discrimination and for the benefit of all people in need'

OBJECTIVES AND ACTIVITIES

PUBLIC BENEFIT

The Trust is operating for the public benefit and in keeping with the organisation's mission statement. In setting and reviewing the Trust's aims and objectives, and planning future activities, the Trustee pays due regard to the guidance issued by the Charity Commission on public benefit. The main activities of the Trust are:

- to continue the advancement of the Christian religion through evangelistic outreach
- to continue to provide financial assistance to The Salvation Army where needed
- to provide effective leadership and share knowledge and expertise through the strategic deployment of personnel
- to respond to and help meet the needs arising from major crises
- to strengthen The Salvation Army's capacity to support poor and marginalised people who need access to quality primary health-care services as close to the family as possible
- to take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

A breakdown of expenditure per these main charitable activities of the Trust is presented at Note 10 in the Accounts. This shows a significant outlay on funding assistance to Salvation Army territories (under the second activity listed above), recognising that such grants also aid fulfilment of the other stated objectives as Salvation Army territories provide a wide range of local church/social programmes, having received the IHQ funding necessary to maintain day-to-day operations.

Specific aims for each of the main activities of the Trust during the reporting period are outlined in the sections that follow. The activities of the charity are rendered without discrimination and for the benefit of all people in need.

[1]The reporting shown is for the UK-based operations of The Salvation Army International Trust and follows the financial year of 1 April to 31 March. It includes data drawn from the best available sources: for example, gas and electric are based on kWh consumed (nearly all actual readings with only a small amount of estimation); fleet vehicles are based on actual litres of fuel drawn; air travel is based actual 'passenger kilometres' according to the class of ticket and flight-haul type, but with some activity not included due to challenges in appraising the underlying level of activity and so emissions. UK Government carbon emission factors are used for the relevant year, and for air travel the factors used include 'radiative forcing'. Electricity emissions are reported using location-based factors only. The choice of intensity ratio is emissions per square metre of building space as the most appropriate metric related to the associated emissions.

ACHIEVEMENTS AND PERFORMANCE

World Mission 18

Assistance to Salvation Army Territories 24

International Personnel Training and Development 31

Crisis Relief 34

Health Services for the Poorest People 38

Fighting Against Sexual Trafficking and for Social Justice 41

1 WORLD MISSION



OVERALL OBJECTIVE

To continue the advancement of the Christian religion through evangelistic outreach.

SPECIFIC AIMS

World mission objectives are to encourage and empower people linked to The Salvation Army to reach out into their communities with spiritual and practical support, to offer online and other resources to Salvationists and friends around the world – and so create a supportive network through which people can share in prayer and spiritual nurture. International Headquarters will prioritise visits of the General and the Chief of the Staff to Salvationists and friends around the world, providing opportunities for encouragement and challenge, and generating increased awareness of The Salvation Army's mission in the world.

ACHIEVEMENTS

The year in review marked the first visit of a Salvation Army General to Poland, the opening of the first Salvation Army corps (church) in Thailand, the inaugural visit of General Lyndon Buckingham and Commissioner Bronwyn Buckingham (World President of Women's Ministries) to the United Nations, where they met with several high-ranking UN officials and their staff, and the issuing of the General's call to peace in Ukraine.

After a year of deliberations and extensive stakeholder consultation, in September 2024 the General launched The Salvation Army's new global strategic framework titled 'Compass: Empowering People | Enhancing Mission Impact | Establishing an Enduring Legacy'. Through Compass, The Salvation Army aims to re-establish its 'true north' in every place, with territories worldwide being encouraged to set their plans and future-proofing efforts within the three priority areas. Critically, 12 workstreams across the three priorities of Compass were appointed to produce guiding information for territories based on the results of surveys undertaken and analysis of best-practice methodology for growth across all areas of The Salvation Army's life and mission. This includes spiritual life development, leadership development, mission impact, global and local financial sustainability, and engagement with emerging generations.

INTERNATIONAL LEADERS

During 2024/25, General Lyndon and Commissioner Bronwyn Buckingham visited many Salvation Army territories around the world, including: Singapore, Malaysia, Myanmar and Thailand; Indonesia; USA Western; Australia; Germany, Lithuania and Poland; and Sri Lanka. The General and Commissioner Buckingham also met with the USA National Advisory Board and with senior officials at the United Nations in New York.

Chief of the Staff Commissioner Edward Hill and Commissioner Shelley Hill (World Secretary for Women's Ministries) also engaged in territorial visits, including: Korea; Bangladesh, Kenya West and USA Eastern for the commissioning of Salvation Army officers; and the Democratic Republic of Congo, where they were special guests for the territory's 90th anniversary celebrations.



The General and Commissioner Buckingham open Chiang Mai Central Corps – the first corps in Thailand



The General launches Compass, the new global strategic framework for The Salvation Army



Chief of the Staff Commissioner Edward Hill and Commissioner Shelley Hill (World Secretary for Women's Ministries) with officer cadets from the Defenders of Justice Session, Bangladesh

Throughout the year, the General, along with senior Salvation Army leaders worldwide, has been engaged in developing Compass as The Salvation Army's new global strategic framework. At the March 2025 meeting of the General's Consultative Council ('GCC'), leaders of the 12 Compass workstreams presented 78 recommendations to be considered for implementation to achieve the three overarching goals of Compass.

In his closing address at the GCC, General Buckingham delivered a powerful challenge to the Army's leaders across the world: 'We have 78 recommendations,' he said. 'Some might be overwhelmed by that, others energised by it. This is the result, though, of deep thinking, of analysis, of prayer, of a sense of divine urgency.

'We need to be truthful about who we are with regard to the opportunities and the challenges we face. Let our legacy be that we didn't skip over these realities but that we dived into it and did our best to address our situation and help us to be more effective and more efficient in fulfilling the missional mandate that has been given to us by God.

'We want the legacy we leave behind, across the world, to be a growing Army. Not a surviving Army. Not a limping-along Army. Not a broken Army. But a growing Army. We won't be satisfied if we can't say that we are making decisions and positioning ourselves so that we can celebrate around the world, "We are a growing Army!" Growing not just numerically, but, yes, numerically!'

COMMUNICATIONS

In today's interconnected world, communications is a vital component of any organisation and shapes how people connect, learn, build relationships and conduct business. In the context of The Salvation Army, the International Communications team based at IHQ is committed to ensuring global engagement with the spiritual life and mission of The Salvation Army, internally and externally, by telling the story of

The Salvation Army's mission across communications platforms including web, social media and traditional publishing.

In 2024, IHQ took the bold step of creating one team of communications professionals from two previously separate teams – literary/editorial and digital communications. The new Communications team works together to produce high-quality print and online communications across the following channels: magazines and books, web articles and social media posts, film production and YouTube posts, and internal communications across all channels, including web-based collaborative platforms such as Microsoft SharePoint.

Significant stories shared globally during the year in review included comprehensive coverage of the visits of The Salvation Army's international leaders to territories in different parts of the world. Other news features focused on the work of The Salvation Army's emergency services in communities on all continents devastated by flooding and other natural disasters; the Army's participation in the Global Christian Forum in Ghana, the 22nd World Methodist Conference in Sweden and the Lausanne 4 Congress in South Korea; a three-day online symposium on climate change hosted by The Salvation Army's International Development Services; the movement's transformative work with thousands of people in the context of war in Ukraine, and much more.

The Communications team also established Brand Guidelines for all IHQ departments and sections, and published a booklet titled *A Quick Guide to Documentary Photography* for IHQ and global use. The team also renewed its mandate to work collaboratively with Salvation Army Communications teams worldwide.

BOOKS, MAGAZINES AND GRAPHIC DESIGN

Salvation Books, the publishing imprint of The Salvation Army's International Headquarters, continued its work during 2024/25 aiming to ensure Salvationists are equipped with and have access to publications and resources that deepen their faith, strengthen their prayer life, and offer encouragement and inspiration.

Fulfilling that desire, in addition to the annual *Salvation Army Year Book* and the regular three editions of the daily devotional title *Words of Life*, books published in both print and e-book formats in the year under review were:

- *The Privilege of Service* – Robert Street's experiences from a lifetime's service as an officer, presented as 365 readings
- The final two volumes in Shaw Clifton's *Twenty Talks* series – *Utmost Respect* (on family life) and *The Soul at War* (on the shorter epistles of the New Testament)
- Phil Layton's *Gospel Conversations*, which offers reasoned arguments in defence of Christian beliefs, equipping readers to overcome the fear of evangelism.

Additionally, the work of the editorial and graphic design team included four editions of *The Officer* magazine and resourcing projects across the different sections of IHQ.

FILM PRODUCTION AND EXHIBITIONS

The Film Production Unit supports the work of IHQ by creating visually arresting films that capture the story of the spiritual and missional focus of The Salvation Army – sometimes in a single country, but often with a global outlook. The unit facilitates effective and efficient communication of complex internal updates to leadership at all levels throughout the movement.

Highlights of film production completed in the period under review include sharing the inspiring story of how safe water wells and filtration units have dramatically reduced cases of chronic kidney disease in Sri Lanka, how a new book written by Salvation Army officer Major Phil Layton can help Christians better understand and discuss their faith, and creating a range of film communications to share the General's global strategic framework known as Compass.

'Conversations with the General' was a much-viewed, four-part discussion on topics surrounding how Compass will shape The Salvation Army during the tenure of General Buckingham. All of this work, and more, was undertaken alongside the unit's ongoing mandate to support the General, as he shares

‘Throughout the year, International Headquarters... continued to portray its worldwide mission through high-impact exhibitions at its Gallery 101...’

spiritual and missional messages with Salvationists around the world, and to inspire all who wish to keep up to date with the transformative work being done by The Salvation Army.

Throughout the year, International Headquarters also continued to portray its worldwide mission through high-impact exhibitions at its Gallery 101 on the lower ground floor of IHQ. Many people came to view the exhibitions and stay for lunch or a coffee at Café 101. Exhibitions included ‘The Fight Against Poverty and Injustice’, ‘Education for the Most Vulnerable’, ‘Fresh Expressions in Europe’, ‘Celebrating Stories of Hope’, ‘What Would It Take to Change the World?’, ‘Simple Beginnings, Transforming Lives, Impacting Futures’, ‘Love Changes Lives’, ‘Disaster Response in Southern USA’, ‘Three Years of War: Healing the Mental Health Scars’ (Ukraine) and ‘Women Who Hope’.

‘Women Who Hope’ exhibition at International Headquarters, London, UK



TRANSLATIONS

Accurate translation is essential to ensure The Salvation Army can communicate its mission clearly and concisely to a global, linguistically and culturally diverse audience.

It is also important that resources – whether online or printed – are accessible to all people. The official IHQ languages are: English, French, Hindi, Portuguese, Spanish, Swahili and Tamil. The translation of materials into other languages is also coordinated by the IHQ translations desk. One of the main achievements during 2024/25 was the translation of Compass material. Other translation projects included:

- Teaching material, such as *Gospel Conversations: Building Confidence Through Christian Apologetics* by Phil Layton
- Spiritual life development materials, such as *Unmaking Enemies: Twenty Talks on Paul's Epistle to the Romans* and *Utmost Respect: Twenty Talks on Family Life* by Shaw Clifton
- The *International Positional Statement on Domestic Abuse*.

SPIRITUAL LIFE DEVELOPMENT

The Spiritual Life Development team at IHQ seeks to encourage and equip Salvationists to live well as Christians in their everyday – to grow in personal relationship with Jesus, to become more like him and to do the things he did. The team seeks to bring together writers and contributors from around the world to create resources and tools that cross cultural boundaries to enhance the spiritual depth and commitment to holiness among Salvationists.

This year, resources explored aspects of discipleship to Jesus, including a biblical exploration of hospitality, cultivating a heart of gratitude and a guide to praying for situations of conflict. Recognising that there are many ways to engage in spiritual life development, improving the accessibility of written material continues to be a priority, with resources still needing to be made available in more languages and in alternative audio and visual formats.

In 2024, IHQ established a content partnership with YouVersion to make Bible-based reading plans created within The Salvation Army available on the Bible app. The Bible app has an international audience and is used by many Salvationists as a personal discipleship tool, particularly among younger generations. This partnership allows IHQ to bring study and devotional material created within our movement to a new audience within The Salvation Army and beyond.

KEY STATISTICS

- Within the first nine months of publishing devotional content on the Bible app, Salvation Army reading plans received more than 96,000 subscriptions across 213 countries and territories.
- During the period under review, The Salvation Army International website received 601,712 visitors and 1,412,379 page views.
- At the 2024/25 year-end, the following numbers of global Salvationists could benefit from official translations produced from IHQ: French: 120,483, Hindi: 80,444, Portuguese: 18,499, Spanish: 18,854, Swahili: 21,753, Tamil: 76,119.

FUTURE PLANS

The General and other international leaders will continue to travel around the world engaging with Salvationists, friends, supporters and people of influence, offering encouragement and challenge. The General, the Chief of the Staff and other Salvation Army leaders will continue to propel the roll-out of Compass, The Salvation Army's global strategic framework, during 2025/26 and beyond. IHQ will continue to resource Salvationists around the world through the development of books and magazines, films and video content, and spiritual life development resources, with translation of resources to make content available and accessible to as many people as possible.

2 ASSISTANCE TO SALVATION ARMY TERRITORIES

OVERALL OBJECTIVE

To continue to provide financial assistance to The Salvation Army where needed.

SPECIFIC AIMS

The Trust seeks to provide financial assistance, infrastructure and technical support to territories through a wide range of programmes, including grant funding and delivery of large-scale international projects with a particular focus upon four areas of work during 2024/25:

A. INTERNATIONAL DEVELOPMENT SERVICES

The International Development Services ('IDS') team, based at IHQ, partners with Salvation Army territories to address poverty, alleviate suffering, challenge injustice and grow corps (church) ministries through a number of different projects and initiatives. IDS supports the global mission of The Salvation Army by coordinating and supporting the delivery of sustainable projects in territories for a wide range of activities, with individual projects funded by the Trust, other Salvation Army territories or external donors. The overall portfolio of projects includes community development projects (empowering local communities through sustainable development initiatives), modern slavery and anti-human trafficking work, health-care services, social-work services, education facilities and schools, elderly care homes, children's programmes (offering care and protection for vulnerable children through residential homes and programmes) and mission-support projects (enhancing the reach and impact of The Salvation Army's global mission). Through these efforts, the global Army seeks to make a profound difference, transforming lives and communities with compassion and dedication. Specific aims for IDS for the year were to grow and support water and sanitation projects and economic empowerment projects in target territories and to build capacity of territories to effectively deliver projects especially across Africa.

B. INTERNATIONAL PROPERTY PROJECT

The international property project, overseen by a staff member based at IHQ, aims to assist territories in highest and best use reviews of underutilised property assets as a step towards financial independence. In 2024/25, the project aimed to progress several property projects in Africa and South Asia, seeking to develop commercial projects and explore new opportunities, working with existing property consultants and building relationships with new local partners, to develop schemes through a number of recognised stages.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

This multifaceted project involves a global team, led from IHQ, implementing cloud-based NetSuite accounting software to all financially supported territories alongside the roll-out of new International Financial and Accounting Standards ('IFAS') for the global Army. The software deployment replaces basic stand-alone systems, assists territories in complying with IFAS reporting and enables the implementation of computerised internal financial controls to replace time-consuming manual processes. Key objectives for the year were to continue the roll-out of the software to a further group of territories, deploy enhanced solutions for budgeting/reporting and to continue to enrol new students onto a suite of e-learning courses, while

enhancing course content to strengthen global financial capacity and compliance.

D. OFFICE 365 PROJECT

The Office 365 Project involves a project team at IHQ and within territories working to upgrade network infrastructure and internet connectivity in all financially supported territories, as well as providing devices to targeted users in territories and advancing the use of Office 365 tools in day-to-day operational processes, including moving locally stored data into the cloud to improve security and resilience. A particular objective for the project in 2024/25 was to enhance digital infrastructure and connectivity in target territories, providing territorial staff with the necessary tools, training and support to enable full utilisation of Office 365 to enhance data security, reduce data loss, streamline IT support and provide greater IT governance.

ACHIEVEMENTS

A. INTERNATIONAL DEVELOPMENT SERVICES

This year, the IDS team continued to work with territorial development offices across the world to coordinate a range of programmes to promote a holistic approach to meet the physical, emotional, social and spiritual needs of people served.

Climate change continues to affect the most vulnerable communities, and multiple projects were advanced during the year to address this through multi-sector approaches to resilience, including agricultural training, safe water and creating natural barriers to climate change. In a remarkable display of global unity, IHQ hosted a three-day online symposium on climate change adaptation and resilience, drawing over 300 participants from 50 countries. The global Army continues to make a profound impact, and water and sanitation projects during the year reached 188,686 people, providing them with essential resources for a brighter and healthier future, and a further 54,164 individuals gained strength and benefited from environmental resilience projects.

Building community resilience: rainwater harvesting provision in Lohove, Kenya, which serves around 200 local families



Economic empowerment is another key area in which The Salvation Army brings hope with programmes supporting communities, families and individuals around the world to gain independence through the acquisition of skills that lead to employment opportunities. Projects are broad – from a traditional weaving handicraft project in China to multiple Village Savings and Loans Scheme groups, particularly across Africa. A total of 26,053 women engaged in economic empowerment opportunities throughout the year, with 2,961 Village Savings and Loans Scheme groups active at the year-end.

The IDS team also oversaw the Mission Support Scheme during the year, which is dedicated to enhancing the capacity and facilities of local corps (churches) across financially supported territories. This included a project in Kenya West Territory, where 38 corps were equipped with rainwater harvesting facilities that included a water tank system, benefiting the local corps and the surrounding communities. Projects like this help to build relationships with local residents, foster stronger community ties and improve quality of life.

Capacity development was also a cornerstone of work during 2024/25. In addition to supporting territories and development officers, IDS established a comprehensive programme aimed at enhancing the capabilities of Salvation Army staff in delivering projects and programmes to the most vulnerable populations across Asia and Africa, enabling staff towards continuous improvement and collaboration in the ongoing mission to serve and uplift those in need.



The work of IDS is not without challenges, and escalating conflicts and rising political tensions during the year made it harder to reach those most at risk in some countries – individuals and communities who are at the very heart of The Salvation Army's mission – with risk assessments updated regularly and logistical solutions identified where possible. Despite such obstacles, the commitment of IDS and territorial project teams is clear: to stand with the vulnerable, serve with compassion and bring hope where it is needed most.

Using a learned skill to generate income for the family: handicraft project in Longchuan, China

B. INTERNATIONAL PROPERTY PROJECT

Overseen by a full-time consultant based at IHQ, the International Property Project works with globally recognised property firms to develop potential schemes for territories through the stages of scoping and identification, feasibility approval, detailed feasibility and implementation. Work continued during the year with territories to further the progression of existing projects and explore potential new opportunities, illustrated by the following examples:

DEMOCRATIC REPUBLIC OF CONGO: Following completion of a large-scale project, using capital released from the sale of underutilised land to fund construction of income-generating assets in the form of commercial office space, villas and apartments, the IHQ team continued to work with the territory to identify long-term tenants for the newly constructed buildings. The first year of rental operations was successfully completed in 2024/25, with considerable rental income generated for the territory to support local ministries.

KENYA EAST: Following the sale of 200 acres of underutilised land, the International Property Project team supported the territory to commence a large-scale project using the sales proceeds to develop residential units on another site for income generation purposes. Work on the new property development commenced in 2024/25 and is expected to be completed in 2025/26, with the IHQ team also supporting the territory to identify tenants for the new buildings.

In addition to these schemes, the International Property Project team supported feasibility studies and other programmes across multiple territories, including India Western, India Central, India South Western, and Zimbabwe and Botswana, and also provided due diligence for the ongoing review of health services in several territories. Work was also completed during the year to migrate the international property database managed from IHQ to a cloud-based system, enabling enhanced property portfolio management by territorial staff.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS Project involves a global project team led from IHQ implementing cloud-based accounting software (NetSuite) for all financially supported territories alongside the roll-out of new International Financial and Accounting Standards ('IFAS') for the global Army. The IFAS Project team has tailored the design and testing of the accounting software to meet Salvation Army requirements, adding inter-unit/consolidation tools, a Point-of-Sale ('POS') solution for territories with trading operations, and budgeting/reporting tools allowing automatic generation of the Key Financial Indicators ('KFIs') required for IFAS reporting. The scale of this international project, covering all financially supported territories, is significant and unprecedented within the global Salvation Army.

The IFAS Project continued to take significant strides forward in 2024/25, and by the year-end had successfully deployed the NetSuite accounting system into 29 operational units, comprising 27



Under construction: new residential units in Nairobi, Kenya



NetSuite Go-Live events in Zimbabwe and Botswana Territory

territories, the India National Office and IHQ. This marks a major milestone on the project journey towards financial modernisation, enhancing transparency, reinforcing regulatory compliance, and providing cloud-based tools that are scalable and mission-focused. Go-Lives completed during the year included The Philippines Territory, Zimbabwe and Botswana Territory, Ghana Territory, and Liberia, Sierra Leone and Guinea Territory.

Pre-implementation visits to eight territories were also undertaken during 2024/25, enabling tailored requirement-gathering ahead of planned NetSuite implementations in 2025/26. The final Territorial IFAS Champions Conference was also held in Rwanda in July 2024, hosting 30 delegates from eight remaining territories still to receive NetSuite. The conference provided comprehensive training on NetSuite, IFAS policies, budgeting preparation and processes, reporting frameworks and related systems. Delegates were equipped with the knowledge and skills necessary to support forthcoming NetSuite implementations and strengthen financial governance within their territories.

Launched in July 2022, the Learning Management System ('LMS') continued to serve as a cornerstone for delivering high-quality, structured e-learning within the IFAS programme during 2024/25. The LMS offers a comprehensive suite of online training on IFAS financial policies, NetSuite functionalities, general accounting principles and leadership development. The platform supports ongoing capacity-building for finance teams, officers and administrative staff across all participating territories. At the year-end, more than 1,100 users had enrolled on LMS across 12 courses with the system delivering more than 4,500 training hours, demonstrating strong engagement and a growing commitment to professional development throughout the organisation.

D. OFFICE 365 PROJECT

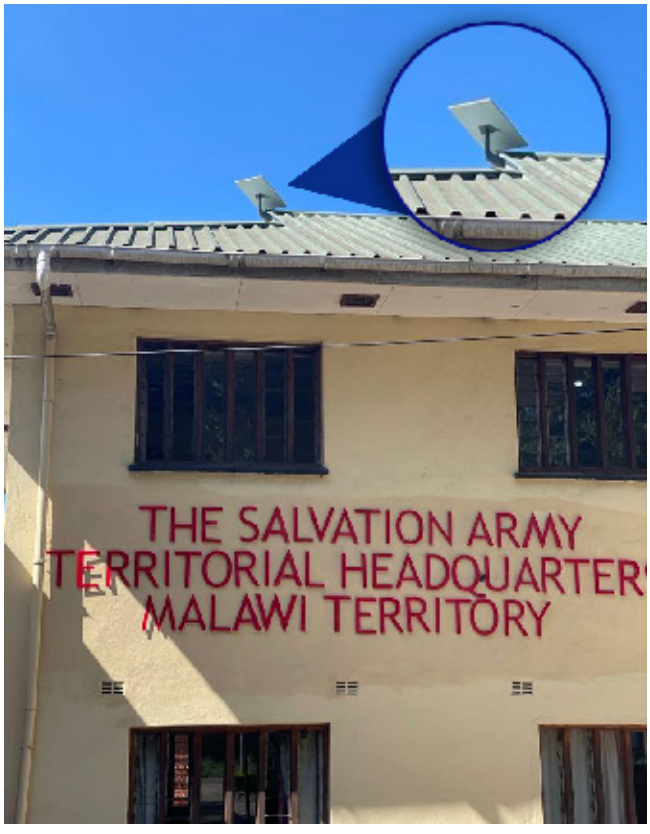
The Office 365 Project ('O365') involves a project team at IHQ and within territories working to upgrade network infrastructure and internet connectivity in all financially supported territories, as well as providing devices to targeted users in financially supported territories and advancing the use of Office 365 tools in day-to-day operational processes, including moving locally stored data into the cloud to improve security and resilience.

During the year, the project successfully completed a roll-out of laptops to financially supported territories and implemented a new LMS, which will enable better access to remote technical training for the Office 365 suite and also essential training for territorial staff on topics such as security, data protection, and health and safety.

The team also advanced a global network upgrade project, providing IHQ with a holistic view of THQ networks to ensure consistent security configuration and target improvements to the territories with the greatest need. Assistance was also given to several territories to implement satellite internet connectivity, which not only saw an improvement in connectivity but also a significant reduction in costs.

Site visits were also completed to a sample of territories which informed a new approach to the wider adoption of the O365 platform, integration with current operational processes and the challenges faced by some territories. These visits led to the formulation of a new plan to create 'Centres of Excellence', where the O365 team will initially partner with selected territories to showcase how technology can be used to provide safe, secure, efficient communication and collaboration to support the mission of The Salvation Army across the world.

Improved bandwidth: installation of satellite internet connectivity in Malawi



KEY STATISTICS

- A total of 26,053 women engaged in economic empowerment projects overseen by IDS throughout the year, with 2,961 Village Savings and Loans Scheme groups active at the year-end.
- The International Property Project team assisted territories in the assessment and development of property schemes for under-utilised assets in DRC, India, Kenya and Zimbabwe during 2024/25.
- The International Financial and Accounting Standards Project team facilitated the implementation of new cloud-based accounting software in four territories during 2024/25, with 27 territories plus the India National Office and IHQ live on the system at year-end and a further 13 territories to receive the software.
- The Office 365 Project team oversaw 5,865 O365 individual user accounts in financially supported territories by the year-end.

FUTURE PLANS

A. INTERNATIONAL DEVELOPMENT SERVICES

As the cost of living rises, fundraising is becoming increasingly challenging and securing funds for social-work institutions, health-care facilities and educational establishments, many of which serve the most vulnerable, is becoming more difficult. During the next year, in addition to continuing project resourcing and monitoring, IDS will particularly seek to assist territories in the reassessment of services and programmes in children's homes, hospitals and schools, striving to enhance their effectiveness and efficiency in serving those in need. For children's homes and hostels in territories, this 'journey of change' will involve a formal process to assess and upgrade facilities, and to enhance the service offered to the children placed in Army care in line with locally consistent modern-day social-work practice, as well as exploring 'alternatives to care' options in line with best practice for vulnerable children.

‘The International Property Project team will continue to support capital projects in territories and provide due diligence on property-related proposals globally’

B. INTERNATIONAL PROPERTY PROJECT

The International Property Project team will continue to support capital projects in territories and provide due diligence on property-related proposals globally, with work projects including partnering with Indian territories to explore release or greater utilisation of property assets and undertaking business-planning reviews for hospitals and other institutions in multiple territories to work towards long-term financial sustainability. Ongoing construction work will continue in Kenya East, with feasibility work expected for Ghana, Uganda, India Western and India South Western. A number of seminars are also planned to assist territories with property assessments and business planning.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS Project team will work towards the installation of NetSuite accounting software in the remaining 13 territories with a busy programme of implementations planned during 2025/26, and will also actively engage and enrol users onto LMS e-learning courses. A conference is planned for November 2025 to consider long-term support, governance and system sustainability needs upon conclusion of the software roll-out. As the NetSuite roll-out enters its final stages, several key risks remain active, including data backlogs, tax integration and required compliance activities with the team to continue to work to mitigate these through training and leadership engagement.

D. OFFICE 365 PROJECT

Over the next year, the Office 365 Project aims to complete the creation of centres of excellence in selected territories around the Army world before progressing a full roll-out by 2030 to ensure all financially supported territories are using O365 at THQ, divisions, corps and institutions. The project will continue to focus on upskilling local IT staff and look to enhance data storage solutions and security in territories, as well as encourage further adoption of solar power and satellite internet connectivity.

3 INTERNATIONAL PERSONNEL TRAINING AND DEVELOPMENT

OVERALL OBJECTIVE

To provide effective leadership and share knowledge and expertise through the strategic deployment of personnel.

SPECIFIC AIMS

International personnel training and development objectives for 2024/25 included supporting territorial training colleges around the world as they train new Salvation Army officers for culturally relevant ministry, especially those with less financial and personnel resources, as well as working with the International Officer Training and Development Council ('IOTALDC') to provide resources for leader development. Further aims were to enable and enhance usage of specific training resources by territories, such as the Inclusive Leadership Online Course and Equip Learning, to identify and prepare future Army leaders for a wide range of roles including head of department and territorial leader.

ACHIEVEMENTS

The IOTALDC met several times during the year, with membership drawn from across the global Salvation Army, to promote quality training and leader development of officers throughout the world.

The IOTALDC continued work to follow up on recommendations from the International Conference of Training Principals held in Nairobi, Kenya in October 2023, with a collection of papers presented during the conference and at earlier such events that was developed into a book for publication, titled *A Field for Exploits II*. Two important resources were also prepared and approved for publishing, each giving guidelines and resources: one for the first five years of officership and the other for the orientation of new heads of departments.

SENIOR LEADERS' ORIENTATION

When officer personnel are appointed to senior leadership roles in territories, they receive initial contact from senior IHQ staff during their first week in post. They also participate in an orientation that offers an overview of senior leaders' responsibilities, processes and procedures, as well as providing soft-skills training for executive leadership.
The orientation includes an online programme introducing new leaders to important aspects of their roles and relevant responsibilities in the early months of their appointments.

A second stage involves attending a residential conference in London, UK within their first 6–12 months in post. In this forum, leaders gather as a cohort to train and develop spiritual executive leadership skills, as well as to obtain further orientation into their roles as senior leaders. Tailored, specific development opportunities for individuals, according to their experience, are also incorporated into orientation activities, as well as further IHQ requirements such as online finance and governance training. There is also a strong mandate for all officers to establish a mentoring relationship with experienced senior leaders.



Senior Leaders' Orientation Conference delegates and IHQ staff with Chief of the Staff Commissioner Edward Hill

The preferred format of orientation was explored and developed during the year, as delivering some of the material online proved challenging due to time zone, language and other factors, and so more content was shared at the in-person conference.

TRAINING AND CAPABILITY DEVELOPMENT

The International Personnel team continued to monitor the training of officer cadets and capability development for leaders during the year. The Annual Training College Report, a resource which assists IHQ and territorial leaders in maintaining international standards and practices, was updated to become more user-friendly following feedback received from colleges around the world. Work also continued on the creation of a Capability Development Framework to assist in identifying areas for increased concentration on the right developmental opportunities for officers, especially in the early years of ministry. A new First Five Years manual was also produced, offering territories a framework in developing continued education and training for officers in their first five years of ministry, to enhance standards.

LEADERSHIP COURSES

First launched in 2019, the Inclusive Leadership Course ('ILC') offers an online leadership programme to officers, blending biblical values with corporate leadership principles. The programme continued to evolve in 2024/25 and included disciplines such as coaching, team-building and change management. The course targets officers (post five years of service) who serve in roles as team leaders or executive directors. At the year-end, 743 officers were registered for the ILC, with 451 ongoing participants and 292 completions.

Another platform, Equip Learning, was officially launched in March 2024 and utilised throughout 2024/25, offering practical learning modules to all representatives of The Salvation Army who seek to develop understanding and skills under various disciplines. Short online courses include: 'The 12 Principles of Salvation Army Finance', 'Mission in Motion', 'Cultural Intelligence – Appreciating One Another's Culture', 'Global Modern Slavery and Human Trafficking Response', 'Disability from a Salvation Army Perspective' and 'Biblical Perspectives on Children and Young People'.

A pilot programme was also launched during 2024/25, whereby six emerging leaders from Africa were enrolled on a course run in partnership with the Abundant Leadership Institute. Course content includes Servant Leadership, Team Leadership, Asset-Based Community Development, Strategic Planning, Leadership in Reconciliation, and Leadership Principles and Practices (Governance, Boards, Finance, Budgeting, Results).



Delegates and staff of the International College for Officers with the General and Commissioner Buckingham

INTERNATIONAL COLLEGE FOR OFFICERS

Based at Sunbury Court near London, the International College for Officers ('ICO') brings together groups of officers from around the Salvation Army world for an intensive, transformative and experiential six-week training programme.

Each six-week session provides delegates with the opportunity for a deep ongoing consideration of leadership within The Salvation Army, including topics such as personal spiritual formation, leadership, ethics, social justice, and international finance and administration, plus time for personal, spiritual and emotional refreshment. During the year, 144 delegates attended the ICO from a wide range of territories and countries as an expression of the cultural diversity that enriches the reach and influence of The Salvation Army globally.

KEY STATISTICS

- As at 31 March 2025, 743 delegates were registered for the Inclusive Leadership Course, designed for the development of Salvation Army officers in preparation for potential leadership roles, with 451 current participants and 292 completions since the launch.
- During the year, 144 delegates attended the International College for Officers, benefiting from a six-week taught curriculum.

FUTURE PLANS

Work will continue to review, develop and implement policies for training and leader development, including frameworks for the development of Salvation Army officers, preparation and orientation of officers entering leadership roles, and capability-building for leaders.

The Equip Learning platform will be expanded with additional courses and resources added for officers and Salvationists worldwide. The ICO will complete a review of its curriculum and make changes and enhancements as required to enable an increased focus on adult learning. Delivery of the senior leaders' orientation will also be kept under review, with more content provided at the in-person conference held twice a year. Work will also continue to develop succession planning in territories around the world, ensuring potential future leaders are intentionally included on a development pathway enabling personal growth, wider experience and experiential learning.

4 CRISIS RELIEF

OVERALL OBJECTIVE

To respond to and help meet the needs arising from major crises.

SPECIFIC AIMS

The International Emergency Services ('IES') team based at IHQ aims to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery activities.

Another key objective is to provide training courses to territories and individuals in order to strengthen local capacity, particularly in disaster-prone areas, and to assist in disaster preparedness and disaster risk reduction awareness.

This year, a major focus remained upon the response to the war in Ukraine, but at the same time the IES team sought to maintain support and provisions to other natural and human-made disasters. Among those was the severe earthquake that hit Myanmar in March 2025, as well as the increased conflict and displacement situation in eastern DRC, also affecting neighbouring countries such as Rwanda, Burundi and Uganda.

ACHIEVEMENTS

During the year, IES supported 69 projects in 41 countries in 33 territories. More than 650,000 people benefited from these projects. IES provided support to territories around the world, responding to severe weather-related disasters such as floods in Kenya (April and October 2024), Brazil (May 2024), Tanzania (May 2024), Bangladesh (August 2024), Thailand and Myanmar (October 2024), drought in Zambia and Malawi (July 2024 onwards) and storms such as a tornado in South Africa (June 2024), Hurricane Beryl in Jamaica, Grenada and St Vincent (July 2024), cyclones in India (July 2024), Typhoon Carina (Gaemi) in the Philippines (August 2024), Hurricane Rafael in Cuba (November 2024) and a cyclone in Mozambique and Madagascar (January 2025).

In terms of earth-related disasters, IES provided support following the earthquake in Vanuatu (December 2024) as well as the ongoing response to the earthquake in Myanmar (March 2025).
The team also provided support to human-made disasters, such as the conflict and displacement situations in DRC (December 2023 and July 2024), Haiti (November 2011) and Mozambique (January 2025), as well as the continuing conflict and economic situation since the military coup in Myanmar (ongoing since 2021). IES also supported various responses to fires, including severe incidents in a Roma settlement in Slovakia (January 2025), in Nepal (May 2024) and in Liberia (December 2023). Additionally, help was given to address biological disasters, including the response to the cholera outbreak in Angola (February 2025).



Emergency response to Typhoon Gaemi in the Philippines

Providing support after a devastating earthquake in Myanmar



RUSSIA–UKRAINE WAR

The Russia–Ukraine conflict started on 24 February 2022. More than three years later, 6.9 million Ukrainian refugees have been recorded globally, with approximately 3.7 million internally displaced people in Ukraine according to the UN Office for the Coordination of Humanitarian Affairs.

With coordinating leadership offered by IES, The Salvation Army has been working to support people in Ukraine and those who have fled the country. By 31 March 2025, IES had approved 137 projects associated with the Ukraine crisis, benefiting more than 500,000 people. IES not only provided the coordination and the technical, operational and strategic support for this response, but the team also arranged for the deployment and management (pre, during and post) of trained and experienced international personnel to support the local relief initiatives, the administration and the coordination of the requirements and expectations of the supporting offices.

More than play: mental health and psychosocial support activities for children in Ukraine



TRAINING

Training courses usually feature in the annual programme of events, and IES is always willing to support capacity-strengthening of territories as they plan for disaster risk reduction and enhanced response activities. During the year, a classroom-based PREPARE training course was held in Angola for 34 delegates, with the course also delivered online over eight weeks for 24 delegates from 15 countries. Two online cash and voucher assistance courses were held over two weeks, with a total of 51 delegates from 30 countries. A highlight was the IES Team Leaders' Conference, which took place in Thailand under the theme 'Communication in a Humanitarian Context' and was attended by 46 practitioners from 16 countries.



Vital preparations: emergency response training in Angola

KEY STATISTICS

- During the year, IES facilitated the approval of 47 rapid-response proposals for immediate life-saving activities and 22 emergency proposals for longer-term relief and recovery activities.
- By 31 March 2025, IES had approved 137 projects associated with the Ukraine crisis, providing support in various sectors such as emergency and longer-term shelter assistance, food, hygiene, bedding and clothing items, cooked meals, cash and voucher-based assistance, food, anti-human trafficking awareness-raising and referral services.

FUTURE PLANS

IES will continue to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery responses, and mitigate continuing impacts of natural and human-made hazards and disasters.

During 2025/26, IES will continue oversight, management and technical guidance as required for the Ukraine crisis response across Europe, maintain work to promote and support the development of disaster-management strategies for territories and seek to improve timely reporting of project outcomes by territories to IHQ.

'With coordinating leadership offered by IES, The Salvation Army has been working to support people in Ukraine and those who have fled the country'

5 HEALTH SERVICES FOR THE POOREST PEOPLE

OVERALL OBJECTIVE

To strengthen The Salvation Army's capacity to support poor and marginalised people in accessing quality primary health-care services as close to the family as possible.

SPECIFIC AIMS

The International Health Services ('IHS') desk at IHQ seeks to provide assistance, supervision and technical support to health-care facilities and health programmes around the Salvation Army world. A particular focus for the year was the launch of an International Health Review that aimed to support territories in reviewing their health facilities, nursing and midwifery training schools and adult nursing elderly care institutions to ensure they are relevant, missional, sustainable and fit for purpose, recognising The Salvation Army has a presence in more than 15,000 communities worldwide through its network of churches and health-care facilities.



The road to a rural Salvation Army health clinic in Papua New Guinea

ACHIEVEMENTS

The Salvation Army remains a significant provider of faith-based, integrated, high-quality health care, focusing on delivering services as close to the family as possible and prioritising care for poor and the most vulnerable community members. Army health-care facilities are often situated in hard-to-reach, rural areas where others are unable or unwilling to provide health care. An example of this was seen in February 2025, when a small team from IHQ attempted to visit one of the Salvation Army clinics in Misapi, Papua New Guinea. The journey commenced at 4 am, involving a four-hour drive over challenging terrain. However, the path was obstructed by a landslide, rendering further travel impossible. Even if the team had managed to continue, the journey would have required an additional hour's drive followed by a four-hour trek on foot to reach the health facility. After discussions with the local community, the decision was made to turn back.

‘These hospitals and clinics often serve as focal points in their communities’

This experience provided a brief insight into the significant challenges faced by many individuals in accessing health care in remote areas and the service provided by Salvation Army health facilities around the world. Despite their remote location and lack of facilities, these hospitals and clinics often serve as focal points in their communities, providing safe spaces and health care to people of all faiths or none, always without discrimination. This inclusive and holistic approach is central to Army health-care facilities and health projects.

Another insight is provided by the Kenya West Territory, where The Salvation Army is implementing a three-year Integrated Mother and Child Health Project in Western Kenya, which enables access to essential services such as maternal care, clean water and nutritional support that targets mothers and children under five. During the year, 1,825 mothers (pregnant and lactating) and 2,470 children received maternal newborn health services such as immunisations, maternal care and treatment for common diseases, with 100 kits also provided to promote maternal and child health care and 150 community health workers trained and practising within local communities.

The Salvation Army’s health services continue to face significant challenges, including financial pressures, working with poorer communities who cannot afford health care, navigating increasingly complex government regulations and addressing the shortage of staff willing to serve in remote areas. Additionally, the increasing need for advanced technology, even in rural settings, adds to the complexity of delivering effective health care. Despite these challenges, The Salvation Army remains committed to providing high-quality care and seeking to serve the most vulnerable without discrimination as part of The Salvation Army’s wider mission.

To enhance the effectiveness of The Salvation Army’s international development work, the Serve, Measure, Improve, Learn, Equip and Share (‘SMILES’) initiative was launched to promote the generation of high-quality data for evidence-based learning and decision-making. The collection of improved data for health-care facilities is a key component of this work. During the period under review, a clear road map was developed for SMILES implementation from 2025 to 2027, including actionable points to embed SMILES as a standard way of working, establish a coherent vision for international development, develop staff capacity, strengthen the impact-measurement system and facilitate shared learning. An audit conducted in the first quarter of 2025 assessed existing capacity and identified gaps to inform ongoing development and implementation. This work will help to strengthen the capacity of Salvation Army health-care workers to collect accurate data needed to facilitate evidence-based decisions and monitor better trends related to diseases and illness in many communities.

Maternal and newborn health services in Kenya



This should help the Army to respond more effectively and provide more targeted services.

The Salvation Army's International Health Review was officially launched in June 2024. It aims to support territories in reviewing their health facilities, nursing and midwifery training schools, and adult nursing elderly care institutions to ensure they are relevant, missional, sustainable and fit for purpose. This initiative is part of a broader effort to review the Army's institutional footprint and modernise services. As part of the health review, an India Health Strategy Meeting was held in Kanniyakumari, India. The meeting was attended by 32 participants from all six Indian territories and IHQ staff. This gathering of territorial leadership and hospital administrators provided an opportunity to discuss the future direction of health ministry in India. During the meeting, participants reflected on the past impact of the health ministry and realistically assessed the current situation. Discussions emphasised the importance of various community health approaches, governance and standards within existing facilities. Time was also dedicated to working with each territory to create actionable plans for the way forward in terms of enhanced service delivery and the rightsizing of health-care facilities.

Salvation Army nursing and midwifery schools and colleges around the world continue to shape the lives, skills and passions of thousands of health workers. These institutions play a crucial role in supporting national efforts to address the shortage of health workers that many countries face. A flagship institution, The Salvation Army Catherine Booth Hospital in Nagercoil, began its nursing education programme in 1939 with a basic diploma course. Today, it has evolved into a formal college offering both diploma and degree-level training. Named after the 'mother of The Salvation Army', the Catherine Booth College of Nursing operates under the motto 'Learn to Serve'. It has become a centre of excellence in India, dedicated to fostering holistic development in nursing education.

Currently, the college hosts 200 students from diverse backgrounds, including various religions, communities and social circumstances. Many nursing students are first-generation graduates, and this training empowers them to break the generational poverty cycle, enabling them to lift their families out of hardship and support their siblings' education. In November 2024, 98 students graduated with a degree in nursing. Among the graduates was S. Aspath Prasanth, who was abandoned at a Salvation Army children's home in India Eastern Territory at the age of one. Raised in the home, Aspath pursued his dream of a nursing degree at the Catherine Booth College of Nursing. He spoke of the support and encouragement provided by The Salvation Army, which empowered him to follow his dreams. Aspath now works as a staff nurse in the operating theatre at the hospital, serving others.

KEY STATISTICS

- The Salvation Army has a presence in more than 15,000 communities around the world through its network of churches and health-care facilities.
- During the year, IHS was available as a resource to medical services provided by Salvation Army territories around the world that delivered care to 253,028 in-patients and 1,177,681 outpatients.

FUTURE PLANS

IHS will continue to provide technical support and supervision to clinics, hospitals and nursing/biomedical colleges around the world, ensuring that all Salvation Army health programmes are technically sound, accountable, an integrated part of Salvation Army mission and meet the required standards of the country in which they are based. During 2025/26, a particular focus will be upon the ongoing International Health Review, seeking to ensure services remain relevant, missional, sustainable and fit for purpose, with a milestone review meeting due to be held in South Africa.

6 FIGHTING AGAINST SEXUAL TRAFFICKING AND FOR SOCIAL JUSTICE

OVERALL OBJECTIVE

To take action to combat the massive and growing evil of sexual trafficking, and to create awareness of social injustice in the world.

SPECIFIC AIMS

The International Social Justice Commission ('ISJC'), with its secretariat funded by the Trust and based in New York, is The Salvation Army's strategic voice advocating for human dignity, human rights and social justice in all parts of the world. The ISJC, with the International Moral and Social Issues Council ('IMASIC') and the International Modern Slavery and Human Trafficking Response Council ('IMSHTRC'), exercises leadership in determining The Salvation Army's policies and practices in the international social justice arena. This year, major aims were to build up modern slavery and human trafficking responses, to engage with United Nations working committees and forums, and to grow the work of the ISJC in campaigning for social justice.

ACHIEVEMENTS

The ISJC works closely with those who have a track record of seeking God's justice for the world, in order to learn from them, distil experience and share lessons with others. Areas of ISJC attention and global engagement include, but are not limited to, poverty, racism, sexism, refugees and asylum seekers, indigenous peoples, climate change, gender-based violence, and modern slavery and human trafficking. In the period under review, the following were notable achievements:

UNITED NATIONS: The ISJC, reflecting the international Salvation Army, campaigns for a holistic understanding of people and an integrated global plan for fair, sustainable and equitable development for all nations. If The Salvation Army wants to continue to have a voice in the global community, it is essential that Salvationists are present at the table and have global and up-to-date knowledge of issues. During the year under review, the ISJC represented The Salvation Army at the United Nations ('UN') (and among numerous other bodies) seeking to build strong alliances to end extreme poverty and promote sustainable development. A highlight of the year under review was the attendance of General Lyndon Buckingham and ISJC Directors Colonels Ian and Wendy Swan at the UN General Assembly when the *Pact for the Future* was ratified in September 2024. This document is the culmination of years of work by UN staff and stakeholders and months of negotiations, and seeks to transform the UN into a body that is more efficient and effective in promoting justice for all. 'Christians, including The Salvation Army, need to lend their voice for advocacy on behalf of those most adversely affected,' General Buckingham emphasised. 'Such advocacy is grounded in The Salvation Army's work with the poor and marginalised.' Salvation Army representatives from around the world also participated in virtual and in-person meetings of the United Nations 69th Commission on the Status of Women held in March 2025. Army delegates

engaged in dialogue around issues such as modern slavery and human trafficking as a form of violence against women and global perspectives on gender roles, adding to debates among a varied and diverse group of practitioners.

MODERN SLAVERY AND HUMAN TRAFFICKING:

The Salvation Army's international response to modern slavery and human trafficking ('MSHT') around the world continued to evolve during 2024/25. This global, multi-layered response surrounding advocacy, prevention and intervention is a crucial part of the work of the ISJC. The Salvation Army is deeply committed to fighting MSHT with a theological and historical mandate, and is uniquely equipped and has a role to play in this vital work.

The Salvation Army drives community-led efforts to respond to modern slavery and human trafficking in 134 countries. Specific outcomes from the MSHT response provided by territories during the year, as resourced and supported by the ISJC, included the following:

- 12,718 MSHT community awareness events were organised
- 165,580 people vulnerable to MSHT received support
- 14,552 MSHT survivors were supported
- 1,414 MSHT survivors were assisted to receive legal services
- 1,018 MSHT survivors were repatriated to another country
- 2,872 corps (churches) or other units were involved in an MSHT response
- 43 contributions were made towards external MSHT research or reports.

The following story of transformation illustrates the individual life impacts that lie behind the summary statistics.

G experienced much loss throughout her life, having been displaced from the genocide in Rwanda as a child, and as a consequence had lost much of her support network and family. As an adult, she followed prospects of a job overseas and did not know she was going to be taken to India. G was exploited and left extremely unwell with injuries that needed treatment, resulting in her requiring hospital care. G was supported by a non-



Survivor G (the pseudonym 'G' has been chosen by the survivor, with some details changed in her account and pixellation added to the image to protect her identity)

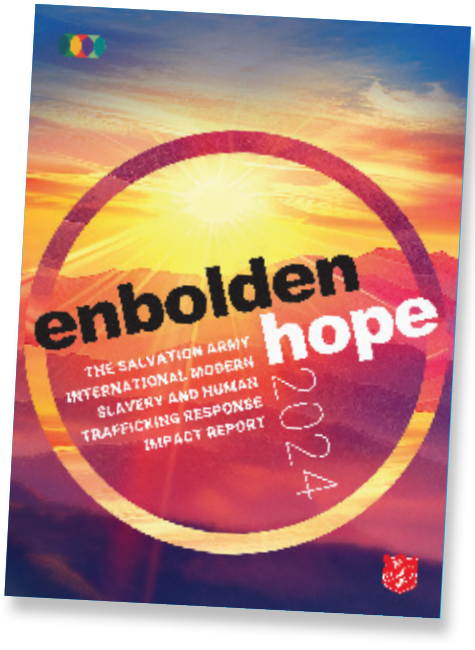


governmental organisation ('NGO') that helped her to get well enough to return home, where she desperately wanted to be reunited with her daughter. The NGO contacted The Salvation Army in Rwanda to identify any support that she could access, as she had returned with no money and chronic health-care needs. Salvation Army staff in Rwanda communicated with G by phone before she returned, so she was familiar and comfortable with them before her journey back.

G was referred to a specialist shelter to meet some of her basic needs on arrival and to access counselling. However, the shelter could only support her for one month, and after this she still had no regular income with which to take care of herself going forward. Salvation Army staff developed a reintegration plan with her to meet some of her ongoing needs and supported her in her ambition to set up a hair salon, in which she had previous experience.

G shares: 'The Salvation Army was incredibly helpful in providing me with the materials to start my salon. They provided me with a grant to rent a house for three months and paid for my health insurance. They continued to offer support and guidance throughout the process of starting and running my salon, which was helpful because when they came it encouraged me and helped me to stay focused and motivated.'

G has been successfully running the salon for more than six months and her customer base is growing, giving her enough income to pay the rent and meet her basic needs. To help with ongoing future requirements, G is also saving through a local savings group. G now has access to free health care and peer support through the health care she receives. The Salvation Army continues to encourage her in her journey of reintegration, as she dreams of getting a bigger salon to meet the demand.



Annual report of the MSHT response

RESEARCH AND COMMUNICATIONS: A number of significant research projects were also progressed by ISJC staff during the year as The Salvation Army continued to act as advocates and activists in social justice. The ISJC social media platforms were also actively used during 2024/25 to provide a framework to demonstrate the international work of The Salvation Army and to share outcomes with governments and other partners. A large body of social justice resources produced by ISJC are publicly available and can be accessed from the ISJC website at: https://www.salvationarmy.org/isjc/resource.

KEY STATISTICS

- Global data for the year showed 165,580 people vulnerable to MSHT received support from The Salvation Army, with 2,872 Salvation Army ministry units offering some form of assistance.
- Salvation Army territories, receiving resources and support from the ISJC, supported 14,552 MSHT survivors during the year, with 1,018 MSHT survivors repatriated to another country.

FUTURE PLANS

The ISJC will continue to act as the strategic voice of The Salvation Army, advocating for human dignity, human rights and social justice in all parts of the world. Partnering closely with those who have a record of seeking God's justice for the world, the ISJC will look to both learn from and contribute to a strong Salvation Army world view. The Salvation Army will carry on partnering with other religious groups, other NGOs, the UN and others towards the vision of a world where all people can experience life in all its fullness.

The ISJC will also work with territories to continue to develop locally relevant MSHT response strategies, particularly in areas where existing capacity is low and poorly resourced. Expansion of MSHT collaborations with partner organisations will be explored, targeting the addition of five new partnerships by 2026/27. Further work will also be undertaken to build partnerships with United Nations forums seeking to provide not only a rich collaboration, but a synergetic space for considering new possibilities and solutions in order to create a just world where all may flourish.

'The ISJC will continue to act as the strategic voice of The Salvation Army, advocating for human dignity, human rights and social justice in all parts of the world'

FINANCIAL REVIEW

FINANCIAL REVIEW

Group accounts for The Salvation Army International Trust, incorporating Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited as subsidiaries of the Trust, are presented for 2024/25, as well as charity results, assets and liabilities for The Salvation Army International Trust (see pages 62 to 89 for the Accounts). The Group accounts reflect notable differences to the charity-only results, most especially for investments, debtors and prepayments, bank balances and current liabilities (see Notes 25–28 to the Accounts). The Group accounts exclude SAITCo, which is the managing trustee.

The commentary below relates to the charity-only results for The Salvation Army International Trust, with separate comments offered on the subsidiaries and Group accounts in the labelled section on pages 55–56.

The net movement in funds for the year ended 31 March 2025 was an increase of £13.65 million (2025) compared to an increase of £42.49 million (2024). Variances contributing to the total net movement in funds are outlined below.

INCOME

The primary income streams of the Trust are donations from Salvation Army territories to the International Self-Denial Fund to support the work of the global Army and Headquarters Support contributions from Salvation Army territories to fund the operation of IHQ.

Total income decreased from £74.02 million (2024) to £67.63 million (2025). External donations and legacies decreased from £16.56 million (2024) to £4.01 million (2025) as a significant donation was received from an external donor during 2024. Contributions from Salvation Army territories to the International Self-Denial Fund decreased from £28.17 million (2024) to £27.40 million (2025). Donations from Salvation Army territories increased from £10.02 million (2024) to £14.47 million (2025). Headquarters Support funding from Salvation Army territories showed a small increase from £10.65 million (2024) to £10.88 million (2025).

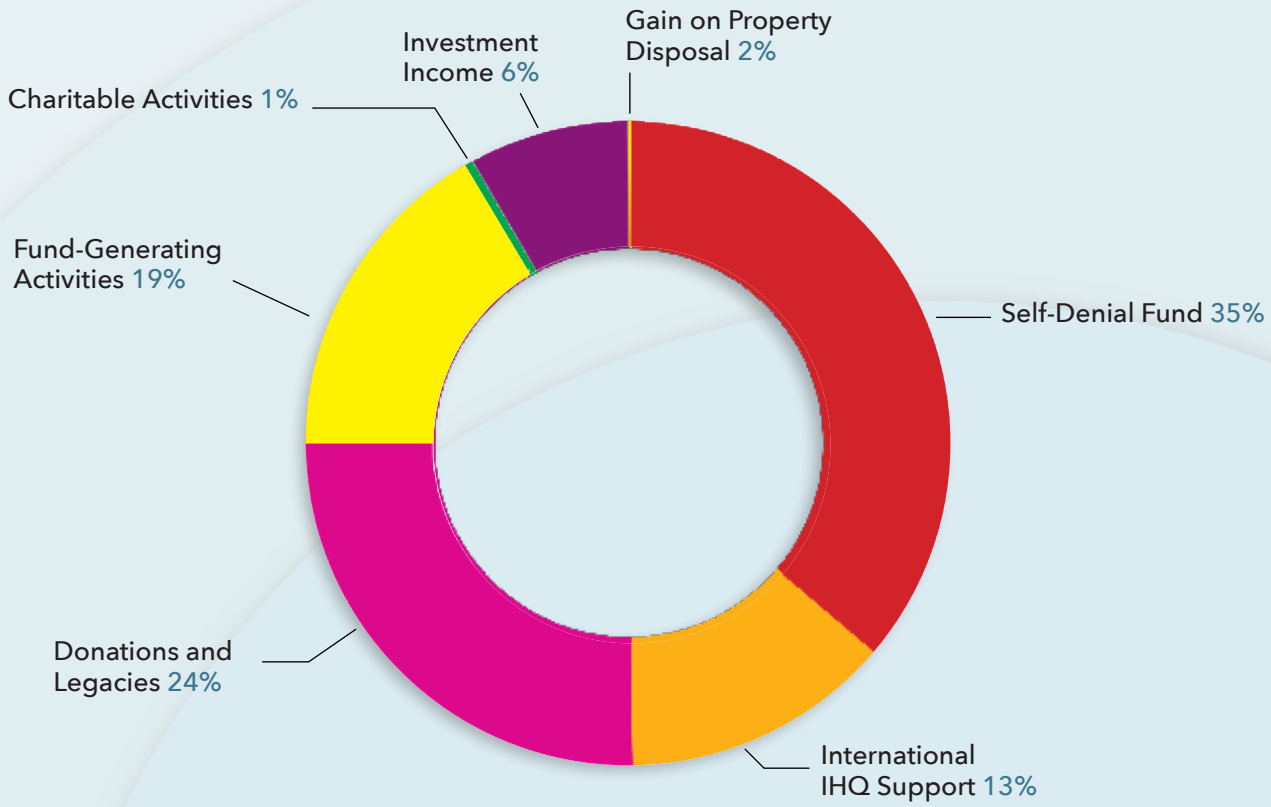
Investment income increased slightly from £7.64 million (2024) to £8.55 million (2025), while income from charitable activities remained stable. Gains on disposal of properties increased from a gain of £219k (2024) to a gain of £1.57 million in (2025) due to the sale of five residential properties.

A qualifying charitable donation of £100,000 was received from Reliance Bank Limited in 2025, the same as 2024.

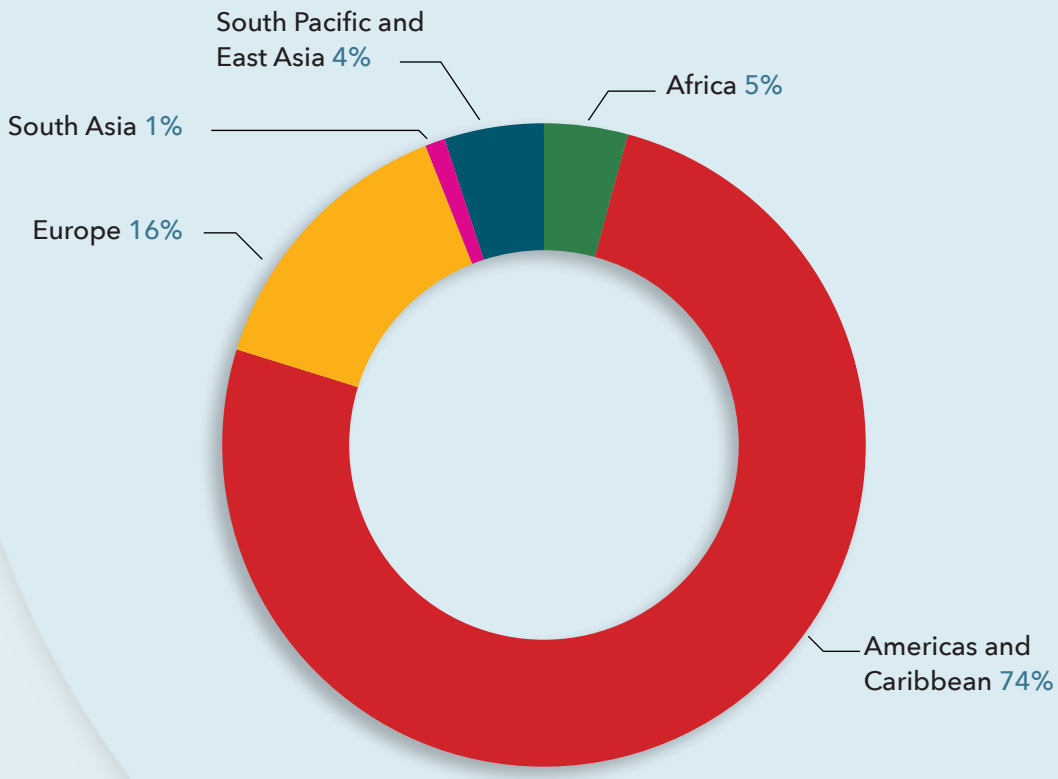
The following pie charts illustrate the sources of income for 2024/25 and contributions to the International Self-Denial Fund:

The net movement in funds for the year ended 31 March 2025 was an increase of £13.65 million (2025)

INCOME 2024/25



CONTRIBUTIONS TO INTERNATIONAL SELF-DENIAL FUND 2024/25



EXPENDITURE

Expenditure across the six charitable activities in which The Salvation Army International Trust is engaged is detailed in Note 10 in the Accounts. Spending on charitable activities totalled £50.51 million (2025) representing a decrease of £1.93 million on the previous year. Financial assistance to Salvation Army territories decreased from £30.52 million (2024) to £29.43 million (2025).

Expenditure of £13.22 million (2025) was also incurred on International Personnel and Development, £5.07 million (2025) on World Mission and £1.41 million (2025) on Crisis Relief, reflecting the cost of some of the strategies in which the Trust is engaging, as referenced earlier in this report. The cost of raising funds, relating primarily to investment management costs and the cost of letting of property, had a small increase from £1.84 million (2024) to £1.99 million (2025).

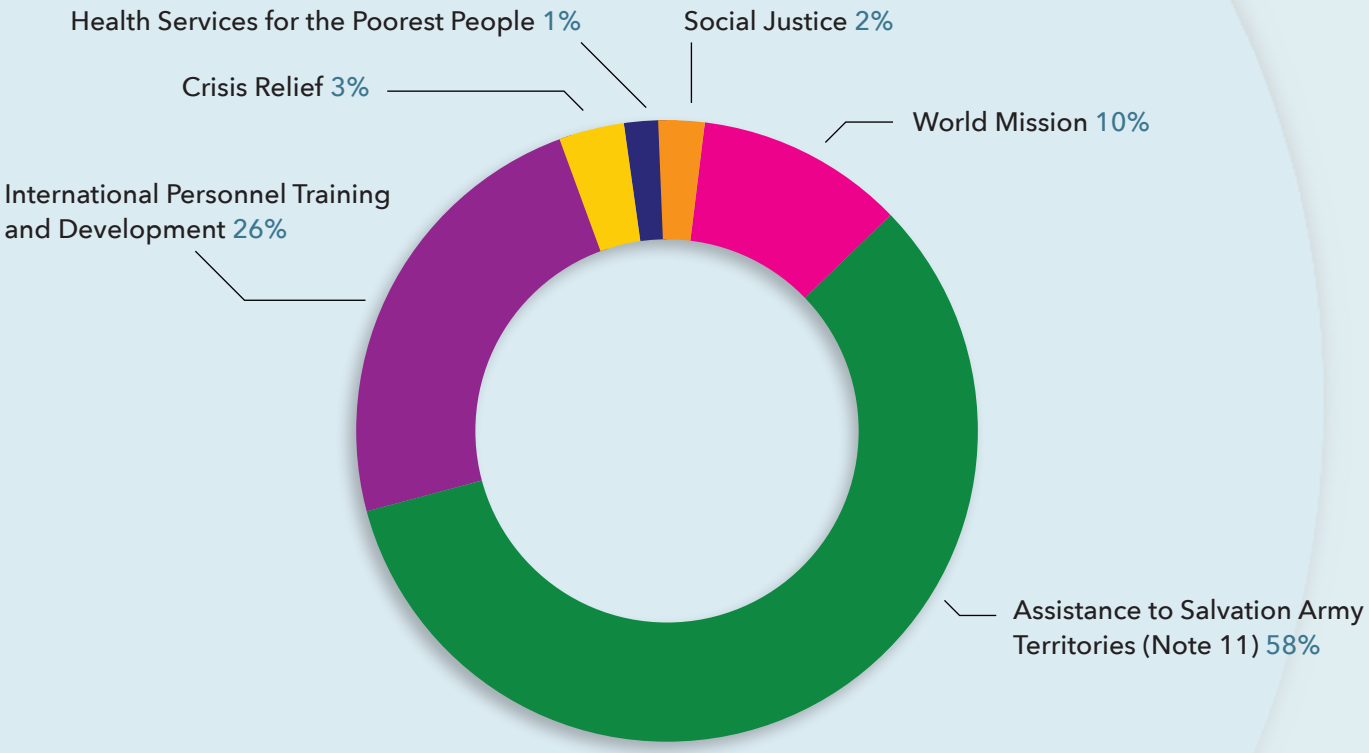
The pie charts on page 49 illustrate 2024/25 expenditure on charitable activities and the geographic spread of the support of overseas work:

‘Spending on charitable activities totalled £50.51 million (2025)’

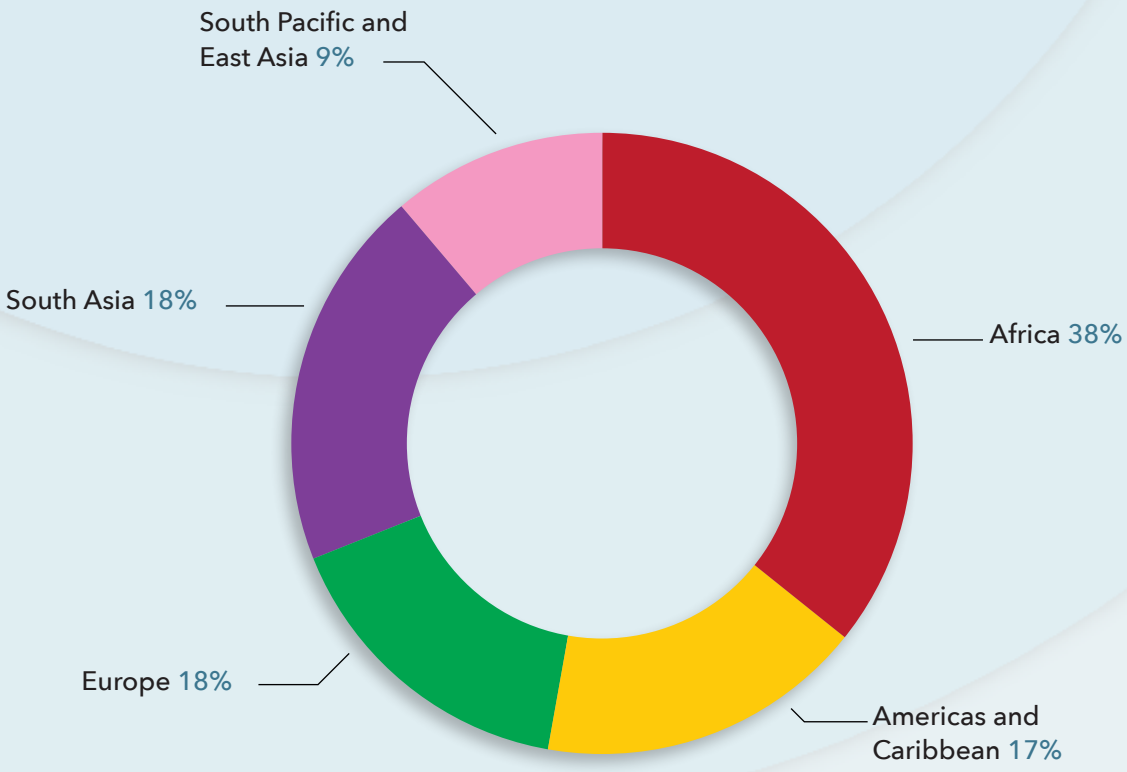


Women at Dnipro Corps, Ukraine, taking part in creative activities to help their well-being. As well as material needs, The Salvation Army provides emotional support for people affected by war

EXPENDITURE ON CHARITABLE ACTIVITIES 2024/25



SUPPORT OF OVERSEAS WORK 2024/25



Other notable variances contributing to the total net movement in funds include, most notably, net losses on investment assets of £3.16 million from a gain of £21.04 million (2024), reflecting market conditions and representing both the realised and unrealised gains arising on sales and the market value of investments held at year-end.

The net movement in funds for the year ended 31 March 2025 was £13.65 million. Total funds of £418.10 million were held at year-end.

FUTURE PLANS

The Trustee seeks to maintain the strong financial position of the Trust and will continue to explore means to increase the scale and scope of charitable activities, while continuing to encourage Salvation Army territories to move towards financial self-reliance through the provision of targeted financial support and other resources.

The two large-scale international projects currently underway will continue to materially impact the Accounts of the Trust during 2025/26, being the upgrade of IT infrastructure and the implementation of cloud-based accounting software for financially supported territories. There are no anticipated property projects that will require significant grants in the next year.

GOING CONCERN

The Trustee reviews the financial plans of the Trust on an ongoing basis as part of a programmed budget cycle, including consideration of principal financial risks; it also receives and reviews cashflow forecasts identifying any liquidity risks.

The operation of the Trust and ability to meet the objectives outlined throughout this report are recognised as impacted by external events with associated global and national economic impacts and inflationary pressures. Since 31 March 2025 to the date of the signing of these financial statements, the Trustee has considered the effect of external crises on the Trust as a going concern, its resilience through this period and the effect on the assets and funds of the Trust.

The Trust holds a strong balance sheet with availability and liquidity of cash and unrestricted investments. While current liabilities including amounts due to Salvation Army territories at the 2024/25 year-end total £8.68 million net, current assets are £71.41 million, of which £60.79 million is held in highly liquid current asset investments and cash at bank.

The Trustee is confident the Trust is well placed to meet the Ukraine/Russia crisis and other external events, and to continue to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy (see below), all underpinned by the governance structures of SAITCo.

The Trustee is satisfied that the Trust has sufficient resources to continue operating for the foreseeable future following review by the Audit Committee of a going-concern assessment to March 2027. The Trustee has not identified any material uncertainties related to going concern and the accounts are therefore prepared on a going-concern basis.

INVESTMENTS

Listed investments (see Note 25 in the Accounts) are managed under the terms of an investment management agreement with Sarasin & Partners LLP. The investment manager is required to make investments on behalf of the Trust in line with benchmarks that have been set and against which performance is measured.

The Investment Committee, which sits to review investment performance, receives periodic reports on matters pertinent to its investment policy and this facilitates discussion which, in turn, enhances the committee's understanding of the relationship between its Christian conviction and ethos and investment return; and, even more importantly, the positive effect that its policy can have on companies which themselves may (or may not) be seeking to improve conditions in many parts of the world. The reports are also occasionally tabled at full board meetings, so that those directors who do not sit on the Investment Committee have an opportunity to add to the debate and have greater understanding of the issues that the Trust can tackle through its

investment policy. SAITCo has established an ethical investment policy to reflect The Salvation Army's ethical and moral stance, which is required to be followed by the appointed investment manager. No breaches to this policy have been reported to SAITCo during the year.

The SAITCo ethical investment policy excludes investment in companies which derive more than 10% of their revenues in aggregate from any of the following categories:

a. the production and/or sale of alcohol
b. the production and/or sale of tobacco
c. the manufacture and/or sale of whole weapons, weapon platforms and weapon systems
d. the manufacture and/or sale of strategic parts for weapon systems
e. the promotion or operation of gambling enterprises
f. the provision of adult entertainment services
g. the publication and/or sale of pornographic media
h. the extraction of thermal coal or the production of oil from tar sands.

For the avoidance of doubt in relation to sub-paragraphs (c) and (d) above, 'weapons' refers to both nuclear and conventional weapons. In addition, investment is excluded in companies with disregard for human rights and/or the pollution of the environment. The following table gives the long-term ranges and current weightings expressed in percentages of the Trust's investment funds:

ASSET TYPE AT 31/03/25	LONG-TERM RANGE	YEAR-END POSITION WEIGHTINGS
Fixed Income	10–20%	14.2%
Equities	70–90%	80.5%
Liquid Assets	0–10%	5.3%
Total		100%

For the year ended 31 March 2025, the portfolio total return amounted to 1.1%, with the impact of the ethical exclusions on equities detrimental by -0.15% over the period.

Equity market returns were dominated during 2024 by the large US technology stocks, with significant fluctuation and uncertainty in the first quarter of 2025 affecting the year-end result. Equity markets have started to price in policy shifts, including deregulation, trade tensions and a renewed focus on traditional energy, triggering a rotation away from the larger technology companies into value-oriented sectors such as industrials, energy and financials. The start of 2025 was also marked by rising uncertainty around the Federal Reserve's interest-rate path, with the impact of higher tariffs and sticky inflation suggesting rates would be higher for longer, dampening bond-market optimism and weighing on rate-sensitive sectors.

Investment strategy going forward will continue to be closely monitored by the SAIT Investment Committee in consideration of external events and emergent market conditions.

GRANTS

In supporting the Army's work overseas, territories and regions produce annual budget proposals, covering all aspects of their operations, that are reviewed at IHQ. Annual grants from the Trust to territories are considered as part of the annual IHQ budget process, with proposals reviewed by the International Finance Board, approved by SAITCo and then paid quarterly in advance to each financially supported territory and region (see Note 11 in the Accounts).

Payments from IHQ to territories are made according to the terms of an International Payments Procedure Manual for IHQ (reviewed in June 2025), which outlines controls over banking transfers, assessment of overseas banking institutions for risk, identification and assessment of situations where funds paid to territories may be remitted on to third parties, controls over international payments direct to overseas suppliers, controls over transporting and controlling cash overseas and prohibitions on the use of non-mainstream banking money-transfer organisations.

RESERVES

The total funds of the Trust at 31 March 2025 amounted to £418.10 million, comprising £82.44 million in restricted funds and £335.66 million in unrestricted funds, which includes £327.91 million in designated funds. The General Reserve held £7.75 million at year-end, which meets the target level for free reserves. The Trustee continues to keep the matter of reserves under review, examining any historic fund with minimal movement in the past few years, mindful of the legislative framework in place and applicable updates to charity law.

RESTRICTED FUNDS

A restricted fund can only be used for a specific charitable purpose. The restriction may be declared by the donor when making the gift. Restricted funds held by the Trust include territorial donations and legacies specified for international use. Where possible, the intention continues to be to use restricted donations and legacies in the year of receipt, except where the gift is sufficiently large to be used over a longer period or is used for support of multi-year programmes.

DESIGNATED FUNDS

The Self-Denial Fund Reserve represents amounts held to ensure sufficient funds are available to make operational grants to supported territories that are paid in advance on a quarterly basis. The aim of the Trustee is for the balance on this Reserve to be sufficient to fund one year's expenditure in support of overseas work. The balance as at 31 March 2025 of £27.28 million is equivalent to 13.2 months' expenditure. The Investment Appreciation Fund (£90.57 million) represents realised and unrealised gains and losses on investments which are still subject to market risk, and the Investment Property Revaluation Fund (£45.38 million) represents the surplus on revaluation of tenanted properties held for investment purposes.

Other material designated amounts at 31 March 2025 relate to a reserve held to fund future replacement of the IHQ building (£23.34 million), and an International Property Project Reserve (£2.58 million) held to provide additional property project funding to territories over the next three to four years.

Other material Designated Funds include reserves of £52.02 million supporting the balances held and invested in the USA on behalf of SAIT to generate income for specific purposes. These are Medical Services Support (£9.42 million), Schools Services Support (£4.58 million) and the Officers' Support Endowment Fund (£38.03 million). In addition, an International Financial and Accounting Standards Implementation Reserve (£2.63 million) is held to fund provision of cloud-based accounting software to territories over the next year and an IT Development Reserve (£2.80 million) is held to fund IT infrastructure improvements in territories over the next two years. A Leadership Development Reserve (£1.66 million) is held to fund the enhancement of training and personal development of officers over the next three to four years with a further reserve held to meet Out of Budget Grants to Territories (£1.75 million) over the next three to four years.

An International Schools Development Reserve (£5.17 million) is held to provide additional schools project funding to territories over the next two to three years. A Children's Homes Support Reserve (£2.46 million) is held to provide ongoing support to improve children's homes facilities over the next three to four years and



Members of The Salvation Army Safe Water team celebrate the completion of the construction of a well in Anuradhapura, Sri Lanka

a Mission Support Reserve (£6.84 million) is held to provide additional project funding to territories over the next year.

GENERAL RESERVE

The General Reserve represents the working capital required to fund the day-to-day needs of the Trust. The aim of the Trustee is for the balance on the General Reserve to cover equivalent to 6.0 months' expenditure on headquarters administration costs. The current balance of £7.75 million meets the target level for free reserves.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustee acknowledges its responsibilities relating to the management of risk. A formal risk management programme continues to operate, allowing risks to be identified, classified and prioritised in terms of potential occurrence and impact. The Board of Directors of SAITCo has appointed a Risk Management Committee, consisting of ten members, which is chaired by an external legal/risk advisor and includes an Independent Non-Executive Director of SAITCo.

A Risk Register is maintained and kept under regular review by the Risk Management Committee. The Risk Management Committee works with the Risk Owner of each major risk to ensure acceptable action is taken to manage the risk and to establish suitable systems to reduce the likelihood of harmful outcomes occurring and the impact on the organisation should they arise.

In addition to the above framework, a range of emergency protocols are in place which allow SAITCo to actively monitor the impact of material external crises upon the operations of the Trust, as well as those of Salvation Army territories, with working parties appointed by SAITCo as needed to undertake tasks in specific areas and provide regular updates to the Board considering the impact of material external crises upon global Salvation Army operations, the financial position of the Trust, the reserves policy of the Trust, the investment portfolio of the Trust and associated logistical matters.

A significant work project was progressed by the Risk Management Committee during 2023/24, supported by an external consultant engaged by SAITCo, to review existing risk management protocols and the formatting of the risk register against latest Charity Commission guidance and sectoral best practice.

A revised and refreshed risk register format was finalised by the Committee and approved by SAITCo for implementation from January 2024, with considerable work undertaken during 2024/25 to present applicable risks in the new format, which places additional emphasis upon scoring of inherent and residual risks and analysis of cyber, data protection and environmental risks, among other changes.

The main risks and uncertainties faced by the Trust, as detailed in the Risk Register at the end of the financial year under review, are outlined below in top-down priority order, together with a summary of the mitigating strategies being pursued to manage these risks:

KEY RISK	MANAGING STRATEGY
A serious safeguarding incident resulting in harm to a child, vulnerable adult or other person and subsequent reputational damage to the local/international Salvation Army and/or requests from territories for additional IHQ financial support.	Ongoing development of safeguarding policies and procedures for IHQ and all Salvation Army territories. IHQ support offered to territories to address safeguarding incidents involving child protection and legal specialists.
National economic and/or political crises adversely impacting Salvation Army operations in a territory, prompting additional emergency support from IHQ.	Continuous IHQ monitoring of economic and political contexts on a country-by-country basis. Development of crisis-management protocols for IHQ interventions.
IHQ support for territories impacted by national government controls targeted at foreign NGOs and/or Christian organisations.	Continuous IHQ monitoring of national political contexts on a country-by-country basis. External consultants and/or legal counsel offer training, resources and advice to IHQ staff to address specific circumstances.
Negative/adverse publicity affecting public perception of The Salvation Army internationally.	Communications Office at IHQ to monitor global press coverage and manage media relationships in consultation with Salvation Army territories.
Risk exposure to SAITCo and SAIT due to sole ownership of Reliance Bank Limited, including financial and reputational risk.	An additional Director with banking expertise was recruited to the SAITCo Board in May 2019 and remains in post with two shareholder representatives appointed to the Bank board and additional performance and risk-reporting mechanisms in place from the Bank to SAITCo.
Investment risk for SAIT portfolio including but not limited to inflation risk, shortfall risk, country risk, currency risk, interest-rate risk, volatility risk, liquidity risk, manager risk and market risk.	Perpetual review of investment performance and development of mitigating strategies by SAIT Investment Committee, which includes external experts and is chaired by an Independent Non-Executive Director of SAITCo.

SUBSIDIARY COMPANY – RELIANCE BANK LIMITED

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. The Bank's model leverages its specialist knowledge and skills to focus on organisations which share its values and to provide them with lending and banking facilities.

The priority of the lending team is to support those delivering positive social impact – including through charities, community and faith organisations, and social-housing providers. The Bank has also built a shared-ownership mortgage portfolio, which allowed individuals to buy their homes in small, affordable tranches and rent the remaining proportion.

The Bank achieved strong growth in its SME lending book, which increased by 28% to £80.6 million. However, as part of a strategic decision made during the reporting year, the Bank decided to withdraw any mortgage products from the market and wind down its mortgage lending book. Hence, the mortgage book saw a decline of 4% to £61.4 million.

In the year to 31 March 2025, the Bank saw in an increase of net interest income to £9.48 million (£8.72 million in 2024). Administrative costs also grew, reflecting the Bank's strategic investment in expanding its workforce, upgrading systems and strengthening its ability to meet new regulatory requirements. The Bank's performance for the year ended 31 March 2025 was therefore a profit before tax of £1.43 million (2024: £1.92 million).

The Bank's capital and reserves increased to £24.72 million as at 31 March 2025 (2024: £23.0 million). The Bank's financial strength is also reflected in its Common Equity Tier 1 (CET1) ratio, which remains solid at 19.9% (2024: 20.7%). The decline year on year is due to the growth of the lending book. Additionally, a Gift Aid donation of £0.10 million (2024: £0.10 million) was made to the Trust for the year.

The Bank's total assets at 31 March 2025 reduced from last year to £267 million (2024: £277 million), mainly consisting of loans to customers and balances held with other financial institutions, including the Bank of England. This decrease was primarily due to a decline in customer deposits, which fell from £252 million in 2024 to £241 million in 2025. However, the Bank continues to maintain strong liquidity levels, providing a stable foundation for future growth.

In response to the evolving economic environment, the Bank has increased its provisions by £0.1 million during the year, bringing the total to £0.5 million.

The Bank is committed to reducing its environmental impact and works closely with the Trust in this regard. For the year of this report, carbon emissions were calculated using the same scope and methodology as for the Trust, and on this basis its emissions were a total of 30 tonnes CO2e (tCO2e), made up as follows: scope 1 – zero; scope 2 – 25 tCO2e; scope 3 (part) – 5 tCO2e. Energy actions undertaken in this reporting year included a full switch to LED lighting as part of a head office refurbishment project, adding lighting sensors to refurbished floors and then reviewing the building energy operating times and settings to minimise energy consumed.

Looking forward, the challenges of inflationary pressures and the expectation of higher interest rates for longer are reflected in the Bank's forecasts and medium-term strategic plans. The Bank continues to focus upon supporting The Salvation Army and delivering loan book growth alongside investment in its resources and systems, seeking to be recognised and respected as an important ethical bank that exists to enable positive social impact.

SUBSIDIARY COMPANY – THE SALVATION ARMY LEADERS' TRAINING COLLEGE OF AFRICA AND RESOURCE CENTRE LIMITED

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited ('SALT College') is a wholly owned subsidiary of the Trust.

During 2020/21, a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for

Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo, to which the Trust transferred assets, and so, from 1 August 2020 and during the year under review (2024/25), it is no longer reported within the charity-only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the new entity in 2020 totalling £26,309 are not material to the Trust.

The Group accounts reflect operations of the SALT College entity from 1 April 2024 to 31 March 2025. The SALT College entity held net assets on the Group Balance Sheet of £163,000 at the 2025 year-end, down from £164,000 at the 2024 year-end.

During the reporting period, the college offered adult distance-learning subjects in four major languages at foundation, certificate and diploma levels.

GROUP ACCOUNTS

The Group accounts comprise the results of The Salvation Army International Trust plus the subsidiary companies Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited for the period 1 April 2024 to 31 March 2025.

The net movement in funds for the Group showed an increase of £15.20 million. Net goodwill at year-end amounted to Negative £3.52 million, as set out in Note 22 to the Accounts.

Total fixed assets including investments amounted to £351.67 million. Net current assets were £71.58 million. Total funds of the Group amounted to £419.25 million at year-end.

A going-concern assessment has been undertaken for The Salvation Army International Trust, Reliance Bank Limited and Salvation Army Leaders' Training College of Africa and Resource Centre Limited. The Trustee is satisfied the Group has sufficient resources to continue operating for the foreseeable future. The Trustee has not identified any material uncertainties related to going concern and the Group accounts are therefore prepared on a going-concern basis.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, and to disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with The Charities Act 2011 as amended by The Charities Act 2022. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In relation to the audit of financial statements, the Trustee as at the date of this report has taken all the steps that they ought to have taken in order to make

themselves aware of any relevant audit information and to establish that the appointed auditors are aware of that information. The Trustee is not aware of any relevant audit information of which the appointed auditors are unaware.

The Trustee has approved this 2024/25 Annual Report and Accounts on this basis.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

For and on behalf of the directors of The Salvation Army International Trustee Company.



Commissioner Garth Niemand *MBA BTh*
Managing Director
14 November 2025



Lamia, daughter of a weaver at The Salvation Army's Others production centre in Jashore, Bangladesh. The project helps fund her education

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE SALVATION ARMY INTERNATIONAL TRUST

OPINION

We have audited the financial statements of The Salvation Army International Trust (the 'parent charity') and its subsidiaries ('the group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheet, Statement of Financial Activities (Charity Only), Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 March 2025 and of the group's and the parent charity's income and expenditure for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice

- have been prepared in accordance with the Charities Act 2011.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Trustee's Report, other than the financial statements and our auditor's report thereon. The Trustee is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustee's Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEE

As explained more fully in the Trustee's responsibilities statement set out on page 56, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the group's and the

parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and its sector, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, bribery act, data protection, health and safety regulation, and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- inquiring of management and, where appropriate, those charged with governance, as to whether the charity is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations





LEFT: The Salvation Army conducted emergency food-relief-kit distributions in six locations across Mozambique to address food insecurity caused by post-election protests and tropical cyclones

RIGHT: emergency responses to food insecurities caused by drought in Zambia

- inspecting correspondence, if any, with relevant licensing or regulatory authorities
- communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit
- considering the risk of acts by the charity which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Charities Act 2011.

In addition, we evaluated the Trustee's and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to valuation of property, valuation of negative goodwill and allowance for impairment losses on loans and advances to customers, income recognition (which we pinpointed to the cut-off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of the Trustee and management on whether they had knowledge of any actual, suspected or alleged fraud
- gaining an understanding of the internal controls established to mitigate risks related to fraud
- discussing among the engagement team the risks of fraud
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above, and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF THE AUDIT REPORT

This report is made solely to the charity's Trustee, as a body in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to them in an auditor's 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 charity and the charity's Trustee as a body for our audit work, for this report, or for the opinions we have formed.

Forvis Mazars LLP

Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
Address: 6 Sutton Plaza, Sutton Court Road, Sutton SM1 4FS
14th November 2025

Forvis Mazars LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under Section 1212 of the Companies Act 2006.



Sukurenessa (pictured with her daughter, Neela) . She is an artisan working with Others in Bangladesh– a Salvation Army project which is transforming lives through job creation and the fight against poverty

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 Unrestricted funds £000	2025 Restricted funds £000	2025 Total funds – Group £000	2024 Unrestricted funds £000	2024 Restricted funds £000	2024 Total funds – Group £000
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	**3**	27,399	-	27,399	28,169	-	28,169
- IHQ Support	**3**	10,875	-	10,875	10,647	-	10,647
- Donations	**3**	99	14,373	14,472	-	10,021	10,021
Other donations and legacies	**5(a)**	2,307	1,724	4,031	147	16,475	16,622
		40,680	16,097	56,777	38,963	26,496	65,459
Charitable activities	**6**	520	44	564	536	-	536
Other trading activities	**7**	15,286	-	15,286	12,788	-	12,788
Investment Income	**8**	6,499	1,090	7,589	6,123	847	6,970
Gain on Disposal of Properties		1,568	-	1,568	219	-	219
Total Income		64,553	17,231	**81,784**	58,629	27,343	**85,972**
EXPENDITURE ON							
Raising funds	**9**	14,333	187	14,520	11,472	131	11,603
Charitable activities	**10**	45,018	5,571	50,589	47,458	5,022	52,480
Total Expenditure		59,351	5,758	65,109	58,930	5,153	**64,083**
Net (Losses)/Gains on investments	**18**	(4,210)	1,047	(3,163)	21,590	(546)	21,044
Net Income		992	12,520	13,512	21,289	21,644	42,933
Transfers Between Funds	**20**	(202)	202	-	446	(446)	-
				-			
Other Recognised Gains	**18**	1,684	-	1,684	1,708	-	1,708
				-			
Net Movement in Funds	**20**	2,474	12,722	**15,196**	23,443	21,198	**44,641**
Reconciliation of Funds:							
Total funds brought forward		334,334	69,719	404,053	310,891	48,521	359,412
Total Funds Carried Forward		336,808	82,441	**419,249**	334,334	69,719	**404,053**

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes on pages 66 to 89 form an integral part of these consolidated financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 Group	2024 Group	2025 Charity	2024 Charity
		£000	£000	£000	£000
Intangible Fixed Assets					
Goodwill	**22(a)**	173	217	173	217
Negative Goodwill	**22(a)**	(3,688)	(3,907)	-	-
Other Intangible Assets	**22(b)**	175	148	-	-
		(3,340)	(3,542)	173	217
Tangible Fixed Assets					
Properties	**23**	30,980	30,348	26,573	26,366
Other Tangible Fixed Assets	**24**	2,103	2,343	1,801	2,007
Investments	**25(a)**	321,930	315,194	330,829	335,194
		355,013	347,885	359,203	363,567
Total Fixed Assets		351,673	344,343	359,376	363,784
Current Assets					
Investments	**25(a)**	36,248	31,377	54,174	36,453
Stocks		127	124	127	124
Debtors and Prepayments due in more than one year	**26(a)**	114,530	111,558	179	186
Debtors and Prepayments due within one year	**26(b)**	38,039	25,371	10,318	11,027
Cash at bank and in hand	**27**	88,055	120,630	6,615	6,513
		276,999	289,060	71,413	54,303
Less Current Liabilities					
Other Creditors due within one year	**28**	(205,415)	(225,002)	(8,680)	(9,286)
Net Current Assets		71,584	64,058	62,733	45,017
Total Assets less current liabilities		423,257	408,401	422,109	408,801
Creditors: Amounts Falling due after more than one year	**29**	(4,008)	(4,058)	(4,008)	(4,058)
Provisions for Liabilities	**30**	-	(290)	-	(290)
Net Assets	**21**	419,249	404,053	418,101	404,453
Funds					
Restricted Funds					
Property Fund		14,399	14,380	14,399	14,380
Other Restricted Funds		68,042	55,339	68,042	55,339
	20	82,441	69,719	82,441	69,719
Unrestricted Funds					
Property Fund		19,314	18,861	19,314	18,861
Other Fixed Assets Fund		1,801	2,007	1,801	2,007
Share Capital Fund		12,500	12,500	12,500	12,500
Other Board Designated Funds		294,323	293,847	294,299	293,827
General Reserve		8,870	7,119	7,746	7,539
	20	336,808	334,334	335,660	334,734
Total Funds	**20**	419,249	404,053	418,101	404,453

The accompanying notes on pages 66 to 89 form an integral part of these consolidated financial statements.
Approved by The Salvation Army International Trustee Company and signed on its behalf on 14 November 2025 by:

Edward Hill – Chairman



Garth Niemand – Managing Director



STATEMENT OF FINANCIAL ACTIVITIES (CHARITY ONLY)

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 Unrestricted funds	2025 Restricted funds	2025 Total funds	2024 Unrestricted funds	2024 Restricted funds	2024 Total funds
		£000	£000	£000	£000	£000	£000
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	**3**	27,399	-	27,399	28,169	-	28,169
- IHQ Support	**3**	10,875	-	10,875	10,647	-	10,647
- Donations	**3**	99	14,373	14,472	-	10,021	10,021
Subsidiary Company – Donation	**4**	100	-	100	100	-	100
Other donations and legacies	**5(b)**	2,285	1,724	4,009	85	16,475	16,560
		40,758	16,097	56,855	39,001	26,496	65,497
Charitable activities	**6**	455	44	499	510	-	510
Other trading activities	**7**	153	-	153	150	-	150
Investment Income	**8**	7,463	1,090	8,553	6,793	847	7,640
Gain on Disposal of Properties		1,568	-	1,568	219	-	219
Total Income		50,397	17,231	**67,628**	46,673	27,343	**74,016**
EXPENDITURE ON							
Raising funds	**9**	1,802	187	1,989	1,709	131	1,840
Charitable activities	**10**	44,941	5,571	50,512	47,419	5,022	52,441
Total Expenditure		46,743	5,758	**52,501**	49,128	5,153	**54,281**
Net (Losses)/Gains on Investments	**18**	(4,210)	1,047	(3,163)	21,590	(546)	21,044
Net Income/(Expenditure)		(556)	12,520	11,964	19,135	21,644	40,779
Transfers Between Funds	**20**	(202)	202	-	446	(446)	-
Other Recognised Gains	**18**	1,684	-	1,684	1,710	-	1,710
Net Movement in Funds		926	12,722	**13,648**	21,291	21,198	**42,489**
Reconciliation of Funds:							
Total funds brought forward		334,734	69,719	404,453	313,443	48,521	361,964
Total Funds Carried Forward		335,660	82,441	**418,101**	334,734	69,719	**404,453**

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes on pages 66 to 89 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

	2025 £000 Group	2024 £000 Group
Net Cash (used in)/generated from Operating Activities	(27,753)	25,920
Cash Flows from Investing Activities:		
Dividends, interest and rents from Investments	7,589	6,970
(Increase)/Decrease in Long-Term Bank Deposits	(504)	(23)
Proceeds from the sale of property, plant and equipment	2,656	376
Purchases of property, plant and equipment	(1,196)	(529)
Purchase of Intangible Fixed Assets	(144)	(39)
Proceeds from the sale of Investments (including Investments held in the USA)	209,264	154,226
Purchase of Investments	(214,480)	(163,976)
Gain/(Loss) on US-held Investments	(605)	-
Movement on Investment Funds held in USA	2,645	-
Net Cash Provided by Investing Activities	5,225	(2,995)
Change in cash and cash equivalents in the reporting period	(22,016)	22,925
Cash and cash equivalents at the beginning of the reporting period	125,240	102,347
Effects of currency translation on cash and cash equivalents	-	(32)
Cash and cash equivalents at the end of the reporting period (see Note B)	103,224	125,240

Note A

Reconciliation of Net Income to Net Cash Flow (used in)/generated from Operating Activities

Net Income for the Reporting Period (as per the Statement of Financial Activities)	13,512	44,641
Adjustments for:		
Depreciation and amortisation	1,255	1,184
Movement in value of debt securities	373	387
Loss/(Gain) on investments	2,826	(21,044)
Dividends, interest and rents from investments	(7,589)	(6,970)
(Gain) on revaluation of Properties transferred to Investment	(1,488)	(1,749)
(Gain) on disposal of fixed assets	(1,568)	(219)
(Increase)/Decrease in Stock	(3)	38
Decrease/(Increase) in Debtors	412	(2,387)
(Decrease)/Increase in Creditors	(1,479)	11,966
Decrease/(Increase) in loans and advances to customers before provisions	(16,375)	-
Net Increase/(Decrease) in customer accounts	(17,919)	-
(Decrease)/Increase in provisions	290	73
Net Cash (used in)/generated from Operating Activities	(27,753)	25,920

Note B

Analysis of Cash and Cash Equivalents – Group	**Balance 2024** £000	**Movement in year** £000	**Balance 2025** £000
Cash at Bank	100,370	(31,245)	69,125
RBL Loans and Advances to Banks – recoverable on demand	8,310	(3,608)	4,702
Cash held by Investment Managers	4,609	10,561	15,170
Notice Deposits (less than three months)	11,951	2,276	14,227
Total Cash and Cash Equivalents	125,240	(22,016)	**103,224**

(i) Analysis of Changes in Net Debt	**01-Apr-24** £000	**Cashflows** £000	**31-Mar-25** £000
Cash and Cash Equivalents			
Cash	104,979	(20,684)	84,295
Overdrafts	-	-	-
Cash Equivalents	20,261	(1,332)	18,929
	125,240	**(22,016)**	**103,224**

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

1. ACCOUNTING POLICIES

The Trust is a registered Charity in England and Wales and a public benefit entity as defined in FRS 102.
The principal accounting policies adopted by the Trustee in the preparation of the financial statements have been applied consistently and are set out below:

(a) **Basis of Accounting** – The financial statements have been prepared under the historical cost convention, subject to the inclusion of investments at fair value, and are in compliance with the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) (effective 1 January 2019), the Charities Act 2011, The Salvation Army Act 1980 and FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.

Critical Accounting Judgements and Key Estimations

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.
Apart from those involving estimates, no judgements are deemed to have had a significant effect on amounts recognised in the financial statements. Judgements would include assessing for indicators of impairment of assets or whether the Trust is party to lease arrangements and their nature. Other than investment properties, it is the Trustees' opinion that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Other key estimates relevant to the charity include property valuations, depreciation and amortisation.
The Investment Property portfolio is independently valued by a Chartered Surveyor. This valuation is based on, at a minimum, a rolling three-year revaluation plan carried out using the comparable method in accordance with the RICS Valuation Global Standards effective at the time and the fair values of properties not due for an external valuation are updated using the UK House Price Index provided by the Land Registry (see Note 25). Estimations made in calculating the depreciation of non-investment properties are detailed in paragraph (g) below.

(b) **Income**

(i) All income is recognised in the Statement of Financial Activities on an Accruals basis or on receipt of cash if there is no basis to accrue. Income is only recognised where there is entitlement of the rights or other access to the economic benefits, if it is probable that the economic benefits of the transaction or gift will flow to the organisation and the monetary value of the income can be reliably measured. Income relating to a specific future period, where applicable, is deferred. Refunds are shown as negative income.

(ii) Contributions to the International Self-Denial Fund are received annually from the headquarters of Salvation Army territories around the world (see Note 3). Contributions are recognised in the period they relate to when territories submit results of their respective Self-Denial Appeals to the International Trust and these are formally accepted by the Trust or upon receipt of the cash, whichever is earlier. In rare cases where these particular triggers have not occurred, income will be accrued provided all applicable income-recognition criteria (per Note 1(b)(i)) have been met. A territory is an administrative unit and may comprise several countries, a single country or part of a country. The Self-Denial Appeals are separate annual appeals within each territory, whereby church members of The Salvation Army offer a monetary gift to support the work of The Salvation Army worldwide. In addition to this, some territories make contributions to the Self-Denial Fund from other funds available to them. These contributions are used to fund grants and other support payments to financially supported territories, as set out in Note 11.

(iii) Contributions to International Headquarters support are set annually and apply from 1 April of each year. Contributions from individual territories are recognised when they become due, which is quarterly from independent territories, and either quarterly or annually from financially supported territories.

(iv) Legacies are accounted for on receipt, or on earlier notification where the value can be reliably measured and receipt is probable, on a discounted basis, where applicable and material. Donations are recognised in the period in which they are received, unless there is a basis to accrue(per Note 1(b)(i)).

(v) Grant income subject to specific performance conditions is recognised when there is evidence that the relevant conditions have been met by the Charity.

1. ACCOUNTING POLICIES - continued

(c) **Expenditure**

Expenditure is charged in the Statement of Financial Activities on the accruals basis.

(i) Irrecoverable Value Added Tax is charged to the related expenditure categories.

(ii) Expenditure on Charitable Activities consists of all expenditure relating directly to the objects of the Trust, including support costs. Support costs have been allocated over activities on a per capita basis. Governance costs include those associated with constitutional and statutory requirements and those incurred in the governance of the Trust's assets.

(iii) Maintenance grants are paid to overseas Salvation Army territories to support their operating costs and are allocated for a duration of one year. The expenditure is recognised when the grants are approved and notified to the relevant territories in the year the obligations arise. They are payable at the beginning of each quarter.

(iv) Property Schemes not completed at the year-end are carried forward in the Balance Sheet as a Fixed Asset under the heading of Property Schemes in Progress.

(v) Pension costs are accounted for in accordance with FRS 102 and are charged to the Statement of Financial Activities when payable. SAIT and Reliance Bank both historically participate alongside other entities in a multi-employer defined benefit plan scheme. The actuary has confirmed that it is not possible to split the share of the scheme's assets and liabilities between employers, and contributions are charged to the Statement of Financial Activities as if they were made to a defined contribution plan. Details are provided in Note 17.

(vi) Grants payable to Salvation Army territories are recognised as expenditure when they are committed and communicated to the territories, in accordance with the annual budget or following Board Approval of the Grant as appropriate. Expenditure arising from performance-related grants is recognised where there is evidence that the recipient of the grant has fulfilled the performance conditions.

(vii) There are no assets held under Finance lease. Rentals payable and licensing arrangements under operating leases are charged to Expenditure on a straight line basis of over the lease term.

(viii) Reliance Bank Limited costs are shown under Expenditure on Raising Funds.

(ix) Termination payments are payable when employment is terminated before the normal retirement date or end of employment contract. The costs are recognised at the earlier of when the offer of the benefits can no longer be withdrawn or when the group recognises any related restructuring costs.

(d) **Foreign Currencies**

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction.
Monetary assets and liabilities are translated into sterling at the exchange rate ruling on the balance sheet date.
All profits and losses on exchange are included in the Statement of Financial Activities.

(e) **Going Concern**

The Trustee has reviewed the Trust's financial position, taking account of satisfactory levels of reserves and cash, the annual plan, and its system of financial and risk management considering potentially adverse future scenarios. The Trustee recognises the potentially material pension liability arising from participation of the Trust in The Salvation Army Employees' Pension Fund (see Note 17) remains well placed to meet its obligations in this regard.

The Trustee has a reasonable expectation that the Trust has adequate resources to continue in operational existence in the foreseeable future following projections of the cash position under adverse income performance scenarios over 12 months following the signing of the Accounts. The Trust holds a strong balance sheet with £60.79 million (2024: £42.97 million) held in cash or short-term bank deposits and current liabilities amounting to £8.68 million (2024: £9.29 million).

The Trustee is confident the Trust is well placed to meet the ongoing global crises and other external events, including general inflationary pressures, and continues to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy, all underpinned by the governance structures of SAITCo.

1. ACCOUNTING POLICIES – continued

(f) **Intangible Fixed Assets**
Negative Goodwill arising from the acquisition of Reliance Bank Limited is amortised on the following basis of: the excess up to the fair value of non-monetary assets which is recognised in profit or loss in the periods when the non-monetary assets are recovered, any excess beyond the fair value of non-monetary assets acquired recognised in profit or loss in the periods expected to be benefited. Computer software, where capitalised, is depreciated over a period of 2–6 years.

(g) **Fixed Assets**
Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.
Such cost includes costs directly attributable to making the asset capable of operating as intended.
Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives, as follows:

- Freehold and Long Leasehold Properties are depreciated over 50 years
- Internal Fit-Out Costs of the Headquarters building are depreciated over 15 years
- Fixtures, Fittings and Office Equipment are depreciated over 5–10 years
- Vehicles are depreciated over 6 years
- IT Equipment is depreciated over 3–4 years.

A Fixed Asset Property is transferred to or from Investment Properties when it first met or ceases to meet the definition of Investment Property per FRS 102 and is transferred at its fair value at the date of change in use. Any difference between the fair value of the property at transfer date and its previous carrying amount is recognised in the SOFA under Other Recognised Gains/(Losses) for transfer to Investment Properties, and under Net Gain/(Loss) on investments for transfers from Investment Properties.

The freehold property at Sunbury Court has been depreciated so as to write down the cost of the project by components, on a straight line basis, over their estimated useful economic lives at the following annual rates:

- Building and Infrastructure – 50 years
- Roof (flat), Windows and Doors – 25 years
- Major Installations (including heating, electrical, drainage) – 25 years
- Bathroom and Kitchen Installations, Lifts – 15 years
- Furniture, Fixtures and Fittings – 15 years.

(h) **Basic Financial Instruments**
Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at historical cost unless another basis is required under applicable accounting standards, which is usually the transaction price, and are subsequently measured at their settlement value aside from Reliance Bank Debt instruments below. Financial investments are recognised at fair value through Profit and Loss – See Note 1(i) below. Trade and other debtors are recognised at the settlement amount due. Creditors and provisions are recognised where the Trust has an obligation resulting from a past event that is likely to result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(i) **Investments – To comply with the Statement of Recommended Practice, Financial Investments are included at fair value (see Note 25).** Listed investments are valued at the year end bid price.
The freehold reversionary interest (see Note 25(f)) is externally valued at least every three years, subject to any significant change in value in the intervening years.
Investment properties are held for the purpose of earning rental income or for capital appreciation or both. They are measured at fair value at the balance sheet date as detailed in Accounting Estimates (Note 1(a)) above and no depreciation is provided. Passing rents levels are guided by estimated market rents assessed as part of Investment properties valuations to the extent possible. A property achieving below market rent level at a given point in time shall continue to be classified as an Investment property for as long as the purpose listed above remains true. Salvation Army employees may occupy properties held for investment purposes on comparable terms to members of the public, in which case these properties remain Investment properties in line with FRS 102.
The aggregate surplus or deficit arising on revaluation at each period end is transferred to the Investment Property Revaluation Fund (see Note 20). Investments in subsidiary undertakings are held at cost less impairment.

(j) **Stocks** are valued at the lower of cost or net realisable value.

1. ACCOUNTING POLICIES - continued

(k) **Funds:**
(i) The Restricted Funds are held for restricted purposes, as specified by the donors.
(ii) The Unrestricted Funds include Designated Funds held for particular purposes designated by the Trustee in the exercise of its discretionary powers, and a General Reserve representing funds not designated for specific purposes (see Note 20 for further details).

(l) **Provisions for liabilities**
A provision is recognised when there is a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The effect of the time value of money is not material and therefore the provisions are not discounted.

(m) **Subsidiary Companies**
Wholly owned subsidiary companies are consolidated with the Financial Statements of the Trust on a line-by-line basis.

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UKI Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership model and through the delivery of its five-year strategic plan, the Bank aims to become an important, positive social-impact bank with an expanded remit in this market segment. Between December 2019 and November 2025, £16 million of additional share capital was invested by the Trust in the Bank to support its new strategic plan and future growth.
While the Trust is the Bank's parent controlling entity, a Nominations Committee comprising Non-Executive Directors of the Bank recommends appointments of Bank Directors to its board. This includes consideration of proposed Shareholder representative Directors, as and when appropriate. Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of the Trust. This had not been the case in the earlier years, as the Bank was investing in its organisational structure and systems, but it returned to profit in the last two years with a target of a self-sustaining business model where future capital requirements are minimised.

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited (SALT) is a wholly owned subsidiary of the Trust. During 2020/21, a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo, to which the Trust transferred assets, and so from August 2020 is no longer reported within the charity-only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the new entity are not material to the Trust.

(n) **Prepayments**
Prepayments are valued at the amount prepaid net of any trade discount offered.

(o) **Cash and Cash Equivalents**
For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash at banks and in hand and short-term deposits with an original maturity (from date of acquisition) of less than three months, and cash held with investment managers as it is available to meet short-term cash needs of the organisation.

(p) **Gains and Losses**
All recognised Gains and Losses are included in the Statement of Financial Activities, and all the reported activities, in both the current and preceding years, reflect ongoing activities.
Properties reclassified to Investments are transferred at Fair Value on transfer date. Any difference between the fair value of the property at that date and its previous carrying amount is recognised in the Statement of Financial Activities.
Further details on Gains and Losses can be found in Note 25.

2. BUSINESS COMBINATION – ACQUISITION

On 31 October 2018 (the acquisition date), The Salvation Army International Trust acquired the equity of Reliance Bank Limited in a cash transaction per the workings below. Reliance Bank Limited is a UK incorporated company limited by shares and authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). Following acquisition, Reliance Bank Limited is a wholly owned subsidiary of The Salvation Army International Trust. Reliance Bank's mission is to be a distinctive, solid and safe Bank with Christian and ethical values that delivers as part of the broader objectives of The Salvation Army by enabling positive social impact.

Equity Transaction: Preceding the acquisition the outstanding Reliance Bank Limited had allotted, called up and fully paid £7.5 million of £1 ordinary shares. The Salvation Army International Trust already held 51% of Reliance Bank and purchased the remaining 49% shareholding held by The Salvation Army Trust on 31 October 2018.

The estimated fair value of the Net Assets acquired benefited from a fair value uplift associated with Property, Plant and Equipment as below:

	£
Freehold Property (per Valuation)	4,400,000
Other Net Assets per Accounts	8,799,631
Total	13,199,631

Calculation of Goodwill

The total cost of acquisition is therefore £7,933,397 (original cost £3,825,000 and subsequent acquisition £4,108,397) acquiring Net Assets at fair value of £13,199,631, giving rise to negative goodwill of £5,266,234. The negative goodwill is unwound through the Statement of Financial Activities (SOFA) as set out in Note 1(f)).
The cost of acquisition represented a contingent consideration of £4,108,397 estimated at the time to be payable over 15 years and over seven years as at March 2025. The outstanding balance at March 2025 was £4,008,397 (2024: £4,058,397) (see Note 29).

3. CONTRIBUTIONS RECEIVED FROM SALVATION ARMY TERRITORIES

	Self-Denial Fund		International Headquarters Support		Donations Received	
	Unrestricted		Unrestricted		Restricted	
Territory	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
	£000	£000	£000	£000	£000	£000
Angola	7	7	1	1	1	-
Australia	408	416	801	778	206	268
Bangladesh	1	1	2	2	1	-
Brazil	19	69	2	2	1	-
Canada and Bermuda	1,822	1,791	629	610	153	486
Caribbean	67	76	5	5	1	-
Congo (Brazzaville)	66	82	5	5	1	-
Democratic Republic of Congo	70	77	6	6	1	-
Denmark and Greenland	25	26	18	18	1	8
Eastern Europe	15	14	1	1	5	1
Finland and Estonia	40	50	32	31	36	54
France and Belgium	14	17	57	55	22	15
Germany, Lithuania and Poland	34	32	39	38	46	4
Ghana	28	27	3	3	1	-
Hong Kong and Macau	64	55	29	28	8	8
India Central	45	43	8	8	1	-
India Eastern	123	115	4	4	1	-
India Northern	19	17	7	7	1	-
India South Eastern	71	67	8	8	1	-
India South Western	21	22	8	8	1	-
India Western	27	26	7	7	1	-
Indonesia	57	48	13	12	1	-
Italy and Greece	4	4	1	1	1	2
Japan	27	26	77	75	5	6
Kenya East	245	212	8	8	1	-
Kenya West	225	215	9	8	1	-
Korea	154	173	14	13	18	61
Latin America North	33	35	2	2	1	-
Liberia, Sierra Leone and Guinea	10	15	1	1	1	-
Malawi	6	6	1	1	1	-
Mali and Burkina Faso	1	2	1	1	1	-
Mexico	15	21	3	3	1	-
Middle East	13	8	1	1	1	-
Mozambique	2	3	1	1	1	-
The Netherlands, Czech Republic and Slovakia	168	176	124	120	185	160
New Zealand, Fiji, Tonga and Samoa	361	396	292	284	43	45
Nigeria	18	23	5	5	-	-
Norway, Iceland and The Færoes	400	400	109	106	68	109
Pakistan	3	2	6	6	1	-
Papua New Guinea and Solomon Islands	44	44	4	4	1	-
The Philippines	20	20	4	4	1	2
Russia	2	2	1	1	-	2
Rwanda and Burundi	7	6	1	1	1	-
Singapore, Malaysia, Myanmar and Thailand	113	93	20	19	2	33
South America East	7	19	3	3	1	-
South America West	40	95	4	4	1	-
Southern Africa	41	40	4	4	1	-
Spain and Portugal	18	19	1	1	1	7
Sri Lanka	1	1	2	2	1	-
Sweden and Latvia	98	89	89	87	50	33
Switzerland, Austria and Hungary	667	676	173	168	72	85
Taiwan	6	8	1	1	1	-
Tanzania	11	10	2	2	1	-
Uganda	11	11	1	1	1	-
United Kingdom and Ireland	2,857	2,734	954	926	74	1,076
USA Central	4,867	4,809	1,910	1,888	1,933	3,128
USA Eastern	4,882	5,008	1,649	1,605	938	950
USA Southern	4,760	5,439	2,069	2,049	3,136	3,282
USA Western	3,983	3,989	1,571	1,533	7,127	(33)
USA National HQ	-	-	60	60	299	229
Zambia	52	53	4	4	1	-
Zimbabwe and Botswana	184	209	8	7	8	-
	27,399	28,169	10,875	10,647	14,472	10,021

4. DONATION FROM SUBSIDIARY COMPANY

Reliance Bank Limited

Unrestricted income to The Salvation Army International Trust from Reliance Bank Limited for the year was £100k (2024: £100k) to support the mission of the Trust.

The banking company, Reliance Bank Limited (the 'Bank'), became a wholly owned subsidiary of The Salvation Army International Trust (the 'Trust') in October 2018, following the purchase of The Salvation Army Trust's (UKI Territory) 49% interest. Under this ownership model and its strategic plan, the Bank aims to become an important social-impact bank with an expanded remit in this market segment.

Reliance Bank Limited provides banking facilities to The Salvation Army and the general public. The Bank offers transactional banking services to more than 30 Salvation Army territories, providing a vital 'safe haven' for project funds and IHQ operational grants, and a secure platform for international fund transfers for the global Army. A pre-tax profit of £1,431k (2024: £1,918k) has been made in the year.

	2025	2024
	£000	£000
Summary Profit and Loss Account		
Interest Receivable and other operating income	14,969	12,504
Interest Payable and other operating expenditure	(5,391)	(3,414)
Administration Expenditure	(8,147)	(7,172)
Operating Profit	1,431	1,918
Taxation	(210)	(68)
Retained Profit for year	1,221	1,850
Retained Reserves brought forward	2,188	438
Less qualifying charitable donations	(100)	(100)
Retained Reserves carried forward	3,309	2,188
Share Capital owned	20,000	20,000
Gain/(Loss) on Revaluation of Property included in the Revaluation Reserve	601	-
Summary Balance Sheet		
Fixed Assets	4,921	4,183
Assets		
Less than one year	147,379	161,338
Loans over one year	114,351	111,372
	266,651	276,893
Liabilities		
Current	(241,929)	(253,893)
Net Assets	24,722	23,000
Share Capital	20,000	20,000
Revaluation Reserve	1,413	812
Reserves	3,309	2,188
Shareholders' Funds	24,722	23,000

The effects of differences between subsidiary and Group policies in relation to the Bank's building property valuation, including the revaluation reserve balance, were eliminated on consolidation and the impacted amounts are presented in the Group Financial Statements in accordance with Group Accounting policies (see Note 1(m)).

5. OTHER DONATIONS AND LEGACIES

	Unrestricted	Restricted	2025	Unrestricted	Restricted	2024
a) Group	£000	£000	£000	£000	£000	£000
Other Donations	1,589	1,733	3,322	66	16,300	16,366
Legacies	718	(9)	709	81	175	256
	2,307	1,724	4,031	147	16,475	16,622
b) Charity						
Other Donations	1,567	1,733	3,300	4	16,300	16,304
Legacies	718	(9)	709	81	175	256
	2,285	1,724	4,009	85	16,475	16,560

Total external donations and legacies decreased to £4.03 million (2024: £16.62 million) mainly due to a large restricted donation towards the Officers' Support Endowment Fund having been received during the financial year ending 31 March 2024.

		2025 Group	2024 Group	2025 Charity	2024 Charity
6.	**INCOME FROM CHARITABLE ACTIVITIES**	£000	£000	£000	£000
	Rents from charitable activities	101	105	101	105
	Software charges	44	30	44	30
	Income from publications	176	212	176	212
	Income from Café 101	170	146	170	146
	International Personnel Training and Development	73	43	8	17
		564	536	499	510
	Restricted income for the year was £44k (2024: £nil)				
7.	**OTHER TRADING ACTIVITIES**				
	Conference Centre income	53	47	53	47
	Rents from letting of property	100	103	100	103
	Fees and Commissions receivable	617	834	-	-
	Release of Negative Goodwill	175	174	-	-
		945	1,158	153	150
	Interest on Loans and Advances to Bank and Customers	14,341	11,630	-	-
		15,286	12,788	153	150
	Unrestricted income for the year was £15,286k (2024: £12,788k)				
8.	**INVESTMENT INCOME**				
	Income from fixed interest securities	1,263	1,187	1,263	1,187
	Dividends from equities	2,083	2,041	2,083	2,041
	Interest on bank deposits	466	395	1,430	1,065
	Income from funds held in USA	1,391	1,230	1,391	1,230
	Rental on Freehold Reversionary Interest	200	204	200	204
	Rents from letting of investment properties	2,186	1,913	2,186	1,913
		7,589	6,970	8,553	7,640
	Restricted income for the year was £1,090k (2024: £847k)				

9. RAISING FUNDS	2025 Group £000	2024 Group £000	2025 Charity £000	2024 Charity £000
Cost of letting of property	879	791	879	791
Investment management costs	1,067	964	1,067	964
Goodwill amortisation	-	-	43	43
Costs of subsidiary banking operations	12,574	9,848	-	42
	14,520	11,603	1,989	1,840

Restricted expenditure for the year was £187k (2024: £131k)

10. CHARITABLE ACTIVITIES

Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2025 Group Total	2024 Group Total	2025 Charity Total	2024 Charity Total
	£000	£000	£000	£000	£000	£000	£000
World Mission	-	3,064	2,007	5,071	5,560	5,073	5,568
Assistance to Salvation Army territories (Note 11)	21,752	4,927	2,743	29,422	30,504	29,425	30,515
International Personnel Training and Development	-	9,190	4,108	13,298	12,731	13,216	12,670
Crisis Relief	-	1,075	335	1,410	1,348	1,410	1,349
Health Services for the Poorest People	-	227	67	294	1,075	294	1,075
Fighting Against Sexual Trafficking and for Social Justice	-	692	402	1,094	1,262	1,094	1,264
	21,752	19,175	9,662	50,589	52,480	50,512	52,441

Grant and donation funding includes operational grants paid quarterly to Salvation Army territories around the world and the onward transmission of project funding.
Costs of activities undertaken directly include the direct costs associated with emergency services and other projects which are managed by International Headquarters.
Support costs have been allocated over activities on a per capita basis (see Note 12).
SALT College costs are included under the International Personnel Training and Development heading.
Restricted expenditure for the year was £5.57 million (2024: £5.02 million).

Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2024 Group Total	2023 Group Total	2024 Charity Total	2023 Charity Total
	£000	£000	£000	£000	£000	£000	£000
World Mission	-	3,647	1,913	5,560	4,718	5,568	4,735
Assistance to Salvation Army territories (Note 11)	22,665	5,106	2,733	30,504	32,081	30,515	32,105
International Personnel Training and Development	-	8,271	4,460	12,731	14,498	12,670	14,354
Crisis Relief	-	1,056	292	1,348	1,435	1,349	1,438
Health Services for the Poorest People	-	1,002	73	1,075	161	1,075	162
Fighting Against Sexual Trafficking and for Social Justice	-	825	437	1,262	1,592	1,264	1,596
	22,665	19,907	9,908	52,480	54,485	52,441	54,390

11. GRANTS AND DONATIONS PAID TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK

	2025					2024
	International Service Costs*	Grant funding of activities	Additional grant for specific costs	Activities funded by donations	Total	Total
Territory	£000	£000	£000	£000	£000	£000
Africa, General	-	-	33	6	39	37
Angola	-	112	2	48	162	130
Australia	-	-	6	100	106	112
Bangladesh	1	203	7	49	260	270
Brazil	12	586	5	49	652	650
Canada and Bermuda	-	-	-	6	6	2
Caribbean	-	721	11	108	840	810
Congo (Brazzaville)	14	652	46	210	922	845
Democratic Republic of Congo	6	526	105	112	749	1,061
Denmark	-	216	-	1	217	137
Eastern Europe	12	1,249	5	105	1,371	1,180
Finland and Estonia	1	226	9	36	272	248
France and Belgium	-	-	-	1	1	1
Germany, Lithuania and Poland	-	335	-	(2)	333	210
Ghana	12	141	36	60	249	356
Hong Kong and Macau	-	-	-	22	22	-
India National Secretariat	-	148	1	10	159	189
India Central	-	224	4	168	396	360
India Eastern	1	-	4	-	5	5
India Northern	-	275	3	99	377	377
India South Eastern	-	316	3	90	409	384
India South Western	-	306	8	49	363	414
India Western	-	232	6	132	370	366
Indonesia	-	-	26	198	224	225
Italy and Greece	-	390	2	13	405	322
Japan	-	-	1	-	1	-
Kenya East	59	267	76	203	605	401
Kenya West	97	786	74	639	1,596	935
Korea	-	-	-	1	1	3
Latin America North	8	635	3	30	676	745
Liberia, Sierra Leone and Guinea	-	208	22	41	271	376
Malawi	18	128	2	83	231	228
Mali and Burkina Faso	6	119	5	17	147	153
Mexico	39	376	4	49	468	440
Middle East	-	273	1	8	282	331
Mozambique	35	265	8	29	337	305
The Netherlands, Czech Republic and Slovakia	-	477	3	16	496	496
New Zealand, Fiji, Tonga and Samoa	-	-	-	1	1	4
Nigeria	38	135	11	176	360	335
Norway, Iceland and The Færoes	-	-	-	1	1	1
Pakistan	2	1,058	3	84	1,147	1,205
Papua New Guinea and Solomon Islands	92	584	52	250	978	1,185
The Philippines	1	412	9	69	491	486
Russia**	-	-	-	(30)	(30)	709
Rwanda and Burundi	36	180	30	46	292	266
Singapore, Malaysia, Myanmar and Thailand	-	202	-	51	253	252
South America East	23	531	10	33	597	575
South America West	7	383	25	55	470	669
Southern Africa	-	86	13	59	158	122
Spain and Portugal	1	701	2	1	705	751
Sri Lanka	-	187	2	(218)	(29)	619
Sweden and Latvia	-	140	-	8	148	146
Switzerland, Austria and Hungary	-	-	-	8	8	8
Taiwan	-	92	1	1	94	109
Tanzania	10	158	28	308	504	354
Uganda	23	157	1	158	339	557
United Kingdom and Ireland	-	-	-	1	1	2
USA Western	-	-	-	31	31	1
USA Southern	-	-	-	1	1	-
Zambia	13	313	19	222	567	569
Zimbabwe and Botswana	36	420	26	163	645	636
Total	603	16,131	753	4,265	21,752	22,665

**International Service Costs, previously shown as 'Allowable Deductions from Self-Denial Funds', are those incurred in facilitating Salvation Army officers' service outside of their home territories.*

**Grants to Russia Territory cannot be transferred into Russia in accordance with current banking restrictions imposed by the United Kingdom Government. They are transferred to the territory's UK bank account held at Reliance Bank, where the territory will draw on them once permitted under banking regulations.

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK

	2024					2023
	International Service Costs*	Grant funding of activities	Additional grant for specific costs	Activities funded by donations	Total	Total
Territory						
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	37	-	37	35
Angola	21	47	46	16	130	98
Australia	-	-	-	112	112	-
Bangladesh	28	209	4	29	270	450
Brazil	7	604	4	35	650	686
Canada and Bermuda	-	-	-	2	2	7
Caribbean	2	743	8	57	810	820
Congo (Brazzaville)	19	534	40	252	845	930
Democratic Republic of Congo	2	542	81	436	1,061	1,781
Denmark	-	136	-	1	137	142
Eastern Europe	10	1,127	3	40	1,180	1,247
Finland and Estonia	3	233	4	8	248	244
France and Belgium	-	-	-	1	1	1
Germany, Lithuania and Poland	-	217	-	(7)	210	225
Ghana	40	146	30	140	356	329
Hong Kong and Macau	-	-	-	-	-	1
India National Secretariat	-	172	1	16	189	584
India Central	-	231	2	127	360	359
India Eastern	1	-	3	1	5	14
India Northern	-	284	3	90	377	187
India South Eastern	-	326	3	55	384	412
India South Western	-	315	6	93	414	384
India Western	-	239	5	122	366	354
Indonesia	1	-	34	190	225	224
Italy and Greece	-	315	1	6	322	537
Kenya East	-	275	10	116	401	639
Kenya West	19	624	74	218	935	877
Korea	-	-	-	3	3	1
Latin America North	-	654	2	89	745	944
Liberia, Sierra Leone and Guinea	37	215	2	122	376	291
Malawi	12	132	1	83	228	373
Mali and Burkina Faso	6	123	16	8	153	159
Mexico	10	388	4	38	440	607
Middle East	-	281	1	49	331	295
Mozambique	15	273	1	16	305	345
The Netherlands, Czech Republic and Slovakia	-	492	3	1	496	512
New Zealand, Fiji, Tonga and Samoa	3	-	-	1	4	1
Nigeria	11	139	21	164	335	337
Norway, Iceland and The Færoes	-	-	-	1	1	1
Pakistan	2	1,119	31	53	1,205	1,265
Papua New Guinea and Solomon Islands	29	801	66	289	1,185	1,388
The Philippines	-	424	3	59	486	474
Russia**	-	741	1	(33)	709	770
Rwanda and Burundi	22	185	1	58	266	258
Singapore, Malaysia, Myanmar and Thailand	-	208	5	39	252	245
South America East	1	547	4	23	575	612
South America West	63	394	9	203	669	689
Southern Africa	-	89	10	23	122	226
Spain and Portugal	1	683	1	66	751	751
Sri Lanka	2	192	2	423	619	458
Sweden and Latvia	-	145	-	1	146	157
Switzerland, Austria and Hungary	-	-	-	8	8	8
Taiwan	-	95	1	13	109	100
Tanzania	1	163	20	170	354	418
Uganda	25	162	32	338	557	437
United Kingdom and Ireland	1	-	-	1	2	2
USA Southern	-	-	-	-	-	1
USA Western	-	-	-	1	1	1
Zambia	20	402	23	124	569	624
Zimbabwe and Botswana	43	433	32	128	636	595
General	-	-	(31)	31	-	-
Total	457	16,799	660	4,749	22,665	24,912

**International Service Costs, previously shown as 'Allowable Deductions from Self-Denial Funds', are those incurred in facilitating Salvation Army officers' service outside of their home territories.*

**Grants to Russia Territory cannot be transferred into Russia in accordance with current banking restrictions imposed by the United Kingdom Government. They are transferred to the territory's UK bank account held at Reliance Bank, where the territory will draw on them once permitted under banking regulations.

12. ANALYSIS OF SUPPORT COSTS BY ACTIVITY

Charitable Activities	Management	Finance and IT	Human Resources	Property	Depreciation	Governance (see Note 13)	2025 Total	2024 Total
	£000	£000	£000	£000	£000	£000	£000	£000
World Mission	279	679	124	277	256	392	2,007	1,913
Assistance to Salvation Army Territories	381	928	171	379	349	535	2,743	2,733
International Personnel Training and Development	571	1,389	256	567	523	802	4,108	4,460
Crisis Relief	46	114	21	46	43	65	335	292
Health Services for the Poorest People	9	22	4	10	9	13	67	73
Fighting Against Sexual Trafficking and for Social Justice	56	136	25	56	51	78	402	437
	1,342	3,268	601	1,335	1,231	1,885	9,662	9,908

Depreciation on Vehicles and IT Equipment of £129k (2024: £159k) forms part of rechargeable expenditure allocated on a usage basis and is included in the functional headings above. All support costs have been allocated against Charitable Activities on a per capita basis (see Note 10).

Charitable Activities	Management	Finance and IT	Human Resources	Property	Depreciation	Governance (see Note 13)	2024 Total	2023 Total
	£000	£000	£000	£000	£000	£000	£000	£000
World Mission	308	678	102	240	234	351	1,913	1,830
Assistance to Salvation Army Territories	440	970	145	342	334	502	2,733	2,613
International Personnel Training and Development	717	1,581	237	558	544	823	4,460	4,261
Crisis Relief	47	104	15	37	35	54	292	278
Health Services for the Poorest People	12	26	4	9	9	13	73	69
Fighting Against Sexual Trafficking and for Social Justice	70	155	23	55	53	81	437	418
	1,594	3,514	526	1,241	1,209	1,824	9,908	9,469

13. GOVERNANCE COSTS

	2025	2024
	£000	£000
Internal Audit	580	550
External Audit	222	218
Legal and Administration (includes Trustees' Indemnity Insurance)	550	514
International Child Protection Governance	278	266
Finance and Property	255	276
	1,885	1,824
Raising Funds		
External Audit – Reliance Bank	378	331
Total	2,263	2,155

An Internal Audit Department carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working. The external audit fee for Reliance Bank Limited is charged to expenditure on raising funds as part of their administrative expenses.

14. PERSONNEL COSTS

	2025 £000	2024 £000
Salaries and Allowances	11,222	10,625
Employer's Social Security Costs	1,219	1,143
Employer's Pension Costs	951	810
	13,392	12,578

The Trust made a redundancy payment of £3k to an employee during the financial year (2024: £169K)

The number of employees earning more than £60,000 per annum (including employee benefits but excluding employer's pension costs) was as follows:

	No.	No.
£60,001 – £70,000	19	18
£70,001 – £80,000	12	13
£80,001 – £90,000	6	8
£90,001 – £100,000	5	1
£100,001 – £110,000	3	3
£110,001 – £120,000	2	1
£120,001 – £130,000	1	1
£130,001 – £140,000	2	1
£140,001 – £150,000	-	-
£150,001 – £160,000	1	1

Average number of officers and employees	2025 Headcount	2024 Headcount
Salvation Army International Trust	192	191
Reliance Bank Limited	65	63
SALT College of Africa	15	16
Total	272	270

(i) The Salvation Army International Trust
The key management personnel of The Salvation Army International Trust and the Group comprise the General, the Chief of the Staff and International Secretaries. The total taxable allowances and benefits plus employer's NIC of key management personnel were £243k (2024: £258k).

(ii) Reliance Bank Limited
The aggregate compensation paid to the Bank's key management personnel was £857k (2024: £838k). The Bank's key management personnel are its Directors (Executive and Non-Executive) and other members of its Executive Committee. Eight people were classed as key management during the year, as one Executive Director resigned, and due to the restructuring of the team there are six ongoing Executive members at the end of the year, two of whom are Executive Directors. Three Executive Directors received emoluments from the Bank during the year, their remuneration in aggregate is £426k (2024: £373k) and this includes pension contributions of £45k (2024: £38k).

The highest-paid Director received emoluments of £178k (2024: £184k), including salary, benefits and pension contributions of £19k (2024: £22k). During the year, the Bank made the decision to start remunerating its Non-Executive Directors. The total remuneration paid amounted to £53k (2024: Nil). The Bank does not contribute to pension schemes on behalf of the Non-Executive Directors.

15. TRUSTEES

(i) Remuneration

The Salvation Army International Trustee Company directors, who are made up of 15 Trustees (see Trustee's report for details), comprise 10 senior Salvation Army officers and five Non-Executive Directors with specialist expertise. All Salvation Army officers receive an allowance based on length of service and other personal circumstances and, as ministers of religion, are provided with furnished accommodation and transport facilities. Salvation Army officers are required to use the accommodation provided, or another agreed alternative, as part of their ministry. Taxable allowances and benefits received during the year by the officers serving as directors ranged from £16,185 to £29,879 (2024: £3,938 to £26,922) with total emoluments of £192,111 (2024: £233,308), and they did not receive any additional remuneration for their duties as directors.

The Non-Executive Directors did not receive any remuneration for their services.

(ii) Expenses

Two Trustees (2024: two) received expenses of £2,109 (2024: £2,670) in their capacity as directors of The Salvation Army International Trustee Company. Expenses paid on behalf of Executive Directors, in respect of their executive roles are not included here. There were no expenses paid to third parties on behalf of the Trustees during the year.

16. AUDIT COSTS

The amount payable to the auditors for the audit of these financial statements amounts to £150k excluding VAT (2024: £160k).
The audit of Reliance Bank Limited's financial statements amounts to £378k excluding VAT (2024: £331k).
The audit of SALT College of Africa's financial statements amounts to £4k (2024: £4k).

17. PENSION COSTS

(a) Salvation Army Employees' Defined Benefit Pension Scheme

The Salvation Army International Trust participates in a multi-employer defined benefit and a defined contribution employee pension schemes, both administered by The Salvation Army United Kingdom and Ireland Territory.
The Trust contributed to The Salvation Army Employees' Pension Fund, a funded defined benefit scheme, until April 2023 in respect of those members of staff who were eligible and had joined the scheme prior to its closure to new members on 31 December 2011.
In March 2023, members of the defined benefit scheme voted to close the scheme to future service accrual with the final salary link retained. From 01 May 2023, eligible members began to contribute instead to the defined contribution scheme with enhanced employer contributions for an agreed period with the scheduled receipt of three annual lump-sum payments. The costs of the 2023 lump-sum payments were recognised at their actual value at 31 March 2023 and the A provision was recognised at 31 March 2023 for payments due in April 2024 and April 2025 to eligible Salvation Army International Trust employees participating in the Employees' Pension Fund Defined Benefit Scheme, with the April 2024 amount expensed and the April 2025 amount accrued (see Note 30).
Active members of the Fund, as at 30 April 2023, were re-categorised as 'Employed Deferred Members'. As at 31 March 2025, the Trust and the Bank respectively had 27 and one Employed Deferred Members (2024: 29 and one) in the scheme.

The scheme is a multi-employer scheme incorporating five employers, and the actuary has confirmed that it is not practical to allocate the assets and liabilities of the scheme between participating employers in accordance with FRS 102.
The scheme is subject to triennial actuarial valuations, and results from the most recent one, performed on 31 March 2024, reported a surplus of £33.3 million relative to the technical provisions which corresponded to an ongoing funding ratio of 120%.
The relevant share of any liability to fund past service deficits as agreed with the pension scheme trustees is charged to the SOFA.

(b) Salvation Army Employees' Defined Contribution Pension Scheme

A Defined Contributions Scheme was introduced from 1 October 2011 and 60 members of staff of The Salvation Army International Trust and 40 members of staff of Reliance Bank Limited have joined the scheme. As at 31 March 2025, 69 employees of The Salvation Army International Trust were active members of the scheme.
Auto enrolment was adopted from 1 April 2014, with employees required to opt out if they did not want to be part of the scheme.
The Trust accounts for Pension Costs on the date that payments to the Schemes fall due. The costs charged in the current year are disclosed in Note 17.

All pension costs relating to the International Trust are met from Unrestricted Funds.

18. NET GAINS AND LOSSES

The following Gains/(Losses) have been recognised during the year:

	2025 Group	2024 Group	2025 Charity	2024 Charity
Net Gains/(Losses) on Investment Assets	£000	£000	£000	£000
(Losses)/Gains on Listed Investments (see Note 25)	(2,102)	12,686	(2,102)	12,686
Net Gain/(Loss) on revaluation of Investment Property	1,077	(1,635)	1,077	(1,635)
Release of revaluation (Gain)/Loss on disposal of Investment Property	(1,367)	62	(1,367)	62
Realised Gain/(Loss) on disposal of Investment Property	443	(55)	443	(55)
Release of revaluation surplus on transfer of Investment to Property Asset	-	-	-	-
Gain/(Loss) on revaluation of Freehold Reversionary Interest	265	(525)	265	(525)
(Loss) on revaluation of US Dollar Deposits	(866)	(114)	(866)	(114)
(Loss) on Cash Held by Investment Managers	(8)	(4)	(8)	(4)
Exchange (Loss)/Gain on revaluation of funds held in the USA	(3,212)	6,582	(3,212)	6,582
Gain on funds held in the USA	2,607	4,047	2,607	4,047
	(3,163)	**21,044**	**(3,163)**	**21,044**

Further details on Gains/(Losses) on Investments can be found in Note 25(d).

	2025	2024	2025	2024
Other Recognised Gains/(Losses)	£000	£000	£000	£000
Foreign Exchange (Losses)/Gains	196	(41)	196	(39)
Gains on revaluation of Properties transferred to Investments	1,488	1,749	1,488	1,749
	1,684	**1,708**	**1,684**	**1,710**

The significant volume of transactions denominated in US dollars has given rise to exchange losses, as rates moved between $1.2623 and $1.2928 between March 2024 and March 2025.

19. TAXATION

As a registered charity, the Trust is entitled to exemptions from tax in accordance with the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

20. MOVEMENT IN FUNDS

	Balance 31/03/2024	Transfers	Income	Expenditure	Net Gains/ (Losses)	Balance 31/03/2025
	£000	£000	£000	£000	£000	£000
RESTRICTED						
Property Fund	14,380	-	-	(246)	265	14,399
Officers' Support Endowment Fund	44,786	-	12,157	-	-	56,943
International Social Justice Commission Fund	2,515	-	-	-	-	2,515
International Financial Accounting Standards Training	2,797	-	2,338	(3,468)	-	1,667
Other Restricted	5,241	202	2,736	(2,044)	782	6,917
	69,719	202	17,231	(5,758)	1,047	82,441

The Property Fund represents restricted funds used for specific property acquisitions.
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs. Although this fund is called 'Endowment' for historical reasons, it does not meet the definition of an endowment as per the relevant Accounting Standards and is not accounted for as such in these accounts.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll-out of cloud-based accounting software and training of internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

Transfers to Restricted Reserves primarily related to Surplus Allocations to Disaster Funds from Board Designated Reserves.

	Balance 31/03/2024	Transfers	Income	Expenditure	Net Gains/ (Losses)	Balance 31/03/2025
	£000	£000	£000	£000	£000	£000
UNRESTRICTED						
Property Fund	18,861	1,070	-	(617)	-	19,314
Other Fixed Assets Fund	2,007	90	-	(296)	-	1,801
Reliance Bank Share Fund	12,500	-	-	-	-	12,500
Designated Funds						
Property Commitments Fund	33,734	(258)	4,180	(2,266)	1,931	37,321
Self-Denial Fund	27,819	(5,575)	28,722	(23,685)	(2)	27,279
Investment Appreciation Fund	95,253	-	-	-	(4,685)	90,568
Investment Property Revaluation Fund	45,671	-	-	-	(290)	45,381
Exchange Equalisation Fund	6,988	-	-	-	(949)	6,039
Other Designated Funds	84,383	5,775	2,604	(6,493)	1,466	87,735
	293,848	(58)	35,506	(32,444)	(2,529)	294,323
General Reserve						
Held by Trust	7,539	(1,301)	14,891	(13,386)	3	7,746
Held by Subsidiaries	(421)	(3)	14,156	(12,608)	-	1,124
	334,334	(202)	64,553	(59,351)	(2,526)	336,808

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.
The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 23).
The Reliance Bank Share Fund represents funds which have been used to finance the acquisition of additional Reliance Bank Share Capital.

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£23.34 million), and an International Property Project reserve (£2.58 million) held to provide additional property project funding to territories over the next 3–4 years.
The Self-Denial Fund (£27.28 million) represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 12.0 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund (£90.57 million) represents unrealised gains and losses on investments which are still subject to market risk.
The Investment Property Revaluation Fund (£45.38 million) represents the surplus on revaluation of tenanted properties held for investment purposes. The Exchange Equalisation Fund represents exchange gains made, not as part of the Investment Appreciation Fund which are held to offset future exchange losses.

Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers, including reserves of £52.02 million, that are supporting the balance held and invested in the USA on behalf of SAIT to generate income for specific purposes, which are Medical Services Support (£9.42 million), Schools Services Support (£4.58 million) and the Officers' Support Endowment Fund (£38.03 million). The income generated from the Officers' Support Endowment Fund is held in a reserve (£2.83 million) which provides grants to Salvation Army officers around the world to support basic needs, and income generated from the Medical Services Support designated funds have resulted in a reserve (£1.20 million) to fund projects for Salvation Army Medical Service centres around the world.
Also included is a Mission Support Reserve (£6.84 million) held to provide additional project funding to territories over the next year and an International Schools Development Reserve (£5.17 million) held to provide additional school project funding to territories over the next 2–3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£2.63 million) and IT Development Reserve (£2.80 million) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territories over the next 2 years. A Leadership Development Reserve (£1.66 million) is held to fund the enhancement of training and personal development of officers over the next 3–4 years. The Children's Homes Support Reserve (£2.46 million) is held to provide ongoing support to improve children's homes facilities around the world over the next 3–4 years. The International Literature Programme Reserve (£0.95 million) is held to fund the promotion, production and translation of Salvation Army literature around The Salvation Army globally.
A new reserve (£1.75 million) has been established to meet the ongoing challenges of funding out-of-budget grants to territories.
The remainder of the Other Designated Funds balance is made up of a number of smaller reserves, none of which are individually material.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust. The aim of the Trustee is for the balance on the General Fund Reserve to cover the equivalent of 6 months' expenditure on headquarters administration costs. The balance of £7.75 million at 31 March 2025 covers the equivalent of 6.4 months' expenditure on headquarters administration costs.

20. MOVEMENT IN FUNDS – continued

	Balance 31/03/2023	Transfers	Income	Expenditure	Net Gains/ (Losses)	Balance 31/03/2024
	£000	£000	£000	£000	£000	£000
RESTRICTED						
Property Fund	15,150	-	-	(245)	(525)	14,380
Officers' Support Endowment Fund	23,813	-	20,973	-	-	44,786
International Social Justice Commission Fund	2,515	-	-	-	-	2,515
International Financial Accounting Standards Training	2,598	(205)	3,508	(3,104)	-	2,797
Other Restricted	4,445	(241)	2,862	(1,804)	(21)	5,241
	48,521	(446)	27,343	(5,153)	(546)	69,719

The Property Fund represents restricted funds used for specific property acquisitions.
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs. Although this fund is called 'Endowment' for historical reasons, it does not meet the definition of an endowment as per the relevant Accounting Standards and is not accounted for as such in these accounts.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll-out of cloud-based accounting software and training of internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

Transfers from Restricted Reserves primarily related to the return of bridge funding previously met from Board Designated Reserves to cover temporary funding gaps for specific projects resulting from timing differences in restricted funds meeting the applicable recognition criteria.

	Balance 31/03/2023	Transfers	Income	Expenditure	Net Gains/ (Losses)	Balance 31/03/2024
	£000	£000	£000	£000	£000	£000
UNRESTRICTED						
Property Fund	19,745	(293)	-	(591)	-	18,861
Other Fixed Assets Fund	2,156	224	-	(373)	-	2,007
Reliance Bank Share Fund	12,500	-	-	-	-	12,500
Designated Funds						
Property Commitments Fund	32,941	(1,033)	2,286	(2,154)	1,694	33,734
Self-Denial Fund	26,199	(3,595)	29,079	(23,864)	-	27,819
Investment Appreciation Fund	74,900	-	-	-	20,353	95,253
Investment Property Revaluation Fund	47,244	-	-	-	(1,573)	45,671
Exchange Equalisation Fund	7,423	-	-	-	(435)	6,988
Other Designated Funds	83,969	4,517	1,265	(8,629)	3,261	84,383
	272,676	(111)	32,630	(34,647)	23,300	293,848
General Reserve						
Held by Trust	6,386	626	14,044	(13,517)	-	7,539
Held by Subsidiaries	(2,572)	-	11,955	(9,802)	(2)	(421)
	310,891	446	58,629	(58,930)	23,298	334,334

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.
The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 24).
The Reliance Bank Share Fund represents funds which have been used to finance the acquisition of additional Reliance Bank Share Capital.

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£21.56 million), and an International Property Project reserve (£2.69 million) held to provide additional property project funding to territories over the next 3–4 years.
The Self-Denial Fund (£27.82 million) represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 13.2 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund (£95.25 million) represents unrealised gains and losses on investments which are still subject to market risk.
The Investment Property Revaluation Fund (£45.67 million) represents the surplus on revaluation of tenanted properties held for investment purposes. The Exchange Equalisation Fund represents exchange gains made, not as part of the Investment Appreciation Fund which are held to offset future exchange losses.

Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers, including reserves of £52.59 million, are supporting the balance held and invested in the USA on behalf of SAIT to generate income for specific purposes, which are Medical Services Support (£9.52 million), Schools Services Support (£4.62 million) and the Officers' Support Endowment Fund (£38.45 million). The income generated from the Officers' Support Endowment Fund is held in a reserve (£3.12 million) which provides grants to Salvation Army officers around the world to support basic needs, and income generated from the Medical Services Support designated funds have resulted in a reserve (£0.78 million) to fund projects for Salvation Army Medical Service centres around the world.
Also included is a Mission Support Reserve (£6.56 million) held to provide additional project funding to territories over the next year and an International Schools Development Reserve (£5.61 million) held to provide additional school project funding to territories over the next 2 to 3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£2.89 million) and IT Development Reserve (£2.22 million) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territories over the next 2 years. A Leadership Development Reserve (£1.98 million) is held to fund the enhancement of training and personal development of officers over the next 3–4 years. The Children's Homes Support Reserve (£2.67 million) is held to provide ongoing support to improve children's homes facilities around the world over the next 3–4 years. The International Literature Programme Reserve (£1.07 million) is held to fund the promotion, production and translation of Salvation Army literature around the Salvation Army globally.
A new reserve (£1.75 million) has been established to meet the ongoing challenges of funding out-of-budget grants to territories.
The remainder of the Other Designated Funds balance is made up of a number of smaller reserves, none of which are individually material.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust. The aim of the Trustee is for the balance on the General Reserve to cover the equivalent of six months' expenditure on headquarters administration costs. The balance of £7.53 million at 31 March 2024 covers the equivalent of 6.6 months' expenditure on headquarters administration costs.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2025	Unrestricted Funds	Restricted Funds	Total 2024
	£000	£000	£000	£000	£000	£000
Goodwill	(3,515)	-	(3,515)	(3,690)	-	(3,690)
Other Intangible Fixed Assets	175	-	175	148	-	148
Property Assets	16,581	14,399	30,980	15,968	14,380	30,348
Other Tangible Fixed Assets	2,103	-	2,103	2,343	-	2,343
Investments	285,265	68,042	353,307	291,232	55,339	346,571
Current Assets	126,221	-	126,221	146,125	-	146,125
Current Liabilities	(205,415)	-	(205,415)	(225,002)	-	(225,002)
Debtors over one year	114,530	-	114,530	111,558	-	111,558
Creditors over one year	(4,008)	-	(4,008)	(4,058)	-	(4,058)
Provisions for liabilities	-	-	-	(290)	-	(290)
	331,937	82,441	**414,378**	334,334	69,719	**404,053**

Unrestricted Funds also include Funds held by the Trust as Designated.
Restricted Property Assets funds include for analysis purposes historical contributions towards 99 Queen Victoria Street which is recognised in investment property assets.

22. INTANGIBLE FIXED ASSETS

(a) GOODWILL

The Negative Goodwill arising at acquisition (October 2018) represents the excess of net assets acquired over the cost of the shares purchased in Reliance Bank Limited (see Note 2).
Release of the Negative Goodwill for the year was £175k (2024: £175k) per accounting policies as set out in Note 1.

	Acquisition
	£000
Calculation of Negative Goodwill	
Cost of 49% acquisition at October 2018	4,108
Share Capital Purchased	(3,675)
Positive Goodwill on acquisition	**433**
Original cost of 51% shareholding	3,825
Cost of 49% acquisition at October 2018	4,108
Total cost of acquisition	7,933
Fair Value of Assets acquired – 31 October 2018	
Freehold Property (per valuation)	4,400
Investments	70,828
Current Assets including loans and advances	114,114
	189,342
Liabilities including customer accounts	(176,142)
Net Assets Acquired	13,200
Net Negative Goodwill	**(5,267)**
Write back Positive Goodwill on Acquisition	**(433)**
Negative Goodwill on Consolidation at Acquisition	**(5,700)**

	Book Value 2024	Amortisation 2025	Book Value 2025
Amortised Goodwill	£000	£000	**£000**
Negative Goodwill	(3,907)	219	(3,688)
Positive Goodwill on Acquisition	217	(44)	173
Net Goodwill (Group)	(3,690)	175	(3,515)

(b) OTHER INTANGIBLE FIXED ASSETS

	Computer Software	Total (Charity)	Subsidiary Computer Software	Total (Group)
	2025	2025	2025	2025
Cost:	£000	£000	£000	£000
Brought Forward	-	-	1,061	1,061
Additions	-	-	138	138
	-	-	1,199	1,199
Amortisation:				
Brought Forward	-	-	913	738
Charge for the year	-	-	111	111
	-	-	1,024	1,024
Net Book Value at 31 March 2025	**-**	**-**	**175**	**175**
Net Book Value at 31 March 2024	-	-	148	148

23. PROPERTY ASSETS

	Freehold	Long Leasehold	Overseas	Schemes in Progress	Total (Charity)	Subsidiaries Land and Buildings	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2024	31,421	7,753	22	536	39,732	4,661	44,393
Transfers from Investment Property	99	-	-	-	99	-	99
Additions during the year	141	442	-	(318)	265	694	959
Revaluation on Transfers to Investment Property	-	565	-	-	565	-	565
Revaluation on Transfers from Investment Property	889	-	-	-	889	-	889
	32,550	8,760	22	218	41,550	5,355	46,905
Less: Disposals	(30)	(107)	-	-	(137)		(137)
Transfer to Tangible Fixed Assets	-	-	-	(6)	(6)	-	(6)
Transfer to Investment Property	-	(676)	-	-	(676)	-	(676)
Balance at 31 March 2025	32,520	7,977	22	212	40,731	5,355	46,086
Depreciation							
Balance at 1 April 2024	10,954	2,404	8	-	13,366	679	14,045
Charge for the year	702	160	1	-	863	269	1,132
	11,656	2,564	9	-	14,229	948	15,177
Eliminated: on Disposals	(11)	(26)	-	-	(37)	-	(37)
on Revaluation	-	(34)	-	-	(34)	-	(34)
Balance at 31 March 2025	11,645	2,504	9	-	14,158	948	15,106
Net Book Value at 31 March 2025	**20,875**	**5,473**	**13**	**212**	**26,573**	**4,407**	**30,980**
Net Book Value at 31 March 2024	20,467	5,349	14	536	26,366	3,982	30,348

The Transfer to Investments relates to tenanted properties that are held for investment purposes.

24. OTHER TANGIBLE FIXED ASSETS

	Fit-Outs	Office Equipment	IT Equipment	Vehicles	Total (Charity)	Subsidiaries Office	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2024	7,231	355	1,058	38	8,682	814	9,496
Additions during the year	22	6	135	-	163	74	237
	7,253	361	1,193	38	8,845	888	9,733
Less Disposals	-	-	(441)	-	(441)	-	(441)
Balance at 31 March 2025	7,253	361	752	38	8,404	888	9,292
Depreciation							
Balance at 1 April 2024	5,641	200	796	38	6,675	478	7,153
Charge for the year	163	54	130	-	347	108	455
	5,804	254	926	38	7,022	586	7,608
Eliminated on Disposals	-	-	(419)	-	(419)	-	(419)
Balance at 31 March 2025	5,804	254	507	38	6,603	586	7,189
Net Book Value at 31 March 2025	**1,449**	**107**	**245**	**-**	**1,801**	**302**	**2,103**
Net Book Value at 31 March 2024	1,590	155	262	-	2,007	336	2,343

Subsidiaries' Equipment includes Office Equipment, capitalised Computer Hardware and Fixtures & Fittings.

25. INVESTMENTS	2025 Cost	2025 Market Value	2024 Cost	2024 Market Value
	£000	£000	£000	£000
(a)(i) Group				
Fixed Assets Investments				
Listed Investments (See Note (d) below)				
Fixed Interest				
UK Government	14,977	14,261	11,237	10,989
UK Non-Government	11,870	11,996	19,151	19,923
Overseas	686	653	890	804
Sterling Certificates of Deposit maturing after One Year (see Note (b))	11,101	11,101	-	-
Equities				
UK Directly Held Equities	12,014	14,713	15,145	14,422
Overseas Directly Held Equities	117,177	138,265	102,486	136,425
	167,825	190,989	148,909	182,563
Investment Property (see Note (f) below)	17,524	62,905	16,544	62,215
Property – Freehold Reversionary Interest (see Note (g) below)	2,990	7,140	2,990	6,875
Funds held in the USA (see Note (e) below)	-	60,896	-	63,541
	188,339	**321,930**	**168,443**	**315,194**
Current Assets Investments				
Bank Deposits (see Note (c) below)	16,197	16,197	5,642	5,642
Listed Investments (See Note (d) below)				
Sterling Certificates of Deposit maturing within One Year (see Note (b))	20,051	20,051	25,735	25,735
	36,248	**36,248**	**31,377**	**31,377**
	224,587	**358,178**	**199,820**	**346,571**
(a)(ii) Charity				
Listed Investments				
Fixed Interest				
UK Government	14,977	14,261	11,237	10,989
UK Non-Government	11,870	11,996	19,151	19,923
Overseas	686	653	890	804
Equities				
UK Directly Held Equities	12,014	14,713	15,145	14,422
Overseas Directly Held Equities	117,177	138,265	102,486	136,425
	156,724	179,888	148,909	182,563
Subsidiary Company (Note 4)				
Reliance Bank Limited – Shares at cost	20,000	20,000	20,000	20,000
Investment Property (see Note (f) below)	17,524	62,905	16,544	62,215
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	7,140	2,990	6,875
Funds held in the USA (see Note (e) below)	-	60,896	-	63,541
	197,238	**330,829**	**188,443**	**335,194**
Bank Deposits (see Note (c) below)	54,174	54,174	36,453	36,453
	251,412	**385,003**	**224,896**	**371,647**

(b) Debt Securities

Debt securities are generally held to maturity and are valued at amortised cost less impairment. £17.04 million of Sterling Certificates of Deposit held at the balance sheet date mature within three months (2024: £17.82 million), with £Nil maturing between three and six months (2024: £Nil) and £3.01 million maturing between six months and one year (2024: £7.92 million), £11.1 million maturing between one and two years (2024: £Nil)), and £Nil maturing between two and five years (2024: £Nil).

The role of debt securities in Reliance Bank's investment strategy is to provide a significant balance of realisable assets with high credit quality counterparties. These would be accessible in the event of unexpected funding demands which would otherwise exceed the level of instant access bank deposits that is maintained together with maturing interbank term deposits. Fixed rate debt securities are used to broadly match significant customer term deposits in terms of both interest rate risk and liquidity. A spread of maturities also helps to manage the Bank's overall maturity profile.

(c) Bank Deposits	2025 Group	2024 Group	2025 Charity	2024 Charity
	£000	£000	£000	£000
Sterling – Notice Deposits (less than three months from 31 March 2025)	-	-	7,763	7,634
Sterling – Notice Deposits (greater than three months from 31 March 2025)	-	-	5,212	4,196
US Dollars & Euros	-	-	17,307	10,780
US Dollars & Euros – Notice Deposits (greater than three months from 31 March 2025)	-	-	8,722	9,234
Loans and Advances to Banks – Deposits	1,027	1,032	-	-
Cash held by Investment Managers	15,170	4,609	15,170	4,609
	16,197	**5,641**	**54,174**	**36,453**

	2025 Group	2024 Group	2025 Charity	2024 Charity
(d) Movement in Listed Investments	£000	£000	£000	£000
Market Value at 1 April	208,298	184,498	182,563	151,517
Purchases in year	214,480	163,976	133,973	116,463
Sales proceeds	(209,264)	(152,476)	(134,546)	(98,103)
Amortisation	(372)	(386)	-	-
Net Gains/(Losses) – Listed Investments	(2,102)	12,686	(2,102)	12,686
Market Value at 31 March	**211,040**	**208,298**	**179,888**	**182,563**
(e) Gains/(Losses) on Investment Assets				
(Losses)/Gains on Listed Investments (see Note (d) above)	(2,102)	12,686	(2,102)	12,686
Net Gain/(Loss) on revaluation of Investment Property	1,077	(1,635)	1,077	(1,635)
Release of revaluation (surplus)/deficit on disposal of Investment Property	(1,367)	62	(1,367)	62
Gain/(Loss) on disposal of Investment Property	443	(55)	443	(55)
Gain/(Loss) on revaluation of Freehold Reversionary Interest (see Note (g))	265	(525)	265	(525)
(Loss) on revaluation of US Dollar Deposits	(866)	(114)	(866)	(114)
(Loss) on Cash Held by Investment Managers	(8)	(4)	(8)	(4)
Exchange (Loss)/Gain on revaluation of funds held in the USA	(3,212)	6,582	(3,212)	6,582
Gain on funds held in the USA	2,607	4,047	2,607	4,047
	(3,163)	**21,044**	**(3,163)**	**21,044**

Funds held in the USA are held and invested by a USA Salvation Army entity on behalf of SAIT. These funds are intended to be invested with the USA in this way for the long term and for investment appreciation purposes. Net income is remitted quarterly to SAIT, including investment income as well as fair value gains and losses. Due to the nature of these funds held with the USA, SAIT is unable to accurately determine the cost of the investment funds and as such the cost is not disclosed.
The net decrease in Funds held in USA of £2,645k (2024: £8,779k increase) results from £2,040k (2024: £1,750k) being disposed out of the portfolio, in addition to a net loss of £605k (2024: £10,629k gain).

(f) Investment Property

	2025
	£000
Cost or valuation at 01 April 2024	62,215
Additions	623
Net Gain from Fair Value Adjustments	1,077
Transfers from Property Fixed Asset at Fair Value	676
Transfers to Property Fixed Asset at Fair Value	(900)
Disposals	(786)
Cost or valuation at 31 March 2025	**62,905**

The investment property represents tenanted properties that are held for investment purposes. During the year, there were additions to investment property at a cost of £1,299k (2024: £2,331k) and fair value as at 31 March 2025 of £700k (2024: £2,120k), giving rise to a revaluation loss of £599k (2024: £211k).
In line with the three-year revaluation rolling plan, 46 investment properties were valued individually at fair value by an external chartered surveyor using the comparison method. This valuation primarily considered vacant sales comparable evidence, with due regard to the resulting gross yields, and resulted in a revaluation gain of £161k (2024: £101k loss).
Fair value of the remaining 100 properties was measured using the applicable Land Registry house price indices to 31 March 2025, resulting in an additional revaluation gain of £1,516k (2024: £1,323k loss).
Total net losses on revaluations amounted to £1,078k (2024: £1,635k loss). Two investment properties were sold during 2024–25 (2023–24: one).
During the year, two properties were transferred back to Fixed Assets for operational use.

(g) Property – Freehold Reversionary Interest

The freehold reversionary interest represents the value of the freehold interest in 99 Queen Victoria Street (adjacent to the International Headquarters building) on which a long lease has been granted and rental income of £200k (2024: £204k) per annum is receivable.
The freehold reversionary interest has been valued at the year-end by the Trustee, based on advice from an external consulting surveyor, at £7.14 million (2024: £6.9 million).

	2025 Group	2024 Group	2025 Charity	2024 Charity
	£000	£000	£000	£000
26. DEBTORS AND PREPAYMENTS				
(a) Debtors and Prepayments due in more than one year				
Amounts falling due after more than one year:				
Loans and Advances to Bank Customers (see (i) below)	114,351	111,372	-	-
Loans due from Salvation Army territories	179	186	179	186
	114,530	**111,558**	**179**	**186**

	2025 Group	2024 Group	2025 Charity	2024 Charity
(b) Debtors and Prepayments due within one year	£000	£000	£000	£000
Due from Salvation Army territories	8,409	7,919	8,409	7,919
Due from Reliance Bank Limited	-	-	-	-
Due from Salvation Army Leaders' Training College of Africa	-	-	80	42
Prepayments	1,480	1,477	1,070	1,291
Other Debtors	461	1,598	759	1,775
	10,350	10,994	10,318	11,027
Loans and Advances to Bank customers (see Note (i) below)	27,689	14,377	-	-
	38,039	**25,371**	**10,318**	**11,027**

(i) Loans and Advances to Bank customers

The role of loans and advances to customers in the Bank's investment and operating strategy is to grow the Bank's profit margins while maintaining a conservative lending policy and ensuring the Bank's liquidity and overall maturity profile are not comprised. No loans have been made to group undertakings.

	2025	2024
	£000	£000
Recoverable on Demand:		
Overdrafts	2	447
Other Loans and Advances:		
Mortgages	61,413	63,860
Loans	80,625	61,442
	142,038	125,302
	142,040	**125,749**
Loans and advances to customers analysed by periods to maturity:		
Recoverable:		
On demand	844	830
In three months or less	7,253	6,669
In one year or less but more than three months	19,592	6,878
	27,689	14,377
Loans and advances to customers analysed by periods to maturity:		
In two years or less but more than one year	36,097	1,608
In five years or less but more than two years	64,606	37,231
Over five years	14,110	72,902
Collective impairment provision	(462)	(369)
	114,351	111,372
	142,040	**125,749**

	2025 Group	2024 Group	2025 Charity	2024 Charity
27. BANK BALANCES	£000	£000	£000	£000
Sterling – Interest-bearing current accounts	463	243	4,117	3,053
– Ordinary current accounts	510	170	244	277
US Dollars, Euros and other Foreign currencies	2	299	2,254	3,183
	975	712	6,615	6,513
Loans and Advances to Banks (see (i) below)	4,702	8,310	-	-
Money Market Funds	14,227	11,951	-	-
Cash and Balances at Central Bank (see (ii) below)	68,151	99,657	-	-
	88,055	**120,630**	**6,615**	**6,513**

	2025	2024
(i) Loans and Advances to Banks	£000	£000
Bank Balances		
Recoverable on Demand	4,702	8,310
	4,702	8,310

	2025	2024
(ii) Cash and Balances at Central Bank	£000	£000
Balances at Central Bank	68,151	99,657
	68,151	99,657

28. CURRENT LIABILITIES – Other Creditors due within one year	2025 Group £000	2024 Group £000	2025 Charity £000	2024 Charity £000
Due to Salvation Army territories	5,624	6,833	5,624	6,833
Bank Customer Accounts (see (i) below)	196,086	214,000	12	10
Trade Creditors	967	549	967	549
Other Creditors, Accruals and Deferred Income	2,738	3,620	2,077	1,894
	205,415	225,002	8,680	9,286

	2025	2024
(i) Reliance Bank Customer Accounts	£000	£000
Current Accounts	67,189	124,835
Deposit Accounts	128,897	89,165
	196,086	214,000
With agreed maturity dates or periods of notice by remaining maturity:		
Repayable on demand	161,673	179,200
Three months or less but not repayable on demand	27,701	4,617
One year or less but over three months	6,712	30,183
	196,086	214,000

29. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2025 Group £000	2024 Group £000	2025 Charity £000	2024 Charity £000
Contingent Payments due to Salvation Army Territories	4,008	4,058	4,008	4,058
	4,008	4,058	4,008	4,058

Salvation Army International Trust agreed to pay consideration of £4,058k to Salvation Army Trust (UK Territory) for the purchase of 49% of the shareholding of Reliance Bank Limited. This payment is contingent on the profitability of the bank.

30. PROVISIONS FOR LIABILITIES

	Onerous Contract	Defined Benefit Pension Scheme
	£000	£000
Provisions at beginning of the year – 01 April 2024	65	225
Released to Statement of Financial Activities	-	(109)
Utilised in the year	(65)	(116)
Provisions at the end of the year – 31 March 2025	-	-

The International Trust is required to make contractual payments until 2025 in relation to software which no longer meets the needs of the organisation and is therefore not expected to generate any future economic benefits for the organisation.

A provision for payments due to eligible Salvation Army International Trust employees participating in the Employees' Pension Fund Defined Benefit scheme was created at 31 March 2023 in relation to payments due to them in April 2024 and in April 2025 (see Note 17) based on the available information at the time.
The provision for the April 2024 payment has been expensed and the April 2025 provision has been accrued.

31. OPERATING LEASE COMMITMENTS

At 31 March 2025, The Salvation Army International Trust was committed to making the following payments in respect of operating leases:

	2025	2024
	£000	£000
Within one year	120	96
Between one to five years	182	217
Over five years	-	-
	302	313

32. CAPITAL COMMITMENTS

There are no capital commitments at the year-end or in prior year.

33. GUARANTEES AND COMMITMENTS

The following guarantees and commitments of the Group have arisen from the subsidiary company, Reliance Bank Limited:

	2025 Contract Amount	2024 Contract Amount
	£000	£000
Commitments:		
Undrawn formal standby facilities of one year or less	9,106	8,199
Contingent Liabilities:		
Guarantees	-	7,694
	9,106	15,893

As a matter of course, the Bank takes counter indemnities to cover guarantees extended on behalf of customers.
The Bank controls designated deposits sufficient to offset the guarantees extended.

Commitments reflect approved mortgage and loan commitments awaiting drawdown.

34. TRANSACTIONS WITH SALVATION ARMY TERRITORIES AND RELATED PARTIES

a) Salvation Army Territories

The Salvation Army International Trust receives contributions for the International Self-Denial Fund, International Headquarters Support and for other items from Salvation Army territories (see Note 3). Annual grants from the Trust to territories are considered as part of the annual IHQ budget process and paid quarterly in advance to each financially supported territory (see Note 11). Salvation Army territories are separate and independent legal entities.

b) Related Parties

The International Trust solely owns Reliance Bank Limited. Related party transactions between the two entiities during the financial year include interest received of £964k (2024: £630k) from the Bank, a donation of £100k (2024: £100k) received from the Bank, services of £15k (2024: £30k) paid to the Bank and bank charges of £11k (2024: £9k) paid to the Bank.
An outstanding balance of £12k (2024: £10k) due to Reliance Bank was recorded at 31 March 2025.
The balance of connected deposits at Reliance Bank Limited due to Parent Undertaking was £45.0 million (2024: £38.7 million).
No Additional Share Capital of the Bank was purchased by the Trust during the year.

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited (Company Registration Number: PVT-DLUKBDP Kabete Children's Home Complex, PO Box 40575-00100, Nairobi, Kenya) is a wholly owned subsidiary of the Trust. Related party transactions between the two entities include grant payments to the college totalling £170k (2024: £251k).
An outstanding balance due of £80k (2024: £42k) due from SALT College of Africa was recorded at 31 March 2025.

35. ULTIMATE CONTROLLING PARTY

The charity is controlled by The Salvation Army International Trustee Company (SAITCo), a company limited by guarantee (company registration no. 2538134). SAITCo is appointed as the ordinary Trustee of The Salvation Army International Trust.

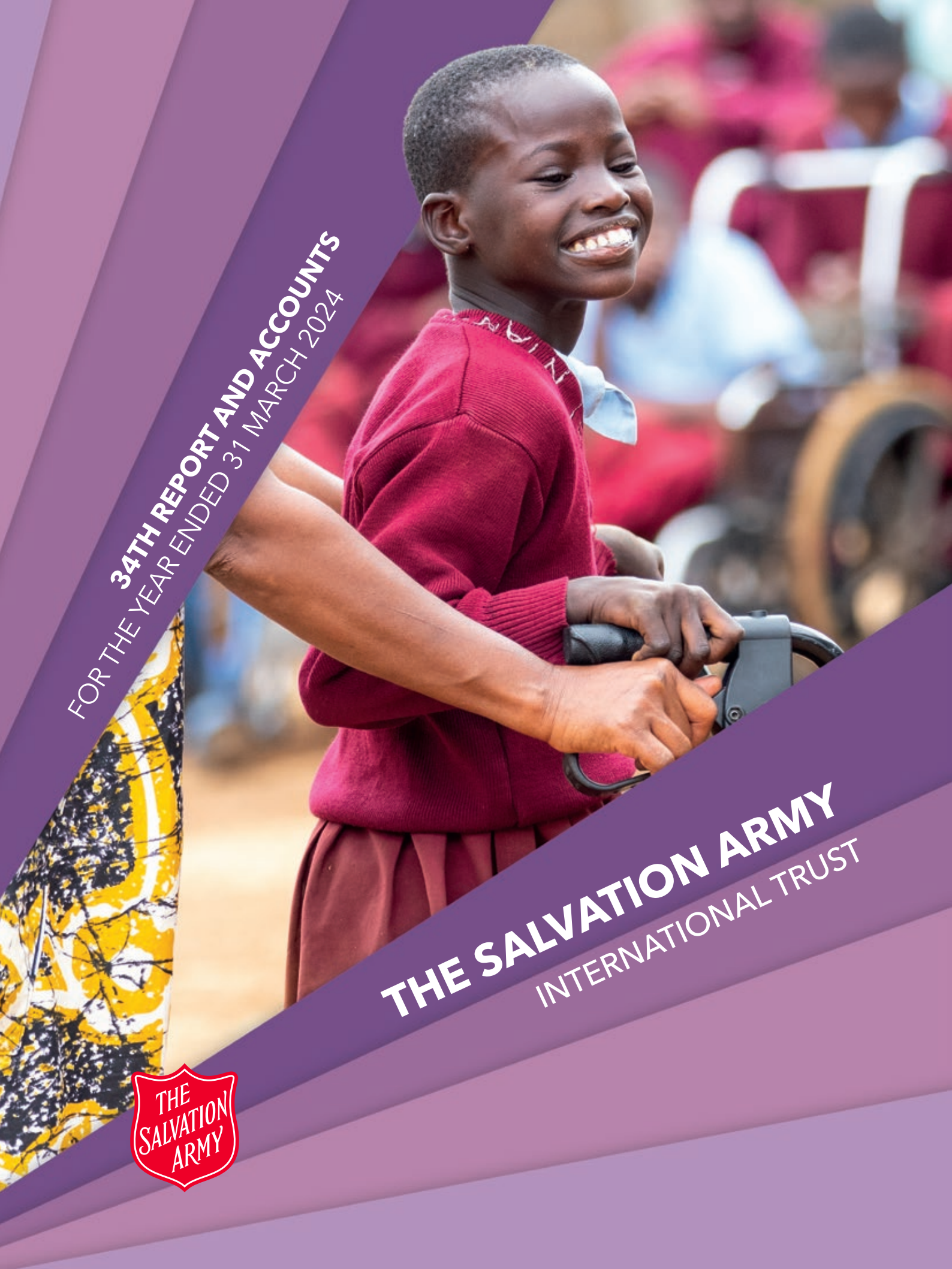
36. POST BALANCE SHEET EVENTS

There were no post balance sheet events.

THE SALVATION ARMY INTERNATIONAL TRUST

England & Wales - Charity number 1000566

Accounts



34TH REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

THE SALVATION ARMY

INTERNATIONAL TRUST

Front cover photo shows a student at Joytown School in Thika, Kenya

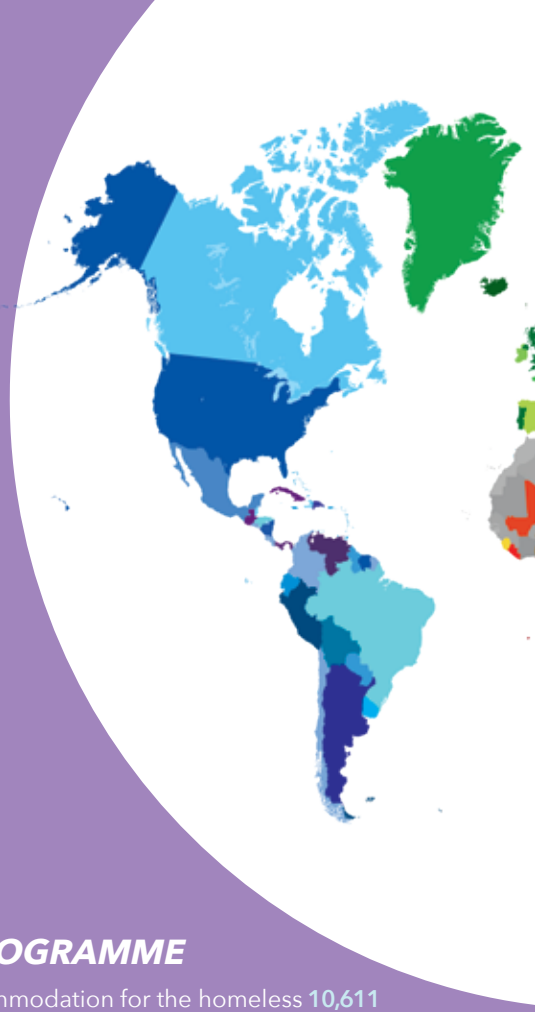
MISSION STATEMENT

International Headquarters exists to support the General as he/she leads The Salvation Army to accomplish its God-given worldwide mission to preach the gospel of Jesus Christ and meet human needs in his name without discrimination.

THE SALVATION ARMY
International Headquarters
101 Queen Victoria Street
London EC4V 4EH

THE SALVATION ARMY

WORLDWIDE FACTS & FIGURES



GENERAL INFORMATION

Countries and territories where SA serves **134**
Corps, outposts, societies, new plants and recovery churches **14,893**
Goodwill centres **100**
Officers **26,374**
- Active **16,077**
- Retired **10,297**

Auxiliary-Captains **353**
Envoys/sergeants/non-officer personnel, full-time **994**
Cadets **749**
Employees **100,950**

THE SALVATION ARMY MEMBERSHIP

Senior soldiers **1,249,596**
Adherents **170,629**
Junior soldiers **397,982**

CORPS PROGRAMME

Senior band musicians **27,007**
Senior songsters **101,640**
Other senior musical group members **119,598**
Senior and young people's local officers **153,464**
Women's Ministries (all groups) members **682,501**
League of Mercy – members **164,406**
SA Medical Fellowship – members **10,432**
Over-60 clubs – members **59,290**
Men's fellowships – members **130,266**
Young people's bands – members **15,327**
Young people's singing companies – members **162,862**
Other young people's music groups – members **113,331**
Corps cadets **43,618**
Sunday schools – members **730,624**
Junior youth groups (scouts, guides, etc., and clubs) – members **216,853**
Senior youth groups – members **181,030**
Parent and toddler groups **574**
- Capacity **261,156**

Corps-based community development programmes **53,148**
- Beneficiaries/clients **664,263**

Thrift stores/charity shops (corps/territorial/social) **2,623**
Recycling centres **24**

ADDICTION DEPENDENCY

Non-residential programmes **106**
- Capacity **1,222**

Residential programmes **176**
- Capacity **97,188**

Harbour Light programmes **20**
- Capacity **1,172**

Other services for those with addictions **60**
- Capacity **1,812**

SOCIAL PROGRAMME

Residential accommodation for the homeless **10,611**
- Capacity **44,691**

Children's homes **199**
- Capacity **5,820**

Homes for elderly persons **144**
- Capacity **11,570**

Homes for disabled persons **37**
- Capacity **1,525**

Homes for blind persons **4**
- Capacity **107**

Remand and probation homes **140**
- Capacity **950**

Mother and baby homes **28**
- Capacity **795**

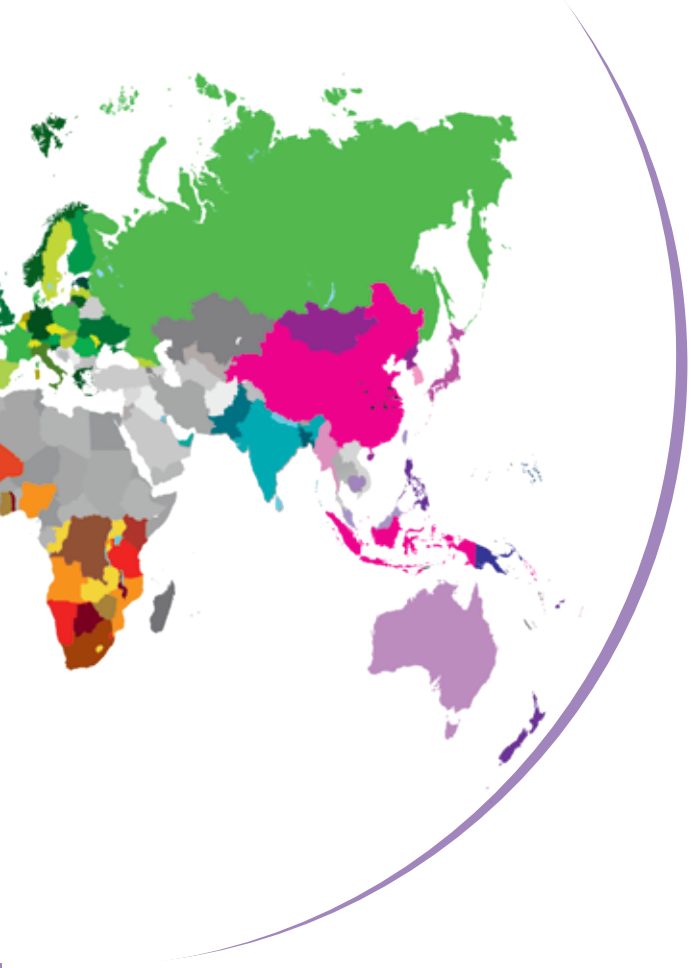
Training centres for families **66**
- Capacity **244**

Care homes for vulnerable people **284**
- Capacity **1,926**

Other residential care homes/hostels **22**
- Capacity **688**

EDUCATION PROGRAMME

Pre-school/kindergarten/sub-primary **779**
Primary schools **1,237**
Secondary and high schools **596**
Colleges and universities **19**
Vocational training schools/centres **50**
Pupils **557,460**
Teachers **19,527**
Schools for blind students (included in above totals) **17**
Schools for disabled students (included in above totals) **39**
Boarding schools (included in above totals) **110**
Staff training and development centres **79**
Learning centres **12**



Source of aggregate statistics for Salvation Army territories:
The Salvation Army Year Book 2024 (pages 40–41)
(as recorded at 1 January 2023)

HEALTH PROGRAMMES

General hospitals **29**
Capacity **2,303**
Hospice long-term care **13**
Capacity **157**
Maternity hospitals **35**
Capacity **1,020**
Other specialist hospitals **43**
Capacity **777**
Specialist clinics **25**
Capacity **3,412**
General clinics/health centres **120**
Mobile clinics/community health posts **49**
Inpatients **314,027**
Outpatients **1,200,901**
Doctors/medics **5,370**
Non-medical staff **1,909**
Invalid/convalescent homes **3**
Capacity **106**
Health education programmes (HIV/Aids, etc.) **3,037**
Beneficiaries **229,001**
Day care programmes **76**

SERVICES TO THE ARMED FORCES

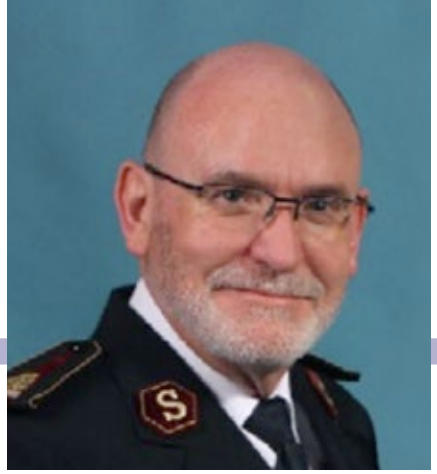
Mobile units for service personnel **28**
Chaplains **78**

SERVICES TO THE COMMUNITY

Community centres **430**
Capacity **429,308**
Day centres for the elderly **63**
Capacity **2,519**
Day centres for street children **77**
Capacity **844**
Day nurseries **528**
Capacity **33,518**
Drop-in centres for youth **204**
Capacity **9,198**
Other day care centres **126**
Capacity **6,193**
Prisoners visited **31,768**
Prisoners helped on discharge **24,124**
Police courts – people helped **49,109**
Missing persons – applications **1,884**
Number traced **875**
Night patrol/anti-suicide – number helped **287,814**
Employment bureaux – applications **98,647**
Initial referrals **61,982**
Counselling – people helped **284,641**
General relief – people helped **12,955,581**
Emergency relief (disasters) – people helped **1,129,175**
Emergency mobile units **1,889**
Feeding centres **2,400**
Restaurants and cafés **230**
Apartments for elderly **1,252**
Capacity **5,436**
Hostels for students, workers, etc. **40**
Capacity **1,501**
Land settlements (capacity) **6**
Social Services summer camps **147**
Participants **12,958**

EMERGENCY DISASTER RESPONSE

Disaster rehabilitation schemes **90**
Participants **51,215**
Refugee programmes – host country **70**
Participants **134,731**
Refugee rehabilitation programmes **61**
Participants **106,337**
Other response programmes **71**
Participants **68,411**



Foreword by
General Lyndon Buckingham

Greetings in the name of our Lord and Saviour Jesus Christ! As the world continues to experience turmoil and turbulence, it is good to know that we can continue to trust in God's plan and providence each and every day.

The Salvation Army was founded with that trust in mind: faith in God's plan and reliance on his providence to sustain and provide for the ongoing mission for which he called the Army into existence. Our International Mission Statement is a clarion call: 'To preach the gospel of Jesus Christ and to meet human needs in his name without discrimination.' The Salvation Army International Trust ('SAIT') continues to be instrumental in and integral to fulfilling that mandate.

The statistics documented throughout this report testify to the scope and reach of the Army's mission: responding to emergencies and disasters – both natural and man-made; coordinating international development and support projects; supporting territories as they assess priorities and plan for the future; providing care in our hospitals and clinics around the globe; fighting against human trafficking and modern slavery – all of this and more are the remit for which SAIT's partnership and oversight is vital.

The Salvation Army has always taken a 'hands-on' approach. 'Meeting needs' is about sharing the love of God in whatever form is required; be it spiritual, physical, emotional or financial. We have always recognised that practical demonstrations of the values of the Kingdom of God are more impactful than just talking about them. The Salvation Army lives out its mission on a daily basis.

As an evangelical part of the universal Christian Church, the Army has always valued integrity, accountability and stewardship. We recognise and are deeply appreciative of the essential role played by The Salvation Army International Trustee Company ('SAITCo') and SAIT in providing robust governance structures and strong controls for use of charitable funds. I am grateful to each member of the SAITCo board, whose advice and expertise continue to ensure outstanding guidance for the Army and its resources.

We now look forward to the future as we launch our Global Strategic Framework: 'Compass.' The framework seeks to point the way; to guide The Salvation Army into the days ahead. People, Mission, Legacy – this is who we are, and where God is leading us. I look forward to SAITCo's role in this exciting opportunity to shape the future of our movement.

I also want to express my thanks for the officers, soldiers, staff and volunteers, supporters and donors who work tirelessly to deliver the Army's mission around the world. Your partnership enables the Army to do what it does best.

I am grateful for the work which this report represents, as well as for the report itself. I commend it to you with my heartfelt appreciation.

May God richly bless you.

Yours in his service,



Lyndon Buckingham
GENERAL



Foreword by the Chief of the Staff
Commissioner Edward Hill

As Chair of the Board of Directors of The Salvation Army International Trustee Company ('SAITCo'), I am once again honoured to present the Annual Report to our readers.

The Salvation Army International Trust ('SAIT' or 'the Trust') exists to further the ministry of The Salvation Army, which is to advance the Christian religion and meet human needs as and when they occur throughout the world. It also supports the work of International Headquarters ('IHQ'), which is responsible for coordinating the international mission, as well as overseeing strategy.

The global work of The Salvation Army is widely recognised as essential and of significant value. Amidst substantial crises and challenges in our world, I appreciate the conscientious management of Salvation Army resources, which has facilitated and ensured the provision of exceptional levels of service.

In response to the wide-ranging and significant governance review in recent years, SAITCo has implemented a number of reforms, including changes to the operation of subsidiary boards, committees and councils, updates of expenditure authority thresholds for financial decision-making and internal staffing reorganisations. Additional work has also been undertaken to review both the risk management protocols and strategic planning processes of the Trust, and to introduce a programme of formal monitoring of Board skills and performance for SAITCo.

I am pleased to share that Reliance Bank Ltd, the bank of The Salvation Army, enjoyed a very productive year in 2023/24. Efforts are also progressing well to apply a manual issued from IHQ of International Financial and Accounting Standards ('IFAS') for The Salvation Army and to roll out NetSuite cloud-based accounting software and the Office 365 suite to financially supported territories.

SAITCo continues work to benchmark and align IHQ practice with the latest update to the Charity Governance Code, which focuses on integrity, equality, diversity and inclusion. IHQ is also currently engaged in a strategic planning process, which will strengthen our movement through the identification and implementation of global priorities focusing on *people*, *mission* and *legacy*. These are exciting days of development for us.

In light of recent and evolving challenges, SAITCo persistently monitors developments with regard to both internal and external events. Given our sound financial position, investment strategy and reserves policy, all of which are meticulously overseen through our governance structures, we maintain confidence in the Trust's ability to continue fulfilling its grant-making and other objectives.

I look forward to the Trust's continued engagement in assisting The Salvation Army to meet its full potential as a transformational movement in the world. Certainly, this effort will be advanced by deepening the Trust's engagement with and understanding of the various challenges and opportunities facing the international Salvation Army, particularly in those places around the globe where the need is greatest.

I extend my deepest gratitude to my fellow directors at SAITCo for their unwavering dedication, enthusiasm and professionalism.

The movement is strategically positioned to successfully fulfil its mission objectives and consistently create a beneficial global influence.

Sincerely yours,

Edward Hill

Edward Hill
CHIEF OF THE STAFF

THE SALVATION ARMY INTERNATIONAL TRUST

TRUSTEE'S REPORT

The Trustee is pleased to present the annual report for The Salvation Army International Trust (referred to as 'the Trust' or 'SAIT') for the year ended 31 March 2024.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The General, acting under powers contained in The Salvation Army Act 1980, established the Trust to further the worldwide work of The Salvation Army. The Salvation Army International Trustee Company ('SAITCo'), a company limited by guarantee, was formed and appointed as the ordinary Trustee of the Trust. The directors of SAITCo are thus effectively the charity's trustees.

THE SALVATION ARMY INTERNATIONAL TRUST
Registered Charity No 1000566
Trust Settlement Deed dated 21 September 1990 (Governing Document)

THE SALVATION ARMY INTERNATIONAL TRUSTEE COMPANY – ORDINARY TRUSTEE
Company Registration No 2538134

The General of The Salvation Army, as founder of the Trust, specifies the qualifying offices and the experts for SAITCo. Qualifying offices are such offices of The Salvation Army as the General may from time to time specify by notice to SAITCo and experts are persons who satisfy such conditions and/or who have such qualifications or expertise as the General may from time to time specify by notice to SAITCo. Both the qualifying offices' holders and the experts make application for membership of SAITCo with consent to become directors and are accepted by the Board of Directors of SAITCo.

All new directors follow teaching modules prepared specifically for The Salvation Army on its constitution, operational scope and the duties and responsibilities of directors. In addition, individual directors follow external courses.

8 STRUCTURE, GOVERNANCE AND MANAGEMENT
16 OBJECTIVES AND ACTIVITIES
17 ACHIEVEMENTS AND PERFORMANCE
41 FINANCIAL REVIEW
58 STATEMENT OF FINANCIAL ACTIVITIES
59 BALANCE SHEET
61 CASHFLOW STATEMENT
62 NOTES TO THE ACCOUNT

The SAITCo Directors who served throughout the period under review and to the date of approval of this report and accounts are as follows:

SAITCO DIRECTORS

Commissioner Lyndon Buckingham	from 3 August 2018 to 2 August 2023
Commissioner Keith Conrad	from 1 August 2019
Commissioner Lee Graves *MBA*	from 1 November 2020 to 31 August 2023
Commissioner Edward Hill *MDiv, MACE*	from 1 May 2021
Commissioner Lyn Hills	from 1 July 2024
Commissioner Debbie Horwood	from 1 July 2021
Commissioner Eva Kleman	from 1 November 2020 to 30 June 2024
Commissioner John Kumar Dasari	from 2 April 2024
Commissioner Robyn Maxwell	from 1 November 2020
Commissioner Kenneth Maynor	from 2 September 2023
Commissioner Susan McMillan *BCom, MBA, FCPA, FCGA*	from 17 July 2023
Commissioner Garth Niemand *MBA, BTh*	from 3 September 2023
Commissioner Suresh Pawar	from 12 November 2020 to 1 April 2024
Lieut-Colonel Russell Malcolm *BCom, DipApTh, MBA, CAANZ CA*	from 1 February 2022 to 21 May 2023
Mr Robin Foale	from 1 May 2019
Mr James Gardner *MA*	from 1 May 2022
Mr Mark Goodale *BA, FIA*	from 1 May 2019
Mr Robert Lister	from 1 January 2016
Mr Tim Sketchley *BA, MA (Cantab), FRICS*	from 1 May 2022

AUDIT COMMITTEE MEMBERS

Ms Rosie Bichard *GCB.D, CFA* (Chair)
Mr Mark Goodale *BA, FIA*
Mr Tim Sketchley *BA, MA (Cantab), FRICS*
Mr Andrew Stickland *BA (Hons), FCA*

PRINCIPAL OFFICERS

Commissioner Lee Graves *MBA*	Managing Director to 31 August 2023
Commissioner Garth Niemand *MBA, BTh*	Managing Director from 3 September 2023
Dr Matthew Carpenter *BA, MBA, DBA, MCMI*	Company Secretary
Lieut-Colonel Russell Malcolm *BCom, DipApTh, MBA, CAANZ CA*	Head of Finance to 21 May 2023
Commissioner Susan McMillan *BCom, MBA, FCPA, FCGA*	Head of Finance from 22 May 2023
Mr Kaloan Belito *BA, DchA, MSc, FCCA*	Chief Accountant

BANKERS

HSBC Bank plc
60 Queen Victoria Street
London EC4N 4TR

Reliance Bank Limited
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London EC3R 8EB

National Westminster Bank
38 Strand
London WC2N 5JB

SOLICITORS

Slaughter and May
1 Bunhill Row
London EC1Y 8YY

AUDITORS

BDO LLP
55 Baker Street
London W1U 7EU

INVESTMENT MANAGER

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

The Trust exists to further the work of The Salvation Army and of its International Headquarters (IHQ), which is to advance the Christian religion and meet human need as and where it occurs throughout the world. The operation of IHQ is therefore an integral part of the work of the Trust. IHQ is responsible for coordinating the international work and overseeing strategy.

The Salvation Army is, for administrative purposes, divided into autonomous territories (generally by region or country). Each territory is governed, through local registration(s), in accordance with the applicable local laws, and the Trust works with and through these separate legal entities. However, The Salvation Army remains under the oversight, direction and control of the General of The Salvation Army, as set out in greater detail in The Salvation Army Act 1980.



CONNECTED ENTITIES

The Salvation Army Retired Officers' Allowance Scheme

Registered Charity 1153681
Declaration of Trust dated 13 December 2012

The Salvation Army Retired Officers' Allowance Scheme is a separately registered charity that is administered by SAITCo as the Trustee.

The objects of The Salvation Army Retired Officers' Allowance Scheme are to relieve the poverty of retired officers and the financial hardship amongst elderly retired officers of The Salvation Army anywhere in the world.

The Salvation Army in the United Kingdom and the Republic of Ireland

The work of The Salvation Army in the United Kingdom and the Republic of Ireland is directed by the United Kingdom and Ireland Territory, with resources provided through trusts administered by The Salvation Army Trustee Company. The two principal trusts of this territory are The Salvation Army Trust and The Salvation Army Social Work Trust. The work and results of The Salvation Army in the United Kingdom and the Republic of Ireland are excluded from this annual report.

Reliance Bank Limited

The banking company, Reliance Bank Limited ('the Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership and through the delivery of its five-year strategic plan, the Bank aims to become an important, positive social impact bank. Between December 2019 and March 2023, £11 million of additional share capital was invested by the Trust in the Bank to support its new strategic plan and future growth. The Bank experienced a loss-making period for the four years to 31 March 2022, against the background of the global pandemic, ultra-low interest rates and the Bank's investments in people, systems and resources. The Bank returned to profit in 2022/23 and recorded a record profit before tax of £1.9 million in 2023/24.

Historically, the Bank's business model was to invest the funds it received from customers, with treasury counterparties, and the margin received more than covered the fixed costs of running the Bank. As interest rates fell after 2008, this model became unsustainable and since 2018 the Bank has instead built a social impact lending portfolio, not only to improve financial returns, but also to align to the

mission of supporting communities and meeting human need. Growth in the loan book, together with rising interest rates, have driven improved income levels and the return to profitability. The record profit achieved in 2023/24 can be viewed as an exceptional result and it is expected that the level of earnings will normalise in 2024/25 as interest rates moderate.

The Bank offers transactional banking services to more than 30 Salvation Army territories, providing a vital 'safe haven' for project funds and IHQ operational grants and a secure platform for international fund transfers for the global Salvation Army. The Bank offers these territories a comprehensive product range, including current accounts and fixed interest products in GBP, USD and EUR, as a UK-domiciled bank authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Additionally, the Bank meets the functional banking requirements of IHQ (as distinct from the territories), processing payments to a wide range of international locations, providing personal banking services for non-UK nationals working at IHQ, creating bespoke banking arrangements for territories to match specific IHQ requirements and obtaining bank ratings information to inform IHQ evaluation of proposed bankers for territories. The Bank also provides a wide range of banking services to The Salvation Army (UK and Ireland Territory), and offers employees of Salvation Army organisations fee-free personal current account services at market rates. Reliance Bank more widely provides banking services and lending secured on property to other UK charities and positive social impact organisations, as well as savings and mortgage products to the general public.

In 2018, SAITCo, as ordinary Trustee of the Trust, undertook considerable due diligence before acquiring sole ownership of the Bank, with the Board of Directors receiving multiple reports from appointed consultants on legal, tax, accounting, governance, risk and regulatory considerations, including a detailed critical analysis of the Bank's five-year strategic plan and consideration of alternative options to proceeding with sole ownership. The Trust refreshed this diligence in 2021/22 and 2022/23, to support investment of additional share capital, with the engagement of external consultants to review the Bank's performance to the five-year strategic plan and advise SAITCo on other related matters.

Ordinarily, it is expected that the Bank will donate a proportion of its net taxable profits to support the mission of the Trust. No donations were made during the early years of sole ownership of the Bank by the Trust, as the Bank was in an investment phase, however in 2023/24 the Bank made a Gift Aid payment of £100,000 to the Trust with this set at a level which allows for further investment of profits in the Bank's development.

Whilst the Trust is the Bank's parent controlling entity, a Nominations Committee – comprising Non-Executive Directors of the Bank – recommends the appointment of Directors to its board. This includes consideration of proposed shareholder-representative Directors.

The Bank, in common with all banks, faces several inherent risks, such as credit risk, interest-rate risk, risk arising from holding foreign currencies, climate-change risk, compliance risk, conduct risk and operational risk. Policies are in place to ensure that the Bank's exposure to these risks is monitored and controlled. The Bank maintains a risk register which is regularly reviewed by its Board Conduct, Risk and Compliance Committee and Executive Committee.

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited is a wholly owned subsidiary of the Trust.

During 2020/21, a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya, for Salvation Army territories in Africa that hitherto operated as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo, as ordinary Trustee of the Trust and on behalf of the Trust, to which the Trust transferred assets, and so, from 1 August 2020 and during the year under review (2023/24), is no longer reported within the charity-only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the separate legal entity in 2020, in the sum of £26,309, are not material to the Trust.

Consolidated accounts for the Trust incorporating the subsidiary companies Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited are presented for 2023/24 on pages 58 to 87, as well as charity results, assets and liabilities for the Trust.

GOVERNANCE

The Trust utilises a committee structure to supervise its operations. SAITCo's Board of Directors, including five Independent Non-Executive Directors, delegates day-to-day financial management decisions to the International Finance Board ('IFB'), International Business Board and International Projects Board within clearly defined parameters. The terms of reference for subsidiary boards and the minutes of all meetings of these boards are reviewed by the Directors on a regular basis, with the latest review of terms of reference undertaken in January 2024.

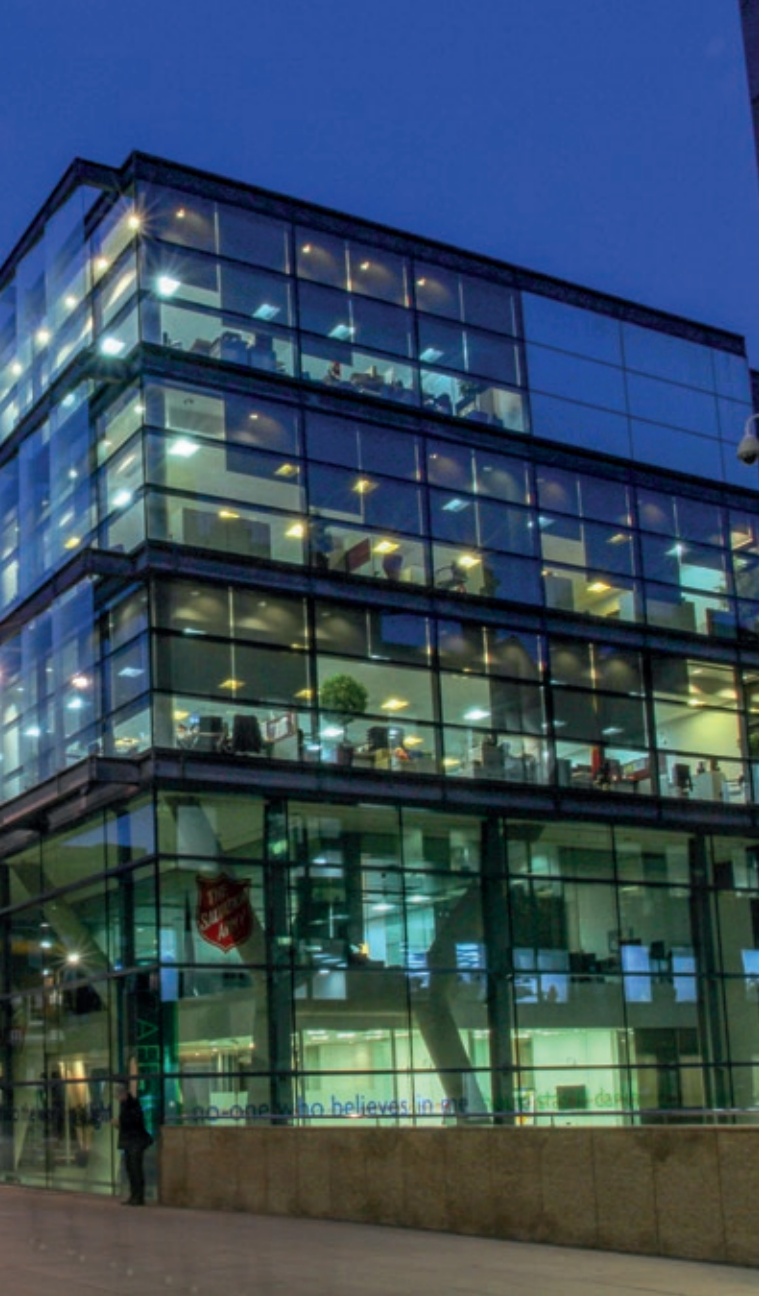
SAITCo has a Serious Incident Reporting Policy and Procedure in place, last reviewed in August 2024, outlining the process to be followed to decide if an incident relating to the Trust would be appropriate to be reported to the Charity Commission as a serious incident in accordance with the latest regulatory guidance.

A well-established Internal Audit Department also carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working, and a framework of internal controls and local financial management systems are in place, supported by a manual of International Financial and Accounting Standards ('IFAS') for The Salvation Army issued from IHQ. Salvation Army territories also share findings of locally instructed external audits of territorial operations with IHQ for review and consideration within the internal audit process. The IFAS manual was reviewed and updated during 2022/23, following a comprehensive committee-led drafting process, including formal review of consultation materials by 50 Salvation Army territories, with a revised 2023 edition of IFAS issued from IHQ in February 2023 and effective from January 2024. A project is also well advanced to roll out cloud-based accounting software to all financially supported territories by 2025/26, enabling more regular and more detailed reporting both within territories and from territories to IHQ, with 23 of the 41 financially supported territories using the software as at October 2024. A new reporting mechanism from all territories to the IFB commenced in 2020/21 and this was further developed in 2022/23, based upon the suite of 16 Key Financial Indicators ('KFIs') defined within the IFAS manual, allowing IHQ to be better informed of the financial position in territories as a significant enhancement to internal controls.

An Audit Committee also meets on a quarterly basis and comprises four members, including two Independent Non-Executive Directors of SAITCo, with none of the members holding executive



The Salvation Army Internatio



nal Headquarters, London, UK, with St Paul's Cathedral in the background

responsibility for management of the Trust. The Committee holds delegated responsibility on behalf of SAITCo for continual review of the financial management and internal controls of the Trust, and holds a direct line of communication to the internal and external auditor.

SAITCo has undertaken a wide-ranging and significant governance review in recent years, assisted by an external consultant and involving a review of SAITCo membership, structure, interrelationships with other IHQ bodies, performance and effectiveness, as well as benchmarking to good governance practice as outlined within the Charity Governance Code.

A Board Charter for SAITCo was developed during 2019/20 as an early action within the governance review process and remains in place. The Charter defines the roles, responsibilities and authorities of SAITCo in the effective and efficient functioning of the Trust, and considers mission objectives, board roles, board procedures, board composition, board committees, board induction and ongoing training, conflicts of interest and board evaluation.

During 2020/21, the Articles of Association of SAITCo were revised and the SAITCo Board Charter was further reviewed and updated to embed reforms prompted by the governance review. An operational review of IHQ was then undertaken with a number of enhancements implemented in 2021/22 and 2022/23, including changes to the operation of subsidiary boards, committees and councils, update of expenditure authority thresholds for financial decision-making and internal staffing reorganisations.

During 2023/24, an external consultant was engaged by SAITCo to benchmark IHQ practice to the most recent update to the Charity Governance Code, which focuses on the principles of integrity and equality, and diversity and inclusion, highlighting opportunities for further development. An action plan was developed to further align SAITCo practice to the Code and was approved by SAITCo for implementation from May 2024. SAITCo already embraces many governance activities outlined within the Code, such as conducting board induction and training, board performance monitoring, managing potential or actual conflicts of interest and regularly reviewing terms of reference for subsidiary boards, with opportunity for further development in areas such as board consultation with beneficiaries and board review of longer-term financial strategy.

Additional work was also undertaken in 2023/24 to review the risk-management protocols of SAITCo, with a revised and refreshed SAITCo Risk Register approved by SAITCo for implementation from January 2024. A further body of agreed actions is anticipated in 2024/25, including a further review of the SAITCo Articles of Association and SAITCo Board Charter, as well as enhancements to board strategic planning processes.

SAITCo has in place a number of dedicated governance arrangements in respect of its role as sole owner of Reliance Bank Limited, having taken advice on this from an external consultant as part of the body of due diligence work undertaken towards acquiring sole ownership of the Bank. An additional Director with banking expertise was successfully recruited to the SAITCo Board in May 2019 and remains in post, with two shareholder representatives appointed to the Bank board and mechanisms in place for performance reporting for the Bank to SAITCo and risk management for the Bank to the Risk Management Committee of the Trust.

REMUNERATION

SAITCo is committed to ensuring a proper balance between paying staff to attract and retain the best people for the job, and careful management of charitable funds.

Management remuneration policies and practices within the Trust are reviewed periodically by SAITCo, with day-to-day decisions delegated to the Employee Review Board and Job Grading Panel within clearly defined parameters. The IHQ Remuneration Policy was last reviewed and updated by SAITCo in January 2024.

SAITCo is committed to paying the living wage as set by the Living Wage Foundation to all staff as a minimum and IHQ is accredited by the Living Wage Foundation as a living wage employer.

There are two grading structures currently used at IHQ – an IT specialist scale and a main pay scale for all other employees. The differentiation is to address the market salary demands of IT specialists in the third sector. Posts are graded between eight evenly distributed grades, each of which contain nine main spine points (three per cent apart) and two upper spine points (six per cent apart). The scales were formulated, and are subject to ongoing review, with assistance from an external consultant to undertake market comparisons and objective benchmarking to comparable roles in other organisations. The lowest full-time salary at IHQ is always set in line with or above the living wage as set by the Living Wage Foundation.

New staff are usually appointed at the lower spine points of the grades, though this can differ for some specialist posts or due to candidate experience. Postholders may progress through the pay grade subject to completion of performance appraisals with a 'highly effective' or 'exceptional' performance rating. Cost-of-living increases are also awarded periodically to all staff by SAITCo, with an assessment made within the annual budget setting process to determine any proposed inflationary adjustment with reference to the Consumer Price Index and the financial position of the Trust.

Further remuneration disclosures for the Trust and group for this reporting period are shown within Note 14 to the Accounts. The Trust did not have any UK volunteers, excluding trustees, during the reporting period.

MODERN SLAVERY ACT

The Salvation Army is very active in bringing practical assistance to those whose lives have been affected by the evil of modern slavery, and as such is sensitive to the danger of inadvertently finding itself falling short of its own beliefs and standards in this regard, as well as the standards set out in the UK Government's Modern Slavery Act 2015. The Modern Slavery Act 2015 compliance statement for SAITCo, reviewed and updated in November 2023, can be accessed at http://www.salvationarmy.org/ihq/modernslaveryact2015 and provides details of the variety of measures undertaken by SAITCo to avoid and reduce the risk of inadvertently supporting modern slavery in any way.

FUNDRAISING

Section 162a of the Charities Act 2011, as amended by the Charities Act 2022, requires charities to make a statement regarding fundraising activities. Although the Trust does not actively undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Such amounts receivable are presented in the Accounts as 'Other Donations and Legacies'.

In relation to the above, SAITCo confirms that no fundraising activity has been undertaken by the Trust, or by anyone acting on its behalf, that no fundraising standards or scheme for fundraising regulation have been subscribed to by the Trust, or by anyone acting on its behalf, that no complaints in relation to fundraising activities have been received and that any solicitations are managed internally, without the involvement of commercial participators or professional fundraisers.

During the year, IHQ corresponded with the Fundraising Preference Service in connection with 10 individuals who requested that no fundraising material be sent to them by the Trust, with confirmation provided that the Trust does not hold fundraising mailing lists nor issue any fundraising correspondence to individuals seeking donations, and so the individuals' wishes have been met.



Right: Resident at the Bapatla Boys' Home, India

Below: Local farming community involved in the Muko Agriculture and Food Security Project in Rwanda





A Ukrainian refugee family in Batumi, Georgia. They are beneficiaries of The Salvation Army's feeding progamme for refugees

OBJECTIVES AND ACTIVITIES

PUBLIC BENEFIT

The Trust is operating for the public benefit and in keeping with the organisation's mission statement. In setting and reviewing the Trust's aims and objectives, and planning future activities, the Trustee pays due regard to the guidance issued by the Charity Commission on public benefit. The main activities of the Trust are:

- to continue the advancement of the Christian religion through evangelistic outreach
- to continue to provide financial assistance to The Salvation Army where needed
- to provide effective leadership and share knowledge and expertise through the strategic deployment of personnel
- to respond to and help meet the needs arising from major crises
- to strengthen The Salvation Army's capacity to support poor and marginalised people who need access to quality primary healthcare services as close to the family as possible
- to take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

A breakdown of expenditure per these main charitable activities of the Trust is presented at Note 12 in the Accounts. This shows a significant outlay on funding assistance to Salvation Army territories (under the second activity listed above) recognising that such grants also aid fulfilment of the other stated objectives, as Salvation Army territories provide a wide range of local church/ social programmes having received the IHQ funding necessary to maintain day-to-day operations.

Specific aims for each of the main activities of the Trust during the reporting period are outlined in the sections below. The activities of the charity are rendered without discrimination and for the benefit of all people in need.

'The activities of the charity are rendered without discrimination and for the benefit of all people in need'

ACHIEVEMENTS AND PERFORMANCE

World Mission 18

Assistance to Salvation Army Territories 22

International Personnel Training and Development 29

Crisis Relief 32

Health Services for the Poorest People 34

Fighting Against Sexual Trafficking and for Social Justice 37

1 WORLD MISSION



OVERALL OBJECTIVE

To continue the advancement of the Christian religion through evangelistic outreach.

SPECIFIC AIMS

World Mission objectives are to encourage and enable people linked to The Salvation Army to reach out into their communities with spiritual and practical support, to offer online and other resources to Salvationists and friends around the world, and so create a supportive network through which people can share in prayer and evangelism, and for the General and the Chief of the Staff to visit Salvationists and friends around the world, providing opportunities for increased publicity and offering encouragement and challenge.

ACHIEVEMENTS

In May 2023, the diverse group of Salvation Army leaders known as the High Council gathered in London, UK, with the sole purpose of electing the movement's next international leader. At the end of a week of prayer, discussion and deliberations, Commissioner Lyndon Buckingham was presented to the world as General-elect. He took office on 3 August 2023 when Commissioner Bronwyn Buckingham also commenced her appointment as World President of Women's Ministries.

INTERNATIONAL LEADERS

In his first article in *The Officer* magazine, soon after his election as the 22nd General of The Salvation Army, General Lyndon Buckingham shared his priorities as he assumed the role of international leader with a focus on 'the proclamation of the gospel of Jesus Christ, the genuine care and concern for others, and the pursuit of a life of holiness'. In following these objectives, he expressed a hope and expectation that 'God will be glorified, we will fulfil our missional mandate and the Kingdom of God will be extended'.

In the months since taking office, the General and Commissioner Bronwyn Buckingham travelled the world offering the good news of Jesus Christ and sharing a message of holiness and godliness. The General and Commissioner Buckingham shared in territorial events in New Zealand, Uganda and Sri Lanka, and participated in anniversary celebrations in Fiji (50 years), South Africa (140 years) and Kenya (100 years). An estimated 20,000 people attended the anniversary celebration events in Kenya West Territory.

In addition, the General and Commissioner Buckingham shared in regional conferences in both South Asia and Africa, and presided over two consultative councils, each of which brought together more than 50 international leaders to discuss the Army's global strategies and priorities. 'Working with leaders on the development of a global strategic framework to guide our global response over the next season is foundational in moving forward the mission of the Army,' said the General. 'I thank God for the passion and commitment of the officer leaders I have met, and marvel at what we are endeavouring to do for God through the ministry of the Army.'

Ministry to, for and by women around The Salvation Army was also a strong component of the mission and ministry of the international leaders during the year. 'Battle Cry' is a worldwide initiative with the goal of encouraging women to invest in becoming fully engaged in the fight for social justice causes in the present day – particularly those around healthcare, education and the elimination of gender-based violence. In her role as World President of Women's Ministries, Commissioner Buckingham worked to expand this programme to include local-specific issues and offer resources to help women advocate on behalf of vulnerable populations throughout the world.

'I pray for an Army clear about its mission in the world,' said the General, 'for an Army unapologetic about its confidence in the gospel of Jesus Christ to transform lives and reconcile men and women, boys and girls to the loving embrace of their heavenly Father.'

Stadium salute: The General and Commissioner Buckingham lead celebrations in Kenya West Territory



The General with Salvationists in New Zealand, Fiji, Tonga and Samoa Territory



LITERARY AND EDITORIAL

Salvation Books, the publishing imprint of The Salvation Army, aims to ensure all Salvationists are equipped and have access to materials that deepen their faith, strengthen their prayer life, and offer encouragement and inspiration. Books released during the year in review included *The Salvation Army Year Book 2024* (a 400-page compendium capturing news and events from the 134 countries in which The Salvation Army serves) and three editions of *Words of Life* (a daily devotional book).

International shipping of publications has become increasingly problematic with rising costs, customs checks and other logistical challenges. The Literary and Editorial section is committed to exploring shipping and printing options to ensure hard-copy resources remain available to Salvationists where appropriate, while also exploring avenues to increase the use of e-books and online resourcing. The team recruited two new editors during the year to increase the capacity of the section and ensure that increased content editing demands within IHQ can be met while still producing books, including new titles, on an ongoing basis.



A selection of books published by The Salvation Army

INTERNATIONAL LITERATURE PROGRAMME

The International Literature Programme ('ILP') exists to ensure that high-quality, comprehensive and appropriate Christian teaching and educational resources are accessible to financially supported territories. Grants support the purchase and production of Christian literature to aid spiritual development. The programme also has the special responsibility of providing literature in the language of local people at an affordable price.

Grants enable territories requiring support to purchase books at a significant discount or to produce resources locally. Grants can also support territories through the translation, printing or purchase of literature; the encouragement of writers' workshops; the production or purchase of music; the production of videos for teaching or worship; and the production of mission-focus material.

During the year, concerted efforts were made to promote the ILP within The Salvation Army world and grant applications subsequently increased. A central project was the translation and printing of *The Songbook of The Salvation Army* into Telugu for the India Central Territory. Other completed projects included the printing of resources for child-protection training and seminars in Pakistan, Sri Lanka, Kenya, Zimbabwe and Mozambique, and the printing of women's ministries resources and Bible-study material in numerous territories. Grant funding was also provided to the Eastern Europe Territory to fund the translation and printing of course material on pastorally supporting the LGBTQ+ community.



Examples of translated publications



Delivery of local language songbooks in India Central Territory

TRANSLATIONS

The aim of the IHQ Translations desk is to make resources available for the mission to win more souls for Christ. Accurate translation is essential to ensure The Salvation Army can communicate its mission clearly and concisely to a global, linguistically and culturally diverse audience. It is also essential that relevant resources – whether online or printed materials – are accessible to all people.

Specific projects undertaken during the year included the translation of International Day of Children and Young People resources into French, Hindi, Portuguese, Spanish, Swahili and Tamil, the translation of International Positional Statements into Swahili and the translation of the General's Christmas message into French, Hindi, Portuguese, Spanish, Swahili and Tamil.

KEY STATISTICS

- During 2023/24, the General and Commissioner Buckingham presided over two consultative councils, each bringing together more than 50 international leaders to discuss the Army's global strategies and priorities.
- Salvation Books published three editions of the daily devotional series *Words of Life* during 2023/24, with 5,000 copies of each edition distributed.



FUTURE PLANS

The General and other international leaders will continue to travel around the world engaging with Salvationists, friends, supporters and people of influence and offering encouragement and challenge.

The General and the Chief of the Staff will also keep working to develop a global strategic framework for Salvation Army ministry to guide global responses over the next season.

IHQ will continue to resource Salvationists around the world through the development of books and magazines with translation of resources to make content available and accessible to as many people as possible. Six books are planned for publication in 2024/25, including four titles written by retired Generals which should have a wide appeal.

Left: The General and Commissioner Buckingham in New Zealand

Below: Commissioner Buckingham in Kenya



2 ASSISTANCE TO SALVATION ARMY TERRITORIES

OVERALL OBJECTIVE

To continue to provide financial assistance to The Salvation Army where needed.

SPECIFIC AIMS

The Trust seeks to provide financial assistance, infrastructure and technical support to territories through a wide range of programmes, including grant funding and delivery of large-scale international projects with a particular focus upon four areas of work during 2023/24:

A. INTERNATIONAL DEVELOPMENT SERVICES (IDS), based at IHQ, partners with Salvation Army territories across the world to help tackle poverty and challenge injustice through a range of different projects and initiatives. IDS supports the work of the global Salvation Army by coordinating and supporting the delivery of sustainable community development projects and mission support projects for ministries including anti-modern slavery and human trafficking work, hospitals, clinics and community health services, children's homes and programmes for vulnerable children and elderly care homes. International Development projects and programmes represent an important part of The Salvation Army's mission and ministry in many countries. By supporting the delivery of such projects and programmes, IDS aims to work with partners to change societal structures and systems which exploit, marginalise and imprison human beings in poverty and injustice. Specific aims for IDS for the year were to develop projects that help to tackle the root causes of poverty, to build capacity of project staff in territories, and to encourage more cohesive and effective community development projects in Asia and other priority areas.

B. INTERNATIONAL PROPERTY PROJECT, overseen by a staff member based at IHQ, aims to assist territories in highest and best use reviews of underutilised property assets as a step towards financial independence. In 2023/24, the project aimed to progress significant schemes in the Democratic Republic of Congo Territory and the Rwanda and Burundi Territory, and to develop commercial projects and explore new opportunities, working with existing property consultants and building relationships with new local partners to develop potential schemes through a number of recognised stages.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS (IFAS) involves a global project team led from IHQ implementing cloud-based NetSuite accounting software to all financially supported territories alongside the roll-out of new International Financial and Accounting Standards for the global Army. The software deployment replaces basic stand-alone systems, assists territories in complying with IFAS reporting and enables the implementation of computerised internal financial controls to replace time-consuming manual processes. This year, key objectives were to continue the roll-out of the software to a further group of territories, develop enhanced solutions for budgeting/reporting and to continue to enrol new students onto a suite of e-learning courses.

D. OFFICE 365 PROJECT involves a project team at IHQ and within territories working to upgrade network infrastructure and internet connectivity in all financially supported territories, as well as providing

devices to targeted users in financially supported territories and advancing the use of Office 365 tools in day-to-day operational processes, including moving locally stored data into the cloud to improve security and resilience. Further specific tasks for 2023/24 involved the redevelopment of the HIVE project management application used by IHQ and territories, and an upgrade of the IHQ telephony service.

ACHIEVEMENTS

A. INTERNATIONAL DEVELOPMENT SERVICES

This year, the IDS team continued to work with territories to promote a holistic approach to meet the physical, emotional, social and spiritual needs of people served. By working closely with territorial development offices across the world, IDS sought to coordinate a range of programmes to make a deep, lasting difference to the lives of those in poverty. Development projects increasingly looked at ways to tackle the root causes of poverty, leading to complex and integrated programmes that dealt with the holistic needs of a community rather than a single issue. An example of this was the Safe Water and Livelihood Development Programme, which commenced in Sri Lanka Territory, aiming to provide safe, drinkable water to remote rural communities, support the establishment of small household livelihoods and agriculture techniques as a means for families and communities to meet their daily needs, and to create a means of income generation for the community as a whole. The project also increases awareness of schoolchildren on child/sexual abuse, drug abuse and addiction, and teenage pregnancies. On top of this, the project provides an opportunity for Salvation Army staff and volunteers to continue to develop relationships with local people, and so to cement the ongoing mission and ministry of The Salvation Army into the future.

Capacity development has also been a key feature of this year's work. Alongside the support given to work with territories across Africa, IDS developed a programme to build capacity of Salvation Army staff in the provision of projects and programmes to the most vulnerable across Asia. The Asia Sharing and Learning Programme brought together partners across the two zonal regions of The Salvation Army in Asia with the goal of achieving more cohesive and effective community development projects. This engagement increased IDS understanding of ongoing work in this region and how best to utilise the available resources and lessons learned to implement high-quality community development programmes and increasing impact in the region. IDS also supported key personnel in other parts of the Army world in ongoing learning through provision of stand-alone workshops and monthly online meetings. The following examples further illustrate the significant, transformative projects supported by the IDS team:

AFRICA: IDS facilitated the activation of 78 new community and institutional projects across the territories in Africa during 2023/24. One of these projects was the Water, Sanitation and Hygiene ('WASH'), Food Security and Resilience Programme in Malawi Territory. This programme, which will run for five years, is a holistic resilience project looking

'The IDS team continued to work with territories to promote a holistic approach to meet the physical, emotional, social and spiritual needs of people served'

at aspects of WASH, agriculture, livelihoods and climate change. The project involves the use of a rights-based approach to look at outcome areas, including the right to improved water, sanitation and hygiene in communities and the right to improved agricultural production, as well as environmental justice and empowerment of women.

AMERICAS AND CARIBBEAN: IDS facilitated the activation of 17 new projects in the region in 2023/24. A significant focus was around education and social support to children and vulnerable families. Following a successful virtual conference on Urban Ministries held at the end of 2022/23, IDS worked closely with development officers in the region to further develop this area through project work. This included a project in Vila dos Pescadores, a favela in São Paulo, Brazil, which provides a thriving urban ministry with children and young people, with project funding supporting the cost of educators for this programme as well as education materials.

EUROPE: The year saw a shift towards community development work in Eastern Europe in light of the continuing conflict in Ukraine. IDS supported the Eastern Europe Territory to receive funds through the mission support scheme to provide a retreat for those working in Ukraine. Since the outbreak of the Russia/Ukraine conflict, Ukrainian Salvation Army officers and employees have stayed in the country to serve local communities. The Eastern Europe Territory wanted to provide a space for these officers and employees to experience a retreat in order to rest and check in on their psychosocial well-being, and this event was held in May 2023 in the Carpathian Mountains.

There was time for the officers and employees to relax, have fellowship together and spend time with their families. Trauma psychologists were also brought in to provide counselling for those who needed it. The funding also accommodated the provision of small gifts for the children. A small team from IHQ also made a visit to Kyiv in September 2023 to provide additional support to officers and employees and help them to coordinate a programme of activities for 2024 as hostilities continue into a third year.

B. INTERNATIONAL PROPERTY PROJECT

Overseen by a full-time consultant based at IHQ, the International Property Project works with globally recognised property firms to develop potential schemes for territories through the stages of scoping and identification, feasibility approval, detailed feasibility and implementation.



Salvation Army children's ministry in Brazil



Left: New commercial office space in Democratic Republic of Congo Territory

Below: New officer training college in Rwanda and Burundi Territory



Work continued during the year with territories to continue the progression of existing projects and explore potential new opportunities, illustrated by the following examples:

DEMOCRATIC REPUBLIC OF CONGO: Following completion of a large-scale project, using capital released from the sale of under-utilised land to fund construction of income-generating assets in the form of commercial office space, villas and apartments, the IHQ team successfully worked with the territory to identify long-term tenants for the newly constructed buildings from November 2023. This will provide considerable rental income for the territory to support local ministries.

RWANDA AND BURUNDI: The International Property Project Team supported a significant project to build a new officer training college building for the territory. The development was completed on time and on budget, providing dedicated facilities for the training of future Salvation Army officers as a key resource to the territory.

In addition to these schemes, the International Property Project Team supported feasibility studies and other programmes across multiple territories, including India Western, Bangladesh, Kenya East, and Liberia, Sierra Leone and Guinea, and also provided online teaching seminars to develop the capacity of territorial property teams within financially supported territories. Work was also undertaken to migrate the international property database managed from IHQ onto a cloud-based system.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS project involves a global project team led from IHQ implementing cloud-based accounting software (NetSuite) for all financially supported territories alongside the roll-out of new International Financial and Accounting Standards ('IFAS') for the global Army. The IFAS Project Team has tailored the design and testing of the accounting software to meet Salvation Army requirements, adding inter-unit/consolidation tools, a Point-of-Sale ('POS') solution for territories with trading operations, and new budgeting/reporting tools allowing automatic generation of the Key Financial Indicators ('KFIs') required for IFAS reporting. The scale of this international project, covering 41 financially supported territories, is significant and unprecedented within the global Salvation Army.

The IFAS project made significant progress during 2023/24, including successfully implementing NetSuite in all six Indian territories and the India National Office, with 22 territories using the system by the year end. The chart on the following page illustrates the project status as at 31 March 2024.



Celebrating NetSuite Go-Live in India Western Territory

DESCRIPTIONS	STATISTICS
Number of NetSuite users trained	510
Number of territories implemented in 2023/24	7
Number of territories implemented to date	22
Number of countries implemented to date	36
Number of local Project Champions in territories	76
Number of territories to be implemented	19
Number of users enrolled in IFAS E-Learning Suite	836

Pre-implementation visits were also undertaken with Latin America North Territory and The Philippines Territory ahead of their planned NetSuite Go-Lives in 2024/25. A significant IFAS Conference for Live Territories was also held in Nairobi, Kenya in June 2023, which brought together more than 100 delegates from all 22 live NetSuite territories for dedicated training on IFAS and NetSuite matters.

The IFAS Learning Management System ('LMS') was launched in July 2022 and staff continued to work actively during the year to enrol new users, with 836 users enrolled by the year end (2023: 443 users). The LMS suite of e-learning materials provides online training in IFAS policies as per the approved IFAS manual, training in the NetSuite software designed to apply the IFAS principles, training in general accounting skills, and training for leaders on how to understand and interpret financial reports.



IFAS Conference for Live Territories delegates in Nairobi, Kenya

D. OFFICE 365 PROJECT

The Office 365 Project involves a project team at IHQ and within territories working to upgrade network infrastructure and internet connectivity in all financially supported territories, as well as providing devices to targeted users in financially supported territories and advancing use of Office 365 tools in day-to-day operational processes, including moving locally stored data into the cloud to improve security and resilience.

During the year, the project delivered global network upgrades with 83 firewalls installed in territories, and access points and switches provided to 33 territories. The project team also facilitated the purchase and shipping of laptops and other devices to territories, with 814 devices shipped or awaiting delivery at year end 2023/24 covering 42 territories. Increases were also achieved in the number of active users globally of OneDrive and Teams applications, with continued year-on-year growth in the number of email users.

The HIVE project management application was also redeveloped during 2023/24, but as the majority of the changes were not visible to users the release was delayed to allow for more visible changes to be included. Benefits include performance improvements, especially for users without a strong internet connection, an improved user interface and enhanced reporting.

The IHQ telephony service was also upgraded to Teams Telephony during the year, which meant that people could be reached on their office extension number whether they were working in the office, at home or travelling. Other work was also undertaken to migrate away from the use of in-house legacy applications at IHQ.

Delivery of new laptops to staff at Tanzania Territorial Headquarters, Dar es Salaam



FUTURE PLANS

A. INTERNATIONAL DEVELOPMENT SERVICES

Over the next year, IDS aims to develop a global framework and system for monitoring, evaluation and improvement, which will allow further analysis and development of project work as well as measurement of long-term impact. The SMILES (Serve, Measure, Improve, Learn, Equip, Share) programme will also seek to enhance the effectiveness and efficiency of international development initiatives through the strategic utilisation of high-quality data and evidence-based

KEY STATISTICS

- As the global focal point for managing all Salvation Army international development and mission support projects, IDS was overseeing 2,097 active projects at the end of March 2024.
- The International Property Project Team assisted territories in the assessment and development of property schemes for under-utilised assets in India, Bangladesh, Kenya and Liberia during 2023/24.
- The International Financial and Accounting Standards Project Team facilitated the implementation of new cloud-based accounting software in six territories during 2023/24, with 22 territories live on the system at year end and 510 users.
- The Office 365 Project Team facilitated the purchase and shipping of laptops and other devices to territories, with 814 devices shipped or awaiting delivery at year end 2023/24 covering 42 territories.

practices, ensuring sustained positive impacts in the life of people and communities, and enabling informed strategic funding decisions.

Work is also planned to commence a 'journey of change' for children's homes and hostels in territories, involving a formal process to assess and upgrade facilities and to enhance the service offered to the children placed in Army care in line with locally consistent modern-day social work practice, and also exploring 'alternatives to care' options in line with best practice for vulnerable children. IDS will also focus on territorial services to older people in the coming year, recognising that around the world many territories offer residential care to older people as a direct service provision, with opportunity to review and enhance this important work.

B. INTERNATIONAL PROPERTY PROJECT

The International Property Project Team will continue to support capital projects in territories and provide due diligence on property-related proposals globally, with work projects including partnering with Indian territories to explore release or greater utilisation of property assets, and undertaking business-planning reviews for hospitals and other institutions in multiple territories to assist towards long-term financial sustainability.

Construction is anticipated to commence on a new officer training college for Liberia, Sierra Leone and Guinea, and to build new residential units for income generation in Kenya East, with feasibility work expected for India Central, Zimbabwe, Bangladesh, India Western and India South Western. A number of seminars are also planned to assist territories in property assessments and business planning.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS Project Team will work towards the installation of NetSuite accounting software in the remaining 19 territories with a busy programme of implementations planned during 2024/25, and will also actively engage and enrol users onto LMS e-learning courses. An IFAS Champions Conference was held in July 2024 to resource and train staff from the final group of territories to receive the NetSuite software. The team will also undertake pre-deployment visits to prepare territories for implementations planned in 2024/25 and 2025/26, developing localisations and tailored solutions where necessary to meet local statutory, tax or regulatory requirements.

D. OFFICE 365 PROJECT

Over the next year, the Office 365 Project Team will focus on increasing collaboration, reducing risk and enhancing value for money. Key objectives are to complete the global network upgrade and roll-out of devices to territories, as well as to pilot the embedding of Office 365 in three territories and deliver security improvements for territories, such as the removal of local legacy infrastructure.

3 INTERNATIONAL PERSONNEL TRAINING AND DEVELOPMENT

OVERALL OBJECTIVE

To provide effective leadership and share knowledge and expertise through the strategic deployment of personnel.

SPECIFIC AIMS

International personnel training and development objectives for 2023/24 included supporting training colleges around the world as they train officers for culturally relevant ministry, the compilation of a new Divisional Leaders' development programme, a review and clarification of territorial capability frameworks and the continued delivery of an inclusive leadership course with online learning modules. Further objectives were to continue work towards a global resource repository for training and leader development needs, and to deliver orientation training for new leadership in territories through a two-stage programme, including online content as well as a residential conference.

ACHIEVEMENTS

The International Officer Training and Leader Development Council ('IOTALDC') met several times during the year, with membership drawn from across the global Salvation Army, to review and develop key areas of training and development for leaders within The Salvation Army. New members were welcomed to the council during the year, including a new Secretary for Leader Development based at IHQ.

CONFERENCE OF TRAINING PRINCIPALS

A major event organised by IOTALDC during the year was the International Conference of Training Principals held in Nairobi, Kenya in October 2023. More than 120 educators, involved in training future Salvation Army officers around the world, attended the event entitled 'Called, Covenanted, Commissioned'. With support from General Lyndon Buckingham and Commissioner Bronwyn Buckingham, the conference debated and decided future learning priorities for an ever-changing global context.



Delegates at the International Conference of Training Principals in Nairobi, Kenya

SENIOR LEADERS' ORIENTATION

When officer personnel are appointed to senior leadership roles in territories, the Secretary for Leader Development enrols them into a two-stage Leaders' Orientation Conference. The orientation offers an overview of senior leaders' responsibilities, processes and procedures, as well as providing soft-skills training for executive leadership. The first stage of the orientation includes a one-week, online programme introducing new leaders to important aspects of their roles and relevant responsibilities in the early months of their appointments. The second stage involves attending one of two residential conferences held during the year in London, UK. In this forum, leaders gather as a cohort to train and develop spiritual executive leadership skills, as well as to obtain further orientation into their roles as senior leaders.

INCLUSIVE LEADERSHIP COURSE

First launched in 2019, the Inclusive Leadership Course ('ILC') offers an online platform for skills training for officers to engage with, at any time and at any speed. The programme continued to evolve in 2023/24, blending biblical values with corporate training in such disciplines as coaching, team-building and change management. Its target audience are officers (with five-plus years of service) who serve in roles as team leaders or executive directors. At the year end, 693 delegates were registered for the ILC, with 451 current participants and 241 completions since the launch.

INTERNATIONAL COLLEGE FOR OFFICERS ('ICO')

Based at Sunbury Court, London, the ICO brings together groups of officers from around the Salvation Army world for a six-week training experience that considers the challenges and opportunities facing Salvation Army leaders in the 21st century. Each six-week session provides delegates with the opportunity for a deep ongoing consideration of leadership within The Salvation Army, including topics such as personal spiritual formation, leadership, ethics, social justice and international finance and administration, plus time for personal, spiritual and emotional refreshment. During the year, 142 delegates attended the ICO from a wide range of territories and countries as an expression of the cultural diversity that enriches the reach and influence of The Salvation Army globally.

TRAINING AND CAPABILITY DEVELOPMENT

During the year, the International Personnel Team continued to monitor the training of officer cadets and capability development for leaders. A new-style Annual Training College Report was created and has already been used by several colleges around the world. Initial feedback on the report enabled improvements to be made and for the resource to become more user-friendly. Work also continued on the creation of a Capability Development Framework to assist in identifying areas for increased concentration on the right developmental opportunities for officers, especially in the early years of ministry. A new Training Principals Manual was also produced during the year by IOTALDC, which aims to support leaders in maintaining international standards and practices.

A diverse and global Army: officer delegates to the International College for Officers, Sunbury Court, London





Meeting room at Sunbury Court

KEY STATISTICS

- As at 31 March 2024, 693 delegates were registered for the Inclusive Leadership Course, designed for the development of Salvation Army officers in preparation for potential leadership roles, with 451 current participants and 241 completions since the launch.
- During the year, 142 delegates attended the International College for Officers, benefiting from a six-week taught curriculum.

FUTURE PLANS

The International Personnel Team will continue work to review, develop and implement policies for training and leader development, including frameworks for the development of Salvation Army officers, preparation and orientation of officers entering executive leadership roles, and capability-building for leaders.

Other areas of future focus include developing a territorial training manual for officers in their first five years of service, continued oversight of the international resource repository for training and leader-development and the creation of a Territorial Operational Leaders' development programme. Furthermore, the team will work on additional promotion of the inclusive leadership course, encouraging coaching and mentoring of new territorial strategic leaders, and continuing work on capability development frameworks. The team will also work to develop succession planning in territories around the world, ensuring potential future leaders are intentionally included on a development pathway opening possibilities for personal growth, wider experience and experiential learning.

'Each six-week session provides delegates with the opportunity for a deep ongoing consideration of leadership'

4 CRISIS RELIEF

OVERALL OBJECTIVE

To respond to and help meet the needs arising from major crises.

SPECIFIC AIMS

The International Emergency Services ('IES') team based at IHQ aims to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery activities.

Another key objective is to provide training courses to territories and individuals in order to strengthen local capacity, particularly in disaster-prone areas, and to assist in disaster preparedness and disaster-risk-reduction awareness. This year, a major focus continued to be on the response to the war in Ukraine, while at the same time maintaining support and provisions to other natural and human-made disasters.

ACHIEVEMENTS

During the year, IES supported 90 projects covering 37 countries and 32 territories. IES provided support to territories around the world, responding to severe weather-related disasters such as floods in Ghana (June 2023), Cuba (June 2023), Sri Lanka (October 2023), India (July 2023 and January 2024), Ecuador (February 2024) and Malawi (March 2024), as well as landslides in Uganda (May and June 2023) and storms such as Typhoon Egay (Doksuri) in the Philippines (August 2023), Hurricane Otis in Mexico (October 2023) and Cyclone Michaung in India (December 2023).

Support was also offered by IES in response to fires, including severe fire incidents in informal settlements in South Africa (May and July 2023), explosions and fires in Liberia (December 2023) and wildfires in Chile (January 2024).

IES provided assistance in the face of human-made disasters, such as conflict and displacement situations in Nigeria (June 2023 and December 2023), ethnic violence in Manipur, India (July 2023) and internal displacement in Mali (December 2023). Help was also given to address biological disasters, which included responding to the cholera epidemic in Zambia and Zimbabwe (ongoing since 2023).

Emergency response in the Philippines following Typhoon Egay



RUSSIA/UKRAINE WAR: The Russia/Ukraine conflict started on 24 February 2022 and, according to the UN's Office for the Coordination of Humanitarian Affairs, more than two years later 21.3 million people had been affected. With coordinating leadership at IHQ, The Salvation Army worked throughout the year to support people in Ukraine and to assist Ukrainian refugees in countries across Europe.

By 31 March 2024, IES had approved 118 projects associated with the Ukraine crisis, with the total beneficiaries of these projects forecast to be in excess of 500,000 people. IES not only provided the coordination, technical, operational and strategic support for this response, but the team also arranged for the deployment and management (pre, during and post) of trained and experienced international personnel to support the local relief initiatives, the administration and the coordination of the requirements and expectations of the supporting offices. During the year, a team of two people was deployed to Moldova for seven weeks to support the local development and emergency team with project administration tasks.

TRAINING: Training courses usually feature in the annual programme of events and IES is always willing to support the capacity-strengthening of territories as they plan for disaster risk reduction and enhanced response activities. During the year, classroom-based PREPARE training courses took place in Romania (for delegates from Romania, Moldova, Ukraine, Bulgaria and Georgia), Poland (for delegates from Poland, Germany, Lithuania, Latvia and the Czech Republic) and Papua New Guinea (for delegates from PNG and the Solomon Islands).

Food parcels are packed in Kyiv, Ukraine





Emergency response in Mexico after Hurricane Otis

KEY STATISTICS

- During the year, IES facilitated approval of 54 rapid-response proposals for immediate life-saving activities and 36 emergency proposals for longer-term relief and recovery activities.
- By 31 March 2024, IES had approved 118 projects associated with the Ukraine crisis, providing support in various sectors such as emergency and longer-term shelter assistance, food, hygiene, bedding and clothing items, cooked meals, cash and voucher-based assistance, food, anti-human trafficking awareness-raising and referral services.

FUTURE PLANS

IES will continue to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery responses, and mitigate continuing impacts of natural and human-made hazards and disasters.

During 2024/25, IES will continue oversight, management and technical guidance as required for the Ukraine crisis response across Europe, maintain work to promote and support the development of disaster-management strategies for territories and seek to improve timely reporting of project outcomes by territories to IHQ.

5 HEALTH SERVICES FOR THE POOREST PEOPLE

OVERALL OBJECTIVE:

To strengthen The Salvation Army's capacity to support poor and marginalised people who need access to quality primary healthcare services as close to the family as possible.

SPECIFIC AIMS

The International Health Services ('IHS') desk at IHQ seeks to provide assistance, supervision and technical support to healthcare facilities and health programmes around the Salvation Army world. A particular focus for the year was upon assisting territories to provide quality health programmes as close to the family as possible, recognising The Salvation Army has a presence in more than 15,000 communities around the world through its network of churches and healthcare facilities.

ACHIEVEMENTS

Salvation Army health institutions are often situated in hard-to-reach, rural areas where others are unable or unwilling to deliver healthcare. These hospitals or clinics are often the focal point of the community, and offer a safe space and healthcare where all people are served without discrimination. Unfortunately, these conditions pose significant challenges to our delivery systems. Financial constraints, government regulations, quality staff retention and the increasing need for technology advances are all issues that confront Salvation Army health services.

The Salvation Army also provides a significant number of nursing, midwifery and biomedical science colleges around the world, developing the skills and fulfilling the passions of thousands of young people. In addition, Salvation Army schools and colleges provide significant support to national efforts to help reduce the shortage of health workers that many countries around the world experience. As a large-scale provider of faith-based, high-quality care, particularly to poor and marginalised communities, The Salvation Army strives to treat people with dignity and respect. The following examples illustrate this significant service provision:

ZIMBABWE: In the southern rural part of Zimbabwe lies the Tshelanyemba Mission Hospital, which caters for a total catchment population of 14,052 people and is also a referral centre for four rural clinics. Once a week, the hospital uses an integrated approach through the Expanded Programme on Immunisation ('EPI') outreach clinic, which provides an opportunity for patients to receive HIV testing and counselling, growth monitoring and family-planning services, as well as maternal and child health services.

The doctors sometimes accompany the team that goes out and they do consultations simultaneously with other services. They also visit the four supported rural clinics to do clinical mentorship and patient consultations. In total, 2,550 children have been immunised, 511 clients tested for HIV and 3,597 babies have been weighed over the last year through the EPI outreach work.

‘As a large-scale provider of faith-based, high-quality care... The Salvation Army strives to treat people with dignity and respect’

Seeking to offer comprehensive outreach healthcare services, EPI also worked with the Zimbabwe Eye Association to offer comprehensive ophthalmic care to the community, and in February 2024 some 53 surgeries were completed for cataract removal and 256 clients treated for other ophthalmic conditions. During the year, IHS provided help and technical support to the hospital and also facilitated support from financially independent Salvation Army territories to purchase equipment.

PAPUA NEW GUINEA: The medical work of The Salvation Army in PNG is targeted to reach the most vulnerable groups in the country. The territory has a medical presence in 28 different locations, comprising two urban clinics and 26 rural clinics, with the latter often located where the government does not offer any health facilities. Medical services provided by the territory include in-patient and out-patient care, maternal health services, child immunisation programmes, HIV and TB care and outreach, gender-based violence services, community health awareness services, patient referrals and transport. The territory also has a community health workers training school for 80 students.

Onamuga Health Centre opened a new maternity wing in September 2023 with support from external donors. This health centre is in the heart of the highlands of PNG, where tribal fighting and poor road conditions make working an everyday challenge. This new maternity wing now allows the centre to accommodate up to 20 mothers in labour and post-partum care. During the year, IHS further assisted the centre to engage a midwife to work with nurses and community health workers and develop an enhanced child-care programme, seeking to mentor and monitor new mothers in the area and also to reach mothers not currently accessing the health centre.

Expanded Programme on Immunisation outreach clinic in rural Zimbabwe



Maternity services in Papua New Guinea



KEY STATISTICS

- During 2023/24, IHS was available as a resource to medical services provided by Salvation Army territories around the world, comprising some 24 hospitals and 136 other health-care facilities as well as a number of mobile clinics, with 5,441 health-care professionals engaged or employed who delivered care to 141,855 in-patients and 1,314,317 outpatients.
- IHS personnel directly assisted 17 territories during 2023/24 through visits, ongoing monitoring operations, regular technical support calls, and regular help and advice.

FUTURE PLANS

IHS will continue to provide technical support and supervision to clinics, hospitals and nursing/biomedical colleges around the world, ensuring that all Salvation Army health programmes are technically sound, accountable, an integrated part of Salvation Army mission and meet the required standards of the country where they are based.

During 2024/25, IHS will develop a Monitoring, Evaluation and Learning System, enabling a review and update of data collection and impact measurement processes in order to have a better understanding of hospital services and effectiveness in delivering relevant health services. The system will also assist the process of connecting Salvation Army health services across the world and enable cross-territorial learning.



Work will also be undertaken to review long-term sustainability within some of the larger, general hospitals seeking to adjust and be agile in the service of poor and deprived people in response to changing operational and missional climates. Alongside this effort, projects will continue to be progressed to re-focus health services to have much stronger emphasis on community health programmes and primary healthcare as locally as possible, supporting community health workers, mobile outreach clinics and disease-prevention programmes.

A community health worker holds an under-fives clinic in Zambia

6 FIGHTING AGAINST SEXUAL TRAFFICKING AND FOR SOCIAL JUSTICE

OVERALL OBJECTIVE

To take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

SPECIFIC AIMS

To support victims of human trafficking, work to prevent people being trafficked, and raise awareness of social injustice by building capacity in people, developing effective partnerships, sharing quality resources and promoting best practice. This year, major aims were to engage with United Nations working committees and forums, to build up modern slavery and human trafficking responses, and to grow the work of the International Social Justice Commission ('ISJC') in campaigning for social justice.

ACHIEVEMENTS

The ISJC, with its secretariat funded by the Trust and based in New York, is The Salvation Army's strategic voice advocating for human dignity, human rights and social justice in all parts of the world. The ISJC, with the International Moral and Social Issues Council ('IMASIC') and the International Modern Slavery and Human Trafficking Response Council ('IMSHTRC'), exercises leadership in determining The Salvation Army's policies and practices in the international social justice arena.

The ISJC works closely with those who have a track record of seeking God's justice for the world, in order to learn from them, distil experience and share lessons with others. Areas of ISJC attention and global engagement include, though are not limited to, poverty, racism, sexism, refugees and asylum seekers, indigenous peoples, climate change, gender-based violence, and modern slavery and human trafficking. In the period under review, the following were notable achievements:

UNITED NATIONS: The ISJC, reflecting the international Salvation Army, campaigns for a holistic understanding of people and an integrated global plan for fair, sustainable and equitable development for all nations. If The Salvation Army wants to continue to have a voice in the global community, it is essential that Salvationists are present at the table and have global and up-to-date knowledge of issues. During the year under review, the ISJC represented The Salvation Army at the United Nations ('UN') (and numerous other bodies) seeking to build strong alliances to end extreme poverty and promote sustainable development. ISJC staff participated in UN working committees during 2023/24, including the Committee to Stop Trafficking in Persons, Committee on Migrations, Indigenous Peoples Committee and the Commission on the Status of Women. UN special events were also supported by ISJC staff throughout the year, including the General Assembly, World Children's Day, Human Rights Day, World Social Justice Day and International Day of the Girl.

MODERN SLAVERY AND HUMAN TRAFFICKING: The Salvation Army's international response to Modern Slavery and Human Trafficking ('MSHT') around the world continued to evolve during 2023/24. This global, multi-layered response surrounding advocacy, prevention and intervention is a crucial part of the work of the ISJC. The Salvation Army is deeply committed to fighting MSHT with a theological and historical mandate, and is uniquely equipped and has a role to play in this vital work. Specific outcomes from the MSHT response during the year included: the launch of a global MSHT survivor network (June 2023), the launch of a global MSHT training course (July 2023), the publication of Salvation Army International Guidelines for Return and Reintegration of Survivors of MSHT (August 2023), release of resources for the 2023 International Day of Prayer for Victims of Modern Slavery and Human Trafficking (September 2023), and holding a virtual MSHT global community of practice gathering (February 2024).

The following impact stories illustrate activity undertaken around the world by territories during the year that were supported by the global MSHT monitoring and support structures in place at ISJC:

LIBERIA: The Liberia, Sierra Leone and Guinea Territory worked to integrate comprehensive awareness of MSHT through its schools. MSHT training was incorporated into annual teachers' refresher workshops and into the curriculum of Salvation Army schools. Through various awareness and prevention initiatives, students gained an understanding of MSHT indicators and how to keep themselves and their communities safe. To further strengthen awareness, MSHT school clubs were established as part of the extracurricular activities. These clubs act as catalysts for change, conducting regular awareness activities called 'Stand Up Action Against Modern Slavery and Human Trafficking' in targeted communities that are characterised by slums and crowded market districts with a high risk of MSHT. Through these awareness and prevention efforts, the territory is building community resilience and inspiring others to join this cause.

Stand Up Action Against MSHT awareness activities in Liberia





A training seminar for anti-MSHT volunteers in the United Kingdom



Aisha (pictured right), a widowed Sri Lankan woman working as a housemaid in the Middle East, became a victim of abuse. Through the support of The Salvation Army's Beyond project, Aisha was provided with essential resources to return to Sri Lanka and pursue her dream of becoming a small-business vegetable vendor

UNITED KINGDOM: The United Kingdom and Ireland Territory exemplified a practical way of integrating corps (church) and other ministry units in their response to MSHT. Through dedicated volunteering programmes, volunteers played an important role in preparing survivors for the future and contributed to the important work of protecting people from exploitation or guiding people through the various stages of a survivor's journey. Volunteering opportunities offered by the territory included acting as a first responder and being present with survivors as they explained their MSHT story to the authorities, transporting survivors to safe houses, and providing practical assistance and playing a key role – over and above the available statutory support – in helping survivors recover and realise their goals. Volunteers received face-to-face and online specialist training for their area of activity and the support continued during their volunteering. The impact of such volunteering is far-reaching and fosters communities that stand united in responding to MSHT. One survivor commented: 'When I arrived at the safe house, I had become so safe with volunteers that I wanted to go back home with them. They stayed with me for half an hour, helped me settle [in the] safe house. I am so thankful for volunteers.'

HONG KONG: In Hong Kong, there are more than 300,000 foreign domestic helpers, many of whom are from Indonesia and the Philippines. These individuals are responsible for various roles within a household. However, many are often abused and exploited by their employers or employment agencies. In response to this, the Hong Kong and Macau Territory embarked on an initiative known as The Joy Angel Campaign, partnering with corps (churches), schools and social services to create inclusive and caring communities for domestic helpers. A network of dedicated individuals, including students, service users, corps members and staff, distributed tissue packs with appreciation messages and thoughtful designs to domestic helpers. The messages served as a tangible reminder that these unsung heroes are valued, cherished and deserving of respect. The campaign is but one example of a city that is growing in its understanding of valuing domestic helpers and their well-being.



Annual report of the MSHT response by the ISJC

RESEARCH AND COMMUNICATIONS: A number of significant research projects were also progressed by ISJC staff during the year, exploring areas such as the eradication of poverty, global migration, immigration and refugees and the role of men within The Salvation Army as advocates and activists in social justice.

The ISJC social media platforms were also actively used during 2023/24 to provide a framework to demonstrate the international work of The Salvation Army and to share outcomes with governments and other partners. A large body of social justice resources produced by ISJC are publicly available and can be accessed from the ISJC website at: https://www.salvationarmy.org/isjc/resource

KEY STATISTICS

- The Salvation Army engaged with the United Nations in Geneva, Nairobi and New York. In the year under review, Salvation Army personnel attended 76 UN Committee meetings.
- Global data for the 2023 calendar year showed that 48,416 people vulnerable to MSHT received support from The Salvation Army, with 1,741 Salvation Army ministry units offering some form of assistance.

FUTURE PLANS

The ISJC will continue to act as the strategic voice of The Salvation Army advocating for human dignity, human rights and social justice in all parts of the world. Partnering closely with those who have a record of seeking God's justice for the world, the ISJC will seek to both learn and contribute from a strong Salvation Army world-view. The Salvation Army will continue to partner with other religious groups, other NGOs, the UN, the World Bank Group and others towards the vision of a world where all people can experience life in all its fullness.

The ISJC will also work with territories to continue to develop locally relevant MSHT response strategies, particularly in areas where existing capacity is low and poorly resourced, with a template MSHT territorial policy to be developed during 2024/25. Expansion of MSHT collaborations with partner organisations will also be explored, targeting the addition of five new partnerships by 2026/27. Further work will also be undertaken to build partnerships with United Nations forums, seeking to provide not only a rich collaboration but also a synergetic space for considering new possibilities and solutions, to create a just world where all may flourish.

'The ISJC will continue to act as the strategic voice of The Salvation Army advocating for human dignity, human rights and social justice in all parts of the world'

FINANCIAL REVIEW

FINANCIAL REVIEW

Group accounts for The Salvation Army International Trust, incorporating Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited as subsidiaries of the Trust, are presented for 2023/24 as well as charity results, assets and liabilities for The Salvation Army International Trust (see pages 58 to 87 for the Accounts). The Group accounts reflect notable differences to the charity-only results, most especially for investments, debtors and prepayments, bank balances and current liabilities (see Notes 25–28 to the Accounts). The Group accounts exclude SAITCo, which is the managing trustee.

The commentary below relates to the charity-only results for The Salvation Army International Trust, with separate comments offered on the subsidiaries and Group accounts in the labelled section on pages 51 and 52.

The net movement in funds for the year ended 31 March 2024 increased by £29.22 million, moving from £13.27 million (2023) to £42.49 million (2024). Variances contributing to the total net movement in funds are outlined below.

INCOME

The primary income streams of the Trust are donations from Salvation Army territories to the International Self-Denial Fund to support the work of the global Army and Headquarters Support contributions from Salvation Army territories to fund the operation of IHQ.

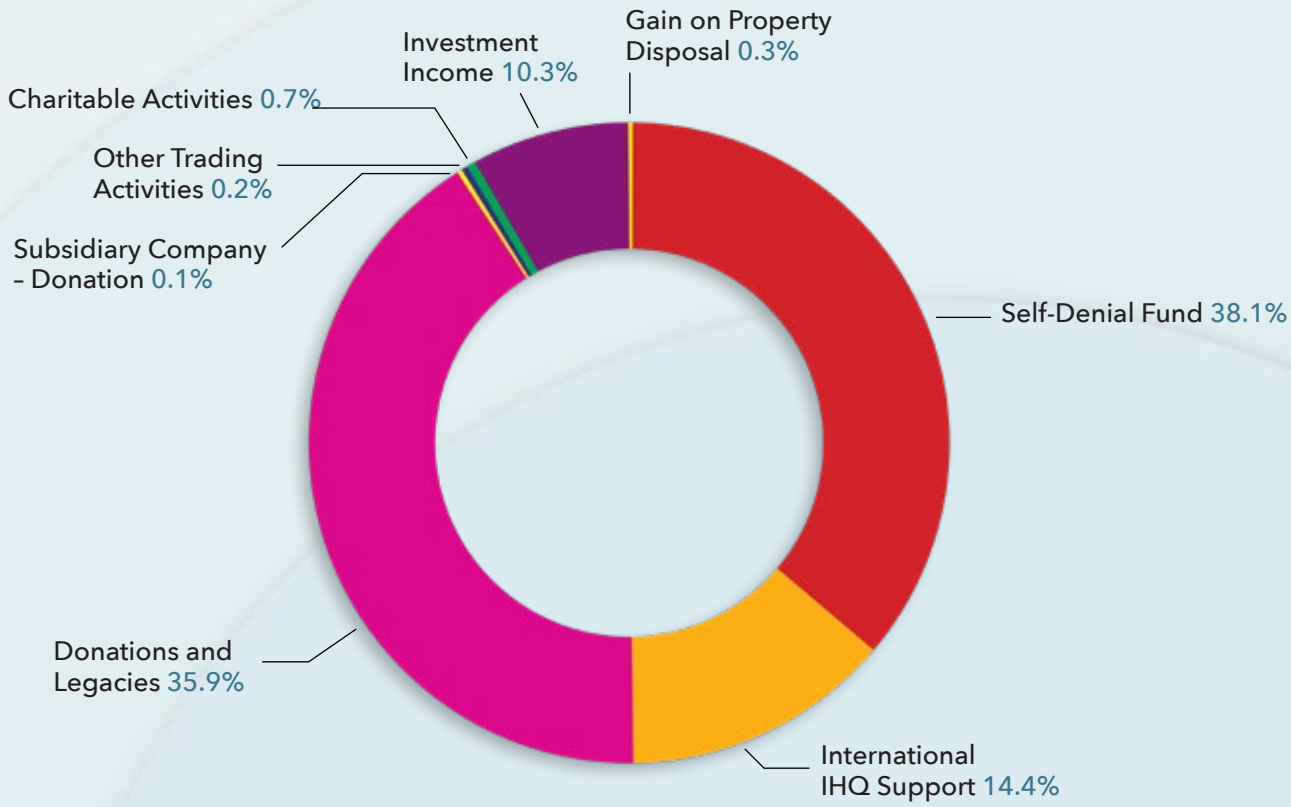
Total income increased from £69.14 million (2023) to £74.02 million (2024). External donations and legacies increased from £2.83 million (2023) to £16.56 million (2024) as a significant donation was received from an external donor during 2024. Contributions from Salvation Army territories to the International Self-Denial Fund increased from £27.75 million (2023) to £28.17 million (2024), with most territories able to maintain funding levels to IHQ despite ongoing global financial constraints during the year. Donations from Salvation Army territories decreased from £21.96 million (2023) to £10.02 million (2024) owing mainly to an expected fall in the level of donations from USA Territories towards the Officers' Support Endowment Fund (OSEF). Headquarters Support funding from Salvation Army territories showed little movement from £10.42 million (2023) to £10.65 million (2024).

Investment income increased slightly from £5.58 million (2023) to £7.64 million (2024), while income from charitable activities showed a year-on-year increase of £41,000 and trading income an increase of £15,000. Gains on disposal of properties increased from a loss of £6,000 (2023) to a gain of £219,000 in 2024.

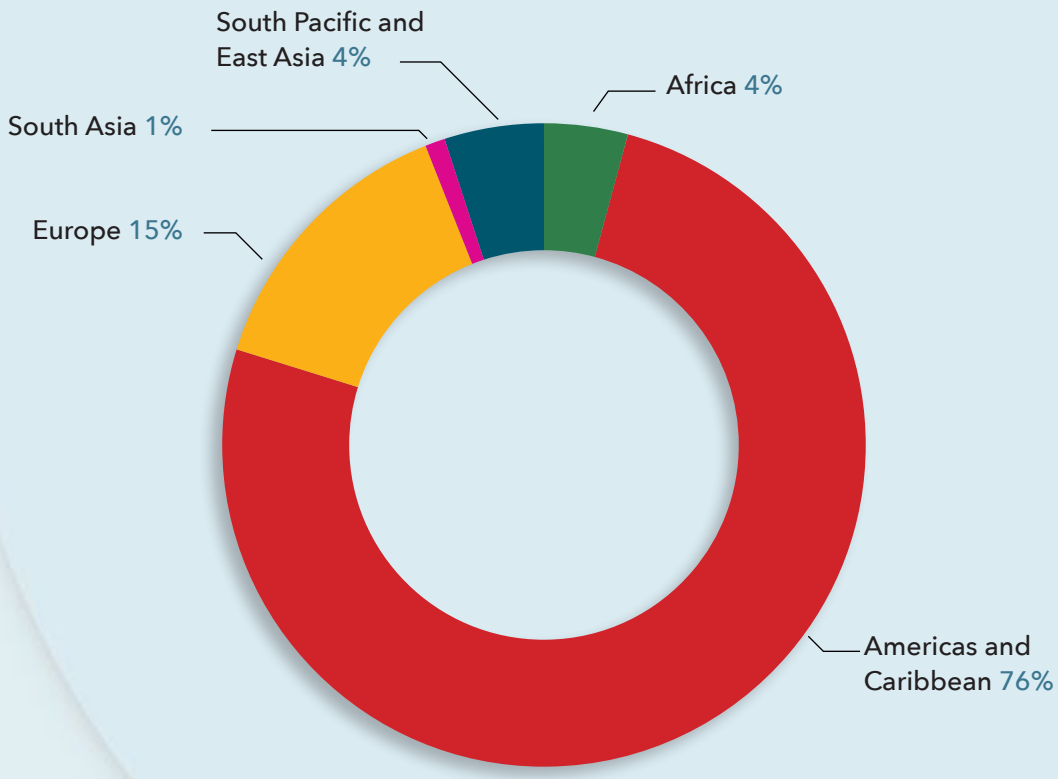
A qualifying charitable donation of £100,000 was received from Reliance Bank Limited in 2024.

The following pie charts illustrate the sources of income for 2023/24 and contributions to the International Self-Denial Fund:

INCOME 2023/24



CONTRIBUTIONS TO INTERNATIONAL SELF-DENIAL FUND 2023/24



EXPENDITURE

Expenditure across the six charitable activities in which The Salvation Army International Trust is engaged is detailed in Note 10 in the Accounts. Spending on charitable activities totalled £52.44 million (2024), representing a decrease of £1.95 million on the previous year. Financial assistance to Salvation Army territories decreased from £32.10 million (2023) to £30.52 million (2024).

Expenditure of £12.67 million (2024) was also incurred on International Personnel and Development, £5.57 million (2024) on World Mission and £1.35 million (2024) on Crisis Relief, reflecting the cost of some of the strategies in which the Trust is engaging, as referenced earlier in this report. The cost of raising funds, relating primarily to investment management costs and the cost of letting of property, had a small increase from £1.62 million (2023) to £1.84 million (2024).

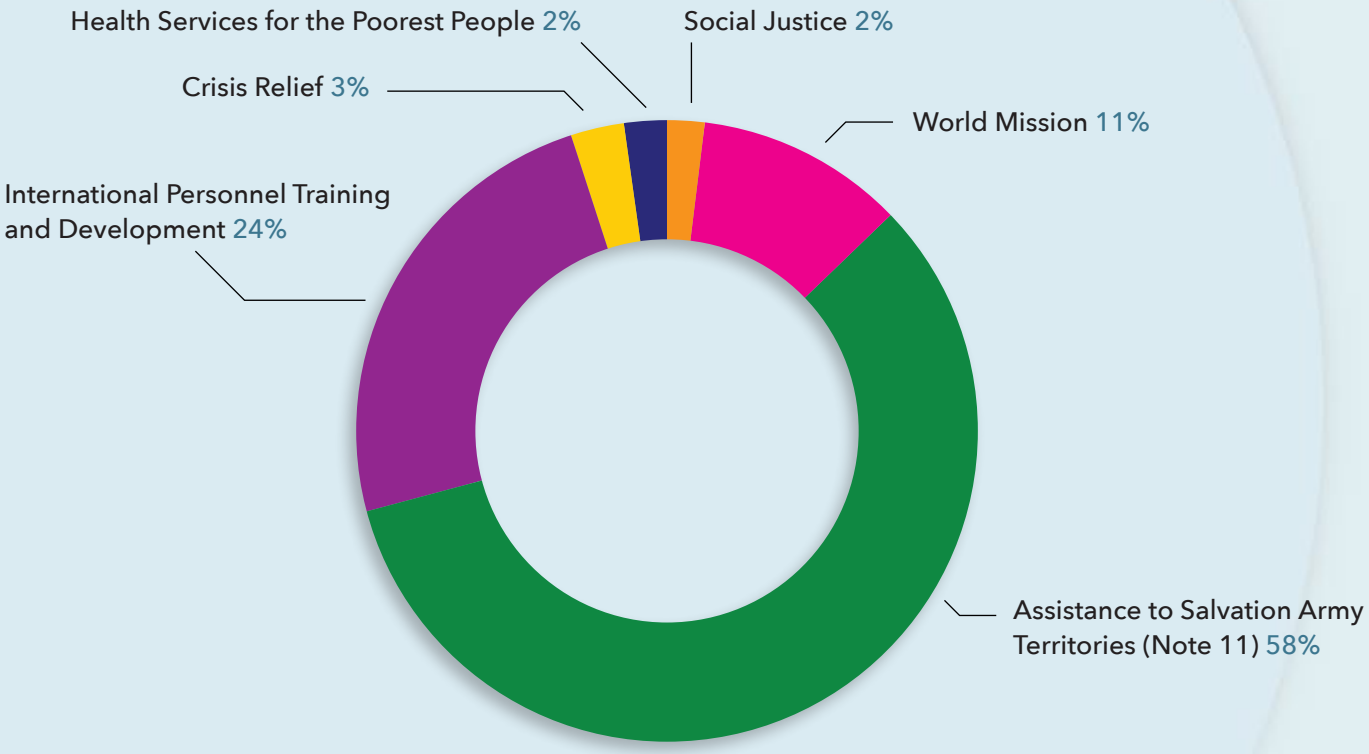
The following pie charts illustrate 2023/24 expenditure on charitable activities and the geographic spread of support of overseas work:

‘Spending on charitable activities totalled £52.44 million (2024), representing a decrease of £1.95 million on the previous year’

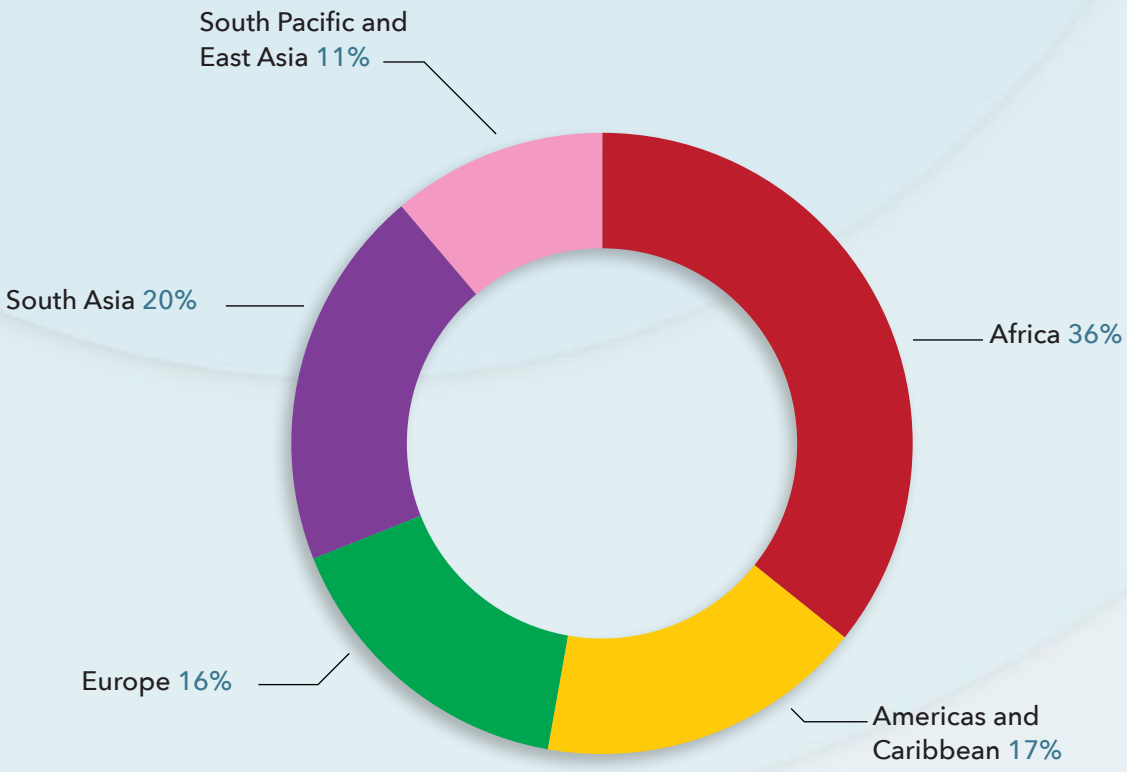


Commissioner Ted Horwood with a resident of Bumhudzo Home, Zimbabwe

EXPENDITURE ON CHARITABLE ACTIVITIES 2023/24



SUPPORT OF OVERSEAS WORK 2023/24



Other notable variances contributing to the total net movement in funds include, most notably, net gains on investment assets of £21.04 million, up from a loss of £3.79 million (2023), reflecting market conditions and representing both the realised and unrealised gains arising on sales and the market value of investments held at year-end.

The net movement in funds for the year ended 31 March 2024 was £42.49 million, with a surplus on unrestricted funds of £21.29 million and a surplus of £21.20 million on restricted funds. Total funds of £404.45 million were held at year-end.

FUTURE PLANS

The Trustee seeks to maintain the strong financial position of the Trust and will continue to explore means to increase the scale and scope of charitable activities, while continuing to encourage Salvation Army territories to move towards financial self-reliance through the provision of targeted financial support and other resources.

The two large-scale international projects currently underway will continue to materially impact the Accounts of the Trust during the next couple of years, being the roll-out of a global email solution and implementation of cloud-based accounting software to all financially supported territories. There are no anticipated property projects that will require significant grants in the next year.

GOING CONCERN

The Trustee reviews the financial plans of the Trust on an ongoing basis as part of a programmed budget cycle, including consideration of principal financial risks; it also receives and reviews cashflow forecasts identifying any liquidity risks.

The operation of the Trust and the ability to meet the objectives outlined throughout this report are recognised as being affected by external events with associated global and national economic impacts and inflationary pressures. Since 31 March 2024 to the date of the signing of these financial statements, the Trustee has considered the effect of external crises on the Trust as a going concern, its resilience through this period and the impact on the assets and funds of the Trust.

The Trust holds a strong balance sheet with availability and liquidity of cash and unrestricted investments. While current liabilities – including amounts due to Salvation Army territories at the 2023/24 year-end – total £9.29 million, net current assets are £45.02 million, of which £42.97 million is held in highly liquid current asset investments and cash at bank.

The Trustee is confident that the Trust is well placed to meet the Ukraine/Russia crisis and other external events and continue to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy (see below), all underpinned by the governance structures of SAITCo.

The Trustee is satisfied that the Trust has sufficient resources to continue operating for the foreseeable future following a review by the Audit Committee of a going-concern assessment to March 2026. The Trustee has not identified any material uncertainties related to going concern, and the Accounts are therefore prepared on a going-concern basis.

INVESTMENTS

Listed investments (see Note 25 in the Accounts) are managed under the terms of an investment management agreement with Sarasin & Partners LLP. The investment manager is required to make investments on behalf of the Trust in line with benchmarks that have been set and against which performance is measured.

The Investment Committee, which sits to review investment performance, receives periodic reports on matters pertinent to its investment policy and this facilitates discussion which, in turn, enhances the committee's understanding of the relationship between its Christian conviction and ethos and investment return; and even more importantly, the positive effect that its policy can have on companies which themselves may (or may not) be seeking to improve conditions in many parts of the world. The reports are also occasionally tabled at full board meetings, so that those directors who do not sit on

the Investment Committee have an opportunity to add to the debate and have greater understanding of the issues that the Trust can tackle through its investment policy. SAITCo has established an ethical investment policy to reflect The Salvation Army's ethical and moral stance, which is required to be followed by the appointed investment manager. No breaches to this policy have been reported to SAITCo during the year.

The SAITCo ethical investment policy excludes investment in companies which derive more than 10% of their revenues in aggregate from any of the following categories:

a. the production and/or sale of alcohol
b. the production and/or sale of tobacco
c. the manufacture and/or sale of whole weapons, weapon platforms and weapon systems
d. the manufacture and/or sale of strategic parts for weapon systems
e. the promotion or operation of gambling enterprises
f. the provision of adult entertainment services
g. the publication and/or sale of pornographic media
h. the extraction of thermal coal or the production of oil from tar sands.

For the avoidance of doubt in relation to sub-paragraphs (c) and (d) above, 'weapons' refers to both nuclear and conventional weapons. In addition, investment is excluded in companies with disregard for human rights and/or the pollution of the environment. The following table gives the long-term ranges and current weightings expressed in percentages of the Trust's investment funds:

ASSET TYPE AT 31/03/24	LONG-TERM RANGE	YEAR-END POSITION WEIGHTINGS
Fixed Income	10–20%	17.1%
Equities	70–90%	80.7%
Liquid Assets	0–10%	2.2%
Total		100%

For the year ended 31 March 2024, the portfolio total return amounted to 9.4% against an ethically adjusted comparator return of 16.9%.

Equity markets for much of 2023 were broadly characterised by sector rotation away from the strong performers of 2022 (energy and utilities sectors) in favour of technology. Towards the end of 2023, the positive performance continued and also slightly broadened into other sectors and asset classes, with bonds staging a rally from their lows in anticipation of interest rate cuts to come. Portfolio performance was especially strong for the last quarter, with equities in particular performing well in both absolute and relative terms.

Investment strategy going forward will continue to be closely monitored by the SAIT Investment Committee in consideration of external events and emergent market conditions.

GRANTS

In supporting the Army's work overseas, territories and regions produce annual budget proposals, covering all aspects of their operations, that are reviewed at IHQ. Annual grants from the Trust to territories are considered as part of the annual IHQ budget process, with proposals reviewed by the International Finance Board, approved by

SAITCo and then paid quarterly in advance to each financially supported territory and region (see Note 11 in the Accounts).

Payments from IHQ to territories are made according to the terms of an International Payments Procedure Manual for IHQ (reviewed in March 2024), which outlines controls over banking transfers, assessment of overseas banking institutions for risk, identification and assessment of situations where funds paid to territories may be remitted on to third parties, controls over international payments direct to overseas suppliers, controls over transporting and controlling cash overseas and prohibitions on the use of non-mainstream banking money-transfer organisations.

RESERVES

The total funds of the Trust at 31 March 2024 amounted to £404.45 million, comprising £69.72 million in restricted funds and £334.73 million in unrestricted funds which includes £327.20 million in designated funds. The General Reserve held £7.54 million at year-end which meets the target level for free reserves. The Trustee continues to keep the matter of reserves under review, examining any historic fund with minimal movement in the past few years, mindful of the legislative framework in place and applicable updates to charity law. Management is formulating plans to spend down on the relevant reserves over the next few years.

RESTRICTED FUNDS

A restricted fund can only be used for a specific charitable purpose. The restriction may be declared by the donor when making the gift. Restricted funds held by the Trust include territorial donations and legacies specified for international use. Where possible the intention continues to be to use restricted donations and legacies in the year of receipt, except where the gift is sufficiently large to be used over a longer period or is used for support of multi-year programmes.

DESIGNATED FUNDS

The Self-Denial Fund Reserve represents amounts held to ensure sufficient funds are available to make operational grants to supported territories that are paid in advance on a quarterly basis. The aim of the Trustee is for the balance on this reserve to be sufficient to fund one year's expenditure in support of overseas work. The balance as at 31 March 2024 of £27.82 million is equivalent to 13.2 months' overseas expenditure. The Investment Appreciation Fund (£95.25 million) represents unrealised gains and losses on investments which are still subject to market risk, and the Investment Property Revaluation Fund (£45.67 million) represents the surplus on the revaluation of tenanted properties held for investment purposes.

Other material designated amounts at 31 March 2024 relate to a reserve held to fund future replacement of the IHQ building (£21.56 million), and an International Property Project Reserve (£2.69 million) held to provide additional property project funding to territories over the next 2–3 years.

Other material Designated Funds include reserves of £52.59 million supporting the balances held and invested in the USA on behalf of SAIT to generate income for specific purposes. These are Medical Services Support (£9.52 million), Schools Services Support (£4.62 million) and the Officers' Support Endowment Fund (£38.45 million). In addition, an International Financial and Accounting Standards Implementation Reserve (£2.89 million) is held to fund provision of cloud-based accounting software to territories over the next 1–2 years, and an IT Development Reserve (£2.22 million) is held to fund provision of a global email solution to territories over the next 2–3 years.

An International Schools Development Reserve (£5.61 million) is held to provide additional schools project funding to territories over the next 2–3 years, with a Leadership Development Reserve (£1.98 million) held to fund the enhancement of training and personal development for Salvation Army officers over the next 3–4 years. A Children's Homes Support Reserve (£2.67 million) is held to provide ongoing support to improve children's homes facilities over the next 2–3 years. An Exchange Equalisation Reserve (£6.99 million) is held to fund exchange losses, and a Mission Support Reserve (£6.56 million) is held to provide additional project funding to territories over the next year.

GENERAL RESERVE

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust. The aim of the Trustee is for



Resident at The Salvation Army's Bapatla Boys' Home, India

the balance on the General Fund Reserve to cover the equivalent of 6 months' expenditure on headquarters administration costs. The balance of £7.53 million at 31 March 2024 covers the equivalent of 6.6 months' expenditure on headquarters administration costs.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustee acknowledges its responsibilities relating to the management of risk. A formal risk management programme continues to operate, allowing risks to be identified, classified and prioritised in terms of potential occurrence and impact. The Board of Directors of SAITCo has appointed a Risk Management Committee, consisting of ten members, which is chaired by an external legal/risk advisor and includes an Independent Non-Executive Director of SAITCo.

A Risk Manager has been appointed and a Risk Register is maintained and kept under regular review by the Risk Manager and the Risk Management Committee. The Risk Management Committee works with the Risk Owner of each major risk to ensure acceptable action is taken to manage the risk and to establish suitable systems to reduce the likelihood of harmful outcomes occurring and the impact on the organisation should they arise.

In addition to the above framework, a range of emergency protocols are in place allowing SAITCo to actively monitor the impact of material external crises upon the operations of the Trust, as well as those of Salvation Army territories, with working parties appointed by SAITCo as needed to undertake tasks in specific areas, and regular updates provided to the Board considering the impact of material external crises upon global Salvation Army operations, the financial position of the Trust, the reserves policy of the Trust, the investment portfolio of the Trust and associated logistical matters.

A significant work project has been progressed by the Risk Management Committee during 2023/24, supported by an external consultant engaged by SAITCo, to review existing risk management protocols and the formatting of the risk register against latest Charity Commission guidance and sectoral best practice. A revised and refreshed risk register format

was finalised by the Committee and approved by SAITCo for implementation from January 2024, placing additional emphasis upon the scoring of inherent and residual risks and analysis of cyber, data protection and environmental risks among other changes.

The main risks and uncertainties faced by the Trust, as detailed in the Risk Register at the end of the financial year under review, are outlined below in top-down priority order, together with a summary of the mitigating strategies being pursued to manage these risks:

KEY RISK	MANAGING STRATEGY
A serious safeguarding incident resulting in harm to a child, vulnerable adult or other person, and subsequent reputational damage to the local/international Salvation Army and/or requests from territories for additional IHQ financial support.	Ongoing development of safeguarding policies and procedures for IHQ and all Salvation Army territories. IHQ support offered to territories to address safeguarding incidents involving child protection and legal specialists.
National economic and/or political crises adversely impacting Salvation Army operations in a territory, prompting additional emergency support from IHQ.	Continuous IHQ monitoring of economic and political contexts on a country-by-country basis. Development of crisis management protocols for IHQ interventions.
Negative/adverse publicity affecting the public perception of The Salvation Army internationally.	Communications Office at IHQ to monitor global press coverage and manage media relationships in consultation with Salvation Army territories.
IHQ support for territories impacted by national government controls targeted at foreign NGOs and/or Christian organisations.	Continuous IHQ monitoring of national political contexts on a country-by-country basis. External consultants and/or legal counsel offer training, resources and advice to IHQ staff to address specific circumstances.
Risk exposure to SAITCo and SAIT due to sole ownership of Reliance Bank Limited, including financial and reputational risk.	An additional Director with banking expertise was recruited to the SAITCo Board in May 2019 and remains in post, with two shareholder representatives appointed to the Bank board and additional performance and risk reporting mechanisms in place from the Bank to SAITCo.
Lack of effective financial controls and monitoring in territories, resulting in demands for additional IHQ financial support and/or reputational damage to the local/international Salvation Army.	Continuous IHQ monitoring of global operations on a territory-by-territory basis. A suite of policies and procedures in place detailing required financial controls. Internal audits undertaken periodically depending on the extent of perceived risk.

SUBSIDIARY COMPANY – RELIANCE BANK LIMITED

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. The bank is regulated by the PRA and FCA and is subject to regulatory capital and liquidity requirements. The Bank leverages its specialist knowledge and skills to focus on customers who share its values, offering them tailored lending and banking services.

The lending team prioritises supporting those driving positive social impact, such as charities, community and faith organisations, and social-housing providers. Additionally, the Bank has developed a shared ownership mortgage portfolio, which allows individuals to buy their homes in small, affordable tranches.

In the year to 31 March 2024, the increase in the Net Interest Income to £8.7 million (2023: £5.7 million) was driven by strong business margins across the SME lending portfolio, as well as an increase in Interest income driven by Treasury investments. Administrative costs also grew due to the Bank's workforce expanding, new investment in systems and the need to meet new regulatory requirements. The Bank's performance for the year ended 31 March 2024 was therefore a profit before tax of £1.92 million (2023: £0.23 million).

The Bank's capital and reserves have increased by £1.75 million (2023: increased by £6.81 million) to £23.0 million. The bank's Core Tier 1 Capital (CET1) ratio remains strong at 20.7% at 31 March 2024 (2023: 23.1%). There was a capital injection of £7 million, reflecting the increase in capital ratio in 2023. A Gift Aid donation of £0.10 million (2023: £nil) has been made to the Trust in the year.

The Bank's total assets at 31 March 2024 have grown since last year to £277 million (2023: £252 million), split between loans to customers and balances held with other financial institutions, including the Bank of England. This increase has been driven by the corresponding increase in higher customer deposits, growing to £252 million (2023: £230 million). The Bank continues to maintain strong liquidity levels. The mortgage loan book grew by 5% to £63.9 million in the year and SME lending grew 7% to £61.8 million.

There was a marginal increase in loan loss provision in the year. The bank continues to hold good levels of security against its loan exposures: on average, the commercial book is 42% Loan to Value (LTV, 2023: 38%) and the mortgage book is 53% LTV (2023: 54%).

The challenges of inflationary pressures and the expectation of higher interest rates for longer are reflected in the Bank's forecasts and medium-term strategic plans. The Bank remains committed to driving loan growth while investing in its resources and systems to support its vision of being an ethical bank dedicated to fostering positive social impact.

SUBSIDIARY COMPANY – THE SALVATION ARMY LEADERS' TRAINING COLLEGE OF AFRICA AND RESOURCE CENTRE LIMITED

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited ('SALT College') is a wholly owned subsidiary of the Trust.

During 2020/21, a restructuring was progressed for SALT College – a training facility in Nairobi, Kenya for Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets, and so, from 1 August 2020 and during the year under review (2023/24), it is no longer reported within the charity-only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the new entity in 2020 totalling £26,309 are not material to the Trust.

The Group accounts reflect operations of the SALT College entity from 1 April 2023 to 31 March 2024. The SALT College entity held net assets on the Group Balance Sheet of £164,000 at the 2024 year-end, up from £159,000 in 2023.

During the reporting period, the college offered adult distance-learning subjects in four major languages at foundation, certificate and diploma levels.

GROUP ACCOUNTS

The Group accounts comprise the results of The Salvation Army International Trust, plus the subsidiary companies Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited, for the period 1 April 2023 to 31 March 2024.

The net movement in funds for the Group showed an increase of £30.91 million. Net goodwill at year-end amounted to Negative £3.69 million, as set out in Note 22 to the Accounts.

Total fixed assets including investments amounted to £344.34 million. Net current assets were £64.06 million. Total funds of the Group amounted to £404.05 million at year-end.

A going-concern assessment has been undertaken for The Salvation Army International Trust, Reliance Bank Limited and Salvation Army Leaders' Training College of Africa and Resource Centre Limited. The Trustee is satisfied the Group has sufficient resources to continue operating for the foreseeable future. The Trustee has not identified any material uncertainties related to going concern and the Group accounts are therefore prepared on a going-concern basis.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under charity law, the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions, and disclose with reasonable accuracy at any time the financial position of the charity, and enable them to ensure that the financial statements comply with The Charities Act 2011 as amended by The Charities Act 2022. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In relation to the audit of financial statements, the Trustee as at the date of this report has taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the appointed auditors are aware of that information. The Trustee is not aware of any relevant audit information of which the appointed auditors are unaware.

The Trustee has approved this 2023/24 Annual Report and Accounts on this basis.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee. The Trustee's

responsibility also extends to the ongoing integrity of the financial statements contained therein.

For and on behalf of the directors of The Salvation Army International Trustee Company.



Commissioner Garth Niemand MBA BTh
Managing Director
15 November 2024



Water, sanitation and hygiene in Zambia

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE SALVATION ARMY INTERNATIONAL TRUST

OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of the Salvation Army International Trust ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the statement of financial activities (charity only), the (consolidated and charity) balance sheet, the consolidated cash flow statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATED TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEE

As explained more fully in the Statement of Trustee's Responsibilities, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

EXTENT TO WHICH THE AUDIT WAS CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

NON-COMPLIANCE WITH LAWS AND REGULATIONS

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance (including the Audit Committee); and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations,

we considered the significant laws and regulations to be the applicable accounting framework, Charities Act 2011 and UK tax legislation.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, employment law and data protection.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax experts in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

FRAUD

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance (including the Audit Committee and internal audit function) regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and

- Internal controls established to mitigate risks related to fraud.

- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls through accounting estimates and inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and

- Assessing significant estimates made by management for bias, including valuation of investment properties, treatment of the pension scheme impairment of assets and investments.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the results of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
BDO LLP
73D8B18FE9AC4C9...

BDO LLP, statutory auditor
Office Location, UK
Date 15 November 2024

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



Student at Joytown School
in Thika, Kenya

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 Unrestricted funds	2024 Restricted funds	2024 Total funds - Group	2023 Unrestricted funds	2023 Restricted funds	2023 Total funds - Group
		£000	£000	£000	£000	£000	£000
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	**3**	28,169	-	28,169	27,752	-	27,752
- IHQ Support	**3**	10,647	-	10,647	10,417	-	10,417
- Donations	**3**	-	10,021	10,021	-	21,962	21,962
Other donations and legacies	**5(a)**	147	16,475	16,622	2,643	212	2,855
		38,963	26,496	65,459	40,812	22,174	62,986
Charitable activities	**6**	536	-	536	401	93	494
Other trading activities	**7**	12,788	-	12,788	7,854	-	7,854
Investment Income	**8**	6,123	847	6,970	5,065	273	5,338
Gain/(Loss) on Disposal of Properties		219	-	219	(6)	-	(6)
Total Income		58,629	27,343	**85,972**	54,126	22,540	**76,666**
EXPENDITURE ON							
Raising funds	**9**	11,472	131	11,603	8,546	44	8,590
Charitable activities	**10**	47,458	5,022	52,480	51,442	3,043	54,485
Total Expenditure		58,930	5,153	**64,083**	59,988	3,087	**63,075**
Net Gains/(Losses) on Investments	**18**	21,590	(546)	21,044	(5,114)	1,321	(3,793)
Net income/(expenditure)		21,289	21,644	42,933	(10,976)	20,774	9,798
Transfers between funds	**20**	446	(446)	-	(125)	125	-
Other recognised Gains	**18**	1,708	-	1,708	3,932	-	3,932
Net Movement in Funds	**20**	23,443	21,198	**44,641**	(7,169)	20,899	**13,730**
Reconciliation of funds:							
Total funds brought forward		310,891	48,521	359,412	318,060	27,622	345,682
Total funds carried forward		334,334	69,719	**404,053**	310,891	48,521	**359,412**

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes on pages 62 to 86 form an integral part of these consolidated financial statements.

CONSOLIDATED AND CHARITY BALANCE SHEET

AS AT 31 MARCH 2024

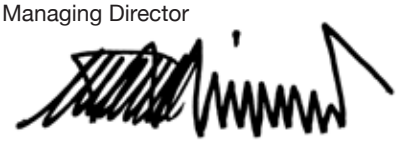
	Notes	2024 Group	2023 Group	2024 Charity	2023 Charity
		£000	£000	£000	£000
Intangible Fixed Assets					
Goodwill	**22(a)**	217	260	217	260
Negative Goodwill	**22(a)**	(3,907)	(4,124)	-	-
Other Intangible Assets	**22(b)**	148	284	-	-
		(3,542)	(3,580)	217	260
Fixed Assets					
Properties	**23**	30,348	31,618	26,366	27,495
Other Tangible Fixed Assets	**24**	2,343	2,434	2,007	2,156
Investments	**25(a)**	315,194	288,177	335,194	295,208
		347,885	322,229	363,567	324,859
Total Fixed Assets		344,343	318,649	363,784	325,119
Current Assets					
Investments	**25(a)**	31,377	28,077	36,453	28,154
Stocks		124	162	124	162
Debtors and Prepayments due in more than one year	**26(a)**	111,558	103,849	186	242
Debtors and Prepayments due within one year	**26(b)**	25,371	30,439	11,027	15,157
Cash at bank and in hand	**27**	120,630	95,292	6,513	7,556
		289,060	257,819	54,303	51,271
Less Current Liabilities					
Other Creditors due within one year	**28**	(225,002)	(212,731)	(9,286)	(10,101)
Net Current Assets		64,058	45,088	45,017	41,170
Total Assets less current liabilities		408,401	363,737	408,801	366,289
Creditors: Amounts falling due after more than one year	**29**	(4,058)	(4,108)	(4,058)	(4,108)
Provisions for liabilities	**30**	(290)	(217)	(290)	(217)
Net Assets	**21**	404,053	359,412	404,453	361,964
Funds					
Restricted Funds					
Property Fund		14,380	15,150	14,380	15,150
Other Restricted Funds		55,339	33,371	55,339	33,371
	20	69,719	48,521	69,719	48,521
Unrestricted Funds					
Board Designated Funds					
Property Fund		18,861	19,745	18,861	19,745
Other Fixed Assets Fund		2,007	2,156	2,007	2,156
Share Capital Fund		12,500	12,500	12,500	12,500
Other Board Designated Funds		293,847	272,676	293,827	272,656
General Reserve		7,119	3,814	7,539	6,386
	20	334,334	310,891	334,734	313,443
Total Funds		404,053	359,412	404,453	361,964

The accompanying notes on pages 62 to 86 form an integral part of these consolidated financial statements.
Approved by The Salvation Army International Trustee Company and signed on its behalf on 15th November 2024 by:

Edward Hill - Chairman



Garth Niemand - Managing Director



STATEMENT OF FINANCIAL ACTIVITIES (CHARITY ONLY)

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 Unrestricted funds £000	2024 Restricted funds £000	2024 Total funds Charity Note	2023 Unrestricted funds £000	2023 Restricted funds £000	2023 Total funds Charity £000
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	**3**	28,169	-	28,169	27,752	-	27,752
- IHQ Support	**3**	10,647	-	10,647	10,417	-	10,417
- Donations	**3**	-	10,021	10,021	-	21,962	21,962
Subsidiary Company - Donation	**4**	100	-	100	-	-	-
Other donations and legacies	**5(b)**	85	16,475	16,560	2,622	212	2,834
		39,001	26,496	65,497	40,791	22,174	62,965
Charitable activities	**6**	510	-	510	376	93	469
Other trading activities	**7**	150	-	150	135	-	135
Investment Income	**8**	6,793	847	7,640	5,306	273	5,579
Gain/(Loss) on Disposal of Properties		219	-	219	(6)	-	(6)
Total Income		46,673	27,343	**74,016**	46,602	22,540	**69,142**
EXPENDITURE ON							
Raising funds	**9**	1,709	131	1,840	1,576	44	1,620
Charitable activities	**10**	47,419	5,022	52,441	51,413	2,977	54,390
Total Expenditure		49,128	5,153	**54,281**	52,989	3,021	**56,010**
Net Gains/(Losses) on Investments	**18**	21,590	(546)	21,044	(5,114)	1,321	(3,793)
Net income/(expenditure)		19,135	21,644	40,779	(11,501)	20,840	9,339
Transfers between funds	**20**	446	(446)	-	(125)	125	-
Other recognised Gains	**18**	1,710	-	1,710	3,928	-	3,928
Net Movement in Funds		21,291	21,198	**42,489**	(7,698)	20,965	**13,267**
Reconciliation of funds:							
Total funds brought forward		313,443	48,521	361,964	321,141	27,556	348,697
Total funds carried forward		334,734	69,719	**404,453**	313,443	48,521	**361,964**

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes on pages 62 to 86 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

	2024 £000 Group	2023 £000 Group
Net cash Generated by/(used in) operating activities	25,920	(22,756)
Cash flows from investing activities:		
Dividends, interest and rents from investments	6,970	5,579
(Increase) in Long Term Bank Deposits	(23)	(7)
Proceeds from the sale of property, plant and equipment	376	16
Purchases of property, plant and equipment	(529)	(1,045)
Purchase of Intangible Fixed Assets	(39)	(43)
Proceeds from the sale of investments (including Investments Held in the USA)	154,226	119,062
Purchase of Investments	(163,976)	(122,846)
Net cash (used in)/by investing activities	(2,995)	716
Change in cash and cash equivalents in the reporting period	22,925	(22,040)
Cash and cash equivalents at the beginning of the reporting period	102,347	123,540
Effects of currency translation on cash and cash equivalents	(32)	847
Cash and cash equivalents at the end of the reporting period (see note B)	125,240	102,347

Note A

Reconciliation of net income to net cash flow generated by operating activities

Net income for the reporting period (as per the statement of financial activities)	44,641	13,730
Adjustments for:		
Depreciation and amortisation	1,184	774
Movement in value of debt securities	387	(813)
(Gain)/Loss on investments	(21,044)	3,793
Dividends, interest and rents from investments	(6,970)	(5,579)
(Gain) on revaluation of Properties transferred to Investments	(1,749)	(3,799)
(Gain)/Loss on disposal of fixed assets	(219)	6
Decrease/(Increase) in Stocks	38	(31)
(Increase)/Decrease in Debtors	(2,387)	(25,841)
Increase /(Decrease) in Creditors	11,966	(5,213)
Increase in provisions	73	217
Net cash generated by/(used in) operating activities	25,920	(22,756)

Note B

Analysis of Cash and Cash Equivalents - Group	**Balance 2023** £000	**Movement in year** £000	**Balance 2024** £000
Cash at bank	83,958	16,412	100,370
RBL Loans and Advances to Banks - Recoverable on demand	11,333	(3,023)	8,310
Cash held by Investment Managers	7,056	(2,447)	4,609
Notice deposits (less than 3 months)	-	11,951	11,951
Total cash and cash equivalents	**102,347**	**22,893**	**125,240**

(i) Analysis of changes in Net Debt	**01-Apr-23** £000	**Cashflows** £000	**31-Mar-24** £000
Cash and cash equivalents			
Cash	91,014	13,965	104,979
Overdrafts	-	-	-
Cash Equivalents	11,333	8,928	20,261
	102,347	**22,893**	**125,240**

1. ACCOUNTING POLICIES

The Trust is a registered Charity in England and Wales and a public benefit entity (see pages 8-9 of the Annual report for further details) as defined in FRS 102. The principal accounting policies adopted by the Trustee in the preparation of the financial statements have been applied consistently and are set out below:

(a) **Basis of Accounting** - The financial statements have been prepared under the historical cost convention, subject to the inclusion of investments at fair value, and are in compliance with the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) (effective 1 January 2019), the Charities Act 2011, The Salvation Army Act 1980 and FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.
The banking company, Reliance Bank Limited, became a wholly owned subsidiary of The Salvation Army International Trust during the year of 2018, following the purchase of The Salvation Army Trust's (UK Territory) 49% interest. The consolidation of the bank into the Group accounts is on a line by line basis.
The Salvation Army Leaders Training College of Africa & Resource Centre Limited (SALT), which was previously part of the Salvation Army International Trust, became a separate company wholly owned by the Trust from 01 August 2020 by way of a transfer of assets equivalent to £26k to the new SALT entity and is consolidated on a line by line basis.

Critical accounting judgements and key estimations
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.
Apart from those involving estimates, no judgements are deemed to have had a significant effect on amounts recognised in the financial statements. Judgements would include assessing for indicators of impairment of assets or whether the Trust is party to lease arrangements and their nature. Other than investment properties, It is the Trustees' opinion that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Other key estimates relevant to the charity, include property valuations, depreciation and amortisation.
The Investment Property portfolio is independently valued by a Chartered Surveyor. This valuation is based on, at a minimum, a rolling three-year revaluation plan carried out using the comparable method in accordance with the RICS Valuation Global Standards effective at the time and the fair values of properties not due for an external valuation are updated using the UK House Price Index provided by the Land Registry (See Note 25). Estimations made in calculating the depreciation of non-investment properties are detailed in paragraph (g) below.

Negative Goodwill arising from the acquisition of Reliance Bank Ltd is amortised on the basis of the excess up to the fair value of non-monetary assets which is recognised in profit or loss in the periods when the non-monetary assets are recovered, and any excess beyond the fair value of non-monetary assets acquired recognised in profit or loss in the periods expected to be benefited. The periods within which the benefits are expected is 10 years based on an anticipated return to profitability of Reliance Bank Ltd. The consideration for the acquisition is payable over a long period and is linked to qualifying charitable donation payable by Reliance Bank Ltd. The potential impact of discounting the consideration was estimated at acquisition date based on the projections of future profitability of the bank and no adjustment was made as the calculated amount was not material.

In relation to Reliance Bank Ltd, in terms of impairment, reviews are undertaken for all financial assets, both on an individual and a collective basis. They are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the investment have been affected.
Loans and advances are considered on a case by case basis and are provided against in the financial year in which it is anticipated that they may not be recoverable in full (which, in practice, means when they become non-performing) unless the Bank considers that it has adequate security to cover all balances outstanding plus a margin.

1. ACCOUNTING POLICIES - continued

(b) **Income**

(i) All income is recognised in the Statement of Financial Activities on an Accruals basis or on receipt of cash if there is no basis to accrue. Income is only recognised where there is entitlement of the rights or other access to the economic benefits, it is probable that the economic benefits of the transaction or gift will flow to the organisation and the monetary value of the income can be reliably measured. Income relating to a specific future period, where applicable, is deferred. Refunds are shown as negative income.

(ii) Contributions to the International Self-Denial Fund are received annually from the headquarters of Salvation Army territories around the world (see Note 3). Contributions are recognised in the period they relate to when territories submit results of their respective Self-Denial appeals to the International Trust and these are formally accepted by the Trust or upon receipt of the cash, whichever is earlier. In rare cases where these particular triggers have not occurred, income will be accrued provided all applicable income recognition criteria (per Note 1(b)(i)) have been met. A territory is an administrative unit and may comprise several countries, a single country or part of a country. The Self-Denial appeals are separate annual appeals within each Territory, whereby church members of The Salvation Army offer a monetary gift to support the work of The Salvation Army worldwide. In addition to this, some Territories make contributions to the Self-Denial fund from other funds available to them. These contributions are used to fund grants and other support payments to financially supported territories, as set out in Note 11.

(iii) Contributions to International Headquarters support are set annually and apply from April 1st of each year. Contributions from individual territories are recognised when they become due, which is quarterly from independent territories, and either quarterly or annually from financially supported territories.

(iv) Legacies are accounted for on receipt, or on earlier notification where the value can be reliably measured and receipt is probable, on a discounted basis where applicable and material. Donations are recognised in the period in which they are received, unless there is a basis to accrue (per Note 1(b)(i)).

(v) Grant income subject to specific performance conditions is recognised when there is evidence that the relevant conditions have been met by the Charity.

(vii) Investment income is recognised on an Accruals basis and includes returns on funds held in the US. Reliance Bank Limited income items, including interest receivable, rental income and fees and commissions receivable,are recognised on an accruals basis with interest recognised on an effective interest rate basis. When calculating the effective interest rate all related fees are taken into account.

(c) **Expenditure**

Expenditure is charged in the Statement of Financial Activities on the accruals basis.

(i) Irrecoverable Value Added Tax is charged to the related expenditure categories.

(ii) Expenditure on Charitable Activities consists of all expenditure relating directly to the objects of the Trust including support costs. Support costs have been allocated over activities on a per capita basis. Governance costs include those associated with constitutional and statutory requirements and those incurred in the governance of the Trust's assets.

(iii) Maintenance grants are paid to overseas Salvation Army territories to support their operating costs and are allocated for a duration of one year. The expenditure is recognised when the grants are approved and notified to the relevant territories, in the year the obligations arise. They are payable at the beginning of each quarter.

(iv) Property schemes not completed at the year end are carried forward in the Balance Sheet as a Fixed Asset under the heading of Property Schemes in progress.

(v) Pension costs are accounted for in accordance with FRS 102 and are charged to the Statement of Financial Activities when payable. SAIT and Reliance Bank both historically participate alongside other entities in a multi-employer defined benefit plan scheme. The actuary has confirmed that it is not possible to split the share of the scheme's assets and liabilities between employers and contributions are charged to the Statement of Financial activities as if they were made to a defined contribution plan. Details are provided in Note 17.

(vi) Grants payable to Salvation Army Territories are recognised as expenditure when they are committed and communicated to the territories, in accordance with the annual budget or following Board Approval of the Grant as appropriate. Expenditure arising from performance-related grants is recognised where there is evidence that the recipient of the grant has fulfilled the performance conditions.

(vii) There are no assets held under Finance lease. Rentals payable and licensing arrangements under operating leases are charged to Expenditure on a straight line basis of over the lease term.

(viii) Reliance Bank Limited costs are shown under Expenditure on Raising Funds.

(ix) Termination payments are payable when employment is terminated before the normal retirement date or end of employment contract. The costs recognised at the earlier of when the offer of the benefits can no longer withdraw or when the group recognises any related restructuring costs.

(d) **Foreign Currencies**

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction.
Monetary assets and liabilities are translated into sterling at the exchange rate applicable at the balance sheet date.
All profits and losses on exchange are included in the Statement of Financial Activities.

1. ACCOUNTING POLICIES - continued

(e) **Going Concern**

The Trustee has reviewed the Trust's financial position, taking account of satisfactory levels of reserves and cash, the annual plan, and its system of financial and risk management considering potentially adverse future scenarios.The Trustee recognises the potentially material pension liability arising from participation of the Trust in The Salvation Army Employees' Pension Fund (see Note 17) remains well placed to meet its obligations in this regard.
The Trustee has a reasonable expectation that the Trust has adequate resources to continue in operational existence in the foreseeable future following projections of the cash positon under adverse income performance scenarios over 12 months following the signing of the accounts.
The Trust holds a strong balance sheet with £42.97million (2023: £35.71 million) held in cash or short-term bank deposits and current liabilities amounting to £9.29 million (2023: £10.1 million).
The Trustee is confident the Trust is well placed to meet the ongoing global crises and other external events, including general inflationary pressures, and continues to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy all underpinned by the governance structures of SAITCo.

A going concern assessment has been undertaken for The Salvation Army International Trust, Reliance Bank Limited and Salvation Army Leaders' Training College of Africa & Resource Centre Limited. The Trustee is satisfied the Group has sufficient resources to continue operating for the foreseeable future. The Trustee has not identified any material uncertainities related to going concern. The Group and the Trust accounts are therefore prepared on a going concern basis.

(f) **Intangible Fixed Assets**

Negative Goodwill arising from the acquisition of Reliance Bank Ltd is amortised on the following basis of: the excess up to the fair value of non-monetary assets which is recognised in profit or loss in the periods when the non-monetary assets are recovered (50 years from acquisition), any excess beyond the fair value of non-monetary assets acquired recognised in profit or loss in the periods expected to be benefited (10 years from acquisition).
Computer Software, where capitalised, is amortised over a period of 4 years.

(g) **Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.
Such cost includes costs directly attributable to making the asset capable of operating as intended.
Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives, as follows:

- Freehold and Long Leasehold Properties are depreciated over 50 years.
- Internal Fit-Out Costs of the Headquarters building are depreciated over 15 years.
- Fixtures, Fittings and Office Equipment are depreciated over 5 - 10 years.
- Vehicles are depreciated over 6 years.
- IT Equipment is depreciated over 3 - 4 years.

A Fixed Asset Property is transferred to or from Investment Properties when it first met or ceases to meet the definition of Investment Property per FRS102 and is transferred at its fair value at the date of change in use. Any difference between the fair value of the property at transfer date and its previous carrying amount is recognised in the SOFA under Other Recognised Gains/(Losses) for transfer to Investment Properties, and under Net Gain/(Loss) on investments for transfers from Investment Properties.

The Bank opted during year ended March 2021 to follow the revaluation approach to its freehold property, under FRS102 section 17.
The associated entries relating to this change in policy, including Deferred Tax, were eliminated on Consolidation into the Group Accounts and the property carrying value restated under the historical cost model and in accordance with the Group accounting policy.

The freehold property at Sunbury Court has been depreciated so as to write down the cost of the project by components, on a straight line basis over their estimated useful economic lives at the following annual rates:

- Building and Infrastructure - 50 years.
- Roof (flat), Windows and Doors - 25 years.
- Major Installations (including heating, electrical, drainage) - 25 years.
- Bathroom and Kitchen Installations, Lifts- 15 years.
- Furniture, Fixtures and Fittings - 15 years.

1. ACCOUNTING POLICIES - continued

(h) **Basic Financial Instruments**
Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at historical cost unless another basis is required under applicable accounting standards, which is usually the transaction price, and are subsequently measured at their settlement value aside from Reliance Bank Debt instruments below.
Financial investments are recognised at fair value through Profit and Loss - See Note 1(i) below. Trade and other debtors are recognised at the settlement amount due. Creditors and provisions are recognised where the Trust has an obligation resulting from a past event that is likely to result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
The Bank's financial instruments are all basic financial instruments and comprise loans and advances, treasury bills, debt securities and customer accounts. The Bank does not hold derivative financial instruments.
Financial assets and liabilities are recognised initially per the policy as stated above but Debt instruments are thereafter measured at amortised cost less impairment using the effective interest method.
Debt instruments that are payable or recoverable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

(i) **Investments** - To comply with the Statement of Recommended Practice, Financial investments are included at fair value (see Note 25).
Listed investments are valued at the year end bid price.
The freehold reversionary interest (see Note 25(g)) is externally valued at least every three years, subject to any significant change in value in the intervening years.
Investment properties are held for the purpose of earning rental income or for capital appreciation or both. They are measured at fair value at the balance sheet date as detailed in Accounting Estimates (Note 1(a)) above and no depreciation is provided. Passing rents levels are guided by estimated market rents assessed as part of Investment properties valuations to the extent possible. A property achieving below market rent level at a given point in time shall continue to be classified as an Investment property for as long as the purpose listed above remains true. Salvation Army employees may occupy properties held for investment purposes on comparable terms to members of the public, in which case these properties remain Investment properties in line with FRS102.
The aggregate surplus or deficit arising on revaluation at each period end is transferred to the Investment Property Revaluation Fund (see Note 20).

Investments in subsidiary undertakings are held at cost less impairment.

(j) **Stocks** are valued at the lower of cost or net realisable value.

(k) **Funds :**
(i) The Restricted Funds are held for restricted purposes, as specified by the donors.
(ii) The Unrestricted Funds include Designated Funds held for particular purposes designated by the Trustee in the exercise of its discretionary powers, and a General Reserve representing funds not designated for specific purposes. (See Note 20 for further details).

(l) **Provisions for liabilities**
A provision is recognised when there is a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The effect of the time value of money is not material and therefore the provisions are not discounted.

(m) **Prepayments**
Prepayments are valued at the amount prepaid net of any trade discount offered.

(n) **Subsidiary Companies**
Wholly owned subsidiary companies are consolidated with the Financial Statements of the Trust on a line-by-line basis.

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership model and through the delivery of its 5-year strategic plan, the Bank aims to become an important, positive social impact bank with an expanded remit in this market segment. The Trust has invested a total of £12.5million in the Bank's share capital since acquisition, £7 million of which during 2023, to support its business transformation plans.
Whilst the Trust is the Bank's controller, a Nominations Committee comprising Non-Executive Directors of the Bank recommends appointments of Bank Directors to the board. This includes consideration of proposed Shareholder representative Directors, as and when appropriate.
Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of 'The Trust'. This had not been the case the earlier years as the Bank was investing in its organisational structure and systems but it returned to profit last year with opportunity to now target a self-sustaining business model where future capital requirements are minimised.
Full details of the subsidiary company's Profit and Loss Account and Balance Sheet are set out in Note 4.

The Salvation Army Leaders Training College of Africa & Resource Centre Limited (SALT) is a wholly owned subsidiary of the Trust.
During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust.
This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets and so, from August 2020 is no longer reported within the charity only accounts of the Trust but within the Group accounts.
The assets transferred from the Trust to the new entity are not material to the Trust.

1. ACCOUNTING POLICIES - continued

(o) **Subsidiary Company - Set-off**
The Bank does have a legal right of set-off established in respect of some customer accounts (as confirmed by legal opinion). However, set-off positions would only be disclosed in the accounts where there is an intention to ordinarily settle on a net basis or to realise the asset and settle the liability simultaneously.

(p) **Subsidiary Company - Contingent Liabilities**
Contingent liabilities are recognised as memorandum items on the face of the Balance Sheet and further analysed in Note 33 to the accounts at their contract amounts unless the possibility of any transfer on settlement is remote.

(q) **Subsidiary Company - Risk Management Policies and Objectives**
The Board of Directors of Reliance Bank Ltd is responsible for determining the long-term strategy of the business and the level of risk acceptable in each area of the Bank's business.
The Bank's Audit, Risk and Compliance Committee recommends policies designed to mitigate risks to the Board of Directors of the Bank and reviews risk assessments within the Bank's risk register.
The main financial risks arising from the Bank's activities are as follows:

- Credit Risk.
- Liquidity and Funding Risk.
- Interest Rate Sensitivity.
- Foreign Exchange Risk.

(r) **Cash and cash equivalents**
For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash at banks and in hand and short term deposits with an original maturity (from date of acquisition) of less than three months, and cash held with investment managers as it is available to meet short term cash needs of the organisation.

(s) **Gains and Losses**
All recognised gains and losses are included in the Statement of Financial Activities, and all the reported activities, in both the current and preceding years, reflect ongoing activities.
Properties reclassified to Investments are transferred at Fair Value on transfer date. Any difference between the fair value of the property at that date and its previous carrying amount is recognised in the Statement of Financial Activities.
Further details on Gains and losses can be found in Note 18.

2. BUSINESS COMBINATION - ACQUISITION

On 31 October 2018 (the acquisition date), The Salvation Army International Trust acquired the outstanding equity of Reliance Bank Ltd in a cash transaction per the workings below. Reliance Bank Ltd is a UK incorporated company limited by shares and authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). Following acquisition Reliance Bank Ltd is a wholly owned subsidiary of The Salvation Army International Trust. Reliance Bank's mission is to be a distinctive, solid and safe Bank with Christian and ethical values that delivers as part of the broader objectives of The Salvation Army by enabling positive social impact.

Equity transaction: Preceding the acquisition the outstanding Reliance Bank Limited had allotted, called up and fully paid £7.5 million of £1 ordinary shares.
The Salvation Army International Trust already held 51% of Reliance Bank and purchased the remaining 49% shareholding held by The Salvation Army Trust on 31st October 2018.
The estimated fair value of the Net Assets acquired benefitted from a fair value uplift associated with Property, Plant and Equipment as below:

	£
Freehold Property (per valuation)	4,400,000
Other Net Assets per Accounts	8,799,631
Total	13,199,631

Calculation of Goodwill

The total cost of acquisition is therefore £7,933,397 (original cost £3,825,000 and subsequent acquisition £4,108,397) acquiring Net Assets at fair value of £13,199,631, giving rise to negative goodwill of £5,266,234. The negative goodwill is unwound through the Statement of Financial Activities (SOFA) as set out in Note 1(f)).
The cost of acquisition represented a contingent consideration of £4,108,397 estimated at the time to be payable over 15 years and over 8 years as at March 2024. The outstanding balance at March 2024 was £4,058,397 (2023: £4,108,397) (see Note 29).

3. CONTRIBUTIONS RECEIVED FROM SALVATION ARMY TERRITORIES

	Self-Denial Fund		International Headquarters Support		Donations Received	
	Unrestricted		Unrestricted		Restricted	
Territory	**2024**	2023	**2024**	2023	**2024**	2023
	£000	£000	£000	£000	£000	£000
Angola	7	13	1	1	-	-
Australia	416	484	778	755	268	105
Bangladesh	1	1	2	1	-	-
Brazil	69	-	2	2	-	-
Canada and Bermuda	1,791	1,665	610	592	486	624
Caribbean	76	105	5	5	-	-
Congo (Brazzaville)	82	79	5	5	-	-
Democratic Republic of Congo	77	95	6	6	-	-
Denmark	26	25	18	17	8	13
Eastern Europe	14	12	1	1	1	-
Finland and Estonia	50	58	31	30	54	27
France and Belgium	17	17	55	53	15	43
Germany, Lithuania and Poland	32	31	38	37	4	61
Ghana	27	17	3	3	-	-
Hong Kong and Macau	55	52	28	28	8	1
India Central	43	41	8	8	-	-
India Eastern	115	101	4	4	-	-
India Northern	17	17	7	7	-	-
India South Eastern	67	64	8	7	-	-
India South Western	22	22	8	7	-	-
India Western	26	28	7	7	-	-
Indonesia	48	46	12	12	-	-
Italy and Greece	4	5	1	1	2	6
Japan	26	33	75	72	6	12
Kenya East	212	272	8	8	-	-
Kenya West	215	291	8	8	-	-
Korea	173	166	13	13	61	9
Latin America North	35	72	2	2	-	-
Liberia	15	12	1	1	-	-
Malawi	6	9	1	1	-	-
Mali	2	3	1	1	-	-
Mexico	21	30	3	3	-	-
Middle East	8	18	1	1	-	-
Mozambique	3	3	1	1	-	-
The Netherlands, Czech Republic and Slovakia	176	200	120	117	160	179
New Zealand, Fiji and Tonga	396	441	284	275	45	119
Nigeria	23	39	5	5	-	-
Norway, Iceland and The Færoes	400	400	106	103	109	229
Pakistan	2	3	6	6	-	-
Papua New Guinea	44	39	4	4	-	-
The Philippines	20	21	4	4	2	10
Russia	2	3	1	1	2	-
Rwanda and Burundi	6	4	1	1	-	-
Singapore, Malaysia and Myanmar	93	99	19	19	33	2
South America East	19	-	3	3	-	-
South America West	95	-	4	4	-	-
Southern Africa	40	49	4	4	-	-
Spain and Portugal	19	18	1	1	7	-
Sri Lanka	1	1	2	2	-	-
Sweden and Latvia	89	105	87	84	33	86
Switzerland, Austria and Hungary	676	660	168	163	85	25
Taiwan	8	7	1	1	-	1
Tanzania	10	12	2	2	-	-
Uganda	11	8	1	1	-	-
United Kingdom with the Republic of Ireland	2,734	2,402	926	899	1,076	91
USA Central	4,809	4,499	1,888	1,869	3,128	4,605
USA Eastern	5,008	4,980	1,605	1,571	950	9,031
USA Southern	5,439	5,354	2,049	2,000	3,282	3,285
USA Western	3,989	4,266	1,533	1,505	(33)	2,347
USA National HQ	-	-	60	63	229	1,051
Zambia	53	61	4	3	-	-
Zimbabwe	209	194	7	7	-	-
	28,169	27,752	10,647	10,417	10,021	21,962

4. RELIANCE BANK LIMITED (registered in England & Wales - Company Number 00068835)

Unrestricted income to the Salvation Army International Trust from Reliance Bank Limited for the year was £100k (2023: £nil) to support the mission of the Trust.

The banking company, Reliance Bank Limited (the 'Bank'), became a wholly owned subsidiary of The Salvation Army International Trust (the 'Trust') in October 2018, following the purchase of The Salvation Army Trust's (UK Territory) 49% interest.
Under this ownership model and the its strategic plan, the Bank aims to become an important social impact bank with an expanded remit in this market segment.
Reliance Bank Limited provides banking facilities to The Salvation Army and the general public. The Bank offers transactional banking services to more than 30 Salvation Army territories, providing a vital 'safe haven' for project funds and IHQ operational grants and a secure platform for international fund transfers for the global Army.
A pre-tax profit of £1,918k (2023: £234k) has been made in the year.

RELIANCE BANK LIMITED	**2024**	**2023**
	£000	£000
Summary Profit and Loss Account		
Interest Receivable and other operating income	12,504	7,632
Interest Payable and other operating expenditure	(3,414)	(1,517)
Administration Expenditure	(7,172)	(5,881)
Operating Profit	1,918	234
Taxation	(68)	(107)
Retained Profit for year	1,850	127
Retained Reserves brought forward	438	311
Less qualifying charitable donations	(100)	-
Retained Reserves carried forward	2,188	438
	-	-
Share Capital owned	20,000	20,000
Loss on Revaluation of Property included in the Revaluation Reserve	-	(320)
Summary Balance Sheet		
Fixed Assets	4,183	4,509
Assets		
Less than one year	161,338	144,073
Loans over one year	111,372	103,607
	276,893	252,189
Liabilities		
Current	(253,893)	(230,939)
Net Assets	23,000	21,250
Share Capital	20,000	20,000
Revaluation Reserve	812	812
Reserves	2,188	438
Shareholders' Funds	23,000	21,250

The effects of differences between subsidiary and Group policies in relation to the Bank's building property valuation, including the revaluation reserve balance, were eliminated on consolidation and the impacted amounts are presented in the Group Financial Statements in accordance with Group Accounting policies (see Note 1(g)).

5. OTHER DONATIONS AND LEGACIES

	Unrestricted	**Restricted**	**2024**	**Unrestricted**	**Restricted**	**2023**
	£000	£000	£000	£000	£000	£000
a) Group						
Other Donations	66	16,300	16,366	2,501	144	2,645
Legacies	81	175	256	142	68	210
	147	16,475	16,622	2,643	212	2,855
b) Charity						
Other Donations	4	16,300	16,304	2,480	144	2,624
Legacies	81	175	256	142	68	210
	85	16,475	16,560	2,622	212	2,834

Total external donations and legacies increased to £16.62million (2023: £2.86 million) mainly from a large restricted donation towards the Officer Support Endowment Fund.

	2024 Group	2023 Group	2024 Charity	2023 Charity
6. INCOME FROM CHARITABLE ACTIVITIES	£000	£000	£000	£000
Rents from charitable activities	105	116	105	116
Software Charges	30	22	30	22
Income from publications	212	113	212	113
Income from Café 101	146	125	146	125
International Personnel Training and Development	43	118	17	93
	536	494	510	469
Restricted income for the year was £Nil (2023: £93k)				
7. OTHER TRADING ACTIVITIES				
Conference Centre income	47	36	47	36
Rents from letting of property	103	99	103	99
Fees and Commissions receivable	834	766	-	-
Release of Negative Goodwill	174	175	-	-
	1,158	1,076	150	135
Interest on Loans and Advances to Bank and Customers	11,630	6,778	-	-
	12,788	7,854	150	135
Unrestricted income for the year was £12,788k (2023: £7,854k)				
8. INVESTMENT INCOME				
Income from fixed interest securities	1,187	488	1,187	488
Dividends from equities	2,041	1,667	2,041	1,667
Interest on bank deposits	395	174	1,065	415
Income from funds held in USA	1,230	1,065	1,230	1,065
Rental on Freehold Reversionary Interest	204	212	204	212
Rents from letting of investment properties	1,913	1,732	1,913	1,732
	6,970	5,338	7,640	5,579
Restricted income for the year was £847k (2023: £273k)				

9. RAISING FUNDS

	2024 Group	2023 Group	2024 Charity	2023 Charity
	£000	£000	£000	£000
Cost of letting of property	791	660	791	660
Investment management costs	964	917	964	917
Goodwill Amortisation	-	-	43	43
Costs of subsidiary banking operations	9,848	7,013	42	-
	11,603	8,590	1,840	1,620

Restricted expenditure for the year was £131k (2023: £44k).

10. CHARITABLE ACTIVITIES

Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2024 Group Total	2023 Group Total	2024 Charity Total	2023 Charity Total
	£000	£000	£000	£000	£000	£000	£000
World Mission	-	3,647	1,913	5,560	4,718	5,568	4,735
Assistance to Salvation Army territories (Note 11)	22,665	5,106	2,733	30,504	32,081	30,515	32,105
International Personnel Training and Development	-	8,271	4,460	12,731	14,498	12,670	14,354
Crisis Relief	-	1,056	292	1,348	1,435	1,349	1,438
Health Services for the Poorest People	-	1,002	73	1,075	161	1,075	162
Fighting Against Sexual Trafficking and for Social Justice	-	825	437	1,262	1,592	1,264	1,596
	22,665	19,907	9,908	52,480	54,485	52,441	54,390

Grant and donation funding includes operational grants paid quarterly to Salvation Army territories around the World and the onward transmission of project funding.
Costs of activities undertaken directly include the direct costs associated with emergency services and other projects which are managed by International Headquarters.
Support costs have been allocated over activities on a per capita basis (see Note 12).
SALT College costs are included under the International Personnel Training and Development heading.
Restricted expenditure for the year was £5.02m (2023: £3.04m).

Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2023 Group Total	2022 Group Total	2023 Charity Total	2022 Charity Total
	£000	£000	£000	£000	£000 *(as Restated)	£000	£000 *(as Restated)
World Mission	-	2,888	1,830	4,718	4,225	4,735	4,225
Assistance to Salvation Army territories (Note 11)	24,912	4,556	2,613	32,081	30,483	32,105	30,483
International Personnel Training and Development	-	10,237	4,261	14,498	9,272	14,354	9,426
Crisis Relief	-	1,157	278	1,435	1,742	1,438	1,742
Health Services for the Poorest People	-	92	69	161	203	162	203
Fighting Against Sexual Trafficking and for Social Justice	-	1,174	418	1,592	1,236	1,596	1,236
	24,912	20,104	9,469	54,485	47,161	54,390	47,315

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK

	2024					2023
Territory	International Service Costs*	Grant funding of activities	Additional grant for specific costs	Activities funded by donations	Total	Total
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	37	-	37	35
Angola	21	47	46	16	130	98
Australia	-	-	-	112	112	-
Bangladesh	28	209	4	29	270	450
Brazil	7	604	4	35	650	686
Canada and Bermuda	-	-	-	2	2	7
Caribbean	2	743	8	57	810	820
Congo (Brazzaville) and Gabon	19	534	40	252	845	930
Czech Republic and Slovakia (Netherlands)	-	492	3	1	496	512
Democratic Republic of Congo	2	542	81	436	1,061	1,781
Denmark	-	136	-	1	137	142
Eastern Europe	10	1,127	3	40	1,180	1,247
Estonia (Finland)	3	233	4	8	248	244
Fiji and Tonga	3	-	-	1	4	1
France and Belgium	-	-	-	1	1	1
Germany, Lithuania and Poland	-	217	-	(7)	210	225
Ghana and Togo	40	146	30	140	356	329
Hong Kong and Macau	-	-	-	-	-	1
India National Secretariat	-	172	1	16	189	584
India Central	-	231	2	127	360	359
India Eastern	1	-	3	1	5	14
India Northern	-	284	3	90	377	187
India South Eastern	-	326	3	55	384	412
India South Western	-	315	6	93	414	384
India Western	-	239	5	122	366	354
Indonesia	1	-	34	190	225	224
Italy and Greece	-	315	1	6	322	537
Kenya East	-	275	10	116	401	639
Kenya West	19	624	74	218	935	877
Korea	-	-	-	3	3	1
Latin America North	-	654	2	89	745	944
Latvia (Sweden)	-	145	-	1	146	157
Liberia, Sierra Leone and Guinea	37	215	2	122	376	291
Malawi	12	132	1	83	228	373
Mali and Burkina Faso	6	123	16	8	153	159
Mexico	10	388	4	38	440	607
Middle East	-	281	1	49	331	295
Mozambique	15	273	1	16	305	345
Nigeria	11	139	21	164	335	337
Norway	-	-	-	1	1	1
Pakistan	2	1,119	31	53	1,205	1,265
Papua New Guinea	29	801	66	289	1,185	1,388
The Philippines	-	424	3	59	486	474
Russia**	-	741	1	(33)	709	770
Rwanda and Burundi	22	185	1	58	266	258
Singapore, Malaysia and Myanmar	-	208	5	39	252	245
South America East	1	547	4	23	575	612
South America West	63	394	9	203	669	689
Southern Africa	-	89	10	23	122	226
Spain and Portugal	1	683	1	66	751	751
Sri Lanka	2	192	2	423	619	458
Switzerland, Austria and Hungary	-	-	-	8	8	8
Taiwan	-	95	1	13	109	100
Tanzania	1	163	20	170	354	418
Uganda	25	162	32	338	557	437
United Kingdom with the Republic of Ireland	1	-	-	1	2	2
USA Southern	-	-	-	-	-	1
USA Western	-	-	-	1	1	1
Zambia	20	402	23	124	569	624
Zimbabwe and Madagascar	43	433	32	128	636	595
General	-	-	(31)	31	-	-
Total	457	16,799	660	4,749	22,665	24,912

**International Service Costs, previously shown as 'Allowable Deductions from Self Denial Funds', are those incurred in facilitating Salvation Army officers' service outside of their home territories.*

**Grants to Russia territory cannot be transferred into Russia in accordance with current banking restrictions imposed by the United Kingdom government. They are transferred to the territory's UK bank account held at Reliance Bank, where the territory will draw on them once permitted under banking regulations.

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK (Continued)

	2023					2022
Territory	**International Service Costs***	**Grant funding of activities**	**Additional grant for specific costs**	**Activities funded by donations**	**Total**	**Total**
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	35	-	35	101
Americas, General	-	-	-	-	-	-
Angola	-	48	1	49	98	291
Australia	-	-	-	-	-	23
Bangladesh	-	216	4	230	450	258
Brazil	-	624	4	58	686	1,161
Canada and Bermuda	6	-	-	1	7	-
Caribbean	-	767	8	45	820	824
Congo (Brazzaville) and Gabon	34	551	76	269	930	1,062
Czech Republic and Slovakia (Netherlands)	-	508	1	3	512	460
Democratic Republic of Congo	7	560	114	1100	1,781	1,012
Denmark	-	141	-	1	142	126
Eastern Europe	38	1164	3	42	1,247	1,087
Estonia (Finland)	6	240	-3	1	244	229
Fiji and Tonga	-	-	-	1	1	1
France and Belgium	-	-	-	1	1	1
Germany, Lithuania and Poland	-	224	-	1	225	198
Ghana and Togo	-	151	49	129	329	267
Hong Kong and Macau	-	-	-	1	1	2
India National Secretariat	-	293	3	288	584	864
India Central	-	238	2	119	359	329
India Eastern	2	-	3	9	14	19
India Northern	-	112	55	20	187	101
India South Eastern	-	336	2	74	412	506
India South Western	-	325	4	55	384	339
India Western	-	247	4	103	354	383
Indonesia	-	-	25	199	224	166
Italy and Greece	-	326	1	210	537	453
Kenya East	23	284	105	227	639	384
Kenya West	-	644	47	186	877	948
Korea	-	-	-	1	1	-
Latin America North	-	675	2	267	944	683
Latvia (Sweden)	-	149	-	8	157	133
Liberia, Sierra Leone and Guinea	4	222	21	44	291	687
Malawi	21	170	-2	184	373	271
Mali and Burkina Faso	20	127	3	9	159	280
Mexico	10	400	5	192	607	394
Middle East	-	290	1	4	295	259
Mozambique	38	282	7	18	345	339
Nigeria	23	143	4	167	337	349
Norway	-	-	-	1	1	1
Pakistan	1	1123	35	106	1,265	1,386
Papua New Guinea	67	736	71	514	1,388	1,287
The Philippines	-	438	3	33	474	646
Russia	-	767	1	2	770	727
Rwanda and Burundi	25	191	7	35	258	318
Singapore, Malaysia and Myanmar	-	215	4	26	245	222
South America East	13	565	4	30	612	845
South America West	-	407	11	271	689	453
Southern Africa	17	92	8	109	226	230
Spain and Portugal	25	706	1	19	751	634
Sri Lanka	-	198	2	258	458	229
Switzerland, Austria and Hungary	-	-	-	8	8	7
Taiwan	-	98	1	1	100	163
Tanzania	1	168	32	217	418	496
Uganda	55	167	18	197	437	436
United Kingdom with the Republic of Ireland	-	-	1	1	2	1
USA Southern	-	-	-	1	1	-
USA Western	-	-	-	1	1	4
Zambia	48	373	36	167	624	511
Zimbabwe and Madagascar	24	447	10	114	595	619
Total	508	17,148	829	6,427	24,912	24,205

**International Service Costs, previously shown as 'Allowable Deductions from Self Denial Funds', are those incurred in facilitating Salvation Army officers' service outside of their home territories.*

12. ANALYSIS OF SUPPORT COSTS BY ACTIVITY

Charitable Activities	Management	Finance & IT	Human Resources	Property	Depreciation	Governance (see note 13)	2024 Total	2023 Total
	£000	£000	£000	£000	£000	£000	£000	£000
World Mission	308	678	102	240	234	351	1,913	1,830
Assistance to Salvation Army territories	440	970	145	342	334	502	2,733	2,613
International Personnel Training and Development	717	1,581	237	558	544	823	4,460	4,261
Crisis Relief	47	104	15	37	35	54	292	278
Health Services for the Poorest People	12	26	4	9	9	13	73	69
Fighting Against Sexual Trafficking and for Social Justice	70	155	23	55	53	81	437	418
	1,594	3,514	526	1,241	1,209	1,824	9,908	9,469

Depreciation on Vehicles and IT Equipment of £159k (2023: £137k) forms part of rechargeable expenditure allocated on a usage basis and is included in the functional headings above.
All support costs have been allocated against Charitable Activities on a per capita basis (see note 9).

Charitable Activities	Management	Finance & IT	Human Resources	Property	Depreciation	Governance (see note 13)	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000	£000	£000
								*(as Restated)
World Mission	224	666	166	297	116	361	1,830	1,740
Assistance to Salvation Army territories	320	951	236	425	165	516	2,613	2,486
International Personnel Training and Development	522	1,548	385	693	270	843	4,261	4,054
Crisis Relief	34	101	25	45	18	55	278	266
Health Services for the Poorest People	9	25	6	11	4	14	69	66
Fighting Against Sexual Trafficking and for	51	152	38	68	26	83	418	398
	1,160	3,443	856	1,539	599	1,872	9,469	9,010

13. GOVERNANCE COSTS

	2024	2023
	£000	£000
Charitable Activities		
Internal Audit	550	562
External Audit	218	190
Legal and Administration (includes Trustees' Indemnity Insurance)	514	563
International Child Protection Governance	266	303
Finance and Property	276	254
	1,824	1,872
Raising Funds		
External Audit - Reliance Bank	331	253
Total	2,155	2,125

An Internal Audit Department carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working.
The external audit fee for Reliance Bank Limited is charged to expenditure on raising funds as part of their administrative expenses.

14. PERSONNEL COSTS

	2024 £000	2023 £000
Salaries and Allowances	10,625	9,057
Employer's Social Security Costs	1,143	1,033
Employer's Pension Costs	810	1,289
	12,578	11,379

The Trust made termination payments of £169k related to the cessation of certain IHQ publications during the year and necessary changes to some employee roles which led to redundancies (2023: £31k).

The number of employees earning greater than £60,000 per annum (including employee benefits but excluding employer's pension costs) was as follows:

	No.	No.
£60,001 - £70,000	18	17
£70,001 - £80,000	13	7
£80,001 - £90,000	8	5
£90,001 - £100,000	1	2
£100,001 - £110,000	3	1
£110,001 - £120,000	1	1
£120,001 - £130,000	1	-
£130,001 - £140,000	1	-
£160,001 - £170,000	-	1
£180,001 - £190,000	1	-

The highest paid employee within the above had employer pension contributions of £22k (2023: £Nil).
The above amounts include employee and staff costs relating to subsidiary companies.

Average number of officers and employees	2024 Headcount	2023 Headcount
Salvation Army International Trust	191	184
Reliance Bank Limited	63	47
SALT College of Africa	16	17
TOTAL	270	248

(i) The Salvation Army International Trust
The key management personnel of The Salvation Army International Trust and the Group, comprise the General, the Chief of the Staff and seven International Secretaries. The total taxable allowances and benefits plus employers NIC of key management personnel amounted to £258k (2023: £260k).

(ii) Reliance Bank Limited
The Bank's key management personnel are considered to be its Directors (both Executive and Non-Executive), and other members of its Executive Committee, the Chief Operating Officer, the Commercial Director and the Head of Risk and Compliance. The total taxable remuneration and benefits plus employers NIC of the Bank's key management personnel was £838k (2023: £636k). Two Executive Directors of Reliance Bank received emoluments during the year, their remuneration was £373k (2023: £304k) and includes pension contributions of £38k (2023: £15k). The highest paid Director received emoluments of £184k (2023 :£165k) with pension contributions of £22k (2023: £Nil). Non-Executive Directors received no remuneration from the Bank and are not members of the pension scheme.
Executive Directors are eligible to apply for loans on terms that are available to all employees of the Bank.

15. TRUSTEES

(i) Remuneration

The Salvation Army International Trustee Company directors, fourteen trustees (see Trustee's report for details), comprise nine senior Salvation Army officers and five non-executive directors with specialist expertise.
All Salvation Army officers receive an allowance based on length of service and other personal circumstances and, as ministers of religion, are provided with furnished accommodation and transport facilities. Salvation Army officers are required to use the accommodation provided, or another agreed alternative, as part of their ministry. Taxable allowances and benefits received during the year by the officers serving as directors ranged from £4k to £27k (2023: £23k to £28k) with total emoluments of £233k (2023: £196k and they did not receive any additional remuneration for their duties as directors.

The non-executive directors did not receive any remuneration for their services.

(ii) Expenses

Two trustees (2023:One) received expenses in relation to travel and accommodation of £2,670 (2023: £2,230) in their capacity as directors of The Salvation Army International Trustee Company. Expenses paid on behalf of Executive Directors, in respect of their executive roles are not included here. There were no expenses paid to third parties on behalf of the Trustees during the year.

16. AUDIT COSTS

The amount payable to the auditors for the audit of these financial statements amounts to £160k excluding VAT (2023: £131k.). An additional payment of £30k (2023: £25k) excluding VAT was made in relation to additional work undertaken in respect of the 2023 audit.
Their remuneration for services in connection with audits of overseas territories was £31k excluding VAT (2023: £31k) and payments to BDO International offices amounted to £339k (2023: £464k).
The audit of Reliance Bank Limited's financial statements amounts to £331k excluding VAT (2023: £253k),
The audit of SALT College for Africa's financial statements amounts to £4k (2023: £2k),

17. PENSION COSTS

(a) Salvation Army Employees' Defined Benefit Pension Scheme

The Salvation Army International Trust participates in a multi-employer defined benefit and a defined contribution employee pension schemes, both administered by The Salvation Army United Kingdom with Republic of Ireland Territory.
The Trust contributed to The Salvation Army Employees' Pension Fund, a funded defined benefit scheme, until April 2023 in respect of those members of staff who were eligible and had joined the scheme prior to its closure to new members on 31 December 2011.
In March 2023, members of the defined benefit scheme voted to close the scheme to future service accrual with the final salary link retained.
From 01 May 2023, eligible members began to contribute instead to the defined contribution scheme with enhanced employer contributions for an agreed period with the scheduled receipt of three annual lump sum payments. The costs of the 2023 lump sum payments were recognised at their actual value at 31 March 2023 and a new provision created for the subsequent two annual payments (see Note 30).
Active members of the Fund, as at 30 April 2023 were re-categorised as "Employed Deferred Members".
As at 31 March 2024, the Trust and the Bank respectively had 29 and 1 Employed Deferred Members (2023: 33 and 1) in the scheme.

The scheme is a multi-employer scheme incorporating five employers and the actuary has confirmed that it is not practical to allocate the assets and liabilities of the scheme between participating employers in accordance with FRS102.
The scheme is subject to triennial actuarial valuations and results from the most recent one, performed on 31 March 2021, reported a surplus of £2.6 million relative to the technical provisions which corresponded to an on-going funding ratio of 101.2%.
The relevant share of any liability to fund past service deficits as agreed with the pension scheme trustees is charged to the SOFA.

(b) Salvation Army Employees' Defined Contribution Pension Scheme

A Defined Contributions Scheme was introduced from 1 October 2011 and 60 members of staff of The Salvation Army International Trust and 40 members of staff of Reliance Bank Ltd have joined the scheme.
Auto enrolment was adopted from 1 April 2014, with employees required to opt out if they did not want to be part of the scheme.
The Trust accounts for Pension Costs on the date payments to the Schemes fall due. The costs charged in the current year are disclosed in Note 14.

All pension costs relating to the International Trust are met from Unrestricted funds.

18. NET GAINS AND LOSSES

The following Gains/(Losses) have been recognised during the year:

	2024 Group	2023 Group	2024 Charity	2023 Charity
Net Gains/(Losses) on Investments	£000	£000	£000	£000
Gains/ (Losses) on Listed Investments (see Note 25)	12,686	(9,028)	12,686	(9,028)
Net (Loss)/Gain on revaluation of Investment Property	(1,635)	2,985	(1,635)	2,985
Release of revaluation loss on disposal of Investment Property	62	-	62	-
Realised (loss) on disposal of Investment Property	(55)	-	(55)	-
Release of revaluation surplus on transfer of Investment to Property Asset	-	(16)	-	(16)
(Loss)/Gain on revaluation of Freehold Reversionary Interest	(525)	1,150	(525)	1,150
(Loss)/Gain on revaluation of US Dollar Deposits	(114)	817	(114)	817
(Loss)/Gain on Cash Held by Investment Managers	(4)	34	(4)	34
Exchange Gain on revaluation of funds held in the USA	6,582	3,806	6,582	3,806
Gain/(Loss) on funds held in the USA	4,047	(3,541)	4,047	(3,541)
	21,044	(3,793)	21,044	(3,793)

Further details on Gains on Investments can be found in Note 25(e).

	2024 Group	2023 Group	2024 Charity	2023 Charity
Other recognised (losses)/gains	£000	£000	£000	£000
Foreign Exchange (Losses)/Gains	(41)	133	(39)	129
Gains on revaluation of Properties transferred to Investments	1,749	3,799	1,749	3,799
	1,708	3,932	1,710	3,928

The significant volume of transactions denominated in US dollars has given rise to exchange losses, as rates moved between $1.2398 and $1.2623 between March 2023 and March 2024.

19. TAXATION

As a registered charity, the Trust is entitled to exemptions from tax in accordance with the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

20. MOVEMENT IN FUNDS

	Balance 31/03/2023	Transfers	Income	Expenditure	(Losses)	Balance 31/03/2024
	£000	£000	£000	£000	£000	£000
RESTRICTED						
Property Fund	15,150	-	-	(245)	(525)	14,380
Officers' Support Endowment Fund	23,813	-	20,973	-	-	44,786
Int'l Social Justice Commission Fund	2,515	-	-	-	-	2,515
Int'l Financial Accounting Standards Training	2,598	(205)	3,508	(3,104)	-	2,797
Other Restricted	4,445	(241)	2,862	(1,804)	(21)	5,241
	48,521	(446)	27,343	(5,153)	(546)	69,719

The Property Fund represents restricted funds used for specific property acquisitions.
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs. Although this fund is called 'Endowment' for historical reasons, it does not meet the definition of an endowment per the relevant Accounting Standards and is not accounted for as such in these accounts.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll out of cloud-based accounting software and training of internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

Transfers from Restricted Reserves primarily related to the return of bridge funding previously met from Board Designated Reserves to cover temporary funding gaps for specific projects resulting from timing differences in restricted funds meeting the applicable recognition criteria.

	Balance 31/03/2023	Transfers	Income	Expenditure	Gains/(Losses)	Balance 31/03/2024
	£000	£000	£000	£000	£000	£000
UNRESTRICTED						
Board Designated Funds						
Property Fund	19,745	(293)	-	(591)	-	18,861
Other Fixed Assets Fund	2,156	224	-	(373)	-	2,007
Reliance Bank Share Fund	12,500	-	-	-	-	12,500
						-
Other Board Designated Funds						-
Property Commitments Fund	32,941	(1,033)	2,286	(2,154)	1,694	33,734
Self-Denial Fund	26,199	(3,595)	29,079	(23,864)	-	27,819
Investment Appreciation Fund	74,900	-	-	-	20,353	95,253
Investment Property Revaluation Fund	47,244	-	-	-	(1,573)	45,671
Exchange Equalisation Fund	7,423	-	-	-	(435)	6,988
Other Designated Funds	83,969	4,517	1,265	(8,629)	3,261	84,383
	272,676	(111)	32,630	(34,647)	23,300	293,848
General Reserve						
Held by Trust	6,386	626	14,044	(13,517)	-	7,539
Held by subsidiaries	(2,572)	-	11,955	(9,802)	(2)	(421)
	310,891	446	58,629	(58,930)	23,298	334,334

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.
The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 24).
The Reliance Bank Share Fund represents funds which have been used to finance the acquisition of additional Reliance Bank Share Capital.

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£21.56m), and an International Property Project reserve (£2.69m) held to provide additional property project funding to territories over the next 3-4 years.
The Self-Denial Fund (£27.82m) represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 13.2 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund (£95.25m) represents unrealised gains and losses on investments which are still subject to market risk.
The Investment Property Revaluation Fund (£45.67m) represents the surplus on revaluation of tenanted properties held for investment purposes.
The Exchange Equalisation Fund represents exchange gains made, not as part of the Investment Appreciation Fund which are held to offset future exchange losses.

Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers, including reserves of £52.59m are supporting the balance held and invested in the USA on behalf of SAIT to generate income for specific purposes, which are Medical Services Support (£9.52m), Schools Services Support (£4.62m) and the Officers Support Endowment Fund (£38.45m).
The income generated from the Officers Support Endowment Fund is held in a reserve (£3.12m) which provides grants to Salvation Army Officers around the world to support basic needs, and income generated from the Medical Services Support designated funds have resulted in a reserve (£0.78m) to fund projects for Salvation Army Medical Service centres around the World.
Also included is a Mission Support Reserve (£6.56m) held to provide additional project funding to territories over the next year and an International Schools Development reserve (£5.61m) held to provide additional school project funding to territories over the next 2-3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£2.89m) and IT Development Reserve (£2.22m) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territories over the next 2 years. A Leadership Development Reserve (£1.98m) is held to fund the enhancement of training and personal development of Officer over the next 3-4 years. The Children's Homes Support Reserve (£2.67m) is held to provide ongoing support to improve children's homes facilities around the world over the next 3-4 years. The International Literature Programme reserve (£1.07m) is held to fund the promotion, production and translation of Salvation Army literature around the Salvation Army globally.
A new reserve (£1.75m) has been established to meet the ongoing challenges of funding out of budget Grants to Territories
The remainder of the Other Designated Funds balance is made up of a number of smaller reserves, none of which are individually material.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust. The aim of the Trustee is for the balance on the General Fund Reserve to cover the equivalent of 6 months' expenditure on headquarters administration costs. The balance of £7.53m at 31 March 2024 covers the equivalent of 6.6 months' expenditure on headquarters administration costs.

20. MOVEMENT IN FUNDS - continued	Balance 31/03/2022	Transfers	*Income	*Expenditure	Gains	Balance 31/03/2023
	£000	£000	£000	£000	£000	£000
RESTRICTED						
Property Fund	14,246	-	-	(246)	1,150	15,150
Officers' Support Endowment Fund	5,491	-	18,322	-	-	23,813
Int'l Social Justice Commission Fund	2,515	-	-	-	-	2,515
Int'l Financial Accounting Standards Training	394	-	2,282	(78)	-	2,598
Other Restricted	4,910	125	1,936	(2,697)	171	4,445
	27,556	125	22,540	(3,021)	1,321	48,521

The Property Fund represents restricted funds used for specific property acquisitions.
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll out of cloud-based accounting software and training of internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

Transfers to Restricted Reserves primarily related to transfers from the Board designated Mission Support reserve to cover funding gaps at year end in Restricted projects reserves.

	Balance 31/03/2022	Transfers	*Income	*Expenditure	Gains/(Losses)	Balance 31/03/2023
	£000 **(as Restated)	£000	£000	£000	£000	£000
UNRESTRICTED						
Board Designated Funds						
Property Fund	18,933	825	-	(13)	-	19,745
Other Fixed Assets Fund	2,306	196	-	(346)	-	2,156
Reliance Bank Share Fund	5,500	7,000	-	-	-	12,500
Other Board Designated Funds						
Property Commitments Fund	30,379	(11)	1,880	(3,096)	3,789	32,941
Self-Denial Fund	24,692	(127)	27,946	(26,415)	103	26,199
Investment Appreciation Fund	96,435	(4,974)	-	-	(16,561)	74,900
Investment Property Revaluation Fund	44,849	(574)	-	-	2,969	47,244
Exchange Equalisation Fund	4,875	(4)	-	-	2,552	7,423
Other Designated Funds	87,676	(3,933)	3,585	(9,311)	5,952	83,969
	288,906	(9,623)	33,411	(38,822)	(1,196)	272,676
General Reserve						
Held by Trust	5,496	1,497	13,191	(13,808)	10	6,386
Held by Trading Subsidiary	(3,254)	(20)	7,848	(7,146)		(2,572)
	317,887	(125)	54,450	(60,135)	(1,186)	310,891

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.
The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 24).

The Reliance Bank Share Fund represents funds which have been used to finance the acquisition of additional Reliance Bank Share Capital. Transfers from the Investment Appreciation Fund and Other Designated Funds totalling £7.00m (2022:£3.00m) were made to fund the purchase of additional share capital in the Bank.

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£20.33m), and an International Property Project reserve (£4.86m) held to provide additional property project funding to territories over the next 2-3 years.
The Self-Denial Fund (£26.20m) represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 12.4 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund (£74.90m) represents unrealised gains and losses on investments which are still subject to market risk.
The Investment Property Revaluation Fund (£47.24m) represents the surplus on revaluation of tenanted properties held for investment purposes.
The Exchange Equalisation Fund represents exchange gains made, not as part of the Investment Appreciation Fund which are held to offset future exchange losses.
Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers, including reserves of £51.09m are supporting the balance held and invested in the USA on behalf of SAIT to generate income for specific purposes, which are Medical Services Support (£9.25m), Schools Services Support (£4.49m) and the Officers Support Endowment Fund (£37.35m).
The income generated from the Officers Support Endowment Fund is held in a reserve (£3.25m) which provides grants to Salvation Army Officers around the world to support basic needs, and income generated from the Medical Services Support designated funds have resulted in a reserve (£1.21m) to fund projects for Salvation Army Medical Service centres around the World.
Also included is a Mission Support Reserve (£727k) held to provide additional project funding to territories over the next year and an International Schools Development reserve (£7.77m) held to provide additional school project funding to territories over the next 2-3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£3.94m) and IT Development Reserve (£2.51m) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territories over the next 2-3 years. A Leadership Development Reserve (£3.56m) is held to fund the enhancement of training and personal development of Officer over the next 3-4 years. The Children's Homes Support Reserve (£2.70m) is held to provide ongoing support to improve children's homes facilities around the world over the next 2-3 years. The High Council reserve (£1.07m) is held to fund the typically quinquennial election process of a new General of the Salvation Army, with the next due to take place in May/June 2024.
The remainder of the Other Designated Funds balance is made up of a number of smaller reserves, none of which are individually material.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust, and is equivalent to 5.9 months expenditure on headquarters administration costs.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2024	Unrestricted Funds	Restricted Funds	Total 2023
	£000	£000	£000	£000	£000	£000
Goodwill	(3,690)	-	(3,690)	(3,864)	-	(3,864)
Other Intangible Assets	148	-	148	284	-	284
Property Assets	15,968	14,380	30,348	16,468	15,150	31,618
Other Tangible Fixed Assets	2,343	-	2,343	2,434	-	2,434
Investments	291,232	55,339	346,571	282,883	33,371	316,254
Current Assets	146,125	-	146,125	125,893	-	125,893
Current Liabilities	(225,002)	-	(225,002)	(212,731)	-	(212,731)
Debtors over one year	111,558	-	111,558	103,849	-	103,849
Creditors over one year	(4,058)	-	(4,058)	(4,108)	-	(4,108)
Provisions for liabilities	(290)	-	(290)	(217)	-	(217)
	334,334	69,719	404,053	310,891	48,521	359,412

Unrestricted Funds also include Funds held by the Trust as Designated.
Restricted Property Assets funds include for analysis purposes historical contributions towards 99 Queen Victoria Street which is recognised in investment property assets.

22. INTANGIBLE FIXED ASSETS

(a) GOODWILL

The negative goodwill arising at acquisition (October 2018) represents the excess of net assets acquired over the cost of the shares purchased in Reliance Bank Limited (see note 2).
Release of the Net Goodwill for the year was £175k (2023: £175k) per accounting policies as set out in Note 1(a) and Note 1(f).

	Acquisition
Calculation of Negative Goodwill	-
Cost of 49% acquisition at October 2018	4,108
Share Capital Purchased	(3,675)
Positive Goodwill on acquisition	**433**
Original cost of 51% shareholding	3,825
Cost of 49% acquisition at October 2018	4,108
Total cost of acquisition	7,933
Fair Value of Assets acquired - 31 October 2018	
Freehold Property (per valuation)	4,400
Investments	70,828
Current Assets including loans and advances	114,114
	189,342
Liabilities including customer accounts	(176,142)
Net Assets Acquired	13,200
Net Negative Goodwill	**(5,267)**
Write back Postive Goodwill on Acquisition	**(433)**
Negative Goodwill on Consolidation	**(5,700)**

Amortised Goodwill	Book Value 2023	Amortisation 2024	Book Value 2024
	£000	£000	£000
Negative Goodwill	(4,124)	217	(3,907)
Positive Goodwill on Acquisition	260	(43)	217
Net Goodwill (Group)	(3,864)	174	(3,690)

(b) OTHER INTANGIBLE FIXED ASSETS

	Computer Software	Total (Charity)	Subsidiary Computer Software	Total (Group)
	2024	2024	2024	2024
Cost:	£000	£000	£000	£000
Brought Forward	-	-	1,022	1,022
Additions	-	-	39	39
Disposals	-	-	-	-
	-	-	1,061	1,061
Amortisation:				
Brought Forward	-	-	737	737
Charge for the year	-	-	176	176
Disposals	-	-	-	-
	-	-	913	913
Net Book Value at 31 March 2024	**-**	**-**	**148**	**148**
Net Book Value at 31 March 2023	-	-	284	284

23. PROPERTY ASSETS

	Freehold Land & Buildings	Long Leasehold Buildings	Overseas	Schemes in Progress	Total (Charity)	Subsidiaries Land & Buildings	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2023	31,369	8,208	204	427	40,208	4,661	44,869
Additions during the year	58	64	-	109	231	-	231
Revaluation on Transfers to Investment Property	696	894	-	-	1,590	-	1,590
	32,123	9,166	204	536	42,029	4,661	46,690
Less: Disposals	-	-	(182)	-	(182)	-	(182)
Transfer to Investment Property	(702)	(1,413)	-	-	(2,115)	-	(2,115)
Balance at 31 March 2024	31,421	7,753	22	536	39,732	4,661	44,393
Depreciation							
Balance at 1 April 2023	10,275	2,405	33	-	12,713	538	13,251
Charge for the year	681	155	1	-	837	141	978
	10,956	2,560	34	-	13,550	679	14,229
Eliminated: on Disposals	-	-	(26)	-	(26)	-	(26)
on Transfer to Investment Property	(2)	(156)	-	-	(158)	-	(158)
Balance at 31 March 2024	10,954	2,404	8	-	13,366	679	14,045
Net Book Value at 31 March 2024	**20,467**	**5,349**	**14**	**536**	**26,366**	**3,982**	**30,348**
Net Book Value at 31 March 2023	21,094	5,803	171	427	27,495	4,123	31,618

The Transfer to Investments relates to tenanted properties that are held for investment purposes.

24. OTHER TANGIBLE FIXED ASSETS

	Fit-Outs, Fixtures & Fittings	Office Equipment	IT Equipment	Vehicles	Total (Charity)	Subsidiaries' Equipment	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2023	7,177	349	893	38	8,457	741	9,198
Additions during the year	54	6	165	-	225	73	298
	7,231	355	1,058	38	8,682	814	9,496
Balance at 31 March 2024	7,231	355	1,058	38	8,682	814	9,496
Depreciation							
Balance at 1 April 2023	5,478	148	637	38	6,301	463	6,764
Charge for the year	163	52	159	-	374	15	389
	5,641	200	796	38	6,675	478	7,153
Balance at 31 March 2024	5,641	200	796	38	6,675	478	7,153
Net Book Value at 31 March 2024	**1,590**	**155**	**262**	**-**	**2,007**	**336**	**2,343**
Net Book Value at 31 March 2023	1,699	201	256	-	2,156	278	2,434

Subsidiaries' Equipment includes Office Equipment, capitalised Computer Hardware and Fixtures & Fittings.

25. INVESTMENTS

	2024		2023	
	Cost	Market Value	Cost	Market Value
	£000	£000	£000	£000
(a)(i) Group				
Fixed Assets Investments				
Listed Investments (See Note (d) below)				
Fixed Interest				
UK Government	11,237	10,989	33,541	29,070
UK Non-Government	19,151	19,923	-	-
Overseas	890	804	950	895
Sterling Certificates of Deposit maturing after One Year (see Note (b))	-	-	12,969	12,969
Equities				
UK Directly Held Equities	15,145	14,422	19,548	19,468
Overseas Directly Held Equities	102,486	136,425	87,750	102,084
	148,909	182,563	154,758	164,486
Investment Property (see Note (f) below)	16,544	62,215	14,385	61,629
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	6,875	2,990	7,400
Funds held in the USA (see Note (e) below)	-	63,541	-	54,662
	168,443	**315,194**	**172,133**	**288,177**
Current Assets Investments				
Bank Deposits (see Note (c) below)	5,642	5,642	8,065	8,065
Listed Investments (See Note (d) below)				
Sterling Certificates of Deposit maturing within One Year (see Note (b))	25,735	25,735	20,012	20,012
	31,377	**31,377**	**28,077**	**28,077**
	199,820	**346,571**	**200,210**	**316,254**
(a)(ii) Charity				
Listed Investments				
Fixed Interest				
UK Government	11,237	10,989	33,541	29,070
UK Non-Government	19,151	19,923	-	-
Overseas	890	804	950	895
Equities				
UK Directly Held Equities	15,145	14,422	19,548	19,468
Overseas Directly Held Equities	102,486	136,425	87,750	102,084
	148,909	182,563	141,789	151,517
Subsidiary Company (Note 4)				
Reliance Bank Ltd. - Shares at cost	20,000	20,000	20,000	20,000
Investment Property (see Note (f) below)	16,544	62,215	14,385	61,629
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	6,875	2,990	7,400
Funds held in the USA (see Note (e) below)	-	63,541	-	54,662
	188,443	**335,194**	**179,164**	**295,208**
Current Assets Investments				
Bank Deposits (see Note (c) below)	36,453	36,453	28,154	28,154
	224,896	**371,647**	**207,318**	**323,362**

(b) Debt Securities

Reliance Bank held £17.82m of Sterling Certificates of Deposit at the balance sheet date mature within three months (2023: £11.47m), with £Nil maturing between three and six months (2023: £3.27m) and £7.92m maturing between six months and one year (2023: £5.28m) and £Nil maturing between one and two years (2023: £12.97m).

The role of debt securities in Reliance Bank's investment strategy is to provide a significant balance of realisable assets with high credit quality counterparties. These would be accessible in the event of unexpected funding demands which would otherwise exceed the level of instant access bank deposits that is maintained together with maturing interbank term deposits. Fixed rate debt securities are used to broadly match significant customer term deposits in terms of both interest rate risk and liquidity. A spread of maturities also helps to manage the Bank's overall maturity profile.

	2024 Group	2023 Group	2024 Charity	2023 Charity
(c) Bank Deposits	£000	£000	£000	£000
Sterling - Notice Deposits (less than 3 months from 31 March 2024)	-	-	7,634	4,058
Sterling - Notice Deposits (greater than 3 months from 31 March 2024)	-	-	4,196	-
US Dollars & Euros	-	-	10,780	9,730
US Dollars & Euros-Notice Deposits (greater than 3 months from 31 March 2024)	-	-	9,234	7,310
Loans and Advances to Banks - Deposits	1,032	1,009	-	-
Cash held by Investment Managers	4,609	7,056	4,609	7,056
	5,641	**8,065**	**36,453**	**28,154**

25. INVESTMENTS - continued	2024 Group	2023 Group	2024 Charity	2023 Charity
(d) Movement in Listed Investments	£000	£000	£000	£000
Market Value at 1 April	184,498	186,330	151,517	152,129
Purchases in year	163,976	122,846	116,463	75,185
Sales proceeds	(152,476)	(116,463)	(98,103)	(66,769)
Amortisation	(386)	813	-	-
Net Gains/(Losses) - Listed Investments	12,686	(9,028)	12,686	(9,028)
Market Value at 31 March	**208,298**	**184,498**	**182,563**	**151,517**
(e) Gains/(Losses) on Investment Assets				
Gains/ (Losses) on Listed Investments (see Note (d) above)	12,686	(9,028)	12,686	(9,028)
Net (Loss)/Gain on revaluation of Investment Property	(1,635)	2,985	(1,635)	2,985
Release of revaluation deficit on disposal of Investment Property	62	-	62	-
Realised Loss on disposal of Investment Property	(55)	-	(55)	-
Release of revaluation surplus on transfer of Investment to Property Asset	-	(16)	-	(16)
(Loss)/Gain on revaluation of Freehold Reversionary Interest (see Note (g))	(525)	1,150	(525)	1,150
(Loss)/Gain on revaluation of US Dollar Deposits	(114)	817	(114)	817
(Loss)/Gain on Cash Held by Investment Managers	(4)	34	(4)	34
Exchange Gain on revaluation of funds held in the USA	6,582	3,806	6,582	3,806
Gain/(Loss) on funds held in the USA	4,047	(3,541)	4,047	(3,541)
	21,044	**(3,793)**	**21,044**	**(3,793)**

Funds held in the USA are held and invested by a USA Salvation Army entity on behalf of SAIT. These funds are intended to be invested with the USA in this way for the long term and for investment appreciation purposes. Net income is remitted quarterly to SAIT, including investment income as well as fair value gains and losses. Due to the nature of these funds held with the USA, SAIT is unable to accurately determine the cost of the investment funds and as such the cost is not disclosed.
The net increase in Funds held in USA of £8,779k (2023: £2,335k decrease) results from £1,750k (2023: £2,600k) being disposed out of the portfolio, offset by net gains of £10,629k (2023: £265k gain).

(f) Investment Property	2024 Group	2024 Charity
	£000	£000
Cost or valuation at 01 April 2023	61,629	61,629
Additions	216	216
Net (Loss) from Fair Value Adjustments	(1,635)	(1,635)
Transfers from Property Fixed Asset at Fair Value	2,115	2,115
Disposals	(110)	(110)
Cost or valuation at 31 March 2024	**62,215**	**62,215**

The investment property represents tenanted properties that are held for investment purposes. During the year there were additions to investment property at a cost of £2,331k (2023 : £4,179k) and fair value as at 31 March 2024 of £2,120k (2023: £4,060k) giving rise to a revaluation loss of £211k (2023 : £119k).
In line with the three-year revaluation rolling plan, thirty-eight investment properties were valued individually at fair value using the comparison method by an external Chartered Surveyor, with primary regard to vacant sales comparable evidence paying due regard to the resulting gross yields and generated a revaluation loss of £101k (2023: £2,664k Gain).
Fair value of the remaining one hundred and eleven properties was measured using the applicable Land Registry house price indices to 31 March 2024, resulting in an additional revaluation loss of £1,323k (2023: £440k Gain).
Total net losses on revaluations amounted to £1,635k (2023: £2,985k Gain). One investment property was sold during 2023-2024 (2022-23: Nil).
During the year no properties were transferred back to Fixed Assets for operational use.

(g) Property - Freehold Reversionary Interest

The freehold reversionary interest represents the value of the freehold interest in 99 Queen Victoria Street (adjacent to the headquarters building) on which a long lease has been granted and rental income of £204k (2023: £212k) per annum is receivable.
The freehold reversionary interest has been valued at the year end by the Trustee, based on advice from an external consulting surveyor, at £6.9 million (2023: £7.4 million).

	2024 Group	2023 Group	2024 Charity	2023 Charity
26. DEBTORS AND PREPAYMENTS	£000	£000	£000	£000
(a) Debtors and Prepayments due in more than one year				
Amounts falling due after more than one year:				
Loans and Advances to Bank Customers (see (i) below)	111,372	103,607	-	-
Loans due from Salvation Army territories	186	242	186	242
	111,558	**103,849**	**186**	**242**

(b) Debtors and Prepayments due within one year	2024 Group	2023 Group	2024 Charity	2023 Charity
	£000	£000	£000	£000
Due from Salvation Army territories	7,919	12,350	7,919	12,350
Due from Reliance Bank Ltd	-	-	-	12
Due from Salvation Army Leaders Training College of Africa	-	-	42	51
Prepayments	1,477	1,278	1,291	1,145
Other Debtors	1,598	1,600	1,775	1,599
	10,994	**15,228**	**11,027**	**15,157**
Loans and Advances to Bank customers (see Note (i) below)	14,377	15,211	-	-
	25,371	**30,439**	**11,027**	**15,157**

(i) Loans and Advances to Bank customers

The role of loans and advances to customers in the Bank's investment and operating strategy is to grow the Bank's profit margins whilst maintaining a conservative lending policy and ensuring the Bank's liquidity and overall maturity profile are not compromised.

No loans have been made to group undertakings.

	2024 £000	2023 £000
Recoverable on Demand:		
Overdrafts	447	327
Other Loans and Advances:		
Mortgages	63,860	60,907
Loans	61,442	57,584
	125,302	118,491
	125,749	118,818
Loans and advances to customers analysed by periods to maturity:		
Recoverable:		
On demand	830	3,221
In 3 months or less	6,669	3,541
In 1 year or less but more than 3 months	6,878	8,450
	14,377	15,211
Loans and advances to customers analysed by periods to maturity:		
In 2 years or less but more than one year	1,608	1,225
In 5 years or less but more than 2 years	37,231	21,340
Over 5 years	72,902	81,400
Collective impairment provision	(369)	(359)
	111,372	103,607
	125,749	118,818

	2024 Group	2023 Group	2024 Charity	2023 Charity
27. BANK BALANCES	£000	£000	£000	£000
Sterling - Interest-bearing current accounts	243	375	3,053	5,701
- Ordinary current accounts	170	166	277	233
US Dollars, Euros and other Foreign currencies	299	156	3,183	1,622
	712	697	6,513	7,556
Loans and Advances to Banks (see (i) below)	8,310	4,596	-	-
Monetary market Funds (*)	11,951	6,737	-	-
Cash and Balances at Central Bank (see (ii) below)	99,657	83,262	-	-
	120,630	95,292	6,513	7,556

(*) The Bank holds balances with MMFs that allow withdrawal at short notice without penalties. These were reclassified in Reliance Bank's accounts from "Loans and Advances to Banks" and included into "Other Assets" in 2024, with the 2023 comparatives were adjusted accordingly. The Group 's primary Financial Statements are not impacted and do not require to be restated as these balances were already correctly classified within Bank balances from a Group perspective. There was no error from a Group perspective and this disclosure note provides further clarity of the breakdown of these balances, including a more detailed view of the 2023 balances.

(i) Loans and Advances to Banks	2024 £000	2023 £000
Bank Balances		
Recoverable on Demand (*)	8,310	4,596
	8,310	4,596

All the loans and advances to banks represent deposits with financial institutions whose credit ratings meet the risk appetite of the Board. No impairment provisions have been raised against these balances (2023: £nil). In both financial years, none of these loans and advances to banks were extended to related parties and none are secured.

Deposits with, and debt instruments issued by, these financial institutions play an important role in Reliance Bank's strategy and day-to-day liquidity management. Instant access bank deposits are held at a sufficient level to meet expected funding requirements with a comfortable margin. Term deposits and debt securities have well spread maturities to match expected cash outflows. Some deposits and debt securities are used to directly match significant customer term deposits, in terms of both interest rate risk and liquidity.

27. BANK BALANCES - continued

	2024	2023
(ii) Cash and Balances at Central Bank	£000	£000
Balances at Central Bank	99,657	83,262
	99,657	83,262

The Bank does not offer a cash counter service at its sole branch premises, with customers having access to cash facilities through existing agency bank arrangements.

The Bank of England Reserve account forms part of the Bank's pool of High Quality Liquid Assets that could be accessed in times of liquidity stress within Reliance Bank's investment strategy. The Bank maintains a low risk liquidity policy to treasury investments in light of agreements in place with some of the larger depositors, maintenance of sufficient High Quality Liquid Assets to cover net cash outflows over a 30 day period is a regulatory requirement, monitored through the calculation of a Liquidity Coverage Ratio (LCR).

	2024 Group	2023 Group	2024 Charity	2023 Charity
	£000	£000	£000	£000
28. CURRENT LIABILITIES - Other Creditors due within one year				
Due to Salvation Army territories	6,833	7,122	6,833	7,122
Bank customer Accounts (see (i) below)	214,000	201,886	10	-
Other Creditors, Accruals and Deferred Income	4,169	3,723	2,443	2,979
	225,002	**212,731**	**9,286**	**10,101**

	2024	2023
	£000	£000
(i) Deposit Accounts		
Current Accounts	124,835	93,335
Deposit Accounts	89,165	108,551
	214,000	201,886
With agreed maturity dates or periods of notice by remaining maturity:		
Repayable on demand	179,200	154,307
3 months or less but not repayable on demand	4,617	34,208
1 year or less but over 3 months	30,183	13,371
	214,000	201,886

The Bank has entered into an overarching minimum credit balance agreement with the Charity and a similar arrangement exists with another key customer. The Bank agreed to adjust these minimum balance agreements during the year and total credit balances with the Bank to £75,000,000 are subject to 3 months' written notice (2023: £49,000,000). The Bank's liquidity position, under the current regulatory liquidity regime, reflects these assurances provided to the Bank.

	2024 Group	2023 Group	2024 Charity	2023 Charity
	£000	£000	£000	£000
29. OTHER CREDITORS DUE AFTER MORE THAN ONE YEAR				
Contingent Payments due to Salvation Army Territories	4,058	4,108	4,058	4,108
	4,058	**4,108**	**4,058**	**4,108**

Salvation Army International Trust agreed during 2018 to pay consideration of £4,108k to Salvation Army Trust (UK Territory) for the purchase of 49% of the shareholding of Reliance Bank Limited. This payment is contingent on the profitability of the bank. The impact of the discount on the consideration amount was deemed immaterial at the time of the acquisition.

	Onerous Contract	Defined benefit Pension scheme	2024 Group	2024 Charity
30. PROVISIONS FOR LIABILITIES				
Salvation Army Employees' Pension Fund - Provision for	£000	£000	£000	£000
Provisions at beginning of the year - 01 April 2023	-	217	217	217
Charged to Statement of Financial Activities	65	8	73	73
Provisions at the end of the year - 31 March 2024	65	225	**290**	**290**

The International Trust is required to make contractual payments until 2025 in relation to software which no longer meets the needs of the organisation and therefore not expected to generate any future economic benefits for the Trust.
A provision for payments due to eligible Salvation Army International Trust employees participating in the Employees' Pension Fund Defined Benefit scheme was created at 31 March 2023 in relation to payments due to them in April 2024 and April 2025 with the payment amounts subject to change in the respective years.

The provisions have not been discounted as the time value of money is deemed immaterial to the amounts.

31. OPERATING LEASE COMMITMENTS

At the 31 March 2024 The Charity and Group subsidiaries committed to making the following payments in respect of non-cancellable operating leases:

	2024 Group	2023 Group	2024 Charity	2023 Charity
	£000	£000	£000	£000
Within one year	96	484	96	121
Between one to five years	217	371	217	303
Over five years	-	-	-	-
	313	855	313	424

Operating lease payments recognised as expense in the period amounted to £457k (2023: £499k).

32. CAPITAL COMMITMENTS

There are no capital commitments at the year end.

33. GUARANTEES AND COMMITMENTS

The following guarantees and commitments of the group have arisen from the subsidiary company, Reliance Bank Limited:

	2024 Contract Amount	2023 Contract Amount
	£000	£000
Commitments:		
Undrawn formal standby facilities of one year or less	8,199	7,394
Contingent Liabilities:		
Guarantees	7,694	7,694
	15,893	15,088

As a matter of course, the Bank takes counter indemnities to cover guarantees extended on behalf of customers. The Bank controls designated deposits sufficient to offset the guarantees extended.

Commitments reflect approved mortgage and loan commitments awaiting drawdown.

34. TRANSACTIONS WITH SALVATION ARMY TERRITORIES AND RELATED PARTIES

a) Salvation Army Territories

The Salvation Army International Trust receives contributions for the International Self-Denial Fund, International Headquarters Support and for other items from Salvation Army territories (see Note 3). Annual grants from the Trust to territories are considered as part of the annual IHQ budget process and paid quarterly in advance to each financially supported territory (see Note 11).
Salvation Army Territories are separate and independent legal entities.

b) Related Parties

The International Trust solely owns Reliance Bank Limited. Related party transactions between the two entiities during the financial year include interest received of £630k (2023: £240k) from the Bank, donation of £100k (2023: £Nil) received from the Bank, rent and services of £30k (2023: £77k) paid to the Bank and bank charges of £9k (2023: £12k) paid to the bank.
An outstanding balance £10k due from Reliance bank was recorded at 31 March 2024.
The balance of connected deposits at Reliance Bank Limited due to Parent Undertaking was £38.7m (2023: £28.1m).
Additional Share Capital of £Nil million (2023: £7 million) of the bank was purchased by the Trust during the year.

The Salvation Army Leaders Training College of Africa & Resource Centre Limited (Company Registration Number: PVT-DLUKBDP Kabete Children's Home Complex, PO Box 40575-00100, Nairobi, Kenya) is a wholly owned subsidiary of the Trust. Related party transactions between the two entities include grant payments to the College totalling £251k (2023: £173k).
An outstanding balance due of £42k (2023: £51k) due from SALT College of Africa was recorded at 31 March 2024.

35. ULTIMATE CONTROLLING PARTY

The charity is controlled by The Salvation Army International Trustee Company (SAITCo), a company limited by guarantee (company registration no. 2538134). SAITCo is appointed as the ordinary Trustee of The Salvation Army International Trust.

DIRECT CONTRIBUTIONS FROM TERRITORIES TOWARDS SPECIAL PROJECTS

FOR THE YEAR ENDED 31 MARCH 2024

In addition to the contributions made by the International Trust for work overseas, contributions were made directly by territories towards special projects as stated below. This information is provided by the Trustee and is not included in the opinion on the financial statements by the external auditor.

CONTRIBUTIONS FROM TERRITORIES	£
Australia	2,355,508
Canada and Bermuda	1,515,410
Denmark and Greenland	194,535
Finland and Estonia	69,428
Japan	29,729
Korea	55,122
The Netherlands, Czech Republic and Slovakia	831,141
New Zealand, Fiji, Tonga and Samoa	112,995
Norway, Iceland and The Faeroes	1,338,875
South America East	3,997
Spain and Portugal	5,833
Sweden and Latvia	1,010,839
Switzerland, Austria and Hungary	2,392,506
Taiwan	7,994
United Kingdom with the Republic of Ireland	1,369,603
USA Central	1,615,615
USA Eastern	1,705,541
USA Southern	1,702,604
USA Western	622,345
USA SAWSO	7,429,682
	£24,369,302

RECIPIENT TERRITORIES	£
Angola	150,235
Australia	7,994
Bangladesh	269,930
Brazil	797,317
Caribbean	1,233,778
Congo (Brazzaville) with Gabon	264,303
Democratic Republic of Congo	111,194
Denmark and Greenland	79,938
Eastern Europe	3,884,628
Finland and Estonia	123,779
France and Belgium	261,207
Germany, Lithuania and Poland	152,590
Ghana with Togo	116,970
Hong Kong and Macau	13,239
India Central	102,327
India Eastern	125,593
India Northern	131,980
India South Eastern	211,978
India South Western	26,664
India Western	305,247
Indonesia	863,406
Italy and Greece	174,007
Kenya East	1,457,360
Kenya West	737,646
Latin America North	799,688
Liberia and Sierra Leone with Guinea	135,873
Malawi	572,370
Mali with Burkina Faso	129,137
Mexico	1,051,838
Middle East Region	207,863
Mozambique	47,613
The Netherlands, Czech Republic and Slovakia	154,835
New Zealand, Fiji, Tonga and Samoa	7,370
Nigeria	334,748
Norway, Iceland and The Faeroes	97,995
Pakistan	253,487
Papua New Guinea and Solomon Islands	828,757
The Philippines	759,737
Rwanda and Burundi	765,528
Singapore, Malaysia and Myanmar	337,502
South America East	217,420
South America West	470,562
Southern Africa	571,868
Spain and Portugal	152,462
Sri Lanka	242,464
Sweden and Latvia	144,210
Switzerland, Austria and Hungary	316,153
Taiwan	161,759
Tanzania	638,552
Uganda	512,482
United Kingdom with the Republic of Ireland	21,290
USA National	21,971
Zambia	1,962,529
Zimbabwe and Botswana with Madagascar	847,929
	£24,369,302

THE SALVATION ARMY INTERNATIONAL TRUST

England & Wales - Charity number 1000566

Accounts



33RD REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

THE SALVATION ARMY

INTERNATIONAL TRUST



Front cover photo shows a woman in Kenya involved in *Others* – The Salvation Army's trade for hope programme. The project offers people training and employment in making crafts to sell internationally and generate income for poorer communities.

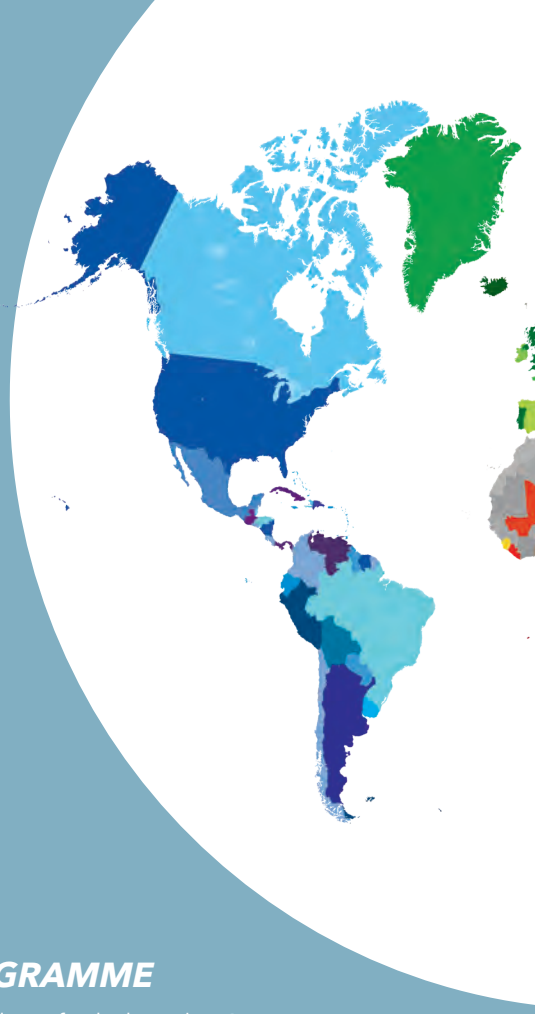
MISSION STATEMENT

International Headquarters exists to support the General as he/she leads The Salvation Army to accomplish its God-given worldwide mission to preach the gospel of Jesus Christ and meet human needs in his name without discrimination.

THE SALVATION ARMY
International Headquarters
101 Queen Victoria Street
London EC4V 4EH

THE SALVATION ARMY

WORLDWIDE FACTS & FIGURES



GENERAL INFORMATION

Countries and territories where SA serves **133**
Corps, outposts, societies, new plants and recovery churches **14,703**
Goodwill centres **129**
Officers **26,116**
- Active **16,346**
- Retired **9,770**

Auxiliary-Captains **489**
Envoys/sergeants/non-officer personnel, full-time **1,049**
Cadets **797**
Employees **101,352**

THE SALVATION ARMY MEMBERSHIP

Senior soldiers **1,250,413**
Adherents **172,748**
Junior soldiers **412,346**

CORPS PROGRAMME

Senior band musicians **37,437**
Senior songsters **105,198**
Other senior musical group members **110,116**
Senior and young people's local officers **151,342**
Women's Ministries (all groups) members **1,546,618**
League of Mercy – members **164,406**
SA Medical Fellowship– members **9,943**
Over-60 clubs – members **64,162**
Men's fellowships – members **101,996**
Young people's bands – members **16,571**
Young people's singing companies – members **100,754**
Other young people's music groups – members **147,676**
Corps cadets **42,498**
Sunday schools – members **566,259**
Junior youth groups (scouts, guides, etc, and clubs) – members **231,627**
Senior youth groups – members **132,918**
Parent and toddler groups **1,005**
- Capacity **33,891**

Corps-based community development programmes **46,934**
- Beneficiaries/clients **851,739**

Thrift stores/charity shops (corps/territorial/social) **2,704**
Recycling centres **23**

ADDICTION DEPENDENCY

Non-residential programmes **109**
- Capacity **1,584**

Residential programmes **220**
- Capacity **12,137**

Harbour Light programmes **18**
- Capacity **1,172**

Other services for those with addictions **63**
- Capacity **2,670**

SOCIAL PROGRAMME

Residential accommodation for the homeless **3,717**
- Capacity **239,756**

Children's homes **210**
- Capacity **6,739**

Homes for elderly persons **147**
- Capacity **10,964**

Homes for disabled persons **33**
- Capacity **1,542**

Homes for blind persons **6**
- Capacity **128**

Remand and probation homes **136**
- Capacity **1,082**

Mother and baby homes **21**
- Capacity **819**

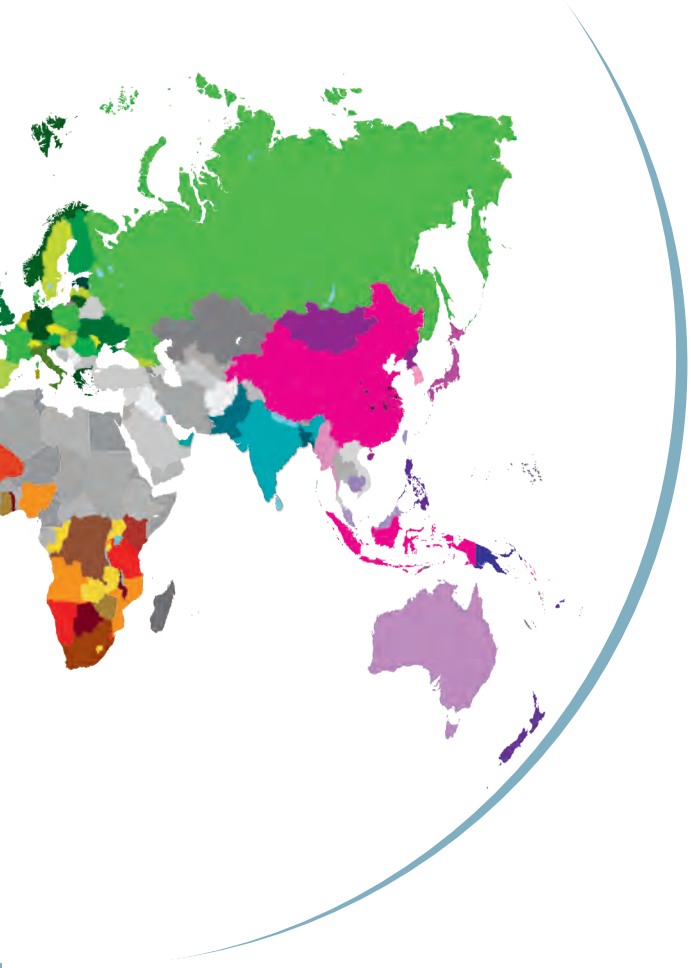
Training centres for families **61**
- Capacity **230**

Care homes for vulnerable people **89**
- Capacity **2,712**

Other residential care homes/hostels **50**
- Capacity **1,042**

EDUCATION PROGRAMME

Pre-school/kindergarten/sub-primary **558**
Primary schools **1,399**
Secondary and high schools **564**
Colleges and universities **18**
Vocational training schools/centres **54**
Pupils **549,432**
Teachers **21,055**
Schools for blind students (included in above totals) **23**
Schools for disabled students (included in above totals) **40**
Boarding schools (included in above totals) **175**
Staff training and development centres **39**
Learning centres **9**



Source of aggregate statistics for Salvation Army territories:
The Salvation Army Year Book 2023 (pages 40-41)
(as recorded at 1 January 2022)

HEALTH PROGRAMMES

General hospitals **28**
  Capacity **2,256**
Hospice long-term care **15**
  Capacity **157**
Maternity hospitals **39**
  Capacity **1,396**
Other specialist hospitals **32**
  Capacity **489**
Specialist clinics **31,786**
  Capacity **3,382**
General clinics/health centres **96**
Mobile clinics/community health posts **9,510**
Inpatients **361,887**
Outpatients **832,580**
Doctors/medics **5,715**
Non-medical staff **1,978**
Invalid/convalescent homes **9**
  Capacity **426**
Health education programmes (HIV/Aids, etc) **16,991**
  Beneficiaries **172,603**
Day care programmes **28**

SERVICES TO THE ARMED FORCES

Mobile units for service personnel **15**
Chaplains **47**

SERVICES TO THE COMMUNITY

Community centres **556**
  Capacity **114,826**
Day centres for the elderly **61**
  Capacity **2,287**
Day centres for street children **9**
  Capacity **856**
Day nurseries **391**
  Capacity **22,932**
Drop-in centres for youth **227**
  Capacity **7,632**
Other day care centres **2,765**
  Capacity **13,026**
Prisoners visited **27,302**
Prisoners helped on discharge **41,369**
Police courts – people helped **27,557**
Missing persons – applications **1,927**
  Number traced **837**
Night patrol/anti-suicide – number helped **249,497**
Employment bureaux – applications **68,806**
  Initial referrals **80,846**
Counselling – people helped **207,860**
General relief – people helped **13,789,599**
Emergency relief (disasters) – people helped **3,547,804**
Emergency mobile units **2,881**
Feeding centres **43,075**
Restaurants and cafés **245**
Apartments for elderly **1,118**
  Capacity **5,159**
Hostels for students, workers, etc **57**
  Capacity **1,418**
Land settlements (capacity) **71**
Social Services summer camps **119**
  Participants **6,311**

EMERGENCY DISASTER RESPONSE

Disaster rehabilitation schemes **195**
  Participants **37,038**
Refugee programmes – host country **6**
  Participants **101,741**
Refugee rehabilitation programmes **18**
  Participants **104,672**
Other response programmes **4,170**
  Participants **147,158**



Foreword by ***General Lyndon Buckingham***

This year has seen much turmoil across our world, as we emerged from the recovery effects of COVID-19 and found ourselves plunged into wars and other political conflicts, natural disasters and economic difficulties affecting millions across the globe.

The world needs The Salvation Army, and while we cannot do everything, we are where we are most needed. Our global mission impact has been enabled by the work of SAIT. And we remain committed to our mission around the world.

The key statistics mentioned at different parts of this report are an indication of the scope of our mission response. Responding to multiple emergencies – in war and natural disaster. Managing international development and mission support projects. Assisting territories in assessment and development of property schemes. Providing care in our hospitals and clinics around the world. Responding to modern slavery and human trafficking issues with prevention programmes. Engaging in discipleship of our people. Providing leader development opportunities. Ensuring financial integrity. These and many more activities are described throughout the report.

Many people know us because of what we do. But our mission is part of who we are. The Salvation Army has always been about recognising our responsibility to share the good news of the gospel, that there is life, hope, purpose and eternity through faith in Jesus Christ. That's who we are.

We have always recognised that practical demonstrations of the values of the Kingdom of God are as impactful as talking about them. We roll our sleeves up and care for the needy. We help the vulnerable. We become the voice for the voiceless. We advocate for justice. We go after those who are being oppressed, separated or rejected. We don't want to just talk about God's love, we want to show it. That's who we are.

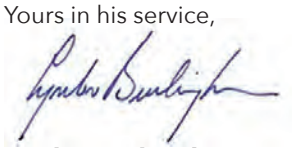
We have always been a holiness movement, and part of that shows in the high value we place on integrity, accountability and good stewardship. That's who we are.

As part of our stewardship and accountability for use of financial resources, we recognise the vital role played by The Salvation Army International Trustee Company ('SAITCo') and The Salvation Army International Trust ('SAIT') in providing robust governance structures and strong controls for use of charitable funds. During the year under review, as the Chief of the Staff I held the role of Chair of the Board of Directors of SAITCo. I want to acknowledge with grateful thanks the members of the SAITCo board whose advice and expertise continue to ensure excellent governance of the movement and its resources.

Having been elected as General of The Salvation Army following the financial year-end, I am looking forward to the bright future of our mission. I am grateful to officers, soldiers, staff and volunteers who support and deliver the mission around the world. I also take this opportunity to express my gratitude to our supporters and donors who fund the mission: your commitment enables the delivery of our mission.

May God richly bless you.

Yours in his service,



Lyndon Buckingham
GENERAL



Foreword by the Chief of the Staff
Commissioner Edward Hill

As the Chair of the Board of Directors of The Salvation Army International Trustee Company ('SAITCo'), it is my privilege to commend the Annual Report to readers.

The Trust exists to further the work of The Salvation Army, which is to advance the Christian religion and meet human needs as and where they occur throughout the world. It also supports the work of International Headquarters ('IHQ'), which is responsible for coordinating the international work as well as overseeing strategy.

The work of The Salvation Army globally is vital and greatly valued. At a time of significant crisis and challenge in our world, I am proud of the way in which Salvation Army resources have continued to be managed to both enable and ensure the provision of high levels of service.

In the midst of a challenging year, we have also taken on a number of reforms.

In response to the wide-ranging and significant governance review in recent years, SAITCo has implemented reforms including changes to the operation of subsidiary boards, committees and councils, update of expenditure authority thresholds for financial decision-making and internal staffing reorganisations. Additional work has also been undertaken to review both the risk management protocols and strategic planning processes of the Trust and to introduce a programme of formal monitoring of board skills and performance for SAITCo.

A further body of agreed actions is anticipated in 2023/24 with an external consultant engaged by SAITCo to benchmark IHQ practice to the most recent update to the Charity Governance Code, which focuses on the principles of integrity and equality and diversity and inclusion, highlighting opportunities for further development. IHQ is also currently engaged in a strategic planning process which will strengthen our movement through the identification and implementation of global priorities. These are exciting days of development for us.

In the face of new and emerging challenges, SAITCo continues to monitor developments closely in relation to the Russia/Ukraine crisis and other external events. Due to our strong financial position, investment strategy and reserves policy, all of which are carefully monitored through our governance structures, we remain confident that the Trust is well placed to continue to achieve its grant-making and other objectives.

I served as a SAITCo Director during the year under review and following the year-end was appointed as Chief of the Staff and assumed the role of Chair of the Board of Directors of SAITCo. I look forward to the Trust's continued engagement in assisting The Salvation Army to meet its full potential as a transformational movement in the world. Certainly, this effort will be advanced by deepening the Trust's engagement with and understanding of the various challenges and opportunities facing the international Salvation Army, particularly in those places around the globe where the need is greatest.

I express my sincere appreciation to fellow directors of SAITCo for their commitment, passion and professionalism.

The movement is well positioned to meet its mission objectives and continues to make a positive global impact.

Sincerely yours,

Edward Hill

Edward Hill
CHIEF OF THE STAFF

THE SALVATION ARMY INTERNATIONAL TRUST

TRUSTEE'S REPORT

The Trustee is pleased to present the annual report for The Salvation Army International Trust (the Trust) for the year ended 31 March 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The General, acting under powers contained in The Salvation Army Act 1980, established the Trust to further the worldwide work of The Salvation Army. The Salvation Army International Trustee Company (SAITCo), a company limited by guarantee, was formed and appointed as the ordinary Trustee of the Trust. The directors of SAITCo are thus effectively the charity's trustees.

THE SALVATION ARMY INTERNATIONAL TRUST
Registered Charity No 1000566
Trust Settlement Deed dated 21 September 1990 (Governing Document)

THE SALVATION ARMY INTERNATIONAL TRUSTEE COMPANY – ORDINARY TRUSTEE
Company Registration No 2538134

The General of The Salvation Army, as founder of the Trust, specifies the qualifying offices and the experts for SAITCo. Qualifying offices are such offices of The Salvation Army as the General may from time to time specify by notice to SAITCo and experts are persons who satisfy such conditions and/or who have such qualifications or expertise as the General may from time to time specify by notice to SAITCo. Both the qualifying offices' holders and the experts make application for membership of SAITCo with consent to become directors and are accepted by the Board of Directors of SAITCo.

All new directors follow teaching modules prepared specifically for The Salvation Army on its constitution, operational scope and the duties and responsibilities of directors. In addition individual directors follow external courses.

CONTENTS

8 Structure, Governance and Management

16 OBJECTIVES AND ACTIVITIES

17 ACHIEVEMENTS AND PERFORMANCE

57 FINANCIAL REVIEW

75 STATEMENT OF FINANCIAL ACTIVITIES

76 BALANCE SHEET

77 CASHFLOW STATEMENT

78 NOTES TO THE ACCOUNT

SAITCO DIRECTORS

Commissioner Lyndon Buckingham	from 3 August 2018 to 2 August 2023
Commissioner Keith Conrad	from 1 August 2019
Commissioner Lee Graves *MBA*	from 1 November 2020 to 31 August 2023
Commissioner Edward Hill *MDiv, MACE*	from 1 May 2021
Commissioner Debbie Horwood	from 1 July 2021
Commissioner Eva Kleman	from 1 November 2020
Commissioner Robyn Maxwell	from 1 November 2020
Commissioner Kenneth Maynor	from 2 September 2023
Commissioner Susan McMillan *BCom, MBA, FCPA, FCGA*	from 17 July 2023
Commissioner Garth Niemand *MBA, BTh*	from 3 September 2023
Commissioner Suresh Pawar	from 12 November 2020
Lieut-Colonel Russell Malcolm *BCom, DipApTh, MBA, CAANZ CA*	from 1 February 2022 to 21 May 2023
Ms Elizabeth Edwards *BSc (Hons), FRICS*	from 1 May 2013 to 30 April 2022
Mr Robin Foale	from 1 May 2019
Mr James Gardner *MA*	from 1 May 2022
Mr Mark Goodale *BA, FIA*	from 1 May 2019
Mr Peter King *Solicitor, MA*	from 1 May 2013 to 30 April 2022
Mr Robert Lister	from 1 January 2016
Mr Tim Sketchley *BA, MA (Cantab), FRICS*	from 1 May 2022

AUDIT COMMITTEE MEMBERS

Ms Rosie Bichard *GCB.D, CFA* (Chair)
Mr Mark Goodale *BA, FIA*
Mr Tim Sketchley *BA, MA (Cantab), FRICS*
Mr Andrew Stickland *BA (Hons), FCA*

PRINCIPAL OFFICERS

Commissioner Lee Graves *MBA*	Managing Director to 31 August 2023
Commissioner Garth Niemand *MBA, BTh*	Managing Director from 3 September 2023
Dr Matthew Carpenter *BA, MBA, DBA, MCMI*	Company Secretary
Lieut-Colonel Russell Malcolm *BCom, DipApTh, MBA, CAANZ CA*	Head of Finance to 21 May 2023
Commissioner Susan McMillan *BCom, MBA, FCPA, FCGA*	Head of Finance from 22 May 2023
Mr Kaloan Belito *BA, DchA, MSc, FCCA*	Chief Accountant

BANKERS

HSBC Bank plc
60 Queen Victoria Street
London EC4N 4TR

Reliance Bank Limited
Faith House, 23-24 Lovat Lane
London EC3R 8EB

National Westminster Bank
38 Strand
London WC2N 5JB

SOLICITORS

Slaughter and May
1 Bunhill Row
London EC1Y 8YY

AUDITORS

BDO LLP
55 Baker Street
London W1U 7EU

INVESTMENT MANAGER

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

The Trust exists to further the work of The Salvation Army and of its International Headquarters (IHQ), which is to advance the Christian religion and meet human need as and where it occurs throughout the world. The operation of IHQ is therefore an integral part of the work of the Trust. IHQ is responsible for coordinating the international work and overseeing strategy.

The Salvation Army is, for administrative purposes, divided into autonomous territories (generally by region or country). Each territory is governed, through local registration(s), in accordance with the applicable local laws and the Trust works with and through these separate legal entities. However, The Salvation Army remains under the oversight, direction and control of the General of The Salvation Army, as set out in greater detail in The Salvation Army Act 1980.



CONNECTED ENTITIES

The Salvation Army Retired Officers' Allowance Scheme

Registered Charity 1153681
Declaration of Trust dated 13 December 2012

The Salvation Army Retired Officers' Allowance Scheme is a separately registered charity that is administered by SAITCo as the Trustee.

The objects of The Salvation Army Retired Officers' Allowance Scheme are to relieve the poverty of retired officers and the financial hardship amongst elderly retired officers of The Salvation Army anywhere in the world.

The Salvation Army in the United Kingdom and the Republic of Ireland

The work of The Salvation Army in the United Kingdom and the Republic of Ireland is directed by the United Kingdom and Ireland Territory, with resources provided through trusts administered by The Salvation Army Trustee Company. The two principal trusts of this territory are The Salvation Army Trust and The Salvation Army Social Work Trust. The work and results of The Salvation Army in the United Kingdom and the Republic of Ireland are excluded from this annual report.

Reliance Bank Limited

The banking company, Reliance Bank Limited (the Bank), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership and through the delivery of its five-year strategic plan, the Bank aims to become an important, positive social impact bank. Between December 2019 and March 2023, £11 million of additional share capital has been invested by the Trust in the Bank to support its new strategic plan and future growth. The Bank was loss-making for the four years to 31 March 2022, against the background of the global pandemic, ultra-low interest rates and the Bank's investments in systems and resources. The Bank has returned to profit in the current year with opportunity to now target a self-sustaining business model where future capital requirements are minimised.

Historically, the Bank's business model was to invest the funds it received from customers, with treasury counterparties, and the margin received more than covered the fixed costs of running the Bank. As interest rates fell, this model became unsustainable and the Bank has instead built a social impact lending portfolio, not only to improve financial returns, but to align to the mission of supporting

communities. Growth in the loan book, together with rising interest rates, have driven improved income levels and the return to profitability in 2022/23.

The Bank offers transactional banking services to more than 30 Salvation Army territories, providing a vital 'safe haven' for project funds and IHQ operational grants and a secure platform for international fund transfers for the global Salvation Army. The Bank offers these territories a comprehensive product range including current accounts and fixed interest products in GBP, USD and EUR as a UK domiciled bank authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Additionally, the Bank meets the functional banking requirements of IHQ (as distinct from the territories) processing payments to a wide range of international locations, providing personal banking services for non-UK nationals working at IHQ, creating bespoke banking arrangements for territories to match specific IHQ requirements and obtaining bank ratings information to inform IHQ evaluation of proposed bankers for territories. The Bank also provides a wide range of banking services to The Salvation Army (UK and Ireland Territory), and offers employees of Salvation Army organisations fee-free personal current account services at market rates. Reliance Bank more widely provides banking services and lending secured on property to other UK charities and positive social impact organisations, as well as savings and mortgage products to the general public.

In 2018, SAITCo as ordinary Trustee of the Trust, undertook considerable due diligence before acquiring sole ownership of the Bank, with the Board of Directors receiving multiple reports from appointed consultants on legal, tax, accounting, governance, risk and regulatory considerations, including a detailed critical analysis of the Bank's five-year strategic plan and consideration of alternative options to proceeding with sole ownership. The Trust refreshed this diligence in 2021/22 and 2022/23, as required to support investment of additional share capital, with engagement of external consultants to review the Bank's performance to the five-year strategic plan and advise SAITCo on other related matters. Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of the Trust. This has not been the case during the last few years, as the Bank has been in an investment phase, however the Bank anticipates a return to gift aid in 2023/24 having successfully achieved a return to profit in 2022/23.

Whilst the Trust is the Bank's parent controlling entity, a Nominations Committee comprising Non-Executive Directors of the Bank recommends the appointment of Directors to its board. This includes consideration of proposed shareholder-representative Directors.

The Bank, in common with all banks, faces several inherent risks such as credit risk, interest rate risk, risk arising from holding foreign currencies, climate change risk, compliance risk, conduct risk and operational risk. Policies are in place to ensure that the Bank's exposure to these risks is monitored and controlled. The Bank maintains a risk register which is regularly reviewed by its Board Conduct, Risk and Compliance Committee and Executive Committee.

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited is a wholly owned subsidiary of the Trust.

During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya, for Salvation Army territories in Africa that hitherto operated as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo, as ordinary trustee of the Trust and on behalf of the Trust, to which the Trust transferred assets and so, from 1 August 2020 and during the year under review (2022/23), is no longer reported within the charity only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the separate legal entity in 2020 in the sum of £26,309 are not material to the Trust.

Consolidated accounts for the Trust incorporating the subsidiary companies Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited are presented for 2022/23 on pages 74 to 103 as well as charity results, assets and liabilities for the Trust.

GOVERNANCE

The Trust utilises a committee structure to supervise its operations. SAITCo's Board of Directors, including five Independent Non-Executive Directors, delegates day-to-day financial management decisions to the International Finance Board (IFB), International Business Board and International Projects Board within clearly defined parameters. The terms of reference for subsidiary boards and the minutes of all meetings of these boards are reviewed by the Directors on a regular basis with the latest review of terms of reference undertaken in November 2022.

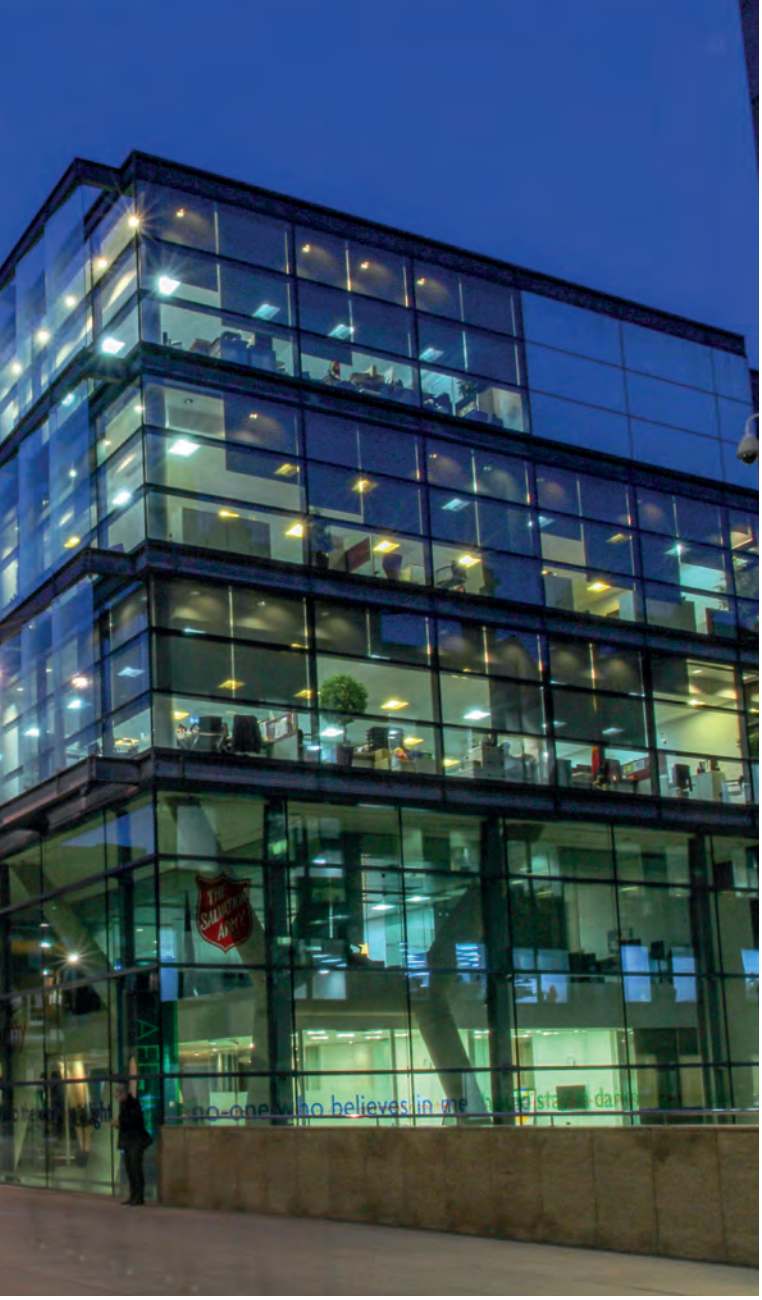
SAITCo has a Serious Incident Reporting Policy and Procedure in place, last reviewed in July 2023, outlining the process to be followed to decide if an incident relating to the Trust would be appropriate to be reported to the Charity Commission as a serious incident in accordance with the latest regulatory guidance.

A well-established Internal Audit Department also carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working, and a framework of internal controls and local financial management systems are in place, supported by a manual of International Financial and Accounting Standards (IFAS) for The Salvation Army issued from IHQ. Salvation Army territories also share findings of locally instructed external audits of territorial operations with IHQ for review and consideration within the internal audit process. The IFAS manual was reviewed and updated during 2022/23, following a comprehensive committee-led drafting process including formal review of consultation materials by 50 Salvation Army territories, with a revised 2023 edition of IFAS issued from IHQ in February 2023 and effective from January 2024. A project is also well advanced to rollout cloud-based accounting software to all financially supported territories by 2025/26, enabling more regular and more detailed reporting both within territories and from territories to IHQ, with 22 of the 41 financially supported territories using the software as of December 2023. A new reporting mechanism from all territories to the IFB commenced in 2020/21 and this was further developed in 2022/23, based upon the suite of 17 Key Financial Indicators (KFIs) defined within the IFAS manual, allowing IHQ to be better informed of the financial position in territories as a significant enhancement to internal controls.



The Salvation Army Internat

An Audit Committee also meets on a quarterly basis and comprises four members, including two Independent Non-Executive Directors of SAITCo, with none of the members holding executive responsibility for management of the Trust. The Committee holds delegated responsibility on behalf of SAITCo for continual review of the financial management and internal controls of the Trust and holds a direct line of communication to the internal and external auditor.



tional Headquarters, London, UK with St Paul's Cathedral in the background

SAITCo has undertaken a wide ranging and significant governance review in recent years assisted by an external consultant and involving a review of SAITCo membership, structure, interrelationships with other IHQ bodies, performance and effectiveness as well as benchmarking to good governance practice as outlined within the Charity Governance Code. SAITCo already embraces many governance activities outlined within the Code such as conducting board induction and training, managing potential or actual conflicts of interest and regularly reviewing terms of reference for subsidiary boards with opportunity for further development in areas such as board consultation with beneficiaries.

A Board Charter for SAITCo was developed during 2019/20 within the governance review process and approved for implementation. The Charter defines the roles, responsibilities and authorities of SAITCo in the effective and efficient functioning of the Trust and considers mission objectives, board roles, board procedures, board composition, board committees, board induction and ongoing training, conflicts of interest and board evaluation.

During 2020/21, the Articles of Association of SAITCo were revised and the SAITCo Board Charter further reviewed and updated to embed reforms prompted by the governance review. An operational review of IHQ was also undertaken during 2020/21 with assistance from two consultants and a remit to examine staffing establishments, explore effectiveness of internal communication and review the internal committee structure including the purpose, membership, expectations, outputs, reporting lines, accountability and decision-making thresholds of each board, committee and council. A number of reforms highlighted by the operational review were implemented in 2021/22 and 2022/23 including changes to the operation of subsidiary boards, committees and councils, update of expenditure authority thresholds for financial decision-making and internal staffing reorganisations. Additional work was also undertaken in 2022/23 to review both the risk management protocols and strategic planning processes of the Trust and to introduce a programme of formal monitoring of Board skills and performance for SAITCo.

A further body of agreed actions is anticipated in 2023/24 with an external consultant engaged by SAITCo to benchmark IHQ practice to the most recent update to the Charity Governance Code, which focuses on the principles of integrity and equality and diversity and inclusion, highlighting opportunities for further development.

SAITCo has in place a number of dedicated governance arrangements in respect of its role as sole owner of Reliance Bank Limited, having taken advice on this from an external consultant as part of the body of due diligence work undertaken towards

acquiring sole ownership of the Bank. An additional Director with banking expertise was successfully recruited to the SAITCo Board in May 2019 and remains in post with two shareholder representatives appointed to the Bank board and mechanisms in place for performance reporting for the Bank to SAITCo and risk management for the Bank to the Risk Management Committee of the Trust.

REMUNERATION

SAITCo is committed to ensuring a proper balance between paying staff to attract and retain the best people for the job, and careful management of charitable funds.

Management remuneration policies and practices within the Trust are reviewed periodically by SAITCo with day-to-day decisions delegated to the Employee Review Board and Job Grading Panel within clearly defined parameters. The IHQ Remuneration Policy was last reviewed and updated by SAITCo in January 2023.

SAITCo is committed to paying the living wage as set by the Living Wage Foundation to all staff as a minimum and IHQ is accredited by the Living Wage Foundation as a living wage employer.

There are two grading structures currently used at IHQ – an IT specialist scale and a main pay scale for all other employees. The differentiation is to address the market salary demands of IT specialists in the third sector. Posts are graded between eight evenly distributed grades, each of which contain nine main spine points (three per cent apart) and two upper spine points (six per cent apart). The scales were formulated, and are subject to ongoing review, with assistance from an external consultant to undertake market comparisons and objective benchmarking to comparable roles in other organisations. The lowest full-time salary at IHQ is always set in line with or above the living wage as set by the Living Wage Foundation.

New staff are usually appointed at the lower spine points of the grades, though this can differ for some specialist posts or due to candidate experience. Postholders may progress through the pay grade subject to completion of performance appraisals with a 'highly effective' or 'exceptional' performance rating. Cost of living increases are also awarded periodically to all staff by SAITCo, with an assessment made within the annual budget setting process to determine any proposed inflationary adjustment with reference to the Consumer Price Index and the financial position of the Trust.

Further remuneration disclosures for the Trust and group for this reporting period are shown within Note 15 to the Accounts. The Trust did not have any UK volunteers, excluding trustees, during the reporting period.

MODERN SLAVERY ACT

The Salvation Army is very active in bringing practical assistance to those whose lives have been affected by the evil of modern slavery and as such is sensitive to the danger of inadvertently finding itself falling short of its own beliefs and standards in this regard as well as the standards set out in the UK Government's Modern Slavery Act 2015. The Modern Slavery Act 2015 compliance statement for SAITCo, reviewed and updated in November 2023, can be accessed at **http://www.salvationarmy.org/ihq/modernslaveryact2015** and provides details of the variety of measures undertaken by SAITCo to avoid and reduce the risk of inadvertently supporting modern slavery in any way.

FUNDRAISING

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Trust does not actively undertake widespread fundraising from the general public, the legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Such amounts receivable are presented in the Accounts as 'Other Donations and Legacies'.

In relation to the above, SAITCo confirms that no fundraising activity has been taken by the Trust, or by anyone acting on its behalf, that no fundraising standards, codes or schemes for fundraising

regulation have been subscribed to by the Trust, or by anyone acting on its behalf, that no complaints in relation to fundraising activities have been received and that any solicitations are managed internally, without involvement of commercial participators or professional fundraisers.

During the year, IHQ corresponded with the Fundraising Preference Service in connection with 11 individuals who requested no fundraising material be sent to them by the Trust, with confirmation provided that the Trust does not hold fundraising mailing lists nor issue any fundraising correspondence to individuals seeking donations and so the individuals' wishes have been met.



Right: beneficiaries of the flood response aid in Pakistan
Below: Teacher and students at Joytown School in Thika, Kenya





Student at Joytown School in Thika, Kenya

OBJECTIVES AND ACTIVITIES

PUBLIC BENEFIT

The Trust is operating for the public benefit and in keeping with the organisation's mission statement. In setting and reviewing the Trust's aims and objectives and planning future activities, the Trustee pays due regard to the guidance issued by the Charity Commission on public benefit. The main activities of the Trust are:

- To continue the advancement of the Christian religion through evangelistic outreach
- To continue to provide financial assistance to The Salvation Army where needed
- To provide effective leadership and share knowledge and expertise through the strategic deployment of personnel
- To respond to and help meet the needs arising from major crises
- To strengthen The Salvation Army's capacity to support poor and marginalised people who need access to quality primary healthcare services as close to the family as possible
- To take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

A breakdown of expenditure per these main charitable activities of the Trust is presented at Note 10 in the Accounts. This shows a significant outlay on funding assistance to Salvation Army territories (under the second activity listed above) recognising that such grants also aid fulfilment of the other stated objectives as Salvation Army territories provide a wide range of local church/ social programmes having received the IHQ funding necessary to maintain day-to-day operations.

Specific aims for each of the main activities of the Trust during the reporting period are outlined in the sections below. The activities of the charity are rendered without discrimination and for the benefit of all people in need.

'The activities of the charity are rendered without discrimination and for the benefit of all people in need'

ACHIEVEMENTS AND PERFORMANCE

World Mission 18

Assistance to Salvation Army Territories 26

International Personnel Training and Development 36

Crisis Relief 40

Health Services for the Poorest People 46

Fighting Against Sexual Trafficking and for Social Justice 52



1 WORLD MISSION

OVERALL OBJECTIVE

To continue the advancement of the Christian religion through evangelistic outreach.

SPECIFIC AIMS

World Mission objectives are to encourage and enable people linked to The Salvation Army to reach out into their communities with spiritual and practical support, to offer online and other resources to Salvationists and friends around the world and so create a supportive network through which people can share in prayer and evangelism, and for the General and the Chief of the Staff to visit Salvationists and friends around the world, providing opportunities for increased publicity and offering encouragement and challenge..

ACHIEVEMENTS

This year the international leaders have travelled extensively to meet with Salvationists around the world following a prolonged period when international travel and in-person events were not possible.

INTERNATIONAL LEADERS

When the COVID-19 pandemic closed much of the world, General Brian Peddle, out of necessity, became the 'digital General'. Having embraced the technology and its capacity for a wide reach, the General continued to provide online messages of encouragement during 2022/23 through regular devotional videos on social media platforms and was active on Instagram and Twitter.

With the world reopening, the General provided inspirational leadership as he and Commissioner Rosalie Peddle engaged in visits to 'catch up' on

Traditional dancers welcome the international leaders to Papua New Guinea and Solomon Islands Territory





The General enrols a new soldier in Japan Territory

what was missed during lockdowns. The General and Commissioner Peddle visited more than 20 territories during the year to bring spiritual encouragement and blessing to Salvationists: USA Western; USA Central; USA Southern; Liberia and Sierra Leone; Latin America North; Spain and Portugal; Congo (Brazzaville); Norway, Iceland and the Færoes; Switzerland, Austria and Hungary; Malawi; Zambia; Ghana; Canada and Bermuda; Eastern Europe; The Philippines; Papua New Guinea and the Solomon Islands; Brazil; Japan; South America East; South America West; India Central; India South Western; India Eastern; Rwanda and Burundi; and the Caribbean.

There was renewed optimism and celebration across the world as the General and Commissioner Peddle played an important part in congress gatherings, commissionings and corps or territorial celebrations. Meetings with government and church dignitaries during these visits also provided additional impact and gravitas for the territory and its leadership.

One of the key features of the visits of the world leaders was a focus on discipleship. Many new soldiers and junior soldiers were enrolled during their visits – on one occasion more than 900 new soldiers in one session. Since taking office, General Brian Peddle has also called everyone linked to The Salvation Army to a renewed focus on its mission. Gathered under the headings 'Be Ready', 'Be Engaged' and 'Take Responsibility', the General's Call to Mission is broken down into nine specific 'calls': 'to prayer', 'to holiness', 'to be battle-ready – now!', 'to serve', 'to worship', 'to confidence in the gospel', 'to raise and nurture every generation', 'to costly

'There was renewed optimism and celebration across the world'

compassion' and 'to inclusion'. This Call to Mission was re-emphasised and reinvigorated during 2022/23 territorial visits.

The General's strategic priorities were also considered during the year as part of ongoing work undertaken at an International Conference of Leaders, held in Vancouver, Canada in September/ October 2022, and through a guiding coalition that collated much of the work for implementation.

Though there are significant challenges and a careful embrace of post-COVID space, The Salvation Army remains strong and focused on its part of God's mission in the world. A culture of generosity is flourishing, enabling The Salvation Army to forge a path forward on behalf of others, remaining in a position of strength and standing ready to serve in 134 countries.

COMMUNICATIONS

IHQ Communications, in serving the office of the General, seeks to further the Kingdom of God and enhance the reputation of the international Salvation Army by proactively inspiring global connections and responding with collaboration.

A key objective for IHQ Communications has been to restructure the communications function, adding much-needed digital expertise to the team. Four new employees joined the IHQ Communications section since October 2022; two specialist filmmakers, a digital communications specialist and an experienced website project manager.

New life has been breathed into the exhibition space at IHQ, Gallery 101, offering engaging and interactive exhibitions for café visitors. The aim of this work is to share the love of God and highlight the international work of the Salvation Army completed in his name. Over the year, Gallery 101 displayed 20 exhibitions, including five showcasing regional work of The Salvation Army and others on modern slavery and human trafficking, World Mental Health Day and The Salvation Army International Emergency Services.





Some of the colourful and informative exhibitions displayed at Gallery 101





Some of the books published by The Salvation Army

LITERARY AND EDITORIAL

Salvation Books, the publishing imprint of The Salvation Army, aims to ensure all Salvationists are equipped and have access to materials that deepen their faith, strengthen their prayer life and offer encouragement and inspiration, with seven books released during the year in review:

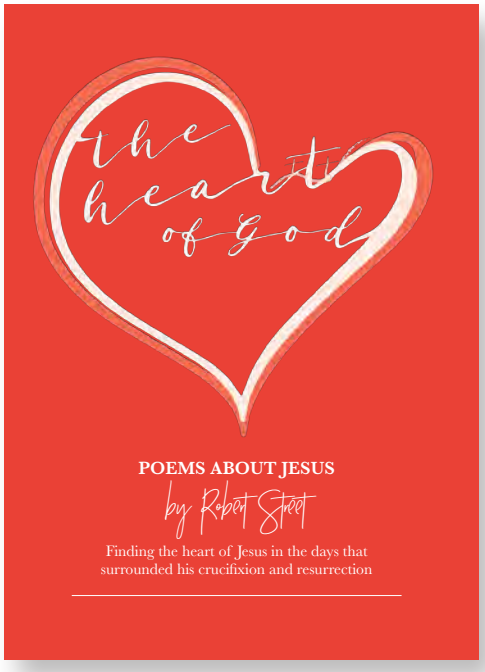
The Salvation Army Year Book 2023 is a 378-page compendium capturing news and events from the 134 countries in which The Salvation Army serves.

The Heart of God is an Easter poetry book which brings to life the encounters and events surrounding the first Easter and explores the heart of God in discerning and challenging ways.

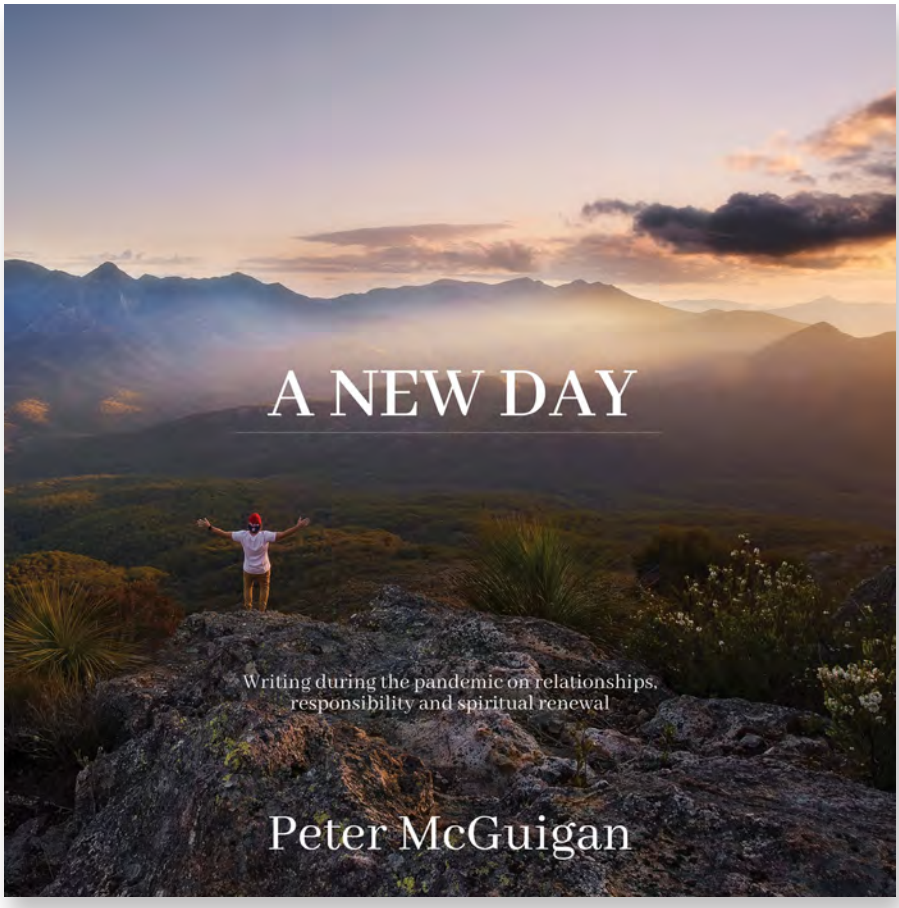
A New Day is born out of the author's experience of the COVID-19 pandemic and explores the themes of longing, hope and assurance.

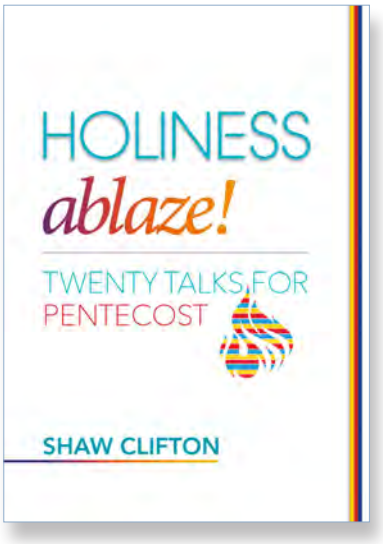
Holiness Ablaze! – Twenty Talks for Pentecost looks at the life-changing events of Pentecost.

Three editions of *Words of Life*, a daily devotional book, were also published.



International shipping of publications has become increasingly problematic but the Literary and Editorial section is committed to exploring shipping and printing options to ensure hard copy resources remain available to Salvationists where appropriate while also utilising e-books and online resourcing.





More books published by The Salvation Army

INTERNATIONAL LITERATURE PROGRAMME

The International Literature Programme (ILP) provides funding to ensure the sharing of quality, comprehensive and appropriate teaching resources to assist and promote The Salvation Army's mission in financially supported territories. The programme has the special responsibility of providing literature in the language of local people at an affordable price.

Grants enable territories requiring support to purchase books at a significant discount or to produce resources locally. Grants can also support territories through the translation, printing or purchase of literature; the encouragement of writer's workshops; the production or purchase of music; the production of videos for teaching or worship; the production of mission focus material.

Projects in 2022/23 funded by ILP include:

- The translation of child protection workbooks in Mali Region
- The production of a Women's Ministries resource book in the Caribbean Territory
- Home League resource material in Rwanda and Burundi Territory
- Youth material for girl guides and the corps cadet programme in Uganda Territory



Swahili language Sunday school resource video

TRANSLATION

The aim of the IHQ Translations desk is to make resources available for the mission to win more souls for Christ. Accurate translation is essential to ensure The Salvation Army can communicate its mission and message clearly and concisely to a global, linguistically and culturally diverse audience. It is also essential that relevant resources – whether online or printed materials – are accessible to all people.

A key achievement during 2022/23 was translation of junior soldier resources into Swahili, including videos. This will serve around a quarter of a million youth and children across five territories in Africa.

Making The Salvation Army's doctrines widely available and accessible is of great importance; and Swahili and Hindi translations of *The Salvation Army Handbook of Doctrine* were also progressed.



'Accurate translation is essential to ensure The Salvation Army can communicate its mission and message clearly'



General Lyndon Buckingham and Commissioner Bronwyn Buckingham at The Salvation Army International Headquarters – sharing moments of reflection as they were welcomed as the new international leaders



KEY STATISTICS

- International leaders engaged in more than 20 in-person visits during the year to Salvation Army territories.
- Salvation Books published seven new titles during 2022/23, which have been distributed to territories around the world.
- Gallery 101, the dedicated display space at IHQ, hosted 20 exhibitions during the year.

FUTURE PLANS

In May 2023, the diverse group of Salvation Army leaders known as the High Council gathered in London, UK, with the sole purpose of electing the movement's next international leader. At the end of a week of prayer, discussion and deliberations, Commissioner Lyndon Buckingham was presented to the world as General-elect. He took office on 3 August 2023 when Commissioner Bronwyn Buckingham also commenced her appointment as World President of Women's Ministries. The new international leaders will travel around the world during 2023/24 engaging with Salvationists, friends, supporters and people of influence.

IHQ will continue to resource Salvationists around the world through the development of books and magazines with translation of resources to make content available and accessible to as many people as possible.

Further work is intended to secure a recording studio for IHQ to improve the quality of recordings for the General and offer a media interview training facility. Development of a new website for IHQ is also planned to help spread the good news of the gospel whilst offering a nimbler digital platform, better able to showcase the international work of The Salvation Army.

2 ASSISTANCE TO SALVATION ARMY TERRITORIES

OVERALL OBJECTIVE

To continue to provide financial assistance to The Salvation Army where needed.

SPECIFIC AIMS

The Trust seeks to provide financial assistance, infrastructure and technical support to territories through a wide range of programmes including grant funding and delivery of large-scale international projects with a particular focus upon four areas of work during 2022/23:

A. INTERNATIONAL DEVELOPMENT SERVICES (IDS), based at IHQ, partners with Salvation Army territories across the world to help tackle poverty, alleviate suffering and challenge injustice. IDS supports the work of the global Salvation Army by coordinating sustainable community development projects, community health programmes, social work institutions, child sponsorship and mission support projects. IDS aims to engage, equip and empower territories, local corps and targeted communities in practical ways to identify their needs and effectively respond in a sustainable way that encourages lasting change and transformation. In its engagement with territories, IDS seeks to promote a holistic approach that meets physical, emotional, social, environmental and spiritual needs. Key objectives for IDS work during the year were to build capacity of staff, mobilise resources and facilitate partnerships to support delivery of programmes at local level.

B. INTERNATIONAL PROPERTY PROJECT, overseen by a full-time consultant based at IHQ, aims to assist territories in highest and best use reviews of underutilised property assets as a step towards financial independence. In 2022/23, the project aimed to progress significant schemes in Kenya and Democratic Republic of Congo and to explore new opportunities, working with existing property consultants and building relationships with new local partners, to develop potential schemes through a number of recognised stages.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS (IFAS) involves a global project team led from IHQ implementing cloud-based NetSuite accounting software to all financially supported territories alongside the rollout of new International Financial and Accounting Standards for the global Army. The software deployment replaces basic standalone systems, assists territories in complying with IFAS reporting and enables implementation of computerised internal financial controls to replace time-consuming manual processes. This year, key objectives were to continue rollout of the software to a further group of territories, develop enhanced solutions for budgeting/reporting and point-of-sale (POS) and to design, build and launch a new suite of e-learning resources.

Teacher in a Salvation Army school in central India



D. OFFICE 365 PROJECT involves a large project team at IHQ and within territories rolling out a global collaboration and communication solution to provide an official Salvation Army digital identity for every officer and employee who uses technology to achieve mission tasks for The Salvation Army. Specific objectives during the year were to complete the migration from a locally and internationally used legacy database system to alternative in-house or externally hosted platforms and to commence setup and delivery of the next stage of the project allowing eventual completion of required programmes.

ACHIEVEMENTS

A. INTERNATIONAL DEVELOPMENT SERVICES

This year, the IDS team continued to work with territories to tackle the causes of injustice and restore the dignity of people in the poorest communities. By working closely with territorial development offices across the world, IDS coordinated a range of programmes that sought to make a deep, lasting difference to the lives of the most vulnerable people around the world. Development projects increasingly looked at ways to tackle the root causes of poverty with complex and integrated programmes that deal with the holistic needs of a community rather than a single issue. An example of this was the Resilience Project in Kenya East Territory that deals with water, sanitation, community health, agriculture, climate change, supporting children's education and food security.

Given the increasing size and complexity of the community development projects portfolio, a key focus this year was continued distribution of resources for capacity building and project management. IDS continued to provide technical support and high-quality advice to territories through all stages of the international development cycle and led a number of initiatives to encourage better partnership across the global Salvation Army.

Online support through regular coordinated calls to field staff was a key focus of work as well as facilitating capacity building events. This included supporting training events for Salvation Army personnel based in and around the conflict in Ukraine, online training for projects officers grappling with the realities of increasing urbanisation in Latin America, and a hybrid approach to strengthening the capacity of projects teams across Africa through a series of in-person and online learning events. Community of Practice and other global learning partnerships emerged from connections made in these training programmes. By increasing capacity of territorial headquarters (THQ)



Water, Sanitation and Hygiene (WASH) projects enable school children to learn about safe water and sanitation in Kenya East



Provision of community health clinics in rural Zambia

and development teams around the world, transformative impacts are evident with this work yielding exciting results and impact.

As the global focal point for managing all Salvation Army international development and mission support projects, at the end of March 2023, IDS was overseeing 534 active projects that were funded either by the Trust, financially independent Salvation Army territories or external donors.

Alongside these figures, IDS recognises the need to better capture the difference made by projects and their impact across Salvation Army territories. Having a better understanding of results and learning will enable IDS to continually improve projects and levels of accountability. During 2022/23, IDS therefore commenced the process of developing a global monitoring and evaluation approach aiming to support the most effective delivery possible to those living in poverty and other challenging environments. Work was also undertaken to upgrade the Hive Project Database System to enable more responsive and focused data collection and analysis. The following examples illustrate the significant, transformative projects supported by the IDS team:

‘Work continued towards linking relief, rehabilitation and development to ensure a more integrated approach between delivery of emergency humanitarian aid and formulation of longer-term development programmes’

AFRICA: IDS facilitated the activation of 46 new community and institutional projects across the territories in Africa in the 2022 calendar year. These included supporting the launch of a second phase of a large Water, Sanitation and Hygiene (WASH) project in Zambia. This project aims to improve access to WASH in communities and institutions through service delivery, institutional strengthening and advocacy to benefit 70,000 people by the end of 2024. Work on water supply infrastructure has begun with the selection of contractors for drilling, rehabilitation of maternity annexes at Chikankata Hospital, Chikombola and Nadezwe clinics and installation of tank stands and water tanks at the 18 different sites across the surrounding communities. The project has seen increased community engagement during the preparatory meetings and formulation of WASH Rights Groups. These groups will work with Ward Development Committees in raising awareness about WASH rights and services and play an advocacy role in claiming WASH rights from power holders. Alongside this a new five-year capacity building and strategy project was initiated to develop the skills, systems and effectiveness of all the Development Offices across Africa. This project was launched in December 2022 with a conference in Nairobi attended by all territorial leaders and development officers.

AMERICAS AND CARIBBEAN: IDS facilitated the activation of 24 new projects in the region in the 2022 calendar year, focused around education and social support to children and vulnerable families. This included a project in Quito, Ecuador to support development and entrepreneurship workshops for children and adolescents and to setup a playground for the children of the centre and community. In Haiti, where the political and economic crisis is causing significant issues to the delivery of Salvation Army projects and programmes, IDS held regular meetings to ensure projects continue to operate despite the tense climate, including a face-to-face emergency summit held in January 2023 as well as facilitating emergency funds to support the ongoing work.

EUROPE: Work continued towards linking relief, rehabilitation and development to ensure a more integrated approach between delivery of emergency humanitarian aid and formulation of longer-term development programmes during 2022/23. A number of initiatives were progressed between IDS and the International Emergency Services team based at IHQ including two workshops and a number of joint projects. The 2022/23 year also saw commencement of some long-term projects following the initial emergency response to the refugee crisis caused by the conflict in Ukraine. This included development of a programme to integrate Ukrainian children into Georgian society through afterschool clubs to provide educational support, including lessons in language and Georgian culture. IDS also helped to support a retreat for Salvation Army officers in Ukraine that offered time for reflection and fellowship in a safe environment as well as space for conversations with trauma counsellors and psychologists to help them process some of the challenges they have sacrificially dealt with over the last year.



Oleksiy, a Ukrainian refugee from Mariupol, volunteers at the Salvation Army centre in Georgia

B. INTERNATIONAL PROPERTY PROJECT

Overseen by a full-time consultant based at IHQ, the International Property Project works with globally recognised property firms to develop potential schemes for territories through the stages of scoping and identification, feasibility approval, detailed feasibility and implementation.

Work continued during the year with territories to continue progression of existing projects and explore potential new opportunities, illustrated by the following examples:

KENYA EAST: Construction was completed of officers' accommodation at the THQ site in Nairobi. The development consists of five villas and 20 apartments, landscaping and a water management system facilitating the reuse of treated water across the site. Existing accommodation units on another site are now no longer required and a detailed feasibility study for a further phase of the project has been completed to determine the most appropriate plan for the site with an expectation that new income-generating activities will result allowing the territory to raise additional ongoing funds as an important step towards self-support.

New officer accommodation units in Nairobi, Kenya







New development in Democratic Republic of Congo

DEMOCRATIC REPUBLIC OF CONGO: Work progressed on a large-scale project using capital released from the sale of an under-utilised land resource, to fund construction of income-generating assets in the form of commercial office space, two villas and 12 apartments with additional project funding also provided by the Trust. The completed facilities will provide considerable rental income for the territory to support local ministries.

In addition to these schemes, the International Property Project team supported feasibility studies and other programmes across multiple territories including India Northern, Kenya West and Rwanda and Burundi, and provided teaching seminars to develop capacity of territorial property teams within financially supported territories.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS project involves a global project team led from IHQ implementing cloud-based accounting software (NetSuite) for all financially supported territories alongside the rollout of new International Financial and Accounting Standards for the global Army. The IFAS project team has tailored the design and testing of the accounting software to meet Salvation Army requirements, adding inter-unit/consolidation tools, a POS solution for territories with trading operations and new reporting tools allowing automatic generation of the Key Financial Indicators required for IFAS reporting. The scale of this international project covering 41 financially supported territories is

significant and unprecedented within the global Salvation Army.

The IFAS project made significant progress during 2022/23 successfully implementing NetSuite in Tanzania, Malawi and Rwanda and Burundi Territories and undertaking complex preparations towards rollout of the software to all six Indian territories that was successfully achieved following the year end in April/May 2023. The following chart illustrates the project status as of 31 March 2023:

DESCRIPTIONS	STATISTICS
Number of NetSuite users trained	440
Number of territories implemented in 2022/2023	3
Number of territories implemented to date	16
Number of IFAS project staff	26
Local Project Champions in territories	62
Number of territories to be implemented	25
Number of users enrolled in IFAS E-Learning Suite	443
Number of conferences and workshops held in 2022/23	7

The project is well placed to continue the momentum gained, with close to a full complement of project staff, 62 local project champions trained and in place within territories, 16 territories live on the system at year end (with the six Indian territories implemented shortly thereafter) and a further group of territories prepared for future deployments.

During the year, a budgeting and reporting solution (PBCS) was also deployed to six territories (Indonesia, Kenya East, Kenya West, South America East, Uganda, Zambia) and a Point-of-Sale solution (Zoku) was implemented in the Southern Africa Territory.

An IFAS Champions conference was held in London, UK, to train the next set of territories that will be implemented over the coming months. Territories in attendance were Angola, Brazil, Caribbean, Italy and Greece, Malawi, Mexico, Philippines, Rwanda and Burundi, Spain and Portugal, Tanzania and Zimbabwe, along with the Middle East Region. In addition, various pre-deployment workshops were organised for all Indian territories to prepare them for NetSuite launch. The IFAS project team also ran monthly webinars to educate, inform and engage IFAS Champions within territories.

The IFAS Learning Management System (LMS) was also launched in July 2022 and by year-end had enrolled 443 users. This suite of e-learning materials provides online training in IFAS policies as per the approved IFAS manual, training in the NetSuite/ PBCS software designed to apply the IFAS principles, training in general accounting skills and training for leaders on how to understand and interpret financial reports.

The IFAS manual was reviewed and updated during 2022/23, following a comprehensive committee-led drafting process including formal review of consultation materials by 50 Salvation Army territories, with a revised 2023 edition of IFAS issued from IHQ in February 2023 and effective from January 2024.



Above: Malawi Territory NetSuite go-live celebration
Right: IFAS Champions Conference delegates at International Headquarters



D. OFFICE 365 PROJECT

The Office 365 Project involves a large project team based at IHQ and within territories rolling out a new global collaboration and communications solution to provide an official Salvation Army digital identity for every officer and employee who uses technology to achieve mission tasks for The Salvation Army.

During the year, significant increases were achieved in the number of active users globally of OneDrive and Teams applications with continued year-on-year growth in the number of email users. Some 90 per cent of IHQ-provided databases were also successfully migrated away from the legacy database system to alternative in-house or externally provided hosted platforms. The Office 365 project team also facilitated the purchase and shipping of laptops and other devices to territories with 507 devices shipped or awaiting delivery at year-end 2022/23, covering 33 territories.

The next phase of the Office 365 Project also commenced, involving work to provide enhanced Internet connectivity to all financially supported territories as well as introducing a new lower cost and localised model for the provision of devices. Progress was also made during the year in strengthening the IHQ IT team and building new capabilities in the wider Microsoft 365 product set. This enabled IHQ IT to provide a greater level of support to territories as well as to the Office 365 Project.

Prayers of thanks following delivery of new laptops at Mozambique THQ



KEY STATISTICS

- As the global focal point for managing all Salvation Army international development and mission support projects, IDS was overseeing 534 active projects at the end of March 2023.
- The International Property project team assisted territories in the assessment and development of property schemes for under-utilised assets in India, Kenya, Democratic Republic of Congo and Rwanda during 2022/23.
- The IFAS project team facilitated implementation of new cloud-based accounting software in three territories during 2022/23 with 16 territories live on the system at year-end and 440 users.
- The Office 365 project team facilitated the purchase and shipping of laptops and other devices to territories with 507 devices shipped or awaiting delivery at year-end 2022/23, covering 33 territories.

FUTURE PLANS

A. INTERNATIONAL DEVELOPMENT SERVICES

Over the next year, IDS will continue to strengthen The Salvation Army's transformative impact in engagement with surrounding communities with a particular focus for the IDS team around distribution of resources for capacity building and project management.

Work will continue to develop a global monitoring and evaluation approach aiming to support the most effective delivery possible to those living in poverty and other challenging environments. Further tasks will be progressed to upgrade the Hive Project Database System and IDS staff will continue to provide technical support and high-quality advice to territories through all stages of the international development cycle.

B. INTERNATIONAL PROPERTY PROJECT

The International Property Project team will continue to support capital projects in territories and provide due diligence on property-related proposals globally with forthcoming work items including business planning reviews for established hospitals in Zimbabwe and India to assist the institutions towards long-term financial sustainability. Construction is anticipated to commence on a new officer training college in Rwanda with feasibility work expected for Bangladesh, India Northern, India Western, Kenya West, Kenya East and Mozambique. A number of seminars are also planned to be held to assist territories in property assessments and business planning.

C. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS project team will work towards installation of the new accounting software in the remaining 25 territories, with a significant focus for 2023/24 deployments on rollout of NetSuite to all six Indian territories and successful completion of all the software implementations targeted to 2025/26. Work will also continue to rollout the new budgeting/reporting solution (PBCS) and POS (Zoku) solution to territories. It is also intended to hold an IFAS Live Territories conference in 2023/24 to further resource, train and support territories already using NetSuite software. The team will also undertake pre-deployment visits to prepare territories for implementations planned for 2024/25.

D. OFFICE 365 PROJECT

Over the next financial year, the project plans to fully implement Office 365 in the THQ of at least six financially supported territories, including a review of technical hardware and appropriate upgrades, fully trained personnel and technical support in place. Technical support will also be provided by an expanded service desk utilising local, regional and IHQ IT support teams.

Work is also planned to review and update networking and Internet connectivity at a further 24 THQs in 2023/24, dependent on availability of hardware and delivery lead times, and to procure, distribute and deploy an additional 435 laptop devices to THQs of financially supported territories.



3 INTERNATIONAL PERSONNEL TRAINING AND DEVELOPMENT

OVERALL OBJECTIVE

To provide effective leadership and share knowledge and expertise through the strategic deployment of personnel.

SPECIFIC AIMS

International personnel training and development objectives for 2022/23 included supporting training colleges around the world as they train officer cadets for culturally relevant ministry, planning for an International Training Principals' Conference and continued delivery of an inclusive leadership course with online learning modules. Further objectives were to deliver orientation training for new leadership in territories through a two-stage programme involving an early online intensive course and to offer residential training at the International College for Officers.

ACHIEVEMENTS

The International Officer Training and Leader Development Council (IOTALDC) met several times during the year, with membership drawn from across the global Salvation Army, to review and develop key areas of training and development for leaders within The Salvation Army.

The Council this year focused on planning for an International Training Principals' Conference to be held following the year end in Nairobi, Kenya. The theme of the event was decided as 'Called, Covenanted, Commissioned', with the conference aiming to explore how current trends in officer training could be strengthened to envisage a central call for mission, readiness to serve in cross-cultural environments, engagement through setting of mission priorities and taking responsibility to bring people to Christ and cultivate Kingdom values.



INCLUSIVE LEADERSHIP COURSE: First launched in 2019/20, the Inclusive Leadership Course (ILC) offers an online platform for skills training for officers to engage with at any time and any speed. The programme was further refined and developed in 2022/23, blending biblical values with corporate training in such disciplines as coaching, team building and change management. Its target audience is officers (post five years of service) who serve in roles as team leader or executive directors. At the year-end, 689 delegates were registered for the ILC with 469 current participants and 220 completions since the launch.

INTERNATIONAL COLLEGE FOR OFFICERS (ICO): Based at Sunbury Court, London, the ICO brings together groups of officers from around The Salvation Army world for a six-week training experience that considers the challenges and opportunities facing Salvation Army leaders in the 21st century. Each six-week session provides delegates with opportunity for a deep ongoing consideration of leadership within The Salvation Army, including topics such as personal spiritual formation, leadership, ethics, social justice and international finance and administration, plus opportunity for personal, spiritual and emotional refreshment.

Following disruption due to the COVID-19 pandemic in the two preceding years, the ICO accommodated slightly larger sessions than normal in 2022/23 with four sessions held comprising a total of 136 gifted and courageous leaders who fully applied themselves to the ICO curriculum throughout the six-week journey. One session included a Spanish translation group with 15 officers.

Each of these respective sessions quickly became a dynamic worshipping body as delegates shared their sincere and diligent prayers to grow in their spiritual maturity and leadership capacity and demonstrate the values of the ICO: Christlikeness, Integrity, Missional Leadership and Respect for Each Other. The ICO sets an ideal for each officer to respect their commitment to serve the risen Christ with integrity, deeply value their covenant life, honour God for his calling and deepen their unique leadership abilities.



Members of the International Officer Training and Leader Development Council

Delegates expressed appreciation for the lectures offered with subject titles including: 'The Coaching Leader', 'Selfless Leadership', 'Leading Me', 'Growing Leaders' and 'Becoming a Catalyst for Kingdom Transformation'.

SENIOR LEADERS' ORIENTATION: When officer personnel are appointed to senior leadership roles in territories, they participate in a two-stage leaders' orientation programme organised by IHQ that offers an overview of senior leader responsibilities, processes and procedures as well as soft skills training for executive leadership. The orientation programme operated in 2022/23 with the first stage involving a week-long online programme introducing new leaders to important aspects of their roles and relevant responsibilities in the early months of their appointment. The second stage required attendance at one of two residential conferences held during the year in London, UK, where leaders gathered in cohorts to receive training, develop spiritual executive leadership skills and obtain practical orientation into senior leader roles.



Meeting room at Sunbury Court



Online learning: delegates from around the world attend a Senior Leaders' Orientation Conference

KEY STATISTICS

- As of 31 March 2023, 689 delegates were registered for the Inclusive Leadership Course, designed for the development of Salvation Army officers in preparation for potential leadership roles, with 469 current participants and 220 completions since the launch.
- During the year, 136 delegates attended the International College for Officers benefitting from a six-week taught curriculum.

'Each six-week session provides delegates with opportunity for a deep ongoing consideration of leadership'

FUTURE PLANS

The International Personnel team will continue work to review, develop and implement policies for training and leader development including frameworks for the development of Salvation Army officers, preparation and orientation of officers entering executive leadership roles and capability-building for leaders.

Other areas of future focus include continued oversight of the international resource repository for training and leader development, creation of a Territorial Operational Leaders' development programme, additional promotion of the inclusive leadership course, encouraging coaching and mentoring of new territorial strategic leaders and continuing work on capability development frameworks. In addition, the team will work to foster and develop succession planning in territories around the world, ensuring potential future leaders are intentionally included on a development pathway opening possibilities for personal growth, wider experience and experiential learning.



4 CRISIS RELIEF

OVERALL OBJECTIVE

To respond to and help meet the needs arising from major crises.

SPECIFIC AIMS

The International Emergency Services (IES) team based at IHQ aims to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery activities.

Another key objective is to provide training courses to territories and individuals in order to strengthen local capacity, particularly in disaster-prone areas, and to assist in disaster preparedness and disaster risk reduction awareness. This year the major focus was on the response to the war in Ukraine, while at the same time maintaining support and provisions to other natural and man-made disasters.

ACHIEVEMENTS

During the year IES supported 137 projects in 41 countries in 31 territories. IES provided support to territories around the world responding to severe weather-related disasters such as floods in Brazil (June 2022), Pakistan (from July 2022), Uganda (August 2022), Sri Lanka (October 2022) and Zambia (February 2023) and storms such as Typhoon Karding (Noru) in the Philippines (September 2022), Hurricane Fiona on the Dominican Republic (September 2022), Hurricane Ian in Cuba (September 2022) as well as drought response in Tanzania and Kenya (from mid 2022).

IES provided support following earthquakes in Indonesia (December 2022) and to address human-made disasters such as conflict and displacement situations in Nigeria (June 2022), Papua New Guinea (July 2022), Democratic Republic of Congo (August 2022), Burkina Faso (August 2022), Republic of the Congo (October 2022) and the economic crisis in Sri Lanka (October 2022).

RUSSIA/UKRAINE WAR: The Russia/Ukraine conflict started on 24 February 2022 and more than a year later over 8 million people from Ukraine had crossed borders into neighbouring countries and across Europe with 5.4 million people displaced within the country. With coordinating leadership at IHQ, The Salvation Army worked throughout the year to support people in Ukraine and to assist Ukrainian refugees in 29 countries throughout Europe. By 31 March 2023, IES had approved 83 projects associated with the Ukraine crisis providing support in various sectors such as emergency and longer-term shelter assistance, food, hygiene,

Offering aid to conflict-displaced people in the Democratic Republic of Congo





Offering aid to flood victims in Pakistan

bedding and clothing items, cooked meals, cash and voucher-based assistance, food, anti-human trafficking awareness raising and referral services.

IES not only provided operational support for the response but also arranged for deployment and management of trained and experienced international personnel to support local relief initiatives and provide logistical support, especially regarding warehousing and transportation of relief items into Ukraine. To assist the IES team in the management of the large project portfolio, as well as to provide strategic guidance and oversight, a Ukraine Response Unit was established at IHQ. The Unit sits within IES and coordinates with all other IHQ departments as well as other territories and all relevant stakeholders on the ground.

TRAINING: Emergency services training courses usually feature in the annual programme of events and IES is always willing to support in the capacity strengthening of territories as they plan for disaster risk reduction and enhanced response activities. During the year, classroom-based PREPARE training courses were held in Zimbabwe and the Netherlands and election preparedness and peace building training in Nigeria. IES also facilitated an online training course in February/March 2023 with 39 delegates attending from 23 territories. The training took place over eight weeks and included online live sessions, online training courses by other organisations, reading and assignments and a mentorship programme whereby every delegate was allocated an experienced mentor to walk alongside them on their learning journey.

‘The Salvation Army worked throughout the year to support people in Ukraine and to assist Ukrainian refugees in 29 countries throughout Europe’



Queues outside a Salvation Army aid distribution centre in Kropyvnytskyi, Ukraine

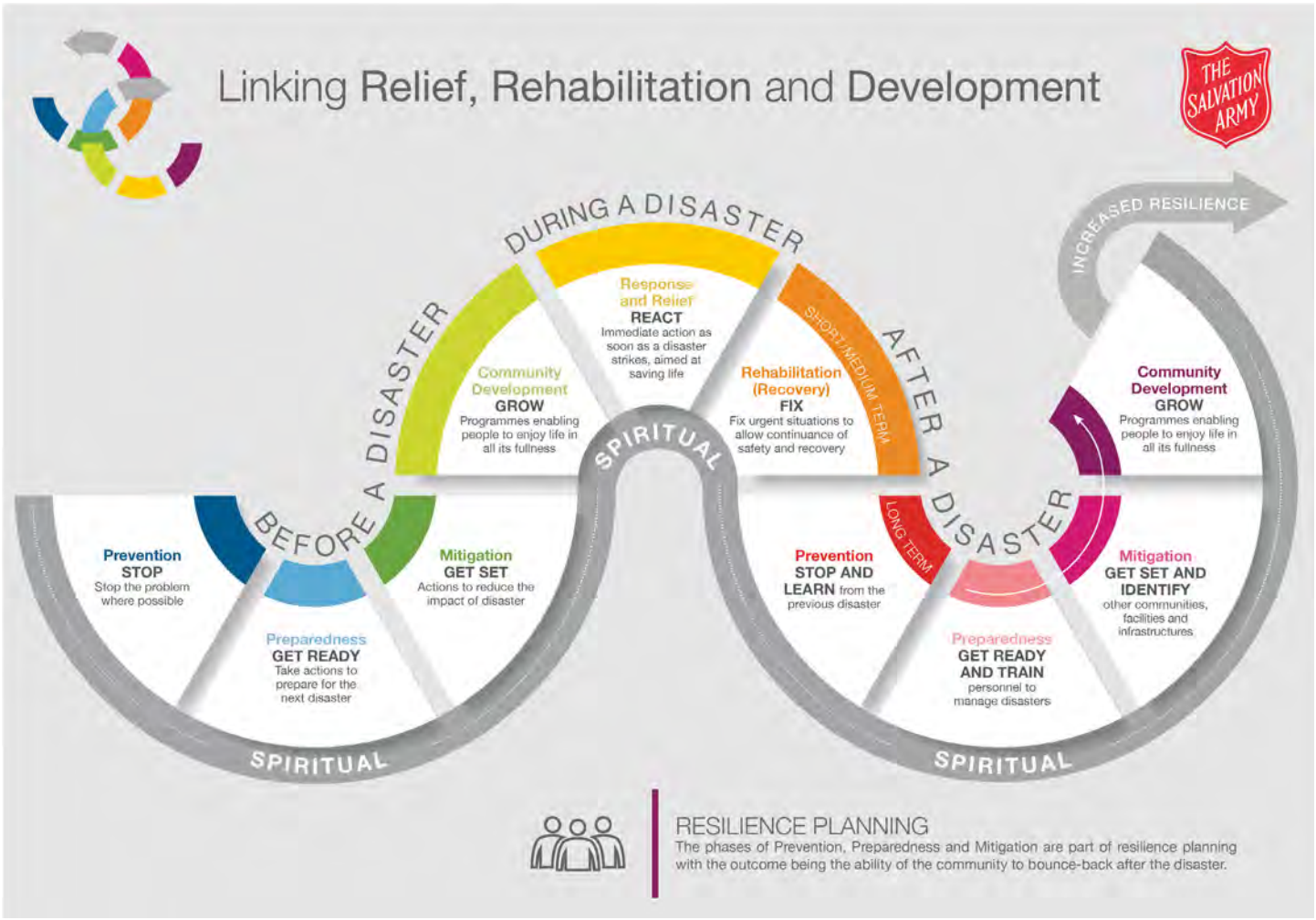
KEY STATISTICS

- During the year, IES facilitated approval of 68 rapid response proposals for immediate lifesaving activities and 69 emergency proposals for longer-term relief and recovery activities.
- By 31 March 2023, IES had approved 83 projects associated with the Ukraine crisis providing support in various sectors such as emergency and longer-term shelter assistance, food, hygiene, bedding and clothing items, cooked meals, cash and voucher-based assistance, food, anti-human trafficking awareness raising and referral services.

FUTURE PLANS

IES will continue to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery responses and mitigate continuing impacts of natural and human-made hazards and disasters.

During 2023/24, IES will continue oversight, management and technical guidance as required for Ukraine crisis response across Europe, maintain work to promote and support the development of disaster management strategies for territories and seek to improve timely reporting of project outcomes by territories to IHQ.





Above: diagram showing the link between disaster response, rehabilitation and development
Left: at a children's holiday camp in Ureki, Georgia – part of a rehabilitation programme for Ukrainian refugees
Opposite page: Nikitina Evgenia (right), a Ukrainian refugee. She fled from Ukraine to Georgia with her two sons and volunteered at Batumi Salvation Army Corps. She helped out, cooking meals for the refugees from Ukraine.





5 HEALTH SERVICES FOR THE POOREST PEOPLE

OVERALL OBJECTIVE

To strengthen The Salvation Army's capacity to support poor and marginalised people in accessing quality primary healthcare services as close to the family as possible.

SPECIFIC AIMS

The International Health Services (IHS) desk at IHQ seeks to provide support, supervision and technical support to healthcare facilities around the Salvation Army world. A major focus for 2022/23 was to assist Salvation Army health services to continue re-establishing daily operations after the COVID-19 pandemic and to support health institution facilities to move forward with property renovations and equipment purchases to better service the needs of patients.

ACHIEVEMENTS

Health institutions in territories are often situated in remote and rural areas where other professional personnel are unable or unwilling to deliver health services. These hospitals and clinics are often the focal point of the community, not only offering healthcare but also a safe space where all people are served without discrimination. Unfortunately, these conditions pose significant challenges to our delivery systems. Financial constraints, government regulations, quality staff retention and the increasing need for technology advances are all issues that confront Salvation Army health services. These challenges were accentuated in the period following the COVID-19 pandemic, however Salvation Army institutions continued offering quality, life-saving healthcare throughout the year. Health institutions focus on areas relating to local needs and offer a wide range of services in areas such as: maternal and child health, infectious diseases (e.g. malaria, cholera, bilharzia), detection and management of communicable disease (e.g. HIV and Aids, tuberculosis and leprosy), nutrition

Students outside the Salvation Army Nursing College in Nagercoil, India





Doctors' rounds at Catherine Booth Hospital, Nagercoil, India

advice and management, detection, monitoring and management of non-communicable conditions (e.g. diabetes and hypertension), sexual and reproductive health, early detection and management of cancers, emergency care and general surgery.

The Salvation Army also provides a significant number of nursing, midwifery and biomedical science colleges around the world developing the skills and fulfilling the passions of thousands of young people. In addition, Salvation Army schools and colleges provide significant support to national efforts to help reduce the shortage of health workers that many countries around the world experience. As a large-scale provider of faith-based, high-quality care, particularly to poor and marginalised communities, The Salvation Army strives to treat people with dignity and respect. The following examples illustrate this significant service provision:

INDIA: The Salvation Army opened its first dispensary in 1893 where the Catherine Booth Hospital in Nagercoil, Tamil Nadu now stands. Establishment of this simple yet critical service provided one of the early steps in the spread of health ministry around the Salvation Army world. Over the last few years, the Catherine Booth Hospital has undergone a comprehensive restructuring which included renovating old buildings and updating medical equipment. From funds provided by the Trust and financially independent Salvation Army territories, a modernisation initiative was developed to upgrade the Intensive Care and Dialysis units. As a result of this work and the dedication of committed local staff, the Catherine Booth Hospital successfully attained the standard necessary to enable it to be accredited by the National Accreditation Board for Hospitals (NABH). This was a prestigious achievement and demonstrates the hospital's commitment to quality care and patient safety.

ZAMBIA: Due to a shortage of laboratory personnel across Zambia, Chikankata Mission Hospital opened a College of Biomedical Sciences. The college began in 2008 with 20 students and four repurposed hospital buildings and managed to partner with the government and other healthcare providers to develop a campus that is now able to train more than 200 biomedical scientists each year. Once qualified, graduates are posted throughout Zambia. A day programme and subsidised fees ensure that people around the rural area of Chikankata also have the opportunity to be trained. Due to the increase in student numbers, the Trust provided additional funds to ensure a complete upgrade of the electrical system around Chikankata Mission and supported



Above: biomedical school students in class at Chikankata, Zambia

a project to install a new water system at the hospital and the associated colleges. The College of Biomedical Sciences will benefit greatly from both these developments. A team led by IHS staff also visited the hospital and College of Biomedical Science during 2022/23 to provide much needed technical support.

CONGO (BRAZZAVILLE): The Moukoundzi-Ngouaka Health Clinic in situated in the southern part of Brazzaville. The clinic was built in 1967 and is comprised of three units; a general health centre, an ophthalmology unit and a maternity unit. With the support of financially independent Salvation Army territories facilitated by IHS, the clinic this year was able to purchase neonatal and delivery equipment for the maternity unit. Items included a new autoclave, delivery beds, stethoscopes, baby cots and thermometers.



Above: at the baby unit at Catherine Booth Hospital, Nagercoil, India


THE SALVATION ARMY



Opposite page and above: biomedical school students studying at Chikankata, Zambia

KEY STATISTICS

- During 2022/23, The Salvation Army's 27 hospitals and 136 clinics around the world, engaged or employed 5,109 healthcare professionals who delivered care to 320,234 in-patients and 1,208,435 outpatients.
- IHS personnel directly assisted 14 territories during 2022/23 through visits, ongoing monitoring operations, regular technical support calls and regular help and advice.

FUTURE PLANS

IHS will continue to provide technical support and supervision to hundreds of clinics, hospitals and nursing/biomedical colleges around the world, ensuring that all Salvation Army health programmes are technically sound, accountable and an integrated part of Salvation Army mission, meeting required standards of the country where they are based.

During 2023/24, IHS will develop a Monitoring, Evaluation and Learning system enabling review and update of data collection and impact measurement processes to have a better understanding of hospital services and effectiveness in delivering relevant health services. The system will also assist the process of connecting Salvation Army health services across the world and enable cross territorial learning.

Work will also be undertaken to review long-term sustainability within some of the larger, general hospitals seeking to adjust and be agile in service to poor and deprived people in response to changing operational and missional climates. Alongside this effort, projects will also be progressed to refocus health services to have much stronger emphasis on community health programmes and primary healthcare as locally as possible.



6 FIGHTING AGAINST SEXUAL TRAFFICKING AND FOR SOCIAL JUSTICE

OVERALL OBJECTIVE

To take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

SPECIFIC AIMS

To support victims of human trafficking, work to prevent people being trafficked and raise awareness of social injustice by building capacity in people, developing effective partnerships, sharing quality resources and promoting best practice. This year, major aims were to re-engage with United Nations (UN) working committees and forums as in-person meetings recommence following COVID-19 restrictions, to build up modern slavery and human trafficking responses and to grow the work of the International Social Justice Commission (ISJC) in campaigning for social justice.

ACHIEVEMENTS

The ISJC, with its secretariat funded by the Trust and based in New York, is The Salvation Army's strategic voice advocating for human dignity, human rights and social justice in all parts of the world. The ISJC, with the International Moral and Social Issues Council (IMASIC), and the International Modern Slavery and Human Trafficking Response Council (IMSHTRC), exercises leadership in determining The Salvation Army's policies and practices in the international social justice arena.

The ISJC works closely with those who have a track record of seeking God's justice for the world, in order to learn from them, distil experience and share lessons with others. Areas of ISJC attention and global engagement include, though are not limited to, poverty, racism, sexism, refugees and asylum seekers, indigenous peoples, climate change, gender-based violence and modern slavery and human trafficking. In the period under review, the following were notable achievements:

UNITED NATIONS: The ISJC, reflecting the international Salvation Army, campaigns for a holistic understanding of people and an integrated global plan for fair, sustainable and equitable development for all nations. If the Salvation Army wants to continue to have a voice in the global community, it is essential that Salvationists are present at the table and have global and up-to-date knowledge

Anti-trafficking outreach work in the Democratic Republic of Congo





The Lived Experience Engagement Program (LEEP) in Australia

of issues. During the year under review, the ISJC represented The Salvation Army at the UN (and numerous other bodies) seeking to build strong alliances to end extreme poverty and promote sustainable development. A significant milestone was reached in September 2022 with the first in-person meeting of the UN General Assembly held since the start of the COVID-19 pandemic and many new global leaders took this opportunity to introduce themselves to the Assembly and speak to the concerns and achievements of their particular context and country. This dialogue process highlighted the losses experienced during the COVID-19 pandemic and spurred the decision to embrace six additional Strategic Development Goals for active implementation. The ISJC engaged in multiple forums around the Assembly with the often-heard phrase around this period of 'Building Back Better' providing a lasting reminder to countries not only to re-establish the systems and infrastructure lost during COVID, but to take the opportunity to improve and advance.

MODERN SLAVERY AND HUMAN TRAFFICKING: The Salvation Army international response to Modern Slavery and Human Trafficking (MSHT) around the world continued to evolve during 2022/23. This global, multi-layered response surrounding advocacy, prevention and intervention is a crucial part of the work of the ISJC. The Salvation Army is deeply committed to fighting MSHT with a theological and historical mandate, and is uniquely equipped and has a role to play in this vital work. The following impact stories illustrate activity undertaken around the world during the year supported by the global MSHT monitoring and support structures in place at ISJC:

LATIN AMERICA NORTH: The constant exodus of refugees in search of a better and safer life has become a significant pathway towards people's vulnerability to MSHT. The crisis in Venezuela of its people fleeing on foot throughout South and Central America to escape violence, insecurity and poor livelihoods leaves many Venezuelan refugees at constant physical risk and vulnerable to falling into the hands of human traffickers. In response to these migration concerns, the Latin America North Territory, made up of 10 countries, adopted an



Raising awareness of MSHT in Uganda

inclusive response where it leverages the strengths of and locations where The Salvation Army is present to create a safe passage for the high-risk migration routes refugees find themselves in. The territory's community outreach efforts focused on protecting and safeguarding Venezuelan refugees on their dangerous journey. The territory also responded by raising awareness and providing education on how to stay safe throughout the journey and offered support services, such as housing, meals, medical services and pastoral care as refugees are in transit.

AUSTRALIA: Through its Lived Experience Engagement Program (LEEP), The Salvation Army in Australia has piloted and facilitated the first ever Survivor Advisory Council for the Australian Government. LEEP is centred around engaging and including survivors to offer their expertise and lived experience to strengthen the government's national approach to MSHT response and inform policy changes. The team of five survivors who made up the first Survivor Advisory Council participated in the National Roundtable on Human Trafficking and Slavery where key priorities in the sector were identified and created together. The key priorities identified were prevention, identification and support for victims and their hopes for survivor leadership in the sector. The Salvation Army continues to partner with the government to learn from this pilot to ensure survivor leadership is part of the foundation for responding to MSHT.

UGANDA: The Uganda Territory responded to MSHT holistically by working together to maximise impact. The territory has an MSHT Task Force in place made up of representatives from territorial and divisional women's ministries, community development, youth, commands, child protection and the officer training college – embodying an integrated mission approach to leverage strengths. An MSHT project under the Women's Ministries department was progressed to support and journey with survivors located in different countries who need to return to and reintegrate within Uganda. While anti-trafficking project personnel organise the practical support together with partners, Women's Ministries officers respond with social and emotional support to ensure long-term thriving once survivors are returned to Uganda. Training on MSHT in the territory is inclusive of all departments to ensure that knowledge is shared, transferred and jointly developed.

RESEARCH: A number of significant research projects were completed by ISJC staff during the year, including completion of a global survey of Salvationists at grassroots level with feedback from 1,700 participants published to highlight matters of interest to congregations. The number one issue highlighted for future action and campaigning against was racism in its various expressions and forms across the world. Some specific aspects of this research have now been identified for further study to assist with policy analysis and the production of research materials.

COMMUNICATIONS: The ISJC social media platforms were also actively used during 2022/23 to provide a framework to demonstrate the international work of The Salvation Army and to share outcomes with governments and other partners. A new position of ISJC Communications Manager was created and filled in the year to further develop this area of work. A large body of social justice resources produced by ISJC is publicly available and can be accessed from the ISJC website at: **https://www.salvationarmy.org/isjc/resource**



KEY STATISTICS

- The Salvation Army is active in responding to MSHT with prevention programmes and initiatives underway across 95 per cent of Salvation Army territories.
- The Salvation Army engages with the UN in Geneva, Nairobi and New York. In the year under review, Salvation Army personnel attended 62 special events and briefings of the UN.



FUTURE PLANS

The ISJC will continue to act as the strategic voice of The Salvation Army advocating for human dignity, human rights and social justice in all parts of the world. Partnering closely with those who have a record of seeking God's justice for the world, the ISJC will seek to both learn and contribute from a strong Salvation Army world view. The Salvation Army will continue to partner with other religious groups, other nongovernmental organisations, the UN, the World Bank Group and others towards the vision of a world where all people can experience life in all its fullness.

The ISJC will also work with territories to continue to develop locally relevant MSHT response strategies, particularly in areas where existing capacity is low and poorly resourced. Further work will also be undertaken to build partnerships with UN working committees and forums seeking to provide not only a rich collaboration but a synergetic space for considering new possibilities and solutions to create a just world where all may flourish. A detailed review of ISJC operations over the past 15 years will also be undertaken to explore continued relevancy and focus of ISJC activities, with findings to be shared with international leadership during 2023/24.

FINANCIAL REVIEW

FINANCIAL REVIEW

Group accounts for The Salvation Army International Trust, incorporating Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited as subsidiaries of the Trust, are presented for 2022/23 as well as charity results, assets and liabilities for The Salvation Army International Trust (see pages 74 to 103 for the Accounts). The Group accounts reflect notable differences to the charity only results most especially for investments, debtors and prepayments, bank balances and current liabilities (see Notes 25-28 to the Accounts). The Group Accounts exclude SAITCo which is the managing trustee.

The commentary below relates to the charity only results for The Salvation Army International Trust with separate comments offered on the subsidiaries and Group accounts in the labelled sections on page 67 and 68.

The net movement in funds for the year ended 31 March 2023 increased by £0.26 million, moving from £13.01 million (2022) to £13.27 million (2023). Variances contributing to the total net movement in funds are outlined below.

INCOME

The primary income streams of the Trust are donations from Salvation Army territories to the International Self-Denial Fund to support the work of the global Army and Headquarters Support contributions from Salvation Army territories to fund the operation of IHQ.

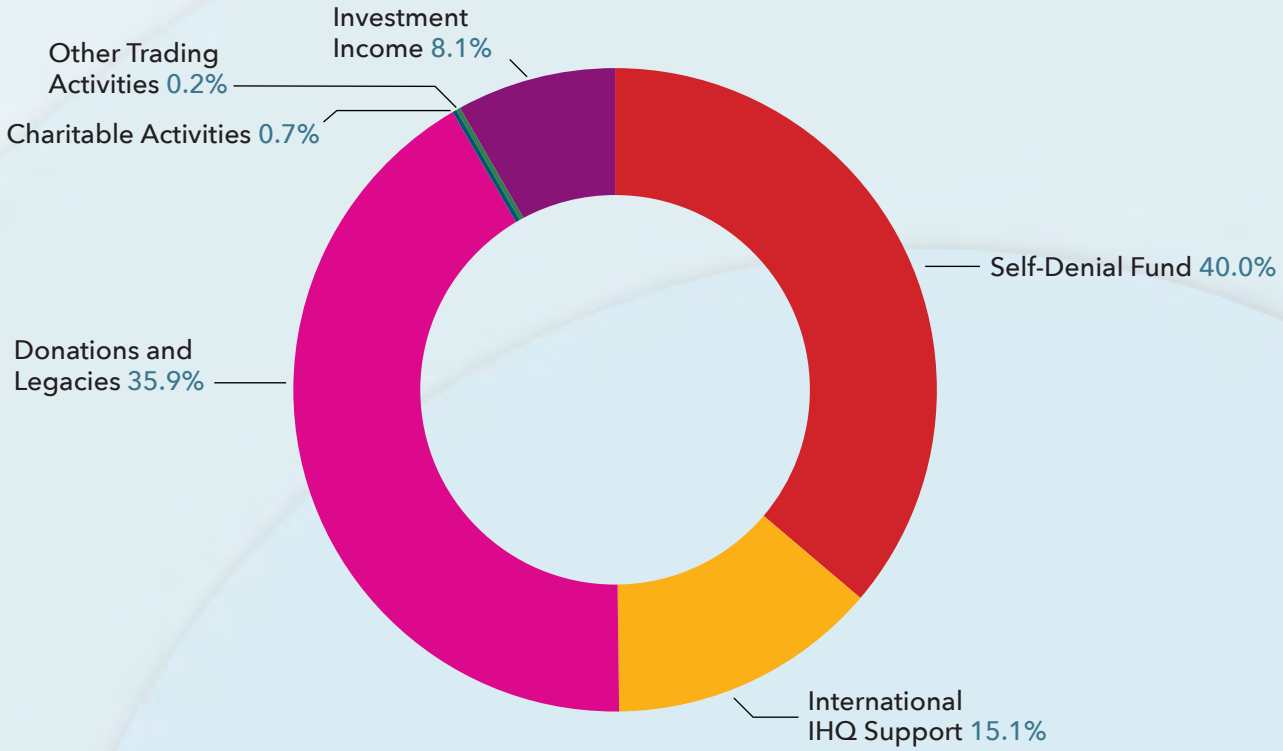
Total income increased from £44.61 million (2022) to £69.14 million (2023). External donations and legacies increased from £0.23 million (2022) to £2.83 million (2023). Contributions from Salvation Army territories to the International Self-Denial Fund increased from £24.85 million (2022) to £27.75 million (2023) with most territories able to maintain funding levels to IHQ despite ongoing global financial constraints during the year. Donations from Salvation Army territories increased from £3.74 million (2022) to £21.96 million (2023) owing mainly to significant restricted donations from USA territories towards Officers' Support Endowment Fund (OSEF). Headquarters Support funding from Salvation Army territories showed little movement from £10.09 million (2022) to £10.42 million (2023).

Investment income increased slightly from £4.65 million (2022) to £5.58 million (2023) while income from charitable activities showed a year-on-year increase of £60,000 and trading income a decrease of £54,000. Gains on disposal of properties decreased from £453,000 (2022) to a loss of £6,000 in 2023.

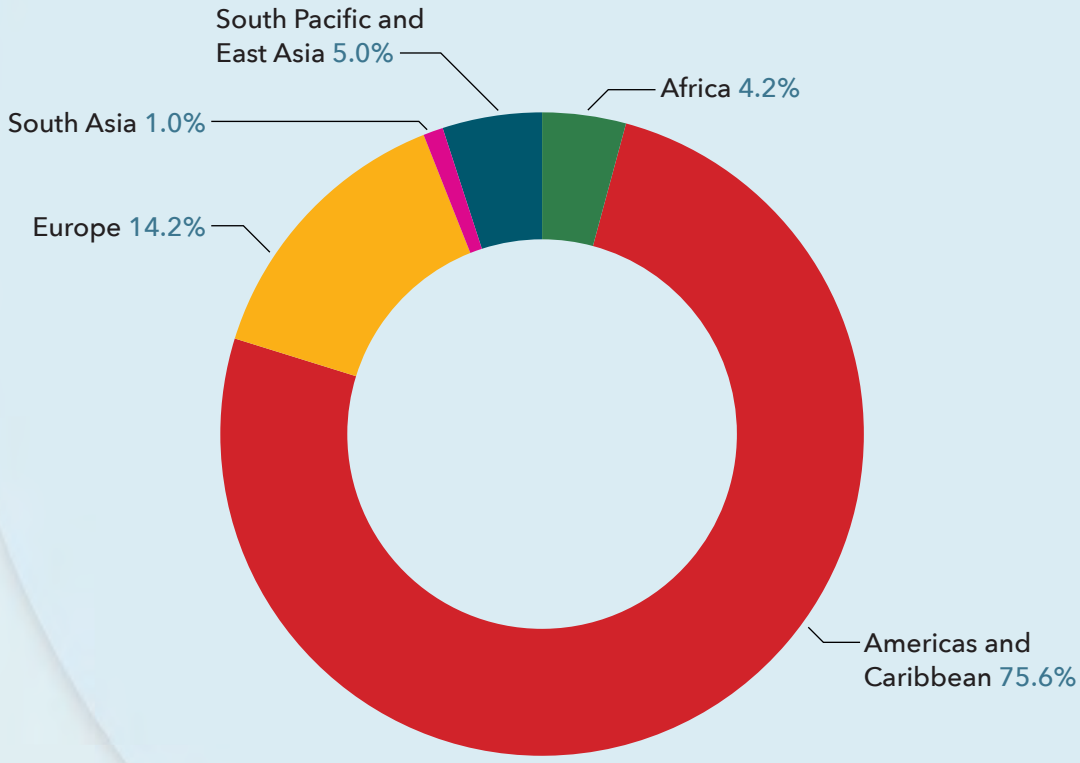
The bank has returned to profit in the current year though no qualifying charitable donation was received in 2023, as it continues to invest in its organisational structure and systems

The following pie charts illustrate the sources of income for 2022/23 and contributions to the International Self Denial Fund:

INCOME 2022/2023



CONTRIBUTIONS TO INTERNATIONAL SELF-DENIAL FUND 2022/2023



EXPENDITURE

Expenditure across the six charitable activities in which The Salvation Army International Trust is engaged is detailed in Note 10 in the Accounts. Spending on charitable activities totalled £54.39 million (2023) representing an increase of £7.08 million on the previous year. Financial assistance to Salvation Army territories increased from £30.48 million (2022) to £32.10 million (2023).

Expenditure of £14.35 million (2023) was incurred on International Personnel and Development, £4.74 million (2023) on World Mission and £1.44 million (2023) on Crisis Relief, reflecting the cost of some of the strategies in which the Trust is engaging, as referenced earlier in this report. The cost of raising funds, relating primarily to investment management costs and the cost of letting of property, had a small decrease from £1.76 million (2022) to £1.62 million (2023).

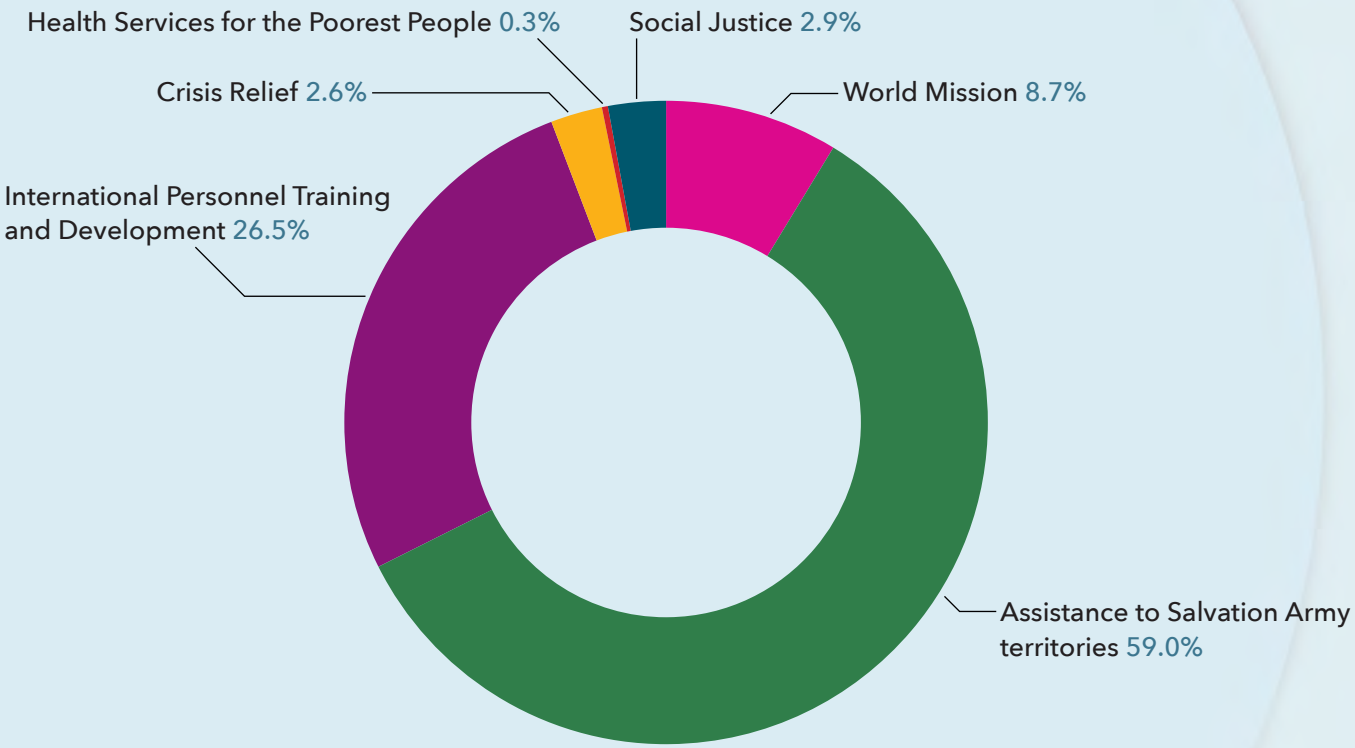
The following pie charts illustrate 2022/23 expenditure on charitable activities and the geographic spread of support of overseas work:

‘Spending on charitable activities totalled £54.39 million (2023) representing an increase of £7.08 million on the previous year.’

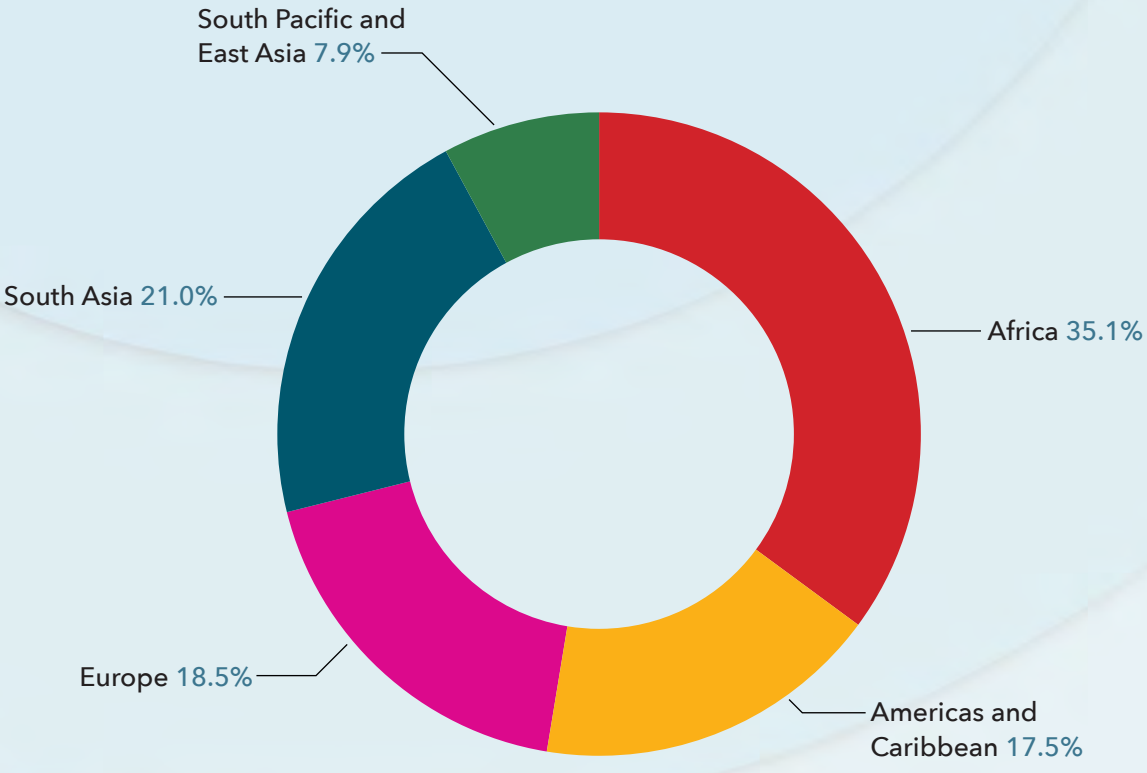


Mariia and Mykola, two Ukrainians being helped by The Salvation Army in Le Havre, France

EXPENDITURE ON CHARITABLE ACTIVITIES 2022/2023



SUPPORT OF OVERSEAS WORK 2022/2023



Other notable variances contributing to the total net movement in funds include, net losses on investment assets of £3.79 million, down from a gain of £15.72 million (2022) reflecting market conditions and representing both the realised and unrealised gains arising on sales and the market value of investments held at year end.

The net movement in funds for the year ended 31 March 2023 was £13.27 million with a deficit on unrestricted funds of £7.7 million and a surplus of £20.97 million on restricted funds. Total funds of £361.96 million were held at year end.

FUTURE PLANS

The Trustee seeks to maintain the strong financial position of the Trust and will continue to explore means to increase the scale and scope of charitable activities while continuing to encourage Salvation Army territories to move towards financial self-reliance through provision of targeted financial support and other resources.

The two large scale international projects currently underway will materially impact the Accounts of the Trust during 2023/24 and subsequent years being the roll out of a new global email solution and implementation of cloud-based accounting software to all financially supported territories. There are no anticipated property projects that will require significant grants in the next year.

GOING CONCERN

The Trustee reviews the financial plans of the Trust on an ongoing basis as part of a programmed budget cycle including consideration of principal financial risks; it also receives and reviews cashflow forecasts identifying any liquidity risks.

The operation of the Trust and ability to meet the objectives outlined throughout this report are recognised as impacted by the ongoing Ukraine/Russia crisis and other external events with associated global and national economic impacts and inflationary pressures. Since 31 March 2023 to the date of signing of these financial statements the Trustee has considered the effect of external crises on the Trust as a going concern, its resilience through this period and the effect on the assets and funds of the Trust.

In addition to the operations of the Trust, SAITCo is actively monitoring the impact of the Ukraine/Russia crisis in particular upon Salvation Army territories in the region, with periodic updates provided to the Board considering the impact of the Ukraine/Russia crisis upon Salvation Army operations, the financial position of the Trust, the reserves policy of the Trust, the investment portfolio of the Trust and associated logistical matters.

The Trust holds a strong balance sheet with availability and liquidity of cash and unrestricted investments with, for example, current liabilities, including amounts due to Salvation Army territories, at the 2022/23 year-end totalling £10.10 million against net current assets of £41.17 million of which £35.71 million is held in highly liquid current asset investments and cash at bank.

The Trustee is confident the Trust is well placed to meet the Ukraine/Russia crisis and other external events, including general inflationary pressures, and continues to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy (see below) all underpinned by the governance structures of SAITCo.

The Trustee continues to monitor developments closely in relation to the Ukraine/Russia crisis and other external events and remains confident that the level of reserves held is adequate in the changing economic climate and does not impact adversely on the Trust's going concern status. The Trustee is satisfied that the Trust has sufficient resources to continue operating for the foreseeable future following review by the Audit Committee of a going concern assessment to March 2025. The Trustee has not identified any material uncertainties related to going concern and the accounts are therefore prepared on a going concern basis.

INVESTMENTS

Listed investments (see Note 25 in the Accounts) are managed under the terms of an investment management agreement with Sarasin & Partners LLP. The investment manager is required to make investments on behalf of the Trust in line with benchmarks that have been set and against which performance is measured.

The Investment Committee which sits to review investment performance receives periodic reports on matters pertinent to its investment policy and this facilitates discussion which, in turn, enhances the committee's understanding of the relationship between its Christian conviction and ethos and investment return; and even more importantly, the positive effect that its policy can have on companies which themselves may (or may not) be seeking to improve conditions in many parts of the world. The reports are tabled at full board meetings so that those directors who do not sit on the Investment Committee have an opportunity to add to the debate and have greater understanding of the issues that the Trust can tackle through its investment policy. SAITCo has established an ethical investment policy to reflect The Salvation Army's ethical and moral stance which is required to be followed by the appointed investment manager. No breaches to this policy have been reported to SAITCo during the year.

The SAITCo ethical investment policy excludes investment in companies which derive more than 10% of their revenues in aggregate from any of the following categories:

a. the production and/or sale of alcohol
b. the production and/or sale of tobacco
c. the manufacture and/or sale of whole weapons, weapon platforms and weapon systems
d. the manufacture and/or sale of strategic parts for weapon systems
e. the promotion or operation of gambling enterprises the provision of adult entertainment services
f. the publication and/or sale of pornographic media
g. the extraction of thermal coal or the production of oil from tar sands.

For the avoidance of doubt in relation to sub-paragraphs (c) and (d) above, 'weapons' refers to both nuclear and conventional weapons. In addition, investment is excluded in companies with disregard for human rights and/or the pollution of the environment. The following table gives the long-term ranges and current weightings expressed in percentages of the Trust's investment funds:

ASSET TYPE AT 31/03/23	LONG-TERM RANGE	YEAR END POSITION WEIGHTINGS
Fixed Income	10 - 30%	18.6%
Equities	70 - 90%	76.4%
Liquid Assets	0 - 10%	5.0%
Total		100%

For the year ended 31 March 2023, the portfolio total return amounted to -3.9% against an ethically adjusted comparator return of -4.8%.

The first three quarters of the year were dominated by higher levels of prevailing inflation and tighter monetary policy, which led to sharp falls across the major asset classes. There were very few hiding places for international, multi-asset investors with only the US dollar and selected alternative investments delivering positive returns over the year as a whole. The only sector to deliver meaningful positive returns within the equity market was oil and gas (not owned), with those companies benefitting from higher commodity prices, prompted by constrained supply and elevated demand. Global equities rebounded in the final quarter of the year, thanks to the better outlook for US inflation.

Investment strategy going forward will continue to be closely monitored by the SAIT Investment Committee in consideration of external events and emergent market conditions.

GRANTS

In supporting The Salvation Army's work overseas, territories, commands and regions produce annual budget proposals, covering all aspects of their operations that are reviewed at IHQ. Annual grants from the Trust to territories are considered as part of the annual IHQ budget process with proposals reviewed by the International Finance Board, approved by SAITCo and then paid quarterly in advance to each financially supported territory, command, and region (see Note 11 in the Accounts).

Payments from IHQ to territories are made according to the terms of an International Payments Procedure Manual for IHQ (reviewed 2023) which outlines controls over banking transfers, assessment of overseas banking institutions for risk, identification and assessment of situations where funds paid to territories may be remitted on to third parties, controls over international payments direct to overseas suppliers, controls over transporting and controlling cash overseas and prohibitions on use of non-mainstream banking money transfer organisations.

RESERVES

The total funds of the Trust at 31 March 2023 amounted to £361.96 million comprising £48.52 million in restricted funds and £313.44 million in unrestricted funds which includes £307.06 million in designated funds. The General Reserve held £6.38 million at year end which meets the target level for free reserves. The Trustee continues to keep the matter of reserves under review, with a project ongoing to reduce the number of different funds held and examine any historic funds with minimal movement in the past few years, mindful of the legislative framework in place and applicable updates to Charity law.

RESTRICTED FUNDS

A restricted fund can only be used for a specific charitable purpose. The restriction may be declared by the donor when making the gift. Restricted funds held by the Trust include territorial donations and legacies specified for international use. Where possible the intention continues to be to use restricted donations and legacies in the year of receipt, except where the gift is sufficiently large to be used over a longer period or is used for support of multi-year programmes.

DESIGNATED FUNDS

The Self-Denial Fund Reserve represents amounts held to ensure sufficient funds are available to make operational grants to supported territories that are paid in advance on a quarterly basis. The aim of the Trustee is for the balance on this Reserve to be sufficient to fund one year's expenditure in support of overseas work. The balance as at 31 March 2023 of £26.2 million is equivalent to 11.9 months' expenditure. The Investment Appreciation Fund (£74.90 million) represents unrealised and realised gains and losses on listed investments which are still subject to market risk and the Investment Property Revaluation Fund (£47.24 million) represents the surplus on revaluation of tenanted properties held for investment purposes.

Other material designated amounts at 31 March 2023 relate to a reserve held to fund future replacement of the IHQ building (£20.33 million), and an International Property Project Reserve (£4.86 million) held to provide additional property project funding to territories over the next 2-3 years.



The Salvation Army provides food for people affected by droughts in Kitui, Kenya

Other material Designated Funds include reserves of £51.09 million supporting the balances held and invested in the USA on behalf of SAIT to generate income for specific purposes. These are Medical Services Support (£9.25 million), Schools Services Support (£4.49 million) and the OSEF (£37.35 million). In addition, an International Financial and Accounting Standards Implementation Reserve (£3.94 million) is held to fund provision of cloud-based accounting software to territories over the next 2-3 years and an IT Development Reserve (£2.51 million) is held to fund provision of a new global email solution to territories over the next 2-3 years.

An International Schools Development Reserve (£7.77 million) is held to provide additional schools project funding to territories over the next 2-3 years with a Leadership Development Reserve (£3.56 million) held to fund the enhancement of training and personal development for Salvation Army officers over the next 3-4 years. A Children's Homes Support Reserve (£2.70 million) is held to provide ongoing support to improve children's homes facilities over the next 2-3 years and a High Council Reserve (£1.07 million) is held to fund the typically quinquennial election process of a new General. An Exchange Equalisation Reserve (£7.42 million) represents exchange gains not included in the investment appreciation reserve balance and is held to fund exchange losses.

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties. The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets.

The Reliance Bank Share Fund represents funds which have been used to finance the acquisition of additional Reliance Bank Share Capital.

GENERAL RESERVE

The General Reserve represents the working capital required to fund the day-to-day needs of the Trust. The aim of the Trustee is for the balance on the General Fund Reserve to cover equivalent to 6.0 months expenditure on headquarters administration costs. The current balance of £6.39 million meets the target level for free reserves, being equivalent to 5.9 months expenditure.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustee acknowledges its responsibilities relating to the management of risk. A formal risk management programme continues to operate allowing risks to be identified, classified and prioritised in terms of potential occurrence and impact. The Board of Directors of SAITCo has appointed a Risk Management Committee, consisting of ten members, which is chaired by an external legal/risk advisor and includes an Independent Non-Executive Director of SAITCo.

A Risk Manager has been appointed and a Risk Register is maintained and kept under regular review by the Risk Manager and the Risk Management Committee. The Risk Management Committee works with the Risk Owner of each major risk to ensure acceptable action is taken to manage the risk and to establish suitable systems to reduce the likelihood of harmful outcomes

occurring and the impact on the organisation should they occur. The Risk Management Committee also seeks to continually evaluate and improve practice and an external consultant was engaged by SAITCo in 2022/23 to review existing SAITCo risk management protocols with a series of enhancements expected to be implemented during 2023/24.

In addition to the above framework, a range of emergency protocols are in place allowing SAITCo to actively monitor the impact of the Ukraine/Russia crisis upon the operations of the Trust as well as those of Salvation Army territories with multiple working parties undertaking tasks in specific areas and regular updates provided to the Board considering the impact of Ukraine/Russia crisis upon global Salvation Army operations, the financial position of the Trust, the reserves policy of the Trust, the investment portfolio of the Trust and associated logistical matters. Similar arrangements are considered by SAITCo for other external events as and when required.

The main risks and uncertainties faced by the Trust, as detailed in the Risk Register at the end of the financial year under review, are outlined below in top-down priority order together with a summary of the mitigating strategies being pursued to manage these risks:

KEY RISK	MANAGING STRATEGY
A serious safeguarding incident resulting in harm to a child or vulnerable adult and subsequent reputational damage to the local/international Salvation Army.	Ongoing development of safeguarding policies and procedures for IHQ and all Salvation Army territories. IHQ support offered to territories to address safeguarding incidents involving child protection and legal specialists.
National economic and/or political crises adversely impacting Salvation Army operations in a territory prompting additional emergency support from IHQ.	Continuous IHQ monitoring of economic and political contexts on a country-by-country basis. Development of crisis management protocols for IHQ interventions.
Negative/adverse publicity affecting public perception of The Salvation Army internationally.	Communications Office at IHQ to monitor global press coverage and manage media relationships in consultation with Salvation Army territories.
IHQ support for territories impacted by national government controls targeted at foreign non-governmental organisations (NGOs) and/or Christian organisations.	Continuous IHQ monitoring of national political contexts on a country-by-country basis. External consultants and/or legal counsel offer training, resources and advice to IHQ staff to address specific circumstances.
Risk exposure to SAITCo and SAIT due to sole ownership of Reliance Bank Limited including financial and reputational risk.	An additional Director with banking expertise was recruited to the SAITCo Board in May 2019 and remains in post with two shareholder representatives appointed to the Bank board and additional performance and risk reporting mechanisms in place from the Bank to SAITCo.
Lack of effective financial controls and monitoring in territories resulting in demands for additional IHQ financial support and/or reputational damage to the local/international Salvation Army.	Continuous IHQ monitoring of global operations on a territory-by-territory basis. A suite of policies and procedures in place detailing required financial controls. Internal audits undertaken periodically depending on the extent of perceived risk.

SUBSIDIARY COMPANY - RELIANCE BANK LIMITED

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. The Bank has returned to profit in the year, driven by loan book growth and rising interest rates. The Bank's model leverages its specialist knowledge and skills to focus on organisations which share its values and to provide them with lending and banking facilities.

The priority of the lending team is to support those delivering positive social impact -including through charities, community and faith organisations, and social housing providers. The Bank has also built a shared ownership mortgage portfolio which allows individuals to buy their homes in small, affordable tranches and rent the remaining proportion. In this way, the Bank enables home ownership for those who could not afford a sizeable deposit to buy the whole residence outright. It also offers mortgages to key workers, including charity workers.

The mortgage book grew by 30% to £60.9 million in the year and loans to organisations grew 17% to £57.6 million. Over £77 million is classified as social impact lending up from £54 million last year.

In the year to 31 March 2023 the growth of the loan book, together with successive interest rate rises, resulted in a near doubling of net interest income to £5.7 million. Administrative costs also grew as the Bank's workforce expanded and new investment was made in systems. The Bank also recognised a devaluation in the fair value of its freehold premises, which are externally valued triennially. The Bank's performance for the year ended 31 March 2023 was therefore a profit before tax of £0.2 million (2022: loss before tax of £0.7 million).

During the year, the Bank received £7 million in additional capital from the Trust as its shareholder. After taking into account the operating profit and additional investment, the Bank's capital and reserves have increased by £6.8 million (2022: increased by £2.2 million) to £21 million. A bank's financial strength can be measured by its CET1 ratio which increased to 23.1% at 31 March 2023 (2022: 18.2%). No Gift Aid donation has been made to the Trust (2022: £nil) in the year. The Bank anticipates returning to qualifying charitable payments in 2024

The Bank's total assets at 31 March 2023 remained broadly similar to last year at £252 million (2022: £251 million) split between loans to customers and balances held with other financial institutions, including the Bank of England. Customer deposits have also remained broadly similar to last year at £230 million (2022: £236 million). The Bank continues to maintain very strong liquidity levels.

The COVID-19 crisis had an unprecedented disruption impacting on people's livelihoods and businesses' ability to continue trading and some societal behaviours have yet to return to pre-COVID norms. The Bank provides payment holidays and facility extensions to its customers on a case-by-case basis; it was not part of the Coronavirus Business Interruption Loan or 'Bounce Back' government schemes due to its size. The current squeeze on incomes from the twin pressures of inflation and high interest rates will inevitably impact borrowers, although the Bank had not seen any deterioration in the mortgage or loan books at 31 March 2023.

The Bank has not suffered any loan losses during the year. The Bank has a low appetite for credit risk and has only incurred £7k of loan losses in the last five years, all of which related to unsecured personal lending, which is no longer a core activity. In anticipation of problems arising from the current economic environment, the Bank has increased its provisions by £0.2m in the year to £0.4m.

The challenges of inflationary pressures and increased interest rates are reflected in the Bank's forecasts and medium-term strategic plans. The Bank continues to be focused on delivery of loan growth alongside investment in its resources and systems, to support the Bank's Vision to be recognised and respected as an important ethical bank that exists to enable positive social impact.

SUBSIDIARY COMPANY - THE SALVATION ARMY LEADERS' TRAINING COLLEGE OF AFRICA AND RESOURCE CENTRE LIMITED

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited ('SALT College') is a wholly owned subsidiary of the Trust. During

2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo, as ordinary trustee of the Trust and on behalf of the Trust, to which the Trust transferred assets and so, from 1 August 2020 and during the year under review (2022/23), is no longer reported within the charity only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the new entity in 2020 totalling £26,309 are not material to the Trust.

The SALT College entity held net assets on the Group Balance Sheet of £0.16 million at the 2023 year end down from £0.29 million in 2022.

During the reporting period, the College offered adult distance learning subjects in four major languages at foundation, certificate and diploma levels, to more than 11,000 students across the continent of Africa.

Work has continued during 2022/23, in collaboration with a Kenyan software developer, Sumba Group Limited (Kenya), to complete production of the SALT College website (accessed at **www.saltcollegeandresourcecentre.com**), a student registration database, supported by a verified Google Store application, and a learning resources portal.

GROUP ACCOUNTS

The Group Accounts comprise the results of The Salvation Army International Trust plus the subsidiary companies Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited for the period 1 April 2022 to 31 March 2023.

The net movement in funds for the Group showed an increase of £0.98 million. Net goodwill at year end amounted to Negative £3.86 million as set out in Note 22 to the Accounts.

Total fixed assets including investments amounted to £318.65 million. Net current assets were £45.09 million. Total funds of the Group amounted to £359.41 million at year end as set out in Note 20 to the Accounts.

A going concern assessment has been undertaken for The Salvation Army International Trust, Reliance Bank Limited and Salvation Army Leaders' Training College of Africa and Resource Centre Limited. The Trustee is satisfied the Group has sufficient resources to continue operating for the foreseeable future. The Trustee has not identified any material uncertainties related to going concern and the Group accounts are therefore prepared on a going concern basis.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under The Charity Law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with The Charities Act 2011 as amended by The Charities Act 2022. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In relation to audit of the financial statements, the Trustee as at the date of this report has taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the appointed auditors are aware of that information. The Trustee is not aware of any relevant audit information of which the appointed auditors are unaware.

The Trustee has approved this 2022/23 Annual Report and Accounts on this basis.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

For and on behalf of the directors of The Salvation Army International Trustee Company.



Commissioner Garth Niemand MBA BTh
Managing Director 19 January 2024

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE SALVATION ARMY INTERNATIONAL TRUST

OPINION ON THE FINANCIAL STATEMENTS

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

We have audited the financial statements of the Salvation Army International Trust ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the statement of financial activities (charity only), the (consolidated and charity) balance sheet, the consolidated cash flow statement, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE

We remain independent of the Group and the Parent Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

CONCLUSIONS RELATED TO GOING CONCERN

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material

misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion;

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF THE TRUSTEE

As explained more fully in the Statement of Trustee's Responsibilities, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

EXTENT TO WHICH THE AUDIT WAS CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

NON-COMPLIANCE WITH LAWS AND REGULATIONS

Based on:

- Our understanding of the Group and the sector in which it operates;

- Discussion with management and those charged with governance (including the Audit Committee); and
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations.

we considered the significant laws and regulations to be the applicable accounting framework, Charities Act 2011 and UK tax legislation.

The Charity is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, employment law and data protection.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Involvement of tax experts in the audit; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

FRAUD

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance (including the Audit Committee and internal audit function) regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls through accounting estimates and inappropriate journal entries.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation; and
- Assessing significant estimates made by management for bias, including valuation of investment properties, treatment of the pension scheme impairment of assets and investments.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including component engagement teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. For component engagement teams, we also reviewed the results of their work performed in this regard.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit

procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: **https://www.frc.org.uk/auditorsresponsibilities**. This description forms part of our auditor's report.

USE OF OUR REPORT

This report is made solely to the Charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
BDO LLP
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19 January 2024

BDO LLP, statutory auditor
London, UK

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 Unrestricted funds £000	2023 Restricted funds £000	2023 Total funds - Group £000	2022 Unrestricted funds £000 *(Restated)	2022 Restricted funds £000 *(Restated)	2022 Total funds - Group £000 *(Restated)
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	**3**	27,752	-	27,752	24,847	-	24,847
- IHQ Support	**3**	10,417	-	10,417	10,085	-	10,085
- Donations	**3**	-	21,962	21,962	34	3,703	3,737
Other donations and legacies	**5(a)**	2,643	212	2,855	168	274	442
		40,812	22,174	62,986	35,134	3,977	39,111
Charitable activities	**6**	401	93	494	377	55	432
Other trading activities	**7**	7,854	-	7,854	4,435	-	4,435
Investment Income	**8**	5,065	273	5,338	4,476	140	4,616
(Loss)/Gain on Disposal of Properties		(6)	-	(6)	453	-	453
Total Income		54,126	22,540	**76,666**	44,875	4,172	**49,047**
EXPENDITURE ON							
Raising funds	**9**	8,546	44	8,590	6,582	29	6,611
Charitable activities	**10**	51,442	3,043	54,485	41,341	5,820	47,161
Total Expenditure		59,988	3,087	**63,075**	47,923	5,849	**53,772**
Net (Losses)/Gains on investments	**18**	(5,114)	1,321	(3,793)	15,090	627	15,717
Net income/(expenditure)		(10,976)	20,774	9,798	12,042	(1,050)	10,992
Transfers between funds	**20**	(125)	125	-	(2)	2	-
Other recognised Gains/(Losses)	**18**	3,932	-	3,932	1,752	1	1,753
Net Movement in Funds	**20**	(7,169)	20,899	**13,730**	13,792	(1,047)	**12,745**
Reconciliation of funds:							
Total funds brought forward		318,060	27,622	345,682	304,268	28,669	332,937
Total funds carried forward		310,892	48,521	**359,412**	318,060	27,622	**345,682**

**Restated: Further details on the prior period restatements can be found in Note 36.*

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes on pages 78 to 102 form an integral part of these consolidated financial statements.

STATEMENT OF FINANCIAL ACTIVITIES (CHARITY ONLY)

FOR THE YEAR ENDED 31 MARCH 2023

		2023				2022	
	Notes	Unrestricted funds £000	Restricted funds £000	Total funds Charity Note	Unrestricted funds £000 *(Restated)	Restricted funds £000 *(Restated)	Total funds Charity £000 *(Restated)
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	**3**	27,752	-	27,752	24,847	-	24,847
- IHQ Support	**3**	10,417	-	10,417	10,085	-	10,085
- Donations	**3**	-	21,962	21,962	34	3,703	3,737
Other donations and legacies	**5(b)**	2,622	212	2,834	9	222	231
		40,791	22,174	62,965	34,975	3,925	38,900
Charitable activities	**6**	376	93	469	354	55	409
Other trading activities	**7**	135	-	135	189	-	189
Investment Income	**8**	5,306	273	5,579	4,514	140	4,654
(Loss)/Gain on Disposal of Properties		(6)	-	(6)	453	-	453
Total Income		46,602	22,540	**69,142**	40,485	4,120	**44,605**
EXPENDITURE ON							
Raising funds	**9**	1,576	44	1,620	1,726	29	1,755
Charitable activities	**10**	51,413	2,977	54,390	41,495	5,820	47,315
Total Expenditure		52,989	3,021	**56,010**	43,221	5,849	**49,070**
Net (Losses)/Gains on investments	**18**	(5,114)	1,321	(3,793)	15,090	627	15,717
Net income/(expenditure)		(11,501)	20,840	9,339	12,354	(1,102)	11,252
Transfers between funds	**20**	(125)	125	-	(2)	2	-
Other recognised Gains/(Losses)	**18**	3,928	-	3,928	1,753	1	1,754
Net Movement in Funds		(7,698)	20,965	**13,267**	14,105	(1,099)	**13,006**
Reconciliation of funds:							
Total funds brought forward		321,141	27,556	348,697	307,036	28,655	335,691
Total funds carried forward		313,443	48,521	**361,964**	321,141	27,556	**348,697**

**Restated: Further details on the prior period restatements can be found in Note 36.*

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes on pages 78 to 102 form an integral part of these financial statements.

CONSOLIDATED BALANCE SHEET

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 Group	2022 Group *(Restated)	2023 Charity	2022 Charity *(Restated)
		£000	£000	£000	£000
Intangible Fixed Assets					
Goodwill	22(a)	260	304	260	304
Negative Goodwill	22(a)	(4,124)	(4,342)	-	-
Other Intangible Assets	22(b)	284	443	-	-
		(3,580)	(3,595)	260	304
Fixed Assets					
Properties	23	31,618	31,190	27,495	26,929
Other Tangible Fixed Assets	24	2,434	2,369	2,156	2,306
Investments	25(a)	288,177	293,767	295,208	283,454
		322,229	327,326	324,859	312,689
Total Fixed Assets		318,649	323,731	325,119	312,993
Current Assets					
Investments	25(a)	28,077	20,888	28,154	27,360
Stocks		162	131	162	131
Debtors and Prepayments due in more than one year	26(a)	103,849	87,385	242	308
Debtors and Prepayments due within one year	26(b)	30,439	21,100	15,157	11,264
Cash at bank and in hand	27	95,292	114,541	7,556	8,983
		257,819	244,045	51,271	48,046
Less Current Liabilities					
Salvation Army Employees' Pension Fund	17	-	(39)	-	-
Other Creditors due within one year	28	(212,731)	(217,947)	(10,101)	(8,234)
Net Current Assets		45,088	26,059	41,170	39,812
Total Assets less current liabilities		363,737	349,790	366,289	352,805
Creditors: Amounts falling due after more than one year	29	(4,108)	(4,108)	(4,108)	(4,108)
Provisions for liabilities	30	(217)	-	(217)	-
Net Assets	21	359,412	345,682	361,964	348,697
Funds					
Restricted Funds					
Property Fund		15,150	14,246	15,150	14,246
Other Restricted Funds		33,371	13,376	33,371	13,310
		48,521	27,622	48,521	27,556
Unrestricted Funds					
Board Designated Funds					
Property Fund		19,745	18,933	19,745	18,933
Other Fixed Assets Fund		2,156	2,306	2,156	2,306
Share Capital Fund		12,500	5,500	12,500	5,500
Other Board Designated Funds		272,676	289,079	272,656	288,906
General Reserve		3,814	2,242	6,386	5,496
		310,891	318,060	313,443	321,141
Total Funds	20	359,412	345,682	361,964	348,697

**Restated: Further details on the prior period restatements can be found in Note 36.*

The accompanying notes on pages 78 to 102 form an integral part of these consolidated financial statements.
Approved by The Salvation Army International Trustee Company and signed on its behalf on 19th January 2024 by:



Edward Hill - Chairman



Garth Niemand - Managing Director

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

	2023 £000 Group	2022 £000 Group *(Restated)
Net cash (used in) operating activities	(22,756)	(24,883)
Cash flows from investing activities:		
Dividends, interest and rents from investments	5,579	4,654
(Increase)/Decrease in Long Term Bank Deposits	(7)	14,499
Proceeds from the sale of property, plant and equipment	16	499
Purchases of property, plant and equipment	(1,045)	(889)
Purchase of Intangible Fixed Assets	(43)	(255)
Proceeds from the sale of investments (including Investments Held in the USA)	119,062	98,041
Purchase of Investments	(122,846)	(75,257)
Net cash provided by investing activities	716	41,292
Change in cash and cash equivalents in the reporting period	(22,040)	16,409
Cash and cash equivalents at the beginning of the reporting period	123,540	106,327
Effects of currency translation on cash and cash equivalents	847	804
Cash and cash equivalents at the end of the reporting period (see note B)	102,347	123,540
Note A		
Reconciliation of net income to net cash flow (used in) operating activities		
Net income for the reporting period (as per the statement of financial activities)	13,730	12,745
Adjustments for:		
Depreciation and amortisation	774	1,566
Movement in value of debt securities	(813)	-
Loss/(Gain) on investments	3,793	(15,717)
Dividends, interest and rents from investments	(5,579)	(4,654)
(Gain) on revaluation of Properties transferred to Investments	(3,799)	(1,762)
Loss on disposal of fixed assets	6	(453)
(Increase) in Stocks	(31)	-
(Increase) in Debtors	(25,841)	(25,388)
(Decrease)/Increase in Creditors	(5,213)	8,780
Increase in provisions	217	-
Net cash (used in) operating activities	(22,756)	(24,883)

Note B **Analysis of Cash and Cash Equivalents - Group**	**Balance 2022** £000	**Movement in year** £000	**Balance 2023** £000
Cash at bank	91,816	(7,858)	83,958
RBL Loans and Advances to Banks - Recoverable on demand	22,725	(11,392)	11,333
Cash held by Investment Managers	8,989	(1,933)	7,056
Notice deposits (less than 3 months)	10	(10)	-
Total cash and cash equivalents	123,540	(21,193)	102,347

(i) Analysis of changes in Net Debt	**01-Apr-22** £000	**Cashflows** £000	**31-Mar-23** £000
Cash and cash equivalents			
Cash	100,805	(9,791)	**91,014**
Overdrafts	-	-	**-**
Cash Equivalents	22,735	(11,402)	**11,333**
	123,540	**(21,193)**	**102,347**

**Restated: Further details on the prior period restatements can be found in Note 36.*

NOTES TO THE CONSOLIDATED ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

The Trust is a registered Charity in England and Wales and a public benefit entity (see pages 8-9 of the Annual report for further details) as defined in FRS 102. The principal accounting policies adopted by the Trustee in the preparation of the financial statements have been applied consistently and are set out below:

(a) **Basis of Accounting** - The financial statements have been prepared under the historical cost convention, subject to the inclusion of investments at fair value, and are in compliance with the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) (effective 1 January 2019), the Charities Act 2011, The Salvation Army Act 1980 and FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.
The banking company, Reliance Bank Limited, became a wholly owned subsidiary of The Salvation Army International Trust during the year of 2018, following the purchase of The Salvation Army Trust's (UK Territory) 49% interest. The consolidation of the bank into the Group accounts is on a line by line basis.
The Salvation Army Leaders Training College of Africa & Resource Centre Limited (SALT), which was previously part of the Salvation Army International Trust, became a separate company wholly owned by the Trust from 01 August 2020 by way of a transfer of assets equivalent to £26k to the new SALT entity and is consolidated on a line by line basis.

Critical accounting judgements and key estimations

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Apart from those involving estimates, no judgements are deemed to have had a significant effect on amounts recognised in the financial statements. Judgements would include assessing for indicators of impairment of assets or whether the Trust is party to lease arrangements and their nature. Other than investment properties, It is the Trustees' opinion that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

One of the key sources of estimation uncertainty relates to the cost of the Group's proportion of The Salvation Army Employees' Pension Fund (a multi-employer defined benefit pension scheme accounted for as a defined contribution scheme per FRS102 where contribution payments are charged to the SOFA - see Note 17) which is determined using actuarial valuations for the purpose of the provision for contributions payable in respect of past service deficits. This involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty.

Other key judgements and estimates relevant to the charity, include property valuations, depreciation and amortisation. The Investment Property portfolio is independently valued by a Chartered Surveyor. This valuation is based on, at a minimum, a rolling three-year revaluation plan carried out using the comparable method in accordance with the RICS Valuation Global Standards effective at the time and the fair values of properties not due for an external valuation are updated using the UK House Price Index provided by the Land Registry (See Note 25). Estimations made in calculating the depreciation of non-investment properties are detailed in paragraph (g) below.

Negative Goodwill arising from the acquisition of Reliance Bank Ltd is amortised on the basis of the excess up to the fair value of non-monetary assets which is recognised in profit or loss in the periods when the non-monetary assets are recovered, and any excess beyond the fair value of non-monetary assets acquired recognised in profit or loss in the periods expected to be benefited. The periods within which the benefits are expected is 10 years based on an anticipated return to profitability of Reliance Bank Ltd. The consideration for the acquisition is payable over a long period and is linked to qualifying charitable donation payable by Reliance Bank Ltd. The potential impact of discounting the consideration was estimated at acquisition date based on the projections of future profitability of the bank and no adjustment was made as the calculated amount was not material.

In relation to Reliance Bank Ltd, in terms of impairment, reviews are undertaken for all financial assets, both on an individual and a collective basis. They are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the investment have been affected.
Loans and advances are considered on a case by case basis and are provided against in the financial year in which it is anticipated that they may not be recoverable in full (which, in practice, means when they become non-performing) unless the Bank considers that it has adequate security to cover all balances outstanding plus a margin.

(b) **Income**

(i) All income is recognised in the Statement of Financial Activities on an Accruals basis or on receipt of cash if there is no basis to accrue. Income is only recognised where there is entitlement of the rights or other access to the economic benefits, it is probable that the economic benefits of the transaction or gift will flow to the organisation and the monetary value of the income can be reliably measured. Income relating to a specific future period, where applicable, is deferred. Refunds are shown as negative income.

(ii) Contributions to the International Self-Denial Fund are received annually from the headquarters of Salvation Army territories around the world (see Note 3). Contributions are recognised in the period they relate to when territories submit results of their respective Self-Denial appeals to the International Trust and these are formally accepted by the Trust or upon receipt of the cash, whichever is earlier. In rare cases where these particular triggers have not occurred, income will be accrued provided all applicable income recognition criteria have been met. A territory is an administrative unit and may comprise several countries, a single country or part of a country. The Self-Denial appeals are separate annual appeals within each Territory, whereby church members of The Salvation Army offer a monetary gift to support the work of The Salvation Army worldwide. In addition to this, some Territories make contributions to the Self-Denial fund from other funds available to them. These contributions are used to fund grants and other support payments to financially supported territories, as set out in Note 11.

(iii) Contributions to International Headquarters support are receivable quarterly from financially independent territories, and either quarterly or annually from financially supported territories. Contributions are recognised when they are due.

(iv) Legacies are accounted for on receipt, or on earlier notification where the value can be reliably measured and receipt is probable, on a discounted basis where applicable and material. Donations are recognised in the period in which they are received, unless there is a basis to accrue.

(v) Investment income is recognised on an Accruals basis and includes returns on funds held in the US.

(vii) Reliance Bank Limited income items, including interest receivable, rental income and fees and commissions receivable, are recognised on an accruals basis with interest recognised on an effective interest rate basis. When calculating the effective interest rate all related fees are taken into account.

1. ACCOUNTING POLICIES - continued

(c) **Expenditure**

Expenditure is charged in the Statement of Financial Activities on the accruals basis.

(i) Irrecoverable Value Added Tax is charged to the related expenditure categories.

(ii) Expenditure on Charitable Activities consists of all expenditure relating directly to the objects of the Trust including support costs. Support costs have been allocated over activities on a per capita basis. Governance costs include those associated with constitutional and statutory requirements and those incurred in the governance of the Trust's assets.

(iii) Maintenance grants are paid quarterly to overseas Salvation Army territories to support their operating costs. They are payable at the beginning of each quarter and are accounted for in the year the obligations arise (see Note (b) (i) above).

(iv) Property schemes not completed at the year end are carried forward in the Balance Sheet as a Fixed Asset under the heading of Property Schemes in progress.

(v) Pension costs are accounted for in accordance with FRS 102 and are charged to the Statement of Financial Activities when payable. SAIT and Reliance Bank both participate alongside other entities in a multi-employer defined benefit plan scheme The actuary has confirmed that it is not possible to split the share of the scheme's assets and liabilities between employers. Pension costs are accounted for as if if they were made to a defined contribution plan. Details are provided in Note 17.

(vi) Grants payable to Salvation Army Territories are recognised as expenditure when they are committed and communicated to the territories, in accordance with the annual budget.

(vii) There are no assets held under Finance lease. Rentals payable and licensing arrangements under operating leases are charged to Expenditure on a straight line basis of over the lease term.

(viii) Reliance Bank Limited costs are shown under Expenditure on Raising Funds.

(ix) Termination payments are payable when employment is terminated before the normal retirement date or end of employment contract. The costs recognised at the earlier of when the offer of the benefits can no longer withdraw or when the group recognises any related restructuring costs.

(d) **Foreign Currencies**

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction.
Monetary assets and liabilities are translated into sterling at the exchange rate applicable at the balance sheet date.
All profits and losses on exchange are included in the Statement of Financial Activities.

(e) **Going Concern**

The Trustee has reviewed the Trust's financial position, taking account of satisfactory levels of reserves and cash, the annual plan, and its system of financial and risk management considering potentially adverse future scenarios.The Trustee recognises the potentially material pension liability arising from participation of the Trust in The Salvation Army Employees' Pension Fund (see Note 17) remains well placed to meet its obligations in this regard.
The Trustee has a reasonable expectation that the Trust has adequate resources to continue in operational existence in the foreseeable future following projections of the cash positon under adverse income performance scenarios over 12 months following the signing of the accounts.
The Trust holds a strong balance sheet with £35.71 million (2022: £36.04 million) held in cash or short-term bank deposits and current liabilities amounting to £10.1 million (2022: £8.23 million).
The Trustee is confident the Trust is well placed to meet the Ukraine/Russia crisis and other external events, including general inflationary pressures, and continues to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy all underpinned by the governance structures of SAITCo.

A going concern assessment has been undertaken for The Salvation Army International Trust, Reliance Bank Limited and Salvation Army Leaders' Training College of Africa & Resource Centre Limited. The Trustee is satisfied the Group has sufficient resources to continue operating for the foreseeable future. The Trustee has not identified any material uncertainities related to going concern and the Group accounts are therefore prepared on a going concern basis.

(f) **Intangible Fixed Assets**

Negative Goodwill arising from the acquisition of Reliance Bank Ltd is amortised on the following basis of: the excess up to the fair value of non-monetary assets which is recognised in profit or loss in the periods when the non-monetary assets are recovered (50 years from acquisition), any excess beyond the fair value of non-monetary assets acquired recognised in profit or loss in the periods expected to be benefited (10 years from acquisition).
Computer Software, where capitalised, is amortised over a period of 4 years.

(g) **Fixed Assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.
Such cost includes costs directly attributable to making the asset capable of operating as intended.
Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives, as follows:

- Freehold and Long Leasehold Properties are depreciated over 50 years.
- Internal Fit-Out Costs of the Headquarters building are depreciated over 15 years.
- Fixtures, Fittings and Office Equipment are depreciated over 5 - 10 years.
- Vehicles are depreciated over 6 years.
- IT Equipment is depreciated over 3 - 4 years.

The Bank opted during year ended March 2021 to follow the revaluation approach to its freehold property, under FRS102 section 17.
The associated entries relating to this change in policy, including Deferred Tax, were eliminated on Consolidation into the Group Accounts and the property carrying value restated under the historical cost model and in accordance with the Group accounting policy.

The freehold property at Sunbury Court has been depreciated so as to write down the cost of the project by components, on a straight line basis over their estimated useful economic lives at the following annual rates:

- Building and Infrastructure - 50 years.
- Roof (flat), Windows and Doors - 25 years.
- Major Installations (including heating, electrical, drainage) - 25 years.
- Bathroom and Kitchen Installations, Lifts- 15 years.
- Furniture, Fixtures and Fittings - 15 years.

(h) **Basic Financial Instruments**

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at historical cost unless another basis is required under applicable accounting standards, which is usually the transaction price, and are subsequently measured at their settlement value aside from Reliance Bank Debt instruments below.
Financial investments are recognised at fair value through Profit and Loss - See Note 1(i) below. Trade and other debtors are recognised at the settlement amount due. Creditors and provisions are recognised where the Trust has an obligation resulting from a past event that is likely to result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
The Bank's financial instruments are all basic financial instruments and comprise loans and advances, treasury bills, debt securities and customer accounts. The Bank does not hold derivative financial instruments.
Financial assets and liabilities are recognised initially per the policy as stated above but Debt instruments are thereafter measured at amortised cost less impairment using the effective interest method. No financial instruments are designated as at fair value through profit or loss.
Debt instruments that are payable or recoverable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

1. ACCOUNTING POLICIES - continued

(i) **Investments** - To comply with the Statement of Recommended Practice, Financial investments are included at fair value**.**
Listed investments are valued at the year end bid price.
The freehold reversionary interest (see Note 25(g)) is externally valued at least every three years, subject to any significant change in value in the intervening years.
Investment properties are held at fair value at the balance sheet date as detailed in Accounting Estimates note above and no depreciation is provided.
The aggregate surplus or deficit arising on revaluation at each period end is transferred to the Investment Property Revaluation Fund (see Note 20).
Investments in subsidiary undertakings are held at cost less impairment.

(j) **Stocks** are valued at the lower of cost or net realisable value.

(k) **Funds :**
(i) The Restricted Funds are held for restricted purposes, as specified by the donors.
(ii) The Unrestricted Funds include Designated Funds held for particular purposes designated by the Trustee in the exercise of its discretionary powers, and a General Reserve representing funds not designated for specific purposes. (See Note 20 for further details).

(l) **Provisions for liabilities**
A provision is recognised when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The effect of the time value of money is not material and therefore the provisions are not discounted.

(m) **Prepayments**
Prepayments are valued at the amount prepaid net of any trade discount offered.

(n) **Subsidiary Companies**
Wholly owned subsidiary companies are consolidated with the Financial Statements of the Trust on a line-by-line basis.

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership model and through the delivery of its 5-year strategic plan, the Bank aims to become an important, positive social impact bank with an expanded remit in this market segment. The Trust has invested a total of £12.5million in the Bank's share capital since acquisition, £7 million of which during 2023, to support its business transformation plans.
Whilst the Trust is the Bank's controller, a Nominations Committee comprising Non-Executive Directors of the Bank recommends appointments of Bank Directors to the board. This includes consideration of proposed Shareholder representative Directors, as and when appropriate.
Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of 'The Trust'. This had not been the case the preceding few years as the Bank was investing in its organisational structure and systems. The Bank has returned to profit in the current year with opportunity to now target a self-sustaining business model where future capital requirements are minimised.
Full details of the subsidiary company's Profit and Loss Account and Balance Sheet are set out in Note 4.

The Salvation Army Leaders Training College of Africa & Resource Centre Limited (SALT) is a wholly owned subsidiary of the Trust.
During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust.
This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets and so, from August 2020 is no longer reported within the charity only accounts of the Trust but within the Group accounts.
The assets transferred from the Trust to the new entity are not material to the Trust.

(o) **Subsidiary Company - Set-off**
The Bank does have a legal right of set-off established in respect of some customer accounts (as confirmed by legal opinion). However, set-off positions would only be disclosed in the accounts where there is an intention to ordinarily settle on a net basis or to realise the asset and settle the liability simultaneously.

(p) **Subsidiary Company - Contingent Liabilities**
Contingent liabilities are recognised as memorandum items on the face of the Balance Sheet and further analysed in Note 33 to the accounts at their contract amounts unless the possibility of any transfer on settlement is remote.

(q) **Subsidiary Company - Risk Management Policies and Objectives**
The Board of Directors of Reliance Bank Ltd is responsible for determining the long-term strategy of the business and the level of risk acceptable in each area of the Bank's business.
The Bank's Audit, Risk and Compliance Committee recommends policies designed to mitigate risks to the Board of Directors of the Bank and reviews risk assessments within the Bank's risk register.
The main financial risks arising from the Bank's activities are as follows:
- Credit Risk.
- Liquidity and Funding Risk.
- Interest Rate Sensitivity.
- Foreign Exchange Risk.

(r) **Cash and cash equivalents**
For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash at banks and in hand and short term deposits with an original maturity (from date of acquisition) of less than three months, and cash held with investment managers as it is available to meet short term cash needs of the organisation.

(s) **Gains and Losses**
All recognised gains and losses are included in the Statement of Financial Activities, and all the reported activities, in both the current and preceding years, reflect ongoing activities.

2. BUSINESS COMBINATION - ACQUISITION

On 31 October 2018 (the acquisition date), The Salvation Army International Trust acquired the outstanding equity of Reliance Bank Ltd in a cash transaction per the workings below. Reliance Bank Ltd is a UK incorporated company limited by shares and authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). Following acquisition Reliance Bank Ltd is a wholly owned subsidiary of The Salvation Army International Trust. Reliance Bank's mission is to be a distinctive, solid and safe Bank with Christian and ethical values that delivers as part of the broader objectives of The Salvation Army by enabling positive social impact.

Equity transaction: Preceding the acquisition the outstanding Reliance Bank Limited had allotted, called up and fully paid £7.5 million of £1 ordinary shares.
The Salvation Army International Trust already held 51% of Reliance Bank and purchased the remaining 49% shareholding held by The Salvation Army Trust on 31st October 2018.
The estimated fair value of the Net Assets acquired benefitted from a fair value uplift associated with Property, Plant and Equipment as below:

	£
Freehold Property (per valuation)	4,400,000
Other Net Assets per Accounts	8,799,631
Total	13,199,631

Calculation of Goodwill

The total cost of acquisition is therefore £7,933,397 (original cost £3,825,000 and subsequent acquisition £4,108,397) acquiring Net Assets at fair value of £13,199,631, giving rise to negative goodwill of £5,266,234. The negative goodwill is unwound through the Statement of Financial Activities (SOFA) as set out in Note 1(f)).

The cost of acquisition represents contingent consideration of £4,108,397 was estimated at the time of the acquisition to be payable over 15 years and over 9 years as at March 2023 (see Note 29).

3. CONTRIBUTIONS RECEIVED FROM SALVATION ARMY TERRITORIES

	Self-Denial Fund		International Headquarters Support		Donations Received	
	Unrestricted		Unrestricted		Restricted	
Territory	2023	2022	2023	2022	2023	2022
	£000	£000	£000	£000	£000	£000
Angola	13	7	1	1	-	-
Australia	484	434	755	733	105	229
Bangladesh	1	1	1	1	-	-
Brazil	-	-	2	2	-	-
Canada and Bermuda	1,665	1,434	592	575	624	741
Caribbean	105	-	5	5	-	-
Congo (Brazzaville)	79	82	5	5	-	-
Democratic Republic of Congo	95	64	6	6	-	-
Denmark	25	26	17	17	13	8
Eastern Europe	12	11	1	1	-	1
Finland and Estonia	58	52	30	29	27	51
France and Belgium	17	15	53	52	43	-
Germany, Lithuania and Poland	31	30	37	36	61	38
Ghana	17	31	3	3	-	-
Hong Kong and Macau	52	53	28	27	1	-
India Central	41	62	8	8	-	-
India Eastern	101	125	4	4	-	-
India Northern	17	24	7	6	-	-
India South Eastern	64	83	7	7	-	-
India South Western	22	34	7	7	-	-
India Western	28	30	7	7	-	-
Indonesia	46	42	12	12	-	-
Italy and Greece	5	4	1	1	6	2
Japan	33	40	72	70	12	-
Kenya East	272	221	8	8	-	-
Kenya West	291	203	8	8	-	-
Korea	166	158	13	12	9	34
Latin America North	72	-	2	2	-	-
Liberia	12	14	1	1	-	-
Malawi	9	9	1	1	-	-
Mali	3	3	1	1	-	-
Mexico	30	-	3	3	-	-
Middle East	18	11	1	1	-	-
Mozambique	3	2	1	1	-	-
The Netherlands, Czech Republic and Slovakia	200	189	117	113	179	173
New Zealand, Fiji and Tonga	441	402	275	267	119	113
Nigeria	39	27	5	5	-	-
Norway, Iceland and The Færoes	400	400	103	100	229	(3)
Pakistan	3	3	6	6	-	-
Papua New Guinea	39	35	4	3	-	-
The Philippines	21	16	4	4	10	-
Russia	3	3	1	1	-	-
Rwanda and Burundi	4	3	1	1	-	-
Singapore, Malaysia and Myanmar	99	93	19	18	2	-
South America East	-	-	3	2	-	-
South America West	-	-	4	4	-	-
Southern Africa	49	39	4	4	-	4
Spain and Portugal	18	16	1	1	-	7
Sri Lanka	1	1	2	2	-	-
Sweden and Latvia	105	106	84	82	86	33
Switzerland, Austria and Hungary	660	712	163	158	25	162
Taiwan	7	6	1	1	1	-
Tanzania	12	8	2	2	-	-
Uganda	8	7	1	1	-	-
United Kingdom with the Republic of Ireland	2,402	2,220	899	873	91	1,063
USA Central	4,499	4,092	1,869	1,827	4,605	9
USA Eastern	4,980	4,424	1,571	1,521	9,031	367
USA Southern	5,354	4,792	2,000	1,919	3,285	143
USA Western	4,266	3,755	1,505	1,452	2,347	400
USA National HQ	-	-	63	55	1,051	162
Zambia	61	50	3	3	-	-
Zimbabwe	194	143	7	7	-	-
	27,752	24,847	10,417	10,085	21,962	3,737

4. RELIANCE BANK LIMITED (registered in England & Wales - Company Number 00068835)

Unrestricted income to the Salvation Army International Trust from Reliance Bank Limited for the year was £nil (2022: £nil)

The banking company, Reliance Bank Limited (the 'Bank'), became a wholly owned subsidiary of The Salvation Army International Trust (the 'Trust') in October 2018, following the purchase of The Salvation Army Trust's (UK Territory) 49% interest.
The Trust invested an additional £7 million in the Bank's share capital during the year to support its business transformation plans. Under this ownership model and with a 5-year strategic plan, the Bank aims to become an important social impact bank with an expanded remit in this market segment.
Reliance Bank Limited provides banking facilities to The Salvation Army and the general public. The Bank offers transactional banking services to more than 30 Salvation Army territories, providing a vital 'safe haven' for project funds and IHQ operational grants and a secure platform for international fund transfers for the global Army.
Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of The Trust. This has not been the case during the year under review, as the Bank has been investing in its organisational structure and systems as it continues to pursue its strategy under the sole ownership of the Trust. A pre-tax profit of £234k (2022: £750k Loss) has been made in the year.

RELIANCE BANK LIMITED	2023	2022
	£000	£000
Summary Profit and Loss Account		
Interest Receivable and other operating income	7,632	4,195
Interest Payable and other operating expenditure	(1,517)	(693)
Administration Expenditure	(5,881)	(4,252)
Operating Profit/(Loss)	234	(750)
Taxation	(107)	141
Retained Profit/(Deficit) for year	127	(609)
Retained Reserves brought forward	311	934
Deferred tax change	-	(45)
Transfer from Revaluation reserve		31
Retained Reserves carried forward	438	311
Share Capital owned	20,000	13,000
(Loss) on Revaluation of Property included in the Revaluation Reserve	(320)	-
Summary Balance Sheet		
Fixed Assets	4,509	5,170
Current Assets		
Less than one year	144,073	159,000
Loans over one year	103,607	87,077
	252,189	251,247
Liabilities		
Current	(230,939)	(236,804)
Net Assets	21,250	14,443
Share Capital	20,000	13,000
Revaluation Reserve	812	1,132
Reserves	438	311
Shareholders' Funds	21,250	14,443

The effects of differences between subsidiary and Group policies in relation to the Bank's building property valuation, including the revaluation reserve balance, were eliminated on consolidation and the impacted amounts are presented in the Group Financial Statements in accordance with Group Accounting policies (see Note 1(g)).

5. OTHER DONATIONS AND LEGACIES

	Unrestricted	Restricted	2023	Unrestricted	Restricted	2022
	£000	£000	£000	£000	£000	£000
a) Group						
Other Donations	2,501	144	2,645	163	128	291
Legacies	142	68	210	5	146	151
	2,643	212	2,855	168	274	442
b) Charity						
Other Donations	2,480	144	2,624	4	76	80
Legacies	142	68	210	5	146	151
	2,622	212	2,834	9	222	231

Total external donations and legacies increased from £0.44 million (2022) to £2.86 million (2023).

	2023 Group	2022 Group *(as Restated)	2023 Charity	2022 Charity
6. INCOME FROM CHARITABLE ACTIVITIES	£000	£000	£000	£000
Rents from charitable activities	116	131	116	131
Software Charges	22	14	22	14
Income from publications	113	150	113	150
Income from Café 101	125	73	125	73
International Personnel Training and Development	118	64	93	41
	494	432	469	409
Restricted income for the year was £93k (2022: £55k)				
7. OTHER TRADING ACTIVITIES				
Conference Centre income	36	42	36	42
Rents from letting of property	99	147	99	147
Fees and Commissions receivable	766	729	-	-
Release of Negative Goodwill	175	175	-	-
	1,076	1,093	135	189
Interest on Loans and Advances to Bank and Customers	6,778	3,342	-	-
	7,854	4,435	135	189
**Restated: Further details on the prior period restatements can be found in Note 36.*				
Unrestricted income for the year was £7,854k (2022: £4,435k)				
8. INVESTMENT INCOME				
Income from fixed interest securities	488	416	488	416
Dividends from equities	1,667	1,511	1,667	1,511
Interest on bank deposits	174	7	415	45
Income from funds held in USA	1,065	988	1,065	988
Rental on Freehold Reversionary Interest	212	225	212	225
Rents from letting of investment properties	1,732	1,469	1,732	1,469
	5,338	4,616	5,579	4,654
**Restated: Further details on the prior period restatements can be found in Note 36.*				

	2023 Group	2022 Group	2023 Charity	2022 Charity
9. RAISING FUNDS	£000	£000	£000	£000
Cost of letting of property	660	701	660	701
Investment management costs	917	1,011	917	1,011
Goodwill Amortisation	-	-	43	43
Costs of subsidiary banking operations	7,013	4,899	-	-
	8,590	6,611	1,620	1,755

Restricted expenditure for the year was £44k (2022: £29k).

10. CHARITABLE ACTIVITIES

Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2023 Group Total	2022 Group Total	2023 Charity Total	2022 Charity Total
	£000	£000	£000	£000	£000 *(as Restated)	£000	£000 *(as Restated)
World Mission	-	2,888	1,830	4,718	4,225	4,735	4,225
Assistance to Salvation Army territories (Note 11)	24,912	4,556	2,613	32,081	30,483	32,105	30,483
International Personnel Training and Development	-	10,237	4,261	14,498	9,272	14,354	9,426
Crisis Relief	-	1,157	278	1,435	1,742	1,438	1,742
Health Services for the Poorest People	-	92	69	161	203	162	203
Fighting Against Sexual Trafficking and for Social Justice	-	1,174	418	1,592	1,236	1,596	1,236
	24,912	20,104	9,469	54,485	47,161	54,390	47,315

**Restated: Further details on the prior period restatements can be found in Note 36.*

Grant and donation funding includes operational grants paid quarterly to Salvation Army territories around the World and the onward transmission of project funding.
Costs of activities undertaken directly include the direct costs associated with emergency services and other projects which are managed by International Headquarters.
Support costs have been allocated over activities on a per capita basis (see Note 12).
SALT College costs are included under the International Personnel Training and Development heading.
Restricted expenditure for the year was £3.04m (2022: £5.82m).

Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2022 Group Total	2021 Group Total	2022 Charity Total	2021 Charity Total
	£000	£000	£000	£000 *(as Restated)	£000	£000 *(as Restated)	£000
World Mission	-	2,485	1,740	4,225	3,868	4,225	3,882
Assistance to Salvation Army territories (Note 11)	24,205	3,792	2,486	30,483	35,173	30,483	35,195
International Personnel Training and Development	-	5,218	4,054	9,272	7,820	9,426	7,908
Crisis Relief	-	1,476	266	1,742	2,831	1,742	2,846
Health Services for the Poorest People	-	137	66	203	220	203	221
Fighting Against Sexual Trafficking and for Social Justice	-	838	398	1,236	1,103	1,236	1,107
	24,205	13,946	9,010	47,161	51,015	47,315	51,159

**Restated: Further details on the prior period restatements can be found in Note 36.*

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK

	2023					2022
Territory	**International Service Costs***	**Grant funding of activities**	**Additional grant for specific costs**	**Activities funded by donations**	**Total**	**Total**
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	35	-	35	101
Angola	-	48	1	49	98	291
Australia	-	-	-	-	-	23
Bangladesh	-	216	4	230	450	258
Brazil	-	624	4	58	686	1,161
Canada and Bermuda	6	-	-	1	7	-
Caribbean	-	767	8	45	820	824
Congo (Brazzaville) and Gabon	34	551	76	269	930	1,062
Czech Republic and Slovakia (Netherlands)	-	508	1	3	512	460
Democratic Republic of Congo	7	560	114	1,100	1,781	1,012
Denmark	-	141	-	1	142	126
Eastern Europe	38	1,164	3	42	1,247	1,087
Estonia (Finland)	6	240	(3)	1	244	229
Fiji and Tonga	-	-	-	1	1	1
France and Belgium	-	-	-	1	1	1
Germany, Lithuania and Poland	-	224	-	1	225	198
Ghana and Togo	-	151	49	129	329	267
Hong Kong and Macau	-	-	-	1	1	2
India National Secretariat	-	293	3	288	584	864
India Central	-	238	2	119	359	329
India Eastern	2	-	3	9	14	19
India Northern	-	112	55	20	187	101
India South Eastern	-	336	2	74	412	506
India South Western	-	325	4	55	384	339
India Western	-	247	4	103	354	383
Indonesia	-	-	25	199	224	166
Italy and Greece	-	326	1	210	537	453
Kenya East	23	284	105	227	639	384
Kenya West	-	644	47	186	877	948
Korea	-	-	-	1	1	-
Latin America North	-	675	2	267	944	683
Latvia (Sweden)	-	149	-	8	157	133
Liberia, Sierra Leone and Guinea	4	222	21	44	291	687
Malawi	21	170	(2)	184	373	271
Mali and Burkina Faso	20	127	3	9	159	280
Mexico	10	400	5	192	607	394
Middle East	-	290	1	4	295	259
Mozambique	38	282	7	18	345	339
Nigeria	23	143	4	167	337	349
Norway	-	-	-	1	1	1
Pakistan	1	1,123	35	106	1,265	1,386
Papua New Guinea	67	736	71	514	1,388	1,287
The Philippines	-	438	3	33	474	646
Russia	-	767	1	2	770	727
Rwanda and Burundi	25	191	7	35	258	318
Singapore, Malaysia and Myanmar	-	215	4	26	245	222
South America East	13	565	4	30	612	845
South America West	-	407	11	271	689	453
Southern Africa	17	92	8	109	226	230
Spain and Portugal	25	706	1	19	751	634
Sri Lanka	-	198	2	258	458	229
Switzerland, Austria and Hungary	-	-	-	8	8	7
Taiwan	-	98	1	1	100	163
Tanzania	1	168	32	217	418	496
Uganda	55	167	18	197	437	436
United Kingdom with the Republic of Ireland	-	-	1	1	2	1
USA Southern	-	-	-	1	1	-
USA Western	-	-	-	1	1	4
Zambia	48	373	36	167	624	511
Zimbabwe and Madagascar	24	447	10	114	595	619
Total	508	17,148	829	6,427	24,912	24,205

**International Service Costs, previously shown as 'Allowable Deductions from Self Denial Funds', are those incurred in facilitating Salvation Army officers' service outside of their home territories.*

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK (Continued)

	2022					2021
Territory	**International Service Costs***	**Grant funding of activities**	**Additional grant for specific costs**	**Activities funded by donations**	**Total**	**Total**
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	100	1	101	77
Americas, General	-	-	-	-	-	4
Angola	-	43	1	247	291	95
Australia	-	6	-	17	23	107
Bangladesh	-	191	3	64	258	460
Brazil	-	552	3	606	1,161	1,799
Canada and Bermuda	-	-	-	-	-	2
Caribbean	-	679	5	140	824	1,181
Congo (Brazzaville) and Gabon	15	488	42	517	1,062	1,313
Czech Republic and Slovakia (Netherlands)	-	449	1	10	460	491
Democratic Republic of Congo	28	496	39	449	1,012	807
Denmark	-	125	-	1	126	141
Eastern Europe	18	1030	3	36	1,087	1,184
Estonia (Finland)	5	213	4	7	229	233
Fiji and Tonga	-	-	-	1	1	2
France and Belgium	-	-	-	1	1	1
Germany, Lithuania and Poland	-	198	-	-	198	315
Ghana and Togo	-	133	14	120	267	470
Hong Kong and Macau	-	-	1	1	2	-
India National Secretariat	-	259	2	603	864	129
India Central	-	211	1	117	329	556
India Eastern	2	-	2	15	19	(688)
India Northern	-	99	1	1	101	686
India South Eastern	-	297	2	207	506	496
India South Western	-	288	3	48	339	510
India Western	-	219	15	149	383	517
Indonesia	19	-	16	131	166	152
Italy and Greece	-	288	1	164	453	695
Kenya East	34	251	8	91	384	1,164
Kenya West	28	570	-20	370	948	1,198
Korea	-	-	-	-	-	1
Latin America North	-	597	2	84	683	1,017
Latvia (Sweden)	-	132	-	1	133	200
Liberia, Sierra Leone and Guinea	9	190	1	487	687	533
Malawi	26	121	17	107	271	463
Mali and Burkina Faso	8	112	3	157	280	174
Mexico	-	354	4	36	394	543
Middle East	-	257	1	1	259	355
Mozambique	15	249	7	68	339	384
Nigeria	13	127	26	183	349	461
Norway	-	-	-	1	1	1
Pakistan	-	909	305	172	1,386	1,363
Papua New Guinea	16	795	68	408	1,287	1,123
The Philippines	11	388	3	244	646	634
Russia	2	677	1	47	727	740
Rwanda and Burundi	22	169	20	107	318	389
Singapore, Malaysia and Myanmar	-	190	2	30	222	437
South America East	-	500	3	342	845	1,275
South America West	-	362	5	86	453	773
Southern Africa	4	81	7	138	230	259
Spain and Portugal	3	625	1	5	634	714
Sri Lanka	-	176	2	51	229	294
Switzerland, Austria and Hungary	-	-	-	7	7	-
Taiwan	-	87	1	75	163	173
Tanzania	16	149	6	325	496	430
Uganda	25	148	15	248	436	583
United Kingdom with the Republic of Ireland	-	-	-	1	1	4
USA Eastern	-	-	-	-	-	24
USA Western	-	-	-	4	4	-
Zambia	36	330	5	140	511	830
Zimbabwe and Madagascar	77	396	8	138	619	962
Total	432	15,206	760	7,807	24,205	29,236

**International Service Costs, previously shown as 'Allowable Deductions from Self Denial Funds', are those incurred in facilitating Salvation Army officers' service outside of their home territories.*

12. ANALYSIS OF SUPPORT COSTS BY ACTIVITY

Charitable Activities	Management	Finance & IT	Human Resources	Property	Depreciation	Governance (see note 13)	2023 Total	2022 Total
	£000	£000	£000	£000	£000	£000	£000	£000
								*(as Restated)
World Mission	224	666	166	297	116	361	1,830	1,740
Assistance to Salvation Army territories	320	951	236	425	165	516	2,613	2,486
International Personnel Training and Development	522	1,548	385	693	270	843	4,261	4,054
Crisis Relief	34	101	25	45	18	55	278	266
Health Services for the Poorest People	9	25	6	11	4	14	69	66
Fighting Against Sexual Trafficking and for	51	152	38	68	26	83	418	398
	1,160	3,443	856	1,539	599	1,872	9,469	9,010

Depreciation on Vehicles and IT Equipment of £137k (2022: £145k) forms part of rechargeable expenditure allocated on a usage basis and is included in the functional headings above.
All support costs have been allocated against Charitable Activities on a per capita basis (see note 10).
**Restated: Further details on the prior period restatements can be found in Note 36.*

Charitable Activities	Management	Finance & IT	Human Resources	Property	Depreciation	Governance (see note 13)	2022 Total	2021 Total
	£000	£000	£000	£000	£000	£000	£000	£000
							*(as Restated)	
World Mission	240	614	127	224	235	300	1,740	1,246
Assistance to Salvation Army territories	343	878	181	321	336	427	2,486	1,978
International Personnel Training and Development	560	1,431	296	522	548	697	4,054	3,295
Crisis Relief	37	94	19	34	36	46	266	206
Health Services for the Poorest People	9	23	5	9	9	11	66	51
Fighting Against Sexual Trafficking and for	55	140	29	51	54	69	398	308
	1,244	3,180	657	1,161	1,218	1,550	9,010	7,084

13. GOVERNANCE COSTS

	2023	2022
	£000	£000
Charitable Activities		
Internal Audit	562	409
External Audit	190	108
Legal and Administration (includes Trustees' Indemnity Insurance)	563	531
International Child Protection Governance	303	257
Finance and Property	254	245
	1,872	1,550
Raising Funds		
External Audit - Reliance Bank	253	144
Total	2,125	1,694

An Internal Audit Department carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working.
The external audit fee for Reliance Bank Limited is charged to expenditure on raising funds as part of their administrative expenses.

14. PERSONNEL COSTS

	2023 £000	2022 £000
Salaries and Allowances	9,057	8,372
Employer's Social Security Costs	1,033	885
Employer's Pension Costs	1,289	790
	11,379	10,047

The Trust made termination payments of £31k related to the cessation of certain IHQ publications during the year (2022: £58k).

The number of employees earning greater than £60,000 per annum (including employee benefits but excluding employer's pension costs) was as follows:

	2023 No.	2022 No.
£60,001 - £70,000	17	9
£70,001 - £80,000	7	8
£80,001 - £90,000	5	1
£90,001 - £100,000	2	1
£100,001 - £110,000	1	2
£110,001 - £120,000	1	5
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	-	1
£150,001 - £160,000	-	-
£160,001 - £170,001	1	-

The highest paid employee within the above had employer pension contributions of £Nil (2022: £Nil).
The above amounts include employee and staff costs relating to subsidiary companies.

Average number of officers and employees	2023 Headcount	2022 Headcount
Salvation Army International Trust	184	182
Reliance Bank Limited	47	40
SALT College of Africa	17	17
TOTAL	248	239

(i) The Salvation Army International Trust
The key management personnel of The Salvation Army International Trust and the Group, comprise the General, the Chief of the Staff and seven International Secretaries. The total taxable allowances and benefits plus employers' NIC of key management personnel were £260k (2022: £227k). See Note 15 for further details on Trustees' remuneration.

(ii) Reliance Bank Limited
The Bank's key management personnel are considered to be its Directors (both Executive and Non-Executive), and other members of the Chief Operating Officer, the Commercial Director and the Head of Risk and Compliance.
The total taxable remuneration and benefits plus employers NIC of the Bank's key management personnel was £636k (2022: £616k). Two Executive Directors of Reliance Bank received emoluments during the year, their remuneration was £304k (2022: £283k) and includes pension contributions of £15k (2022: £14k). The highest paid Director received emoluments of £165k (2022 :£156) of which pension contributions were £Nil (2022: £Nil). Non-Executive Directors received no remuneration from the Bank and are not members of the pension scheme.
Executive Directors are eligible to apply for loans on terms that are available to all employees of the Bank.

15. TRUSTEES

(i) Remuneration

The Salvation Army International Trustee Company directors, fourteen trustees (see Trustees' report for details), comprise nine senior Salvation Army officers and five non-executive directors with specialist expertise.
All Salvation Army officers receive an allowance based on length of service and other personal circumstances and, as ministers of religion, are provided with furnished accommodation and transport facilities. Salvation Army officers are required to use the accommodation provided, or another agreed alternative, as part of their ministry. Taxable allowances and benefits received during the year by the officers serving as directors ranged from £22,612 to £28,484. (2022: £2,262 to £32,657) with total emoluments of £196,033 (2022: £198,916) and they did not receive any additional remuneration for their duties as directors.

The non-executive directors did not receive any remuneration for their services.

(ii) Expenses

One trustee (2022:1) received expenses in relation to travel and accomodation of £2,230 (2022: £832) in their capacity as Trustee of The Salvation Army International Trustee Company. Expenses paid on behalf of Executive Directors, in respect of their executive roles are not included here and they received no expenses in the year (2022: Nil) in their capacities as Trustees.
There were no expenses paid to third parties on behalf of the Trustees during the year.

16. AUDIT COSTS

The amount payable to the auditors for the audit of these financial statements amounts to £131k excluding VAT (2022: £65k). A one-off fee of £10k was paid in 2022 due to the implementation of the new Accounting software. An additional payment of £25k (2022: £15k) excluding VAT was made in relation to additional work undertaken in respect of the 2022 audit.
Their remuneration for services in connection with audits of overseas territories was £31k excluding VAT (2022: £41k) and payments to BDO International offices amounted to £464k (2022: £230k).
The audit of Reliance Bank Limited's financial statements amounts to £253k excluding VAT (2022: £120k).
The audit of SALT College for Africa's financial statements amounts to £2k excluding VAT (2021: £2k).

17. PENSION COSTS

(a) Salvation Army Employees' Defined Benefit Pension Scheme

The Salvation Army International Trust participates in a multi-employer defined benefit and a defined contribution employee pension schemes, both administered by The Salvation Army United Kingdom with Republic of Ireland Territory.
The Trust contributes to The Salvation Army Employees' Pension Fund, a funded defined benefit scheme, in respect of those members of staff who were eligible and had joined the scheme prior to its closure to new members on 31 December 2011.
The scheme is a multi-employer scheme incorporating five employers and the actuary has confirmed that it is not possible to allocate the assets and liabilities of the scheme between participating employers in accordance with FRS102. Therefore, the scheme is accounted for as a defined contribution scheme with contributions charged to the Statement of Financial Activities.
The scheme is subject to triennial actuarial valuations and provisional results from the most recent one, performed on 31 March 2021, reported a surplus of £2.6 million relative to the technical provisions which corresponded to an on-going funding ratio of 101.2%.
A proposed increase in the employers' contribution rate was agreed to be funded from the surplus until 31 March 2022 and an increase in contribution payments took effect from 01 April 2022.
In March 2023, members of the defined benefit scheme voted to close the scheme to future service accrual with the final salary link retained. From 01 May 2023, eligible members will contribute instead to the defined contribution scheme with enhanced employer contributions for an agreed period and will also receive three annual lump sum payments. The costs of the 2023 lump sum payments were recognised at their actual value at 31 March 2023 and a new provision created for the subsequent two annual payments (see Note 30).
As at 31 March 2023, the Trust and the Bank had respectively 31 and 1 employees (2022: 35 and 1) in the scheme out of a total active membership of 273 (2022:309).

Salvation Army Employees' Pension Fund	**2023 Group** £000	**2022 Group** £000	**2022 Charity** £000	**2022 Charity** £000
Amounts falling due within one year	-	39	-	-
	-	39	-	-

(b) Salvation Army Employees' Defined Contribution Pension Scheme

A Defined Contributions Scheme was introduced from 1 October 2011 and 60 members of staff of The Salvation Army International Trust and 40 members of staff of Reliance Bank Ltd have joined the scheme.
Auto enrolment was adopted from 1 April 2014, with employees required to opt out if they did not want to be part of the scheme.
The Trust accounts for Pension Costs on the date payments to the Schemes fall due. The costs charged in the current year are disclosed in Note 14.

All pension costs relating to the International Trust are met from Unrestricted funds.

18. NET GAINS AND LOSSES

The following (Losses)/Gains have been recognised during the year:

	2023 Group	2022 Group *(as Restated)	2023 Charity	2022 Charity *(as Restated)
Net (Losses)/ Gains on Investments	£000	£000	£000	£000
(Losses)/ Gains on Listed Investments	(9,028)	7,867	(9,028)	7,867
Foreign Exchange Gains on Investments	851	804	851	804
Gains on Revaluation of Investment Properties	2,985	2,866	2,985	2,866
Release of revaluation surplus on transfer of Investments to Properties	(16)	-	(16)	-
Gain on revaluation of Freehold Reversionary Interest	1,150	-	1,150	-
Exchange Gain on revaluation of funds held in the USA	3,806	3,112	3,806	3,112
(Losses)/ Gains on Investments held in the USA	(3,541)	1,068	(3,541)	1,068
	(3,793)	15,717	(3,793)	15,717

**Restated: Further details on the prior period restatements can be found in Note 36.*

Further details on Gains on Investments can be found in Note 25(e).

	2023 Group	2022 Group *(as Restated)	2023 Charity	2022 Charity *(as Restated)
Other recognised gains/(losses)	£000	£000	£000	£000
Foreign Exchange Gains/ (Losses)	133	(9)	129	(8)
Gains on revaluation of Properties transferred to Investments	3,799	1,762	3,799	1,762
	3,932	1,753	3,928	1,754

The significant volume of transactions denominated in US dollars has given rise to exchange gain, as rates moved between $1.3122 and $1.2398 between March 2022 and March 2023.

19. TAXATION

As a registered charity, the Trust is entitled to exemptions from tax in accordance with the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

20. MOVEMENT IN FUNDS

	Balance 31/03/2022	Transfers	*Income	*Expenditure	Balance 31/03/2023
	£000	£000	£000	£000	£000
RESTRICTED					
Property Fund	14,246	-	1,150	(246)	15,150
Officers' Support Endowment Fund	5,491	-	18,322	-	23,813
Int'l Social Justice Commission Fund	2,515	-	-	-	2,515
Int'l Financial Accounting Standards Training	394	-	2,282	(78)	2,598
Other Restricted	4,976	125	2,107	(2,763)	4,445
	27,622	125	23,861	(3,087)	48,521

**Included within income and expenditure amounts above are total net gains of £1,321k*

The Property Fund represents restricted funds used for specific property acquisitions.
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs. Although this fund is called 'Endowment' for historical reasons, it does not meet the definition of an endowment per the relevant Accounting Standards and is not accounted for as such in these accounts.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll out of cloud-based accounting software and training of staff on internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

Transfers to Restricted Reserves primarily related to transfers from the Board designated Mission Support reserve to cover funding gaps at year end in Restricted projects reserves.

	Balance 31/03/2022	Transfers	*Income	*Expenditure	Balance 31/03/2023
	£000 **(as Restated)	£000	£000	£000	£000
UNRESTRICTED					
Board Designated Funds					
Property Fund	18,933	825	-	(13)	19,745
Other Fixed Assets Fund	2,306	196	-	(346)	2,156
Reliance Bank Share Fund	5,500	7,000	-	-	12,500
Other Board Designated Funds					
Property Commitments Fund	30,379	(11)	5,684	(3,111)	32,941
Self-Denial Fund	24,692	(127)	28,049	(26,415)	26,199
Investment Appreciation Fund	96,435	(4,974)	-	(16,561)	74,900
Investment Property Revaluation Fund	44,849	(574)	2,969	-	47,244
Exchange Equalisation Fund	4,875	(4)	2,552	-	7,423
Other Designated Funds	87,849	(3,933)	9,539	(9,486)	83,969
	289,079	(9,623)	48,793	(55,573)	272,676
General Reserve					
Held by Trust	5,496	1,497	13,201	(13,808)	6,386
Held by subsidiaries	(3,254)	(20)	7,848	(7,146)	(2,572)
	318,060	(125)	69,842	(76,886)	310,891

**Included within income and expenditure amounts above are total net (losses) of £1,188k*
***Restated: Further details on the prior period restatements can be found in Note 36.*

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.
The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 21).
The Reliance Bank Share Fund represents funds which have been used to finance the acquisition of additional Reliance Bank Share Capital. Transfers from the Investment Appreciation Fund and Other Designated Funds totalling £7.00m (2022:£3.00m) were made to fund the purchase of additional share capital in the Bank.

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£20.33m), and an International Property Project reserve (£4.86m) held to provide additional property project funding to territories over the next 2-3 years.
The Self-Denial Fund (£26.20m) represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 12.4 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund (£74.90m) represents realised and unrealised gains and losses on listed investments which are still subject to market risk.
The Investment Property Revaluation Fund (£47.24m) represents the surplus on revaluation of tenanted properties held for investment purposes.
The Exchange Equalisation Fund represents exchange gains, not as part of the Investment Appreciation Fund, which are held to offset future exchange losses.

Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers, including reserves of £51.09m supporting the balance held and invested in the USA on behalf of SAIT to generate income for specific purposes, which are Medical Services Support (£9.25m), Schools Services Support (£4.49m) and the Officers Support Endowment Fund (£37.35m).
The income generated from the Officers Support Endowment Fund is held in a reserve (£3.25m) which provides grants to Salvation Army Officers around the world to support basic needs, and income generated from the Medical Services Support designated funds have resulted in a reserve (£1.21m) to fund projects for Salvation Army Medical Service centres around the World.
Also included is a Mission Support Reserve (£0.73m) held to provide additional project funding to territories over the next year and an International Schools Development reserve (£7.77m) held to provide additional school project funding to territories over the next 2-3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£3.94m) and IT Development Reserve (£2.51m) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territories over the next 2-3 years. A Leadership Development Reserve (£3.56m) is held to fund the enhancement of training and personal development of Officer over the next 3-4 years. The Children's Homes Support Reserve (£2.70m) is held to provide ongoing supprot to improve children's homes facilities around the world over the next 2-3 years. The High Council reserve (£1.07m) is held to fund the typically quinquennial election process of a new General of the Salvation Army, the most recent of which took place in May 2023.
The remainder of the Other Designated Funds balance is made up of a number of smaller reserves, none of which are individually material.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust, and is equivalent to 5.9 months expenditure on headquarters administration costs.

20. MOVEMENT IN FUNDS - continued

	Balance 31/03/2021	Transfers	*Income	*Expenditure	Balance 31/03/2022
	£000	£000	£000	£000	£000
RESTRICTED					
Property Fund	14,492	-	-	(246)	14,246
Officers' Support Endowment Fund	5,248	-	243	-	5,491
Int'l Social Justice Commission Fund	2,515	-	-	-	2,515
Int'l Financial Accounting Standards Training	1,196	-	1,515	(2,317)	394
Other Restricted	5,218	2	3,042	(3,286)	4,976
	28,669	2	4,800	(5,849)	27,622

**Included within income and expenditure amounts above are total net gains of £628k*

The Property Fund represents restricted funds used for specific property acquisitions.
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around world to assist with basic support costs. Although this fund is called 'Endowment' for historical reasons, it does not meet the definition of an endowment per the relevant Accounting Standards and is not accounted for as such in these accounts.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll out of cloud-based accounting software and training of staff on internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

	Balance 31/03/2021	Transfers	*Income	*Expenditure	Balance 31/03/2022
	£000	£000	£000	£000	£000
UNRESTRICTED					**(as Restated)
Board Designated Funds					
Property Fund	19,560	2	-	(629)	18,933
Other Fixed Assets Fund	2,422	231	-	(347)	2,306
Reliance Bank Share Fund	2,500	3,000	-	-	5,500
Other Board Designated Funds					
Property Commitments Fund	27,362	819	4,054	(1,856)	30,379
Self-Denial Fund	22,182	(1,987)	25,463	(20,966)	24,692
Investment Appreciation Fund	92,796	-	3,639	-	96,435
Investment Property Revaluation Fund	41,984	-	2,865	-	44,849
Exchange Equalisation Fund	3,155	-	1,720	-	4,875
Other Designated Funds	90,087	(2,547)	7,546	(7,237)	87,849
	277,566	(3,715)	45,287	(30,059)	289,079
General Reserve					
Held by Trust	5,001	480	12,210	(12,195)	5,496
Held by Trading Subsidiary	(2,781)	-	4,841	(5,314)	(3,254)
	304,268	(2)	62,338	(48,544)	318,060

**Included within income and expenditure amounts above are total net gains of £17,295k.*
***Restated: Further details on the prior period restatements can be found in Note 36.*

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.
The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 21).
The Reliance Bank Share Fund represents funds which have been used to finance the acquisition of additional Reliance Bank Share Capital.

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£19.33m), and an International Property Project reserve (£5.79m) held to provide additional property project funding to territories over the next 2-3 years.
The Self-Denial Fund (£24.69m) represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 12.4 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund (£96.44m) represents realised and unrealised gains and losses on investments which are still subject to market risk.
The Investment Property Revaluation Fund (Restated: £44.85m) represents the surplus on revaluation of tenanted properties held for investment purposes.
The Exchange Equalisation Fund represents exchange gains made and held to offset future exchange losses.

Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers including reserves of £47.73m supporting the balance held and invested in the USA on behalf of SAIT to generate income for specific purposes which are, Medical Services Support (£8.64m), Schools Services Support (£4.20m) and the Officers Support Endowment Fund (£34.89m).
The income generated from the Officers Support Endowment Fund has resulted in a reserve (£2.57m) which provides grants to Salvation Army Officers around the world to support basic needs.
Also included is Mission Support Reserve (£2.81m) held to provide additional project funding to territories over the next 2-3 years and an International Schools Development reserve (£7.57m) held to provide additional school project funding to territories over the next 2-3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£7.62m) and IT Development Reserve (£4.45m) are held to fund provision of cloud-based accunting software and adequate Information Technology infrastructures to territories over the next 2-3 years. A Leadership Development Reserve (£3.59m) is held to fund the enhancement of training and personal development of Officers over the next 3-4 years. The Children's Homes Support Reserve (£1.75m) is held to provide ongoing support to improve children's homes facilities around the world over the next 2-3 years.
Four designated Covid-19 Reserves (totalling £2.41m at 31 March 2022) were established to fund responses to the pandemic and are expected to be utilised within the next 2 years.
The remainder of the Other Designated Funds balance is made up of a number of smaller reserves, none of which are individually material.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust, and is equivalent to 6.0 months expenditure on headquarters administration costs.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2023	Unrestricted Funds	Restricted Funds	Total 2022
	£000	£000	£000	£000	£000	£000
						*(as Restated)
Goodwill	(3,864)	-	(3,864)	(4,038)	-	(4,038)
Other Intangible Assets	284	-	284	443	-	443
Property Assets	16,468	15,150	31,618	16,944	14,246	31,190
Other Tangible Fixed Assets	2,434	-	2,434	2,369	-	2,369
Investments	282,883	33,371	316,254	301,279	13,376	314,655
Current Assets	125,893	-	125,893	135,772	-	135,772
Current Liabilities	(212,731)		(212,731)	(217,986)	-	(217,986)
Debtors over one year	103,849	-	103,849	87,385	-	87,385
Creditors over one year	(4,108)	-	(4,108)	(4,108)	-	(4,108)
Provisions for liabilities	(217)	-	(217)	-	-	-
	310,891	48,521	359,412	318,060	27,622	345,682

**Restated: Further details on the prior period restatements can be found in Note 36.*

Unrestricted Funds also include Funds held by the Trust as Designated.
Restricted Property Assets funds include for analysis purposes historical contributions towards '99 Queen Victoria Street' which is recognised in investment property asset.

22. INTANGIBLE FIXED ASSETS

(a) GOODWILL

The negative goodwill arising at acquisition (October 2018) represents the excess of net assets acquired over the cost of the shares purchased in Reliance Bank Limited (see note 2).
Release of the Negative Goodwill for the year was £175k (2022: £175k) per accounting policies as set out in Note 1(a) and Note 1(f).

	Acquisition
Calculation of Negative Goodwill	£000
Cost of 49% acquisition at October 2018	£000
Share Capital Purchased	4,108
Positive Goodwill on acquisition	(3,675)
	433
Original cost of 51% shareholding	
Cost of 49% acquisition at October 2018	3,825
Total cost of acquisition	4,108
	7,933
Fair Value of Assets acquired - 31 October 2018	
Freehold Property (per valuation)	-
Investments	4,400
Current Assets including loans and advances	70,828
	114,114
Liabilities including customer accounts	189,342
Net Assets Acquired	(176,142)
Net Negative Goodwill	13,200
	(5,267)
Write back Positive Goodwill on Acquisition	**(433)**
Negative Goodwill on Consolidation at Acquisition	**(5,700)**

Amortised Goodwill	Book Value 2022	Amortisation 2023	Book Value 2023
	£000	£000	£000
Negative Goodwill	(4,342)	218	(4,124)
Positive Goodwill on Acquisition	304	(43)	260
Net Goodwill (Group)	(4,038)	175	(3,864)

(b) OTHER INTANGIBLE FIXED ASSETS

	Computer Software	Total (Charity)	Subsidiary Computer Software	Total (Group)
	2023	2023	2023	2023
Cost:	£000	£000	£000	£000
Brought Forward	-	-	979	979
Additions	-	-	43	43
	-	-	1,022	1,022
Amortisation:				
Brought Forward	-	-	536	536
Charge for the year	-	-	202	202
	-	-	738	738
Net Book Value at 31 March 2023	**-**	**-**	**284**	**284**
Net Book Value at 31 March 2022	-	-	443	443

23. PROPERTY ASSETS

	Freehold	Long Leasehold	Overseas	Schemes in Progress	Total (Charity) *(as Restated)	Subsidiaries Land & Buildings	Total (Group) *(as Restated)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2022	30,807	8,125	226	298	39,456	4,661	44,117
Transfers from Investment Property	597	-	-	-	597	-	597
Additions during the year	282	83	-	129	494		494
Revaluation on Transfers to Investment Property	3,787				3,787		3,787
	35,473	8,208	226	427	44,334	4,661	48,995
Less: Disposals	-	-	(22)	-	(22)		(22)
Transfer to Investment Property	(4,104)	-	-	-	(4,104)	-	(4,104)
Balance at 31 March 2023	31,369	8,208	204	427	40,208	4,661	44,869
Depreciation							
Balance at 1 April 2022	10,247	2,242	38	-	12,527	400	12,927
Charge for the year	85	163	2	-	250	138	388
	10,332	2,405	40	-	12,777	538	13,315
Eliminated: on Disposals	-	-	(7)	-	(7)	-	(7)
on Transfer to Investment Property	(57)	-	-	-	(57)	-	(57)
Balance at 31 March 2023	10,275	2,405	33	-	12,713	538	13,251
Net Book Value at 31 March 2023	**21,094**	**5,803**	**171**	**427**	**27,495**	**4,123**	**31,618**
Net Book Value at 31 March 2022	20,560	5,883	188	298	26,929	4,261	31,190

**Restated: Further details on the prior period restatements can be found in Note 36.*

The Transfer to Investments relates to tenanted properties that are held for investment purposes.

24. OTHER TANGIBLE FIXED ASSETS

	Fit-Outs	Office Equipment	IT Equipment	Vehicles	Total (Charity)	Subsidiaries Office	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2022	7,078	329	817	59	8,283	515	8,798
Additions during the year	99	28	76	-	203	226	429
	7,177	357	893	59	8,486	741	9,227
Less Disposals	-	(8)	-	(21)	(29)	-	(29)
Balance at 31 March 2023	7,177	349	893	38	8,457	741	9,198
Depreciation							
Balance at 1 April 2022	5,315	103	500	59	5,977	452	6,429
Charge for the year	163	46	137	-	346	11	357
	5,478	149	637	59	6,323	463	6,786
Eliminated on disposals	-	(1)	-	(21)	(22)	-	(22)
Balance at 31 March 2023	5,478	148	637	38	6,301	463	6,764
Net Book Value at 31 March 2023	**1,699**	**201**	**256**	-	**2,156**	**278**	**2,434**
Net Book Value at 31 March 2022	1,763	226	317	-	2,306	63	2,369

**Restated: Further details on the prior period restatements can be found in Note 36.*

25. INVESTMENTS

	2023		2022	
	Cost	Market Value	Cost	Market Value
	£000	£000	£000	£000
(a)(i) Group				*(as Restated)
Fixed Assets Investments				
Listed Investments (See Note (d) below)				
Fixed Interest				
UK Government	33,541	29,070	22,399	21,020
Overseas	950	895	98	98
Sterling Certificates of Deposit maturing after One Year (see Note (b))	12,969	12,969	23,313	23,313
Equities				
UK Directly Held Equities	19,548	19,468	14,148	14,342
Overseas Directly Held Equities	87,750	102,084	87,934	116,669
	154,758	164,486	147,892	175,442
Investment Property (see Note (f) below)	14,385	61,629	10,229	55,078
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	7,400	2,990	6,250
Funds held in the USA (see Note (e) below)	-	54,662	-	56,997
	172,133	**288,177**	**161,111**	**293,767**
Current Assets Investments				
Bank Deposits (see Note (c) below)	8,065	8,065	10,000	10,000
Listed Investments (See Note (d) below)				
Sterling Certificates of Deposit maturing within One Year (see Note (b))	20,012	20,012	10,888	10,888
	28,077	**28,077**	**20,888**	**20,888**
	200,210	**316,254**	**181,999**	**314,655**
(a)(ii) Charity				
Listed Investments				
Fixed Interest				
UK Government	33,541	29,070	22,399	21,020
Overseas	950	895	98	98
Equities				
UK Directly Held Equities	19,548	19,468	14,148	14,342
Overseas Directly Held Equities	87,750	102,084	87,934	116,669
	141,789	151,517	124,579	152,129
Subsidiary Company (Note 4)				
Reliance Bank Ltd. - Shares at cost	20,000	20,000	13,000	13,000
Investment Property (see Note (f) below)	14,385	61,629	10,229	55,078
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	7,400	2,990	6,250
Funds held in the USA (see Note (e) below)	-	54,662	-	56,997
	179,164	**295,208**	**150,798**	**283,454**
Bank Deposits (see Note (c) below)	28,154	28,154	27,360	27,360
	207,318	**323,362**	**178,158**	**310,814**

**Restated: Further details on the prior period restatements can be found in Note 36.*

(b) Debt Securities

Debt securities are generally held to maturity and are valued at amortised cost less impairment. £11.47m of Sterling Certificates of Deposit held at the balance sheet date mature within three months (2022: £9.88m), with £3.27m maturing between three and six months (2022: £Nil) and £5.28m maturing between six months and one year (2022: £1.00m), £12.97m maturing between one and two years (2022: £10.36m), and £Nil maturing between two and five years (2022: £12.95m).

The role of debt securities in Reliance Bank's investment strategy is to provide a significant balance of realisable assets with high credit quality counterparties. These would be accessible in the event of unexpected funding demands which would otherwise exceed the level of instant access bank deposits that is maintained together with maturing interbank term deposits. Fixed rate debt securities are used to broadly match significant customer term deposits in terms of both interest rate risk and liquidity. A spread of maturities also helps to manage the Bank's overall maturity profile.

	2023 Group	2022 Group	2023 Charity	2022 Charity
(c) Bank Deposits	£000	£000	£000	£000
Sterling - Notice Deposits (less than 3 months)	-	-	4,058	6,540
US Dollars & Euros	-	10	9,730	11,831
US Dollars & Euros - Notice Deposits (greater than 3 months)	-	-	7,310	-
Loans and Advances to Banks - Deposits	1,009	1,001	-	-
Cash held by Investment Managers	7,056	8,989	7,056	8,989
	8,065	**10,000**	**28,154**	**27,360**

25. INVESTMENTS - continued	2023 Group	2022 Group *(as Restated)	2023 Charity	2022 Charity *(as Restated)
(d) Movement in Listed Investments	£000	£000	£000	£000
Market Value at 1 April	186,330	199,154	152,129	158,614
Purchases in year	122,846	75,257	75,185	48,416
Sales proceeds	(116,463)	(95,768)	(66,769)	(62,768)
Amortisation	813	(180)	-	-
Net Gains- Listed Investments	(9,028)	7,867	(9,028)	7,867
Market Value at 31 March	**184,498**	**186,330**	**151,517**	**152,129**
(e) Gains/(Losses) on Investment Assets				
Listed Investments (see Note (d) above)	(9,028)	7,867	(9,028)	7,867
Net Surplus on revaluation of Investment Property	2,985	2,866	2,985	2,866
Release of revaluation surplus on transfer of Investment Property to Fixed Assets	(16)	-	(16)	-
Gain on revaluation of Freehold Reversionary Interest (see Note (f) below)	1,150	-	1,150	-
Gain/(Loss) on revaluation of US Dollar Deposits	817	792	817	792
Gain on Cash Held by Investment Managers	34	12	34	12
Exchange Gain/(Loss) on revaluation of funds held in the USA	3,806	3,112	3,806	3,112
(Loss)/Gain on funds held in the USA	(3,541)	1,068	(3,541)	1,068
	(3,793)	**15,717**	**(3,793)**	**15,717**

**Restated: Further details on the prior period restatements can be found in Note 36.*

Funds held in the USA are held and invested by a USA Salvation Army entity on behalf of SAIT. These funds are intended to be invested with the USA in this way for the long term and for investment appreciation purposes. Net income is remitted quarterly to SAIT, including investment income as well as fair value gains and losses. Due to the nature of these funds held with the USA, SAIT is unable to accurately determine the cost of the investment funds and as such the cost is not disclosed.
The net reduction in Funds held in USA of £2,335k (2022: £1,907k increase) is as a result of £2,600k (2022: £2,273k) being disbursed out of the portfolio against net Gains of £265k (2022: £4,180k Gain).

(f) Investment Property	2023 Group	2023 Charity
	£000	£000
Cost or valuation at 01 April 2022	55,078	55,078
Additions	75	75
Net Gains from Fair Value Adjustments	2,969	2,969
Transfers from Property Fixed Asset at Fair Value	4,104	4,104
Transfers to Property Fixed Asset (See Note 23)	(597)	(597)
Cost or valuation at 31 March 2023	**61,629**	**61,629**

The investment property represents tenanted properties that are held for investment purposes. During the year there were additions to investment property amounting to £4,179k (2022 Restated: £2,356k), which included transfers from Property Fixed Assets at fair value of £4,104k.
In line with the three-year revaluation rolling plan, ninety-nine investment properties were valued individually at fair value using the comparison method by an external Chartered Surveyor, with primary regard to vacant sales comparable evidence paying due regard to the resulting gross yields and this generated a revaluation gain of £2,664k (2022: £686k).
Fair value of the remaining thirty-seven properties was measured by using the applicable Land Registry house price indices to 31 March 2023, resulting in an additional revaluation gain of £440k (2022: £2,244k).
Total net gains on revaluations amounted to £2,985k (2022 Restated: £2,866k). No investment properties were sold during 2022-2023 (2021-22: Nil)
During the year one property was transferred back to Fixed Assets for operational use.

(g) Property - Freehold Reversionary Interest

The freehold reversionary interest represents the value of the freehold interest in 99 Queen Victoria Street (adjacent to the headquarters building) on which a long lease has been granted and rental income of £212k (2022: £225k) per annum is receivable.
The freehold reversionary interest has been valued at the year end by the Trustee, based on advice from an external consulting surveyor, at £7.4million (2022: £6.25 million).

26. DEBTORS AND PREPAYMENTS	Group £000	Group £000	Charity £000	Charity £000
(a) Debtors and Prepayments due in more than one year				
Amounts falling due after more than one year:				
Loans and Advances to Bank Customers (see (i) below)	103,607	87,077	-	-
Loans due from Salvation Army territories	242	308	242	308
	103,849	**87,385**	**242**	**308**

(b) Debtors and Prepayments due within one year	2023 Group £000	2022 Group £000	2023 Charity £000	2022 Charity £000
Due from Salvation Army territories	12,350	9,836	12,350	9,836
Due from Reliance Bank Ltd	-	-	12	-
Due from Salvation Army Leaders Training College of Africa	-	-	51	-
Prepayments	1,278	1,176	1,145	1,005
Other Debtors	1,600	643	1,599	423
	15,228	**11,655**	**15,157**	**11,264**
Loans and Advances to Bank customers (see Note (i) below)	15,211	9,445	-	-
	30,439	**21,100**	**15,157**	**11,264**

(i) Loans and Advances to Bank customers

The role of loans and advances to customers in the Bank's investment and operating strategy is to grow the Bank's profit margins whilst maintaining a conservative lending policy and ensuring the Bank's liquidity and overall maturity profile are not compromised.

No loans have been made to group undertakings.

	2023 £000	2022 £000
Recoverable on Demand:		
Overdrafts	327	459
Other Loans and Advances:		
Mortgages	60,907	47,009
Loans	57,584	49,054
	118,491	96,063
	118,818	96,522
Loans and advances to customers analysed by periods to maturity:		
Recoverable:		
On demand	3,221	2,449
In 3 months or less	3,541	1,387
In 1 year or less but more than 3 months	8,450	5,609
	15,212	9,445
Loans and advances to customers analysed by periods to maturity:		
In 2 years or less but more than one year	1,225	6,724
In 5 years or less but more than 2 years	21,340	12,939
Over 5 years	81,400	67,552
Collective impairment provision	(359)	(138)
	103,606	87,077
	118,818	96,522

27. BANK BALANCES	2023 Group £000	2022 Group £000	2023 Charity £000	2022 Charity £000
Sterling - Interest-bearing current accounts	375	177	5,701	2,988
- Ordinary current accounts	166	346	233	262
US Dollars, Euros and other Foreign currencies	156	6	1,622	5,733
	697	529	7,556	8,983
Loans and Advances to Banks (see (i) below)	11,333	22,725	-	-
Cash and Balances at Central Bank (see (ii) below)	83,262	91,287	-	-
	95,292	114,541	7,556	8,983

(i) Loans and Advances to Banks	2023 £000	2022 £000
Bank Balances		
Recoverable on Demand	11,333	21,584
Interbank Loans recoverable in 3 months or less	-	1,141
	11,333	22,725

All the loans and advances to banks represent deposits with financial institutions whose credit ratings meet the risk appetite of the Board. No impairment provisions have been raised against these balances (2022: £nil). In both financial years, none of these loans and advances to banks were extended to related parties and none are secured.

Deposits with, and debt instruments issued by, these financial institutions play an important role in Reliance Bank's strategy and day-to-day liquidity management. Instant access bank deposits are held at a sufficient level to meet expected funding requirements with a comfortable margin. Term deposits and debt securities have well spread maturities to match expected cash outflows. Some deposits and debt securities are used to directly match significant customer term deposits, in terms of both interest rate risk and liquidity.

27. BANK BALANCES - continued

	2023	2022
(ii) Cash and Balances at Central Bank	£000	£000
Balances at Central Bank	83,262	91,287
	83,262	91,287

The Bank does not offer a cash counter service at its sole branch premises, with customers having access to cash facilities through existing agency bank arrangements.

The Bank of England Reserve account forms part of the Bank's pool of High Quality Liquid Assets that could be accessed in times of liquidity stress within Reliance Bank's investment strategy. The Bank maintains a low risk liquidity policy to treasury investments in light of agreements in place with some of the larger depositors, maintenance of sufficient High Quality Liquid Assets to cover net cash outflows over a 30 day period is a regulatory requirement, monitored through the calculation of a Liquidity Coverage Ratio (LCR).

	2023 Group	2022 Group	2023 Charity	2022 Charity
28. CURRENT LIABILITIES - Other Creditors due within one year	£000	£000	£000	£000
Due to Salvation Army territories	7,122	5,576	7,122	5,576
Bank customer Accounts (see (i) below)	201,886	209,043	-	-
Other Creditors and Accruals	3,723	3,328	2,979	2,658
	212,731	**217,947**	**10,101**	**8,234**

	2023	2022
	£000	£000
(i) Reliance Bank Customer Accounts		
Current Accounts	93,335	92,737
Deposit Accounts	108,551	116,306
	201,886	209,043
With agreed maturity dates or periods of notice by remaining maturity:		
Repayable on demand	154,307	149,270
3 months or less but not repayable on demand	34,208	48,159
1 year or less but over 3 months	13,371	11,614
	201,886	209,043

The Bank has entered into an overarching minimum credit balance agreement with the Charity and a similar arrangement exists with another key customer. The Bank agreed to adjust these minimum balance agreements during the year and total credit balances with the Bank to £49,000,000 are subject to 3 months' written notice (2022: £59,000,000). The Bank's liquidity position, under the current regulatory liquidity regime, reflects these assurances provided to the Bank.

	2023 Group	2022 Group	2023 Charity	2022 Charity
29. OTHER CREDITORS DUE AFTER MORE THAN ONE YEAR	£000	£000	£000	£000
Contingent Payments due to Salvation Army Territories	4,108	4,108	4,108	4,108
	4,108	**4,108**	**4,108**	**4,108**

Salvation Army International Trust agreed to pay consideration of £4,108k to Salvation Army Trust (UK Territory) for the purchase of 49% of the shareholding of Reliance Bank Limited. This payment is contingent on the profitability of the bank. The impact of the discount on the consideration amount was deemed immaterial at the time of the acquisition.

	2023 Group	2023 Charity
30. PROVISIONS FOR LIABILITIES	£000	£000
Salvation Army Employees' Pension Fund - Provision for additional payments due to employees		
Provisions at beginning of the year	-	-
Charged to Statement of Financial Activities	217	217
Released to Statement of Financial Activities	-	-
Provisions at end of the year	**217**	**217**

A provision for payments due to eligible Salvation Army International Trust employees participating in the Employees' Pension Fund Defined Benefit scheme was created at 31 March 2023 in relation to payments due to them in April 2024 and April 2025 with the payment amounts subject to change in the respective years. The provision has not been discounted as the time value of money is deemed immaterial to the amount.

31. OPERATING LEASE COMMITMENTS

At the 31 March 2023 The Charity and Group subsidiaries committed to making the following payments in respect of operating leases:

	2023 Group	2022 Group	2023 Charity	2022 Charity
	£000	£000	£000	£000
Within one year	484	374	121	28
Between one to five years	371	579	303	48
Over five years	-	-	-	-
	855	953	424	76

Operating lease payments recognised as expense in the period amounted to £499k (2022: £337k).

32. CAPITAL COMMITMENTS

There are no capital commitments at the year end.

33. GUARANTEES AND COMMITMENTS

The following guarantees and commitments of the group have arisen from the subsidiary company, Reliance Bank Limited:

	2023 Contract Amount	2022 Contract Amount
	£000	£000
Commitments:		
Undrawn formal standby facilities of one year or less	7,394	16,555
Contingent Liabilities:		
Guarantees	7,694	7,694
	15,088	24,249

As a matter of course, the Bank takes counter indemnities to cover guarantees extended on behalf of customers. The Bank controls designated deposits sufficient to offset the guarantees extended.

Commitments reflect approved mortgage and loan commitments awaiting drawdown.

34. TRANSACTIONS WITH SALVATION ARMY TERRITORIES AND RELATED PARTIES

a) Salvation Army Territories

The Salvation Army International Trust receives contributions for the International Self-Denial Fund, International Headquarters Support and for other items from Salvation Army territories (see Note 3). Annual grants from the Trust to territories are considered as part of the annual IHQ budget process and paid quarterly in advance to each financially supported territory (see Note 11).
Salvation Army Territories are separate and independent legal entities.

b) Related Parties

The International Trust solely owns Reliance Bank Limited. Related party transactions between the two entiities during the financial year include interest received of £240k (2022: £38k) from the Bank, donation of £Nil (2022: £Nil) received from the Bank, rent and services of £77k (2022: £112k) paid to the Bank and bank charges of £12k (2022: £12k) paid to the bank.
Other Tangible Fixed Assets of £7k (2022: £Nil) were transferred to Reliance Bank Ltd.
An outstanding balance of £12k due from Reliance bank was recorded at 31 March 2023.
The balance of connected deposits at Reliance Bank Limited due to Parent Undertaking was £28.1m (2022: £27.5m).
Additional Share Capital of £7m (2022: £3m) of the bank was purchased by the Trust during the year.

The Salvation Army Leaders Training College of Africa & Resource Centre Limited (Company Registration Number: PVT-DLUKBDP Kabete Children's Home Complex, PO Box 40575-00100, Nairobi, Kenya) is a wholly owned subsidiary of the Trust. Related party transactions between the two entities include grant payments to the College totalling £173k (2022: £296k).
An outstanding balance due of £51k from SALT College of Africa was recorded at 31 March 2023.

35. ULTIMATE CONTROLLING PARTY

The charity is controlled by The Salvation Army International Trustee Company (SAITCo), a company limited by guarantee (company registration no. 2538134). SAITCo is appointed as the ordinary Trustee of The Salvation Army International Trust.

36. PRIOR PERIOD ADJUSTMENTS

a) Transfers of Fixed Asset Properties to Investment Properties

The Balance Sheet, Statement of Financial Activities and Cashflow Statement have been restated to rectify the incorrect treatment of transfers of Properties between Fixed Assets and Investments. There were two elements to the associated mistatements:

i) Two properties had been shown as transferred from Fixed Assets to Investments at cost of £374k (total) instead of their Fair Value of £668k (total) as required per FRS102. This resulted in an overstatement in Gains on investments at transfer date of £333k and a corresponding understatement in Other Gains and Losses.

ii) Three properties had remained in Fixed Assets at their Net Book Value of £156k (total) but should have in fact been transferred to Investments during the period at their fair value of £1,590k (total) as Investment properties under FRS102, giving rise to a Fixed Assets revaluation gain on transfer of £1,430k after write back of £4k depreciation. Additional net gains on Investments in the year amounting to £34k were recognised following the transfers.

These reclassifications generated a reduction in Net Gains on Investments of £298k, an increase in Other Gains and Losses of £1,762k and a depreciation adjustment of £4k. The amounts of the corrections for each financial statement line item are presented below.

Summary of the prior year accounting impact:

	2022 Group *Previously Reported*	2022 Group *Restatement*	2022 Group *Restated*	2022 Charity *Previously Reported*	2022 Charity *Restatement*	2022 Charity *Restated*
	£000	£000	£000	£000	£000	£000
Impact on the Balance Sheet						
Fixed Assets - Properties	31,346	(156)	31,190	27,085	(156)	26,929
Fixed Assets - Investments	292,143	1,624	293,767	281,830	1,624	283,454
Unrestricted Funds - Property Fund	19,089	(156)	18,933	19,089	(156)	18,933
Unrestricted Funds - Designated Funds	287,455	1,624	289,079	287,282	1,624	288,906

Impact on Consolidated Cashflow Statement - Group	2022 Group Total funds *Previously Reported*	2022 Group Total funds *Restatement*	2022 Group Total funds *Restated*
Cashflow Statement	£000	£000	£000
Note A Reconciliation of net income to net cash flow (used in)/ provide by operating activities			
Net income for the reporting period (as per the statement of financial activities)	11,277	1,468	12,745
Adjustments for:			
Depreciation and amortisation	1,750	(184)	1,566
(Gain)/Loss on investments	(16,015)	298	(15,717)
(Gain) on revaluation of Fixed Assets transferred to Investment	-	(1,762)	(1,762)

Impact on the Statement of Financial Activites

Summary of the prior year accounting impact - Group

	2022 Group Unrestricted funds *Previously Reported*	2022 Group Unrestricted funds *Restatement*	2022 Group Total Unrestricted funds *Restated*	2022 Group Restricted funds *Previously Reported*	2022 Group Restricted funds *Restatement*	2022 Group Total Restricted funds *Restated*	2022 Group Total funds *Previously Reported*	2022 Group Total funds *Restatement*	2022 Group Total funds *Restated*
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Statement of Financial Activites									
Expenditure On -Charitable Activities	41,345	(4)	41,341	5,820	-	5,820	47,165	(4)	47,161
Net gains on investments	15,388	(298)	15,090	627	-	627	16,015	(298)	15,717
Other recognised Gains/(Losses)	(10)	1,762	1,752	1	-	1	(9)	1,762	1,753

Summary of the prior year accounting impact - Charity

	2022 Charity Unrestricted funds *Previously Reported*	2022 Charity Unrestricted funds *Restatement*	2022 Charity Total Unrestricted funds *Restated*	2022 Charity Restricted funds *Previously Reported*	2022 Charity Restricted funds *Restatement*	2022 Charity Total Restricted funds *Restated*	2022 Charity Total funds *Previously Reported*	2022 Charity Total funds *Restatement*	2022 Charity Total funds *Restated*
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Statement of Financial Activites									
Expenditure On - Charitable Activities	41,499	(4)	41,495	5,820	-	5,820	47,319	(4)	47,315
Net gains on investments	15,388	(298)	15,090	627	-	627	16,015	(298)	15,717
Other recognised Gains/(Losses)	(9)	1,762	1,753	1	-	1	(8)	1,762	1,754

36. PRIOR PERIOD ADJUSTMENTS - Continued

b) Reclassification of subsidiary Interest income from Investment Income to Other Trading Activities

The Statement of Financial Activities has been restated to classify interest income earned by Reliance Bank under the appropriate Group heading.
Reliance Bank Limited earns a considerable part of its income in interest. As a financial institution, such income forms part of its operating and trading activities.
The interest income from Reliance Bank was previously reported under Investment Income in the Group Statement of Financial Activities.
Income of £3,342k was reclassified from as Investment income to Income from Other Trading Activities to reflect the underlying nature of the income generated.

Summary of the prior year accounting impact - Group

	2022 Group Unrestricted funds *Previously Reported*	2022 Group Unrestricted funds *Restatement*	2022 Group Unrestricted funds *Restated*	2022 Group Restricted funds *Previously Reported*	2022 Group Restricted funds *Restatement*	2022 Group Restricted funds *Restated*	2022 Group Total funds *Previously Reported*	2022 Group Total funds *Restatement*	2022 Group Total funds *Restated*
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Statement of Financial Activites									
Income - Other trading activities	1,093	3,342	4,435	-	-	0	1,093	3,342	4,435
Investment income	7,818	(3,342)	4,476	140	-	140	7,958	(3,342)	4,616

DIRECT CONTRIBUTIONS FROM TERRITORIES TOWARDS SPECIAL PROJECTS

FOR THE YEAR ENDED 31 MARCH 2023

In addition to the contributions made by the International Trust for work overseas, contributions were made directly by territories towards special projects as stated below. This information is provided by the Trustee and is not included in the opinion on the financial statements by the external auditor.

CONTRIBUTIONS FROM TERRITORIES	£
Australia	2,380,823
Canada and Bermuda	2,029,382
Denmark and Greenland	115,173
Japan	84,662
Korea	52,519
The Netherlands, Czech Republic and Slovakia	726,768
New Zealand, Fiji, Tonga and Samoa	146,047
Norway, Iceland and The Faeroes	1,522,832
Singapore, Malaysia and Myanmar	20,496
South America East	3,922
Sweden and Latvia	453,817
Switzerland, Austria and Hungary	3,137,706
Taiwan	8,276
United Kingdom with the Republic of Ireland	2,084,473
USA Central	2,983,473
USA Eastern	2,914,608
USA Southern	1,792,298
USA Western	972,677
USA SAWSO	7,627,752
	£29,057,704

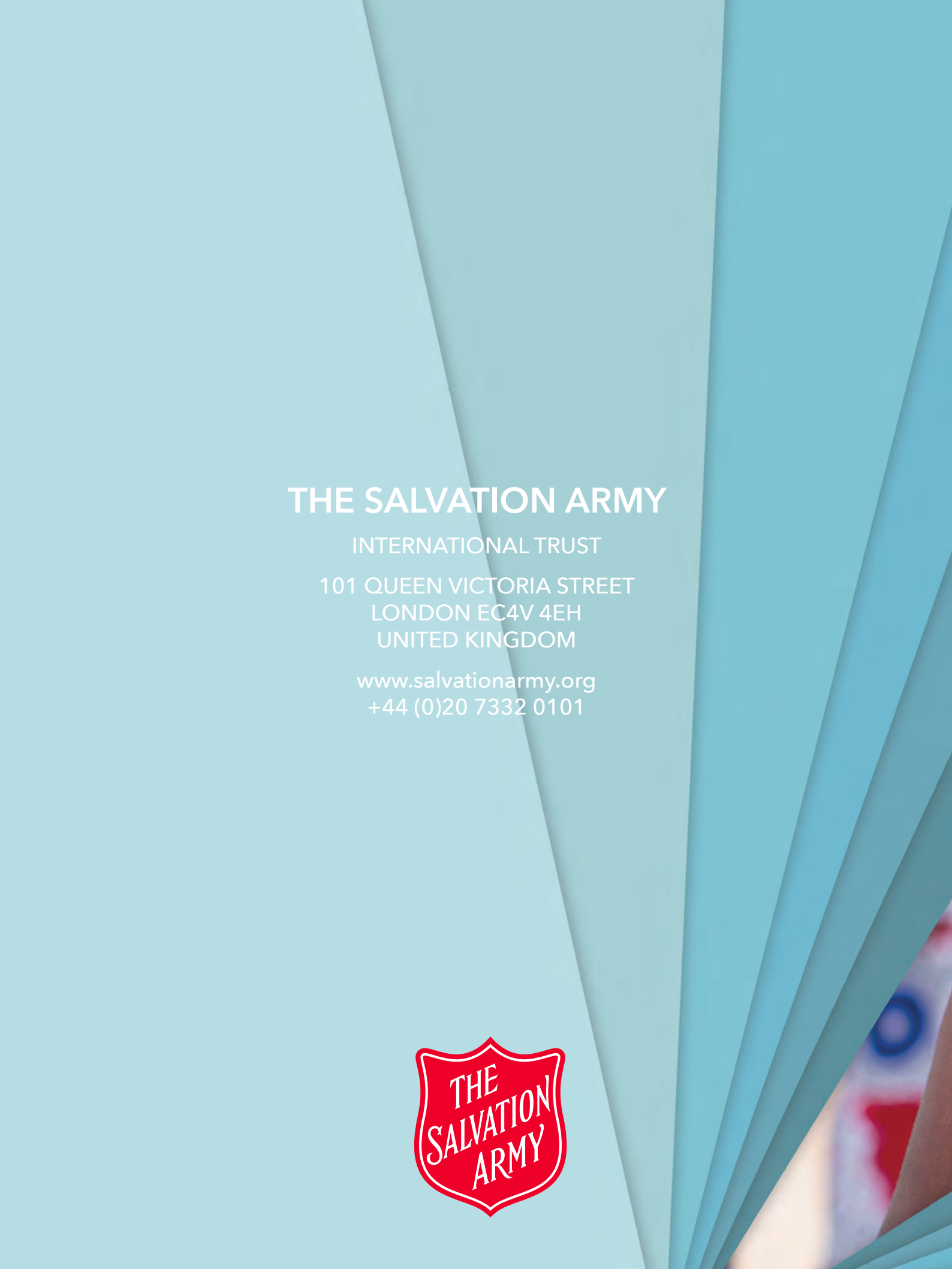
RECIPIENT TERRITORIES	£
Angola	325,622
Bangladesh	429,485
Brazil	620,357
Canada and Bermuda	739
Caribbean	960,139
Congo (Brazzaville) with Gabon	623,863
Democratic Republic of Congo	561,264
Denmark and Greenland	6,350
Eastern Europe	6,650,141
Finland and Estonia	1,444
France and Belgium	74,807
Germany, Lithuania and Poland	429,665
Ghana with Togo	59,464
Hong Kong and Macau	88,960
India National Secretariat	52,075
India Central	86,537
India Eastern	126,860
India Northern	382,186
India South Eastern	321,737
India South Western	56,025
India Western	224,442
Indonesia	499,324
Italy and Greece	381,994
Japan	1,649
Kenya East	1,322,256
Kenya West	895,097
Korea	87,577
Latin America North	390,400
Liberia and Sierra Leone with Guinea	1,118,297
Malawi	905,464
Mali with Burkina Faso	329,471
Mexico	938,076
Middle East Region	150,543
Mozambique	106,295
The Netherlands, Czech Republic and Slovakia	246,430
New Zealand, Fiji, Tonga and Samoa	5,766
Nigeria	612,722
Norway, Iceland and The Faeroes	145,487
Pakistan	104,853
Papua New Guinea and Solomon Islands	760,624
The Philippines	642,354
Rwanda and Burundi	700,940
Singapore, Malaysia and Myanmar	125,412
South America East	365,103
South America West	598,695
Southern Africa	855,010
Spain and Portugal	153,280
Sri Lanka	471,879
Sweden and Latvia	319,264
Switzerland, Austria and Hungary	744,137
Taiwan	37,036
Tanzania	624,891
Uganda	576,834
United Kingdom with the Republic of Ireland	29,854
USA Eastern	409
Zambia	1,004,020
Zimbabwe and Botswana with Madagascar	724,099
	£29,057,704

THE SALVATION ARMY

INTERNATIONAL TRUST

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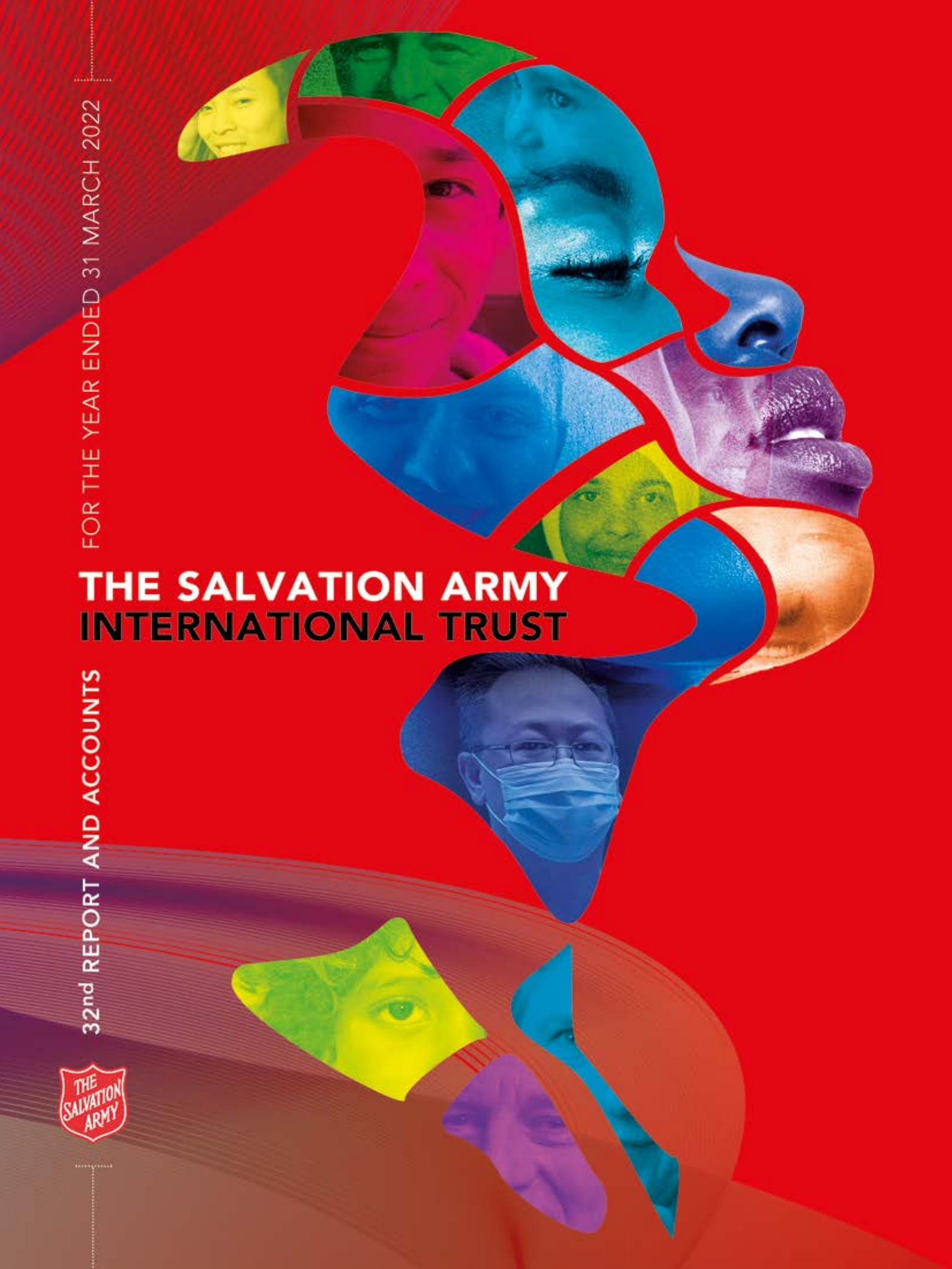
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THE SALVATION ARMY INTERNATIONAL TRUST

England & Wales - Charity number 1000566

Accounts



THE SALVATION ARMY INTERNATIONAL TRUST

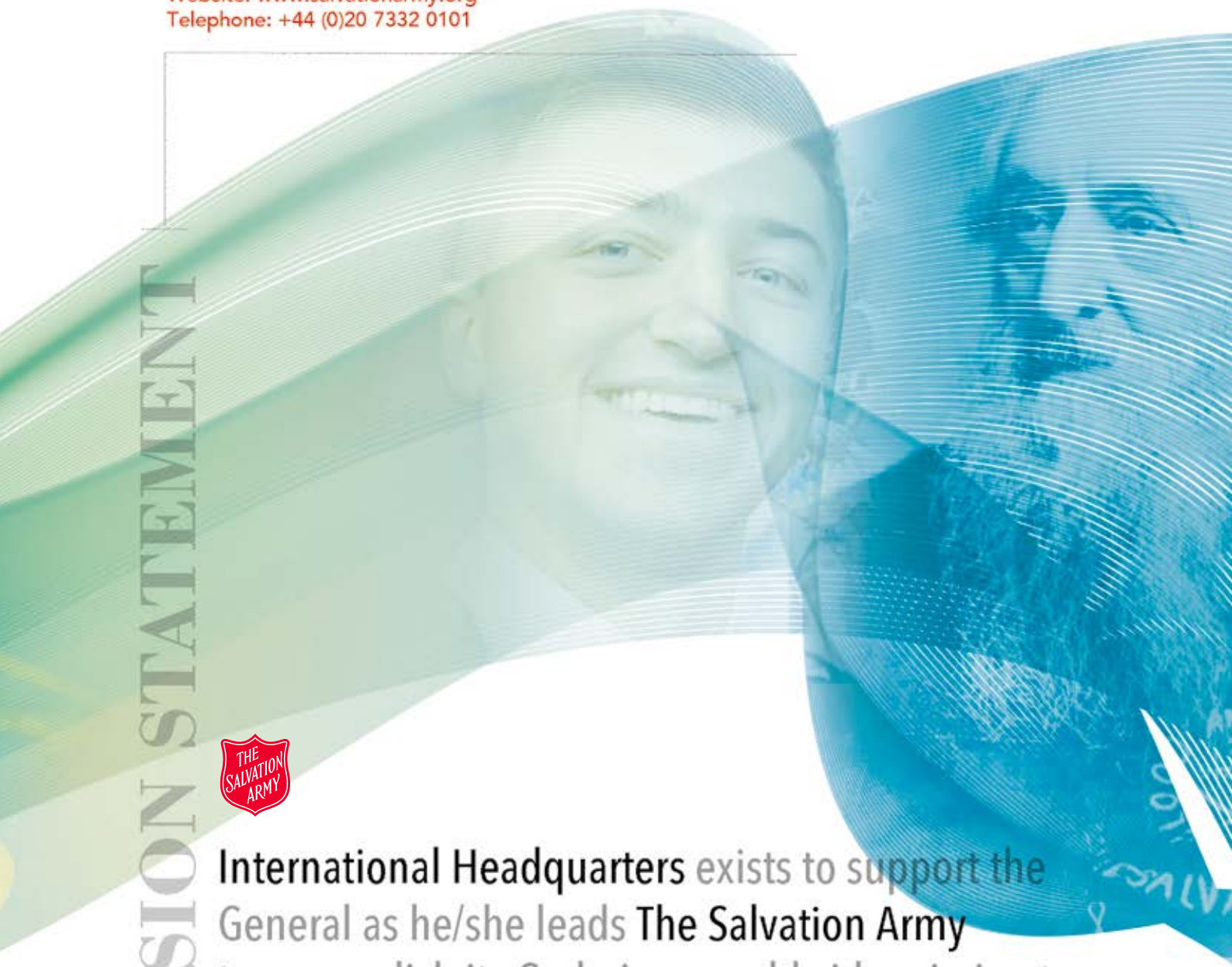
32nd REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022



THE SALVATION ARMY

International Headquarters
101 Queen Victoria Street
London EC4V 4EH

Website: www.salvationarmy.org
Telephone: +44 (0)20 7332 0101



MISSION STATEMENT

International Headquarters exists to support the General as he/she leads The Salvation Army to accomplish its God-given worldwide mission to preach the gospel of Jesus Christ and meet human needs in his name without discrimination.

THE SALVATION ARMY

WORLDWIDE FACTS & FIGURES



GENERAL INFORMATION

Countries and territories where SA serves **132**
Corps, outposts, societies,
new plants and recovery churches **14,597**
Goodwill centres **72**
Officers **27,299**
Active **16,993**
Retired **10,306**
Auxiliary-captains **330**
Envoys/sergeants/non officer personnel, full-time **1,085**
Cadets **941**
Employees **105,400**

THE SALVATION ARMY MEMBERSHIP

Senior soldiers **1,251,573**
Adherents **172,438**
Junior soldiers **404,727**

CORPS PROGRAMME

Senior band musicians **29,170**
Senior songsters **135,627**
Other senior musical group members **105,079**
Senior and young people's local officers **154,959**
Women's Ministries (all groups) members **758,850**
League of Mercy – members **167,289**
SA Medical Fellowship– members **7,689**
Over-60 clubs – members **59,203**
Men's fellowships – members **104,047**
Young people's bands – members **14,875**
Young people's singing companies – members **101,275**
Other young people's music groups – members **147,676**
Corps cadets **39,893**
Sunday schools – members **577,851**
Junior youth groups
(scouts, guides, etc, and clubs) – members **250,620**
Senior youth groups – members **167,501**
Parent and toddler groups **1,005**
Capacity **44,684**
Corps-based community development programmes **34,530**
Beneficiaries/clients **805,827**
Thrift stores/charity shops (corps/territorial/social) **2,702**
Recycling centres **23**

ADDICTION DEPENDENCY

Non-residential programmes **101**
Capacity **1,580**
Residential programmes **199**
Capacity **12,682**
Harbour Light programmes **17**
Capacity **1,615**
Other services for those with addictions **61**
Capacity **2,705**

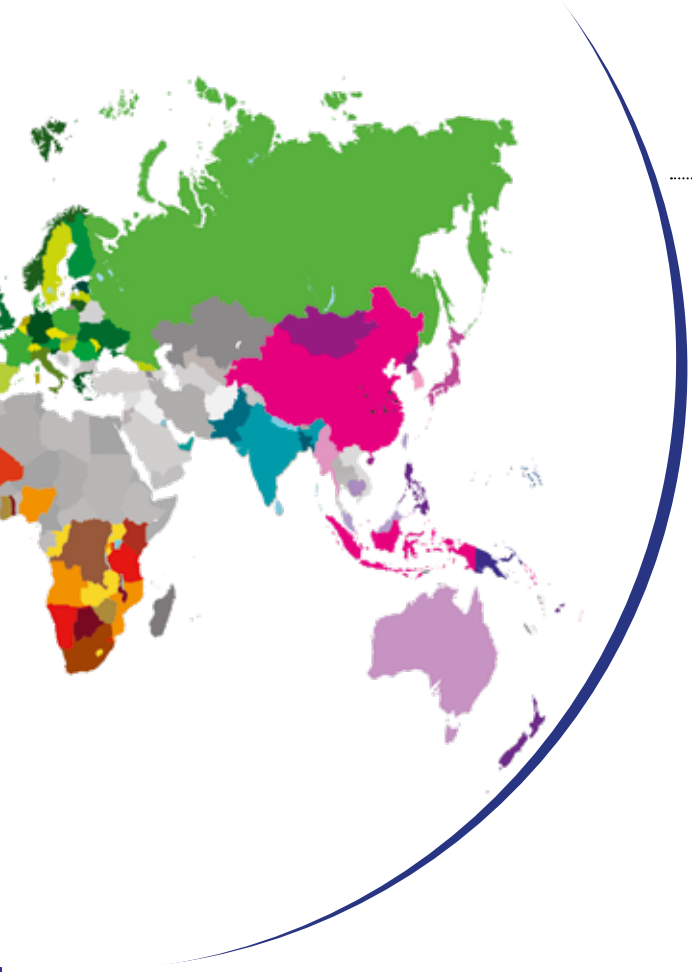
SOCIAL PROGRAMME

Residential
Accommodation for
the homeless **84,417**
Capacity **43,656**
Children's homes **200**
Capacity **6,152**
Homes for elderly persons **191**
Capacity **10,854**
Homes for disabled persons **30**
Capacity **1,465**
Homes for blind persons **4**
Capacity **82**
Remand and probation homes **136**
Capacity **991**
Mother and baby homes **30**
Capacity **930**
Training centres for families **89**
Capacity **3,500**
Care homes for vulnerable people **69**
Capacity **1,749**
Other residential care homes/hostels **29**
Capacity **1,330**

EDUCATION PROGRAMME

Pre-school/kindergarten/sub primary **780**
Primary schools **1,348**
Secondary and high schools **508**
Colleges and universities **17**
Vocational training schools/centres **47**
Pupils **471,519**
Teachers **19,075**
Schools for blind students (included in above totals) **20**
Schools for disabled students (included in above totals) **39**
Boarding schools (included in above totals) **161**
Staff training and development centres **36**
Learning centres **8**

Source of statistics: *The Salvation ArmyYear Book 2022* (pages 40-41)



HEALTH PROGRAMME

General hospitals **29**
Capacity **2,150**
Hospice long-term care **18**
Capacity **620**
Maternity hospitals **38**
Capacity **892**
Other specialist hospitals **38**
Capacity **1,775**
Specialist clinics **21**
Capacity **3,398**
General clinics/health centres **161**
Mobile clinics/community health posts **1,201**
Inpatients **467,509**
Outpatients **747,981**
Doctors/medics **11,208**
Non medical staff **3,451**
Invalid/convalescent homes **3**
Capacity **156**
Health education programmes (HIV/Aids, etc) **3,685**
Beneficiaries **182,963**
Day care programmes **58**

SERVICES TO THE ARMED FORCES

Mobile units for service personnel **20**
Chaplains **57**

SERVICES TO THE COMMUNITY

Community centres **476**
Capacity **783,475**
Day centres for the elderly **88**
Capacity **3,403**
Day centres for street children **6**
Capacity **250**
Day nurseries **371**
Capacity **20,907**
Drop-in centres for youth **256**
Capacity **18,482**
Other day care centres **1,090**
Capacity **2,036**
Prisoners visited **50,575**
Prisoners helped on discharge **44,284**
Police courts – people helped **51,730**
Missing persons – applications **2,265**
Number traced **813**
Night patrol/anti-suicide – number helped **219,827**
Employment bureaux – applications **61,440**
Initial referrals **67,384**
Counselling – people helped **204,534**
General relief – people helped **16,939,895**
Emergency relief (disasters) – people helped **10,152,114**
Emergency mobile units **7,549**
Feeding centres **42,154**
Restaurants and cafés **145**
Apartments for elderly **1,067**
Capacity **4,687**
Hostels for students, workers, etc **60**
Capacity **1,141**
Land settlements (capacity) **88**
Social Services summer camps **47**
Participants **5,796**

EMERGENCY DISASTER RESPONSE

Disaster rehabilitation schemes **83**
Participants **241,407**
Refugee programmes – host country **28**
Participants **164,765**
Refugee rehabilitation programmes **28**
Participants **165,024**
Other response programmes **146**
Participants **4,013,710**

FOREWORD



Foreword by
General Brian Peddle

As I write this foreword to you, war has been raging in Eastern Europe for many months; in other parts of the world, there are protests resulting in violence and in some cases, loss of life; there are places where the government has been overturned by nationals fighting for what they believe is right; other parts of the world are experiencing disastrous heat, floods, mudslides and other natural disasters as the scientists report that the globe is warming; in some countries, political structures crumble at the hands of politicians who have been party to lies, cheating and a lack of integrity. There are many more instances that I could cite – but in each of these scenarios, 'trust' is eroding. Whether it is the trust between countries, or between people and their government, or just simply trust in a way of life that is no longer the same as it once was – it is a matter of trust.

You will read in this document, a great deal about a trust ('SAIT' – see page 8). But it draws attention to the need to be trusted. In a world where things seem to be falling apart, The Salvation Army seeks to be a trusted partner for people who are in need. The Salvation Army seeks to do that by demonstrating to the world our trust in God who is attentive to every individual, no matter what their need might be. But The Salvation Army also needs to be trusted with the hard things. The Salvation Army needs to have a framework within its structure that will provide accountability, monitor appropriate activity and keep the trust of those we serve, as well as those who support our mission.

I believe that as you read this report, you will find that level of accountability within the pages of this document. As I travel the world, I see amazing work being done in the name of Jesus, at the hands of many who are committed to the work and ministry of The Salvation Army. We can only provide you with a snapshot of this work but I believe you will quickly see that God is blessing our Salvation Army as we remain faithful to him and faithful to the trust for which we are responsible.

I must express my sincere thanks to the directors, bankers, solicitors, auditors and investment managers who work to ensure best practice, legislative compliance, fiscal responsibility and effective allocation of resources that are given to The Salvation Army in trust.

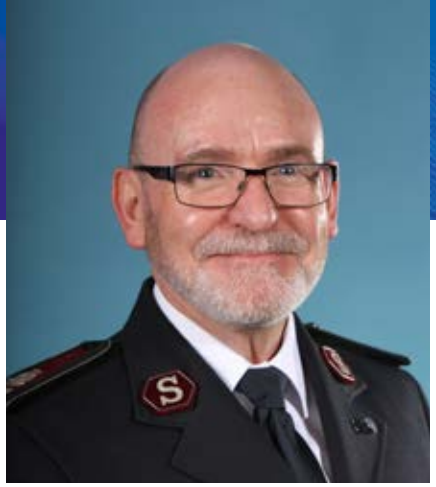
As you read through the stories of transformation, I hope that your trust in The Salvation Army will be reinforced, but even more, that your faith in God will be stronger knowing that he is doing a greater work in us than we could ever imagine.

God bless you!

Sincerely yours,



Brian Peddle
GENERAL



Foreword by the Chief of the Staff
Commissioner Lyndon Buckingham

FOREWORD

As the Chair of the Board of Directors of The Salvation Army International Trustee Company (' SAITCo' - see page 8), it is my privilege to commend the Annual Report to readers.

The Trust exists to further the work of The Salvation Army, which is to advance the Christian religion and meet human need as and where it occurs throughout the world. It also supports the work of International Headquarters, which is responsible for coordinating the international work as well as overseeing strategy.

The work of The Salvation Army globally is vital and greatly valued. At a time of significant crisis and challenge in our world, I am proud of the way in which Salvation Army resources have continued to be managed to both enable and ensure the provision of high levels of service. This has been particularly evident in our on-going response to the global pandemic and the situation involving Ukraine and Russia.

In the midst of a challenging year, we have also taken on a number of reforms.

In response to the wide ranging and significant governance review in recent years, SAITCo has implemented a number of reforms this year including changes to the operation of subsidiary boards, committees and councils, an update of expenditure authority thresholds for financial decision-making and internal staff reorganisations. Alongside this, SAITCo has continued to embrace many governance activities outlined within the Charity Governance Code. In response to the most recent update of this code, further actions are being considered which focus on the principles of integrity and equality, diversity and inclusion as well as risk management protocols and the strategic planning process, all of which will strengthen our movement.

There is no denying COVID-19 has had its impact on the global movement. During the 2021/22 year as many territories started to move out of the grip of the pandemic and the restrictions this placed upon their ministries, new service opportunities have arisen, and adjustments have been made to better address their new realities.

SAITCo continues to monitor closely developments in relation to the COVID-19 crisis, the Russia/Ukraine crisis and other events. We are confident the Trust is well placed to continue to achieve its objectives due to a strong financial position and sound governance.

I express my sincere appreciation to fellow directors of SAITCo for their commitment, passion and professionalism.

The movement is well positioned to meet its mission objectives and continues to make a positive global impact.

Yours in his service,



Lyndon Buckingham

CHIEF OF THE STAFF

THE SALVATION ARMY INTERNATIONAL TRUST

TRUSTEE'S REPORT

The trustee is pleased to present the Annual Report for The Salvation Army International Trust (the 'Trust') for the year ended 31 March 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The General, acting under powers contained in The Salvation Army Act 1980, established the Trust to further the worldwide work of The Salvation Army. The Salvation Army International Trustee Company ('SAITCo'), a company limited by guarantee, was formed and appointed as the ordinary Trustee of the Trust. The directors of SAITCo are thus effectively the charity's trustees.

THE SALVATION ARMY INTERNATIONAL TRUST
Registered Charity No 1000566
Trust Settlement Deed dated 21 September 1990 (Governing Document)

THE SALVATION ARMY INTERNATIONAL TRUSTEE COMPANY – ORDINARY TRUSTEE
Company Registration No 2538134

The General of The Salvation Army, as founder of the Trust, specifies the qualifying offices and the experts for SAITCo. Qualifying offices are such offices of The Salvation Army as the General may from time to time specify by notice to SAITCo and experts are persons who satisfy such conditions and/or who have such qualifications or expertise as the General may from time to time specify by notice to SAITCo. Both the qualifying offices' holders and the experts make application for membership of SAITCo with consent to become directors and are accepted by the Board of Directors of SAITCo.

All new directors follow teaching modules prepared specifically for The Salvation Army on its constitution, operational scope and the duties and responsibilities of directors. In addition individual directors follow external courses.

08 STRUCTURE, GOVERNANCE AND MANAGEMENT
14 OBJECTIVES AND ACTIVITIES
15 ACHIEVEMENTS AND PERFORMANCE
49 FINANCIAL REVIEW
64 STATEMENT OF FINANCIAL ACTIVITIES
66 BALANCE SHEET
67 CASHFLOW STATEMENT
68 NOTES TO THE ACCOUNTS

SAITCO DIRECTORS

Commissioner Birgitte Brekke-Clifton *SRN*	from 1 March 2013 to 30 June 2021
Commissioner Lyndon Buckingham	from 3 August 2018
Commissioner Keith Conrad	from 1 August 2019
Commissioner Lee Graves *MBA*	from 1 November 2020
Commissioner Edward Hill *MDiv, MACE*	from 1 May 2021
Commissioner Debbie Horwood	from 1 July 2021
Commissioner Eva Kleman	from 1 November 2020
Commissioner Robyn Maxwell	from 1 November 2020
Commissioner Suresh Pawar	from 12 November 2020
Commissioner Mark Tillsley *BA, MSc, PhD*	from 11 May 2018 to 30 April 2021
Lieut-Colonel Russell Malcolm *BCom, DipApTh, MBA, CAANZ CA*	from 1 February 2022
Dr Matthew Carpenter *BA, MBA, DBA, MCMI*	from 1 July 2014 to 31 January 2022
Ms Elizabeth Edwards *BSc (Hons), FRICS*	from 1 May 2013 to 30 April 2022
Mr Robin Foale	from 1 May 2019
Mr James Gardner *MA*	from 1 May 2022
Mr Mark Goodale *BA, FIA*	from 1 May 2019
Mr Peter King *Solicitor, MA*	from 1 May 2013 to 30 April 2022
Mr Robert Lister	from 1 January 2016
Mr Tim Sketchley *BA, MA (Cantab), FRICS*	from 1 May 2022

AUDIT COMMITTEE MEMBERS

Ms Rosie Bichard *GCB.D, CFA* (Chair)
Ms Elizabeth Edwards *BSc (Hons), FRICS*
Mr Mark Goodale *BA, FIA*
Mr Tim Sketchley *BA, MA (Cantab), FRICS*
Mr Andrew Stickland *BA(Hons), FCA*

PRINCIPAL OFFICERS

Commissioner Lee Graves *MBA*	Managing Director
Dr Matthew Carpenter *BA, MBA, DBA, MCMI*	Company Secretary
Dr Matthew Carpenter *BA, MBA, DBA, MCMI*	Head of Finance to 31 January 2022
Lieut-Colonel Russell Malcolm *BCom, DipApTh, MBA, CAANZ CA*	Head of Finance from 1 February 2022
Mr Kaloan Belito *BA, DchA, MSc, FCCA*	Chief Accountant

BANKERS

HSBC Bank plc
60 Queen Victoria Street
London EC4N 4TR

Reliance Bank Limited
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London EC3R 8EB

National Westminster Bank
38 Strand
London WC2N 5JB

SOLICITORS

Slaughter and May
1 Bunhill Row
London EC1Y 8YY

AUDITORS

BDO LLP
55 Baker Street
London W1U 7EU

INVESTMENT MANAGER

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

The Trust exists to further the work of The Salvation Army and of its International Headquarters (IHQ), which is to advance the Christian religion and meet human need as and where it occurs throughout the world. The operation of IHQ is therefore an integral part of the work of the Trust. IHQ is responsible for coordinating the international work and overseeing strategy.

The Salvation Army is, for administrative purposes, divided into autonomous territories (generally by region or country). Each territory is governed, through local registration(s), in accordance with the applicable local laws and the Trust works with and through these separate legal entities. However, The Salvation Army remains under the oversight, direction and control of the General of The Salvation Army, as set out in greater detail in The Salvation Army Act 1980.



CONNECTED ENTITIES

The Salvation Army Retired Officers Allowance Scheme

Registered Charity 1153681
Declaration of Trust dated 13 December 2012

The Salvation Army Retired Officers Allowance Scheme is a separately registered charity that is administered by SAITCo as the trustee.

The objects of The Salvation Army Retired Officers Allowance Scheme are to relieve the poverty of retired officers and the financial hardship amongst elderly retired officers of The Salvation Army anywhere in the world.

The Salvation Army in the United Kingdom and the Republic of Ireland

The work of The Salvation Army in the United Kingdom and the Republic of Ireland is directed by the United Kingdom Territory with the Republic of Ireland, with resources provided through trusts administered by The Salvation Army Trustee Company. The two principal trusts of this territory are The Salvation Army Trust and The Salvation Army Social Work Trust.

Reliance Bank Limited

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership model and through the delivery of its five-year strategic plan, the Bank aims to become an important, positive social impact bank. Between December 2019 and March 2022, £4 million of additional share capital was invested by the Trust in the Bank to support its strategic plan against the background of the global pandemic, ultra-low interest rates and the Bank's investments in systems and resources.

The Bank offers transactional banking services to more than 30 Salvation Army territories, providing a vital 'safe haven' for project funds and IHQ operational grants and a secure platform for international fund transfers for the global Salvation Army. The Bank offers these territories a comprehensive product range including current accounts and fixed interest products in GBP, USD and EUR as a UK domiciled bank authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Additionally, the Bank meets the functional banking requirements of IHQ (as distinct from territories) processing payments to a wide range of international locations, providing personal banking services for non-UK nationals working at IHQ, creating bespoke banking arrangements for territories to match specific IHQ requirements and obtaining bank ratings information to inform IHQ evaluation of proposed bankers for territories. The Bank also provides a wide range of banking services to The Salvation Army (UK and Ireland Territory) and offers employees of Salvation Army organisations personal lending and current account services at market rates. The Bank further provides banking services and lending secured on property to other UK charities and positive social impact organisations, as well as savings and mortgage products to the general public.

In 2018, SAITCo as ordinary Trustee of the Trust, undertook considerable due diligence before acquiring sole ownership of the Bank, with the Board of Directors receiving multiple reports from appointed consultants on legal, tax, accounting, governance, risk and regulatory considerations, including a detailed critical analysis of the Bank's five-year strategic plan. During 2021/22, to support the investment of additional share capital, the Trust refreshed this diligence by engagement of an external consultant to review the Bank's performance to the five-year strategic plan and advise SAITCo on other related matters. The consultant's report highlighted a number of areas within the strategic plan for ongoing monitoring and assesment by SAITCo through established reporting mechanisms. From time to time, the Trust will again refresh this appraisal and critically evaluate the Bank's performance against its strategic plan.

Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of the Trust. This has not been the case during the last few years, as the Bank is investing in its structures and systems as it embarks on its new strategy under the sole ownership of the Trust. Historically, the Bank's business model was to invest the funds it received from customers, with treasury counterparties, and the margin received more than covered the fixed costs of running the Bank. As interest rates fell, this model became unsustainable. The new five-year strategic plan aims to build a social impact lending portfolio, not only to improve financial returns, but to align to the mission of supporting communities.

Consolidated accounts for the Trust incorporating the Bank as its banking subsidiary are presented for 2021/22 as well as charity results, assets and liabilities for the Trust (see page 64).

Whilst the Trust is the Bank's parent controlling entity, a Nominations Committee comprising Non-Executive Directors of the Bank recommends the appointment of Directors to its board. This includes consideration of proposed shareholder-representative Directors.

The Bank, in common with all banks, faces several inherent risks such as credit risk, interest rate risk, risk arising from holding foreign currencies, climate change risk, compliance risk, conduct risk and operational risk. Policies are in place to ensure that the Bank's exposure to these risks is monitored and controlled. The Bank maintains a risk register which is regularly reviewed by its Board Conduct, Risk and Compliance Committee and Executive Committee.

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited is a wholly owned subsidiary of the Trust.

During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya, for Salvation Army territories in Africa that hitherto operated as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets and so, from 1 August 2020 and during the year under review (2021/22), is no longer reported within the charity only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the separate legal entity in 2020 in the sum of £26,309 are not material to the Trust.

GOVERNANCE

The Trust utilises a committee structure to supervise its operations. SAITCo's Board of Directors, including five Independent Non-Executive Directors, delegates day-to-day financial management decisions to the International Finance Board ('IFB'), International Business Board and International Projects Board within clearly defined parameters. The terms of reference for subsidiary boards and the minutes of all meetings of these boards are reviewed by the Directors on a regular basis with a review of terms of reference undertaken in September 2021 and November 2022.

SAITCo has a Serious Incident Reporting Policy and Procedure in place, last reviewed in July 2022, outlining the process to be followed to decide if an incident relating to the Trust would be appropriate to be reported to the Charity Commission as a serious incident in accordance with the latest regulatory guidance.

A well-established Internal Audit Department also carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working and a framework of internal controls and local financial management systems are in place, supported by a manual of International Financial and Accounting Standards ('IFAS') for The Salvation Army issued from IHQ. Salvation Army territories also share findings of locally instructed external audits of territorial operations with IHQ for review and consideration within the internal audit process. A project is well advanced to roll out cloud-based accounting software to all financially supported territories by 2025/26 to enable more regular and more detailed reporting both within territories and from territories to IHQ. A new reporting mechanism from all territories to the IFB commenced during 2020/21 and remains in place, based upon the suite of 17 Key Financial Indicators ('KFIs') defined within the IFAS manual, allowing IHQ to be better informed of the financial position in territories as a significant enhancement to internal controls.

An Audit Committee also meets on a quarterly basis and comprises five members, including two Independent Non-

Executive Directors of SAITCo, with none of the members holding executive responsibility for management of the Trust. The Committee holds delegated responsibility on behalf of SAITCo for continual review of the financial management and internal controls of the Trust and holds a direct line of communication to the internal and external auditor.

SAITCo has undertaken a wide ranging and significant governance review in recent years assisted by an external consultant and involving a review of SAITCo membership, structure, interrelationships with other IHQ bodies, performance and effectiveness as well as benchmarking to good governance practice as outlined within the Charity Governance Code. SAITCo already embraces many governance activities outlined within the Code such as conducting board induction and training, managing potential or actual conflicts of interest and regularly reviewing terms of reference for subsidiary boards with opportunity for further development in areas such as formal monitoring of Board skills and performance. Further actions are also being considered within the ongoing governance review process following the most recent update to the Code which focuses on the principles of integrity and equality, diversity and inclusion.

A Board Charter for SAITCo was developed during 2019/20 within the governance review process and approved for implementation. The Charter defines the roles, responsibilities and authorities of SAITCo in the effective and efficient functioning of the Trust and considers mission objectives, board roles, board procedures, board composition, board committees, board induction and ongoing training, conflicts of interest and board evaluation.

During 2020/21, the Articles of Association of SAITCo were revised and the SAITCo Board Charter further reviewed and updated to embed reforms prompted by the governance review. An operational review of IHQ was also undertaken during 2020/21 with assistance from two consultants and a remit to examine staffing establishments, explore effectiveness of internal communication and review the internal committee structure including the purpose, membership, expectations, outputs, reporting lines, accountability and decision-making thresholds of each board, committee and council. A number of reforms highlighted by the operational review were implemented during 2021/22 including changes to the operation of subsidiary boards, committees and councils, update of expenditure authority thresholds for financial decision-making and internal staffing reorganisations.

A further body of agreed actions is anticipated in 2022/23, prompted by the governance review, with a particular focus on reforms to risk management protocols and the strategic planning process as well as additional items highlighted by the Charity Governance Code.



The Salvation Army International

SAITCo has in place a number of dedicated governance arrangements in respect of its role as sole owner of Reliance Bank Limited, having taken advice on this from an external consultant as part of the body of due diligence work undertaken towards acquiring sole ownership of the Bank. An additional Director with banking expertise was successfully recruited to the SAITCo Board in May 2019 and remains in post with two shareholder representatives appointed to the Bank board and mechanisms in place for performance reporting for the Bank to SAITCo and risk management for the Bank to the Risk Management Committee of the Trust.

REMUNERATION

SAITCo is committed to ensuring a proper balance between paying staff to attract and retain the best people for the job, and careful management of charitable funds.



Headquarters, London, UK with St Paul's Cathedral in the backgound

Management remuneration policies and practices within the Trust are reviewed periodically by SAITCo with day-to-day decisions delegated to the Employee Review Board and Job Grading Panel within clearly defined parameters. The IHQ Remuneration Policy was last reviewed and updated by SAITCo in January 2021 with a further update scheduled for January 2023.

There are two grading structures currently used at IHQ – an IT specialist scale and a main pay scale for all other employees. The differentiation is to address the market salary demands of IT specialists in the third sector. Posts are graded between eight evenly distributed grades, each of which contain nine main spine points (three per cent apart) and two upper spine points (six per cent apart). The scales were formulated, and are subject to ongoing review, with assistance from an external consultant to undertake market comparisons and objective benchmarking to comparable roles in other organisations.

New staff are usually appointed at the lower spine points of the grades, though this can differ for some specialist posts or due to candidate experience. Postholders may progress through the pay grade subject to completion of performance appraisals with a 'highly effective' or 'exceptional' performance rating. Cost of living increases are also awarded periodically to all staff by SAITCo, with an assessment made within the annual budget setting process to determine any proposed inflationary adjustment with reference to the Consumer Price Index and the financial position of the Trust.

Further remuneration disclosures for the Trust and group for this reporting period are shown within Note 15 to the Accounts. The Trust did not have any UK volunteers, excluding trustees, during the reporting period.

MODERN SLAVERY ACT

The Salvation Army is very active in bringing practical assistance to those whose lives have been affected by the evil of modern slavery and as such is sensitive to the danger of inadvertently finding itself falling short of its own beliefs and standards in this regard as well as the standards set out in the UK Government's Modern Slavery Act 2015. The Modern Slavery Act 2015 compliance statement for SAITCo, last reviewed and updated in November 2022, can be accessed at http://www.salvationarmy.org/ihq/modernslaveryact2015 and provides details of the variety of measures undertaken by SAITCo to avoid and reduce the risk of inadvertently supporting modern slavery in any way.

FUNDRAISING

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Trust does not actively undertake widespread fundraising from the general public, the legislation defines fundraising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Such amounts receivable are presented in the Accounts as 'Other Donations and Legacies'.

In relation to the above SAITCo confirms that no fundraising activity has been taken by the Trust, or by anyone acting on its behalf, that no fundraising standards or scheme for fundraising regulation have been subscribed to by the Trust, or by anyone acting on its behalf, that no complaints in relation to fundraising activities have been received and that any solicitations are managed internally, without involvement of commercial participators or professional fundraisers.



> The activities of the charity are rendered without discrimination and for the benefit of all people in need

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trust is operating for the public benefit and in keeping with the organisation's mission statement. In setting and reviewing the Trust's aims and objectives and planning future activities, the Trustee pays due regard to the guidance issued by the Charity Commission on public benefit. The main activities of the Trust are:

- To continue the advancement of the Christian religion through evangelistic outreach
- To continue to provide financial assistance to The Salvation Army where needed
- To provide effective leadership and share knowledge and expertise through the strategic deployment of personnel
- To respond to and help meet the needs arising from major crises
- To strengthen The Salvation Army's capacity to support poor and marginalised people who need access to quality primary health care services as close to the family as possible
- To take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

A breakdown of expenditure per these main charitable activities of the Trust is presented at Note 10 in the Accounts. This shows a significant outlay on funding assistance to Salvation Army territories (under the second activity listed above) recognising that such grants also aid fulfilment of the other stated objectives as Salvation Army territories provide a wide range of local church/social programmes having received the IHQ funding necessary to maintain day-to-day operations.

Specific aims for each of the main activities of the Trust during the reporting period are outlined in the sections below. The activities of the charity are rendered without discrimination and for the benefit of all people in need.

ACHIEVEMENTS AND PERFORMANCE

World Mission 16

Assistance to Salvation Army Territories 22

International Personnel Training and Development 30

Crisis Relief 34

Health Services for the poorest people 40

Fighting Against Sexual Trafficking and for Social Justice 44



1 WORLD MISSION

OVERALL OBJECTIVE

To continue the advancement of the Christian religion through evangelistic outreach.

SPECIFIC AIMS

World Mission objectives are to encourage and enable people linked to The Salvation Army to reach out into their communities with spiritual and practical support, to offer online and other resources to Salvationists and friends around the world and so create a supportive network through which people can share in prayer and evangelism, and for the General and the Chief of the Staff to visit Salvationists and friends around the world, providing opportunities for increased publicity and offering encouragement and challenge.

ACHIEVEMENTS

Although the COVID-19 crisis continued to impact travel and gatherings, international leaders offered encouragement and support to Salvationists and friends around the world through weekly devotional videos and virtual visits with some in-person visits possible during the year. Social media was used as a platform for Salvationists to connect, share in prayer and encourage deeper connection with local communities while IHQ continued to resource Salvationists through the publication of books, magazines and online resources.

INTERNATIONAL LEADERS

General Brian Peddle and Commissioner Rosalie Peddle (World President of Women's Ministries) continued to support and encourage Salvationists around the world through virtual visits – with some in-person international visits also able to take place for the first time in many months to Liberia and Sierra Leone Command, Latin America North Territory and USA Southern Territory.

Virtual visits included congresses in USA Central, France and Belgium, Pakistan and Denmark and Greenland territories and the Easter Sunday holiness meeting in Bangladesh Command.

Online ministry: the General and Commissioner Peddle address gathered members of Bangladesh Command





General Peddle with church leaders at an ecumenical service in Glasgow, UK, held in conjunction with the COP 26 UN Climate Change Conference

In November 2021, the international leaders participated in an ecumenical service at Glasgow Cathedral, United Kingdom, in a show of ecumenical solidarity for global climate justice, in conjunction with COP26, the United Nations (UN) Climate Change Conference.

The General continued to use his social media platforms to connect with Salvationists through weekly devotional videos. In his New Year message, he challenged Salvationists to do something new. He urged: 'Find a need in your community or in the wider world and ask: "How can I make a difference?"'

COMMUNICATIONS

For Easter 2021, the IHQ Communications section created the Great Easter Trail initiative and resources to ensure the hope and life-giving power of the Easter message could still be shared even in lockdown conditions.

Later in the year saw the live-streamed global launch of the publications *Called to be a Soldier: Exploring the Soldier's Covenant* and *Day by Day*: *Call to Mission*, the second global wave of prayer for those affected by the COVID-19 pandemic and campaigns influenced by the UN International Day of the Girl and International Women's Day 2022.



General Peddle speaks at the live-streamed global launch of the publications 'Called to be a Soldier: Exploring the Soldier's Covenant' and 'Day by Day: Call to Mission'

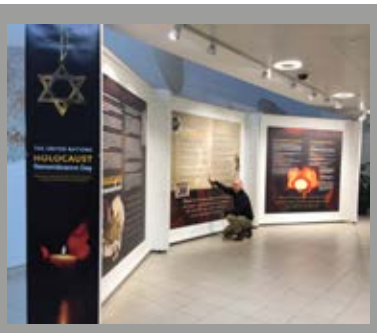
The team continued to support the production of the General's weekly devotional films as well as creating social media posts in support of other IHQ sections including Women's Ministries and Spiritual Life Development. A cohesive brand and colour palette for IHQ social media visuals was also developed.

Gallery 101, the exhibition space at IHQ in London, UK, was also used to share and communicate messages and values during the year. Events opened with a thoughtful exhibition about the International Holocaust Remembrance Day, followed by a book launch and exhibition for Walking with Communities and an integrated campaign for World Water Day. The latter included the distribution of free reusable water bottles which carried a QR code directing the user to information about the exhibition. Gallery 101 is designed to bring people into the IHQ café space and inform them about the international work of The Salvation Army.

The IHQ Youth and Children team also invested in building relationships during the year, sharing and updating resources, growing its social media presence and creating platforms for young people to speak into the fabric of The Salvation Army.

Captains Marc and Mariska Potters, the International Youth and Children's Officers, started online conversations with all territorial and command youth leaders, providing opportunities for them to share their hopes and fears with IHQ, but also to ask questions and share how IHQ could support their ministry.





Exhibitions in Gallery 101 at IHQ in London, UK



LITERARY AND EDITORIAL

Salvation Books, the publishing imprint of The Salvation Army, produced several notable publications during the year. In July 2021, *Called to be a Soldier* and *Day by Day* were launched globally with the stated aim of making a copy of both books available to every senior soldier around the world.

Called to be a Soldier focuses on each of the 'I will...' statements of intention from the Soldier's Covenant, outlining the possibilities and opportunities of life as a Salvation Army soldier. Published as a companion, *Day by Day* by Commissioner Robert Street considers what following Jesus looks like in today's reality. Both books are available in more than 50 languages and dialects, ensuring as many soldiers as possible can journey together in exploring the implications of soldiership.

Another published title, *Walking with Communities* by Ian Campbell, Alison Rader Campbell and Robin Rader is a global and local journey of integrated mission in stories and images which demonstrates the resilience and the amazing capacity of local communities to deal with crisis and conflict when appropriately accompanied. It affirms the significance of Salvationists engaging with their local neighbourhoods and illustrates how local change can have global impact.

Words of Life is a daily devotional book published three times a year, offering bite-sized Bible readings and reflections that provoke thought and deepen understanding, written by officers from around the Army world.



TRANSLATION

Accurate translation is essential if The Salvation Army is to communicate its mission and message clearly and concisely to a global, linguistically and culturally diverse audience. Translation also allows for increased participation and involvement of members, staff and volunteers.

The IHQ Translations desk oversaw many large-scale translation projects during the year. A COVID-19 poster to promote vaccine take-up and to encourage social distancing, mask-wearing and good hygiene practices was translated into more than 25 languages. The two books, *Called to be a Soldier* and *Day by Day* were translated into more than 50 languages, which is The Salvation Army's largest translation project to date and will facilitate the goal of making the book accessible to more than one million Salvationists.

INTERNATIONAL LITERATURE PROGRAMME

The International Literature Programme (ILP) provides funding to ensure Salvation Army literature is available to financially supported territories in the language of the local people. Recent projects funded by ILP include: the Bambara translation and printing of Orders and Regulations in the Mali Region; the printing of the Easter War Cry in the Caribbean Territory; the translation of Army on its Knees, Head, Hands and Feet and Servants Together into Portuguese in the Spain and Portugal Command; and the translation of the international Women's Ministries Bible studies series in Pakistan Territory.



Salvationists in Dominican Republic with Spanish language versions of new publications

KEY STATISTICS

- The main IHQ Salvation Army social media accounts received the following impressions in the 2021 calendar year: Facebook: 586,707; Instagram: 20,904; and for Twitter in the last quarter of 2021: 125,800.
- The publications *Called to be a Soldier* and *Day by Day* have been translated into more than 50 languages and continue to be translated into further languages and dialects.
- The international leaders engaged in 19 virtual and in-person visits during the year.



FUTURE PLANS

The General will continue to travel around the world engaging with Salvationists, friends, supporters and people of influence, undertaking in-person visits where possible and virtual visits when international travel is limited due to COVID-19 or other restrictions. The General and Chief of the Staff, having engaged directly with all territorial leaders at an International Conference of Leaders in Vancouver, Canada in September/October 2022, will continue significant dialogue on how The Salvation Army can best meet its mission in the 21st century with a concentrated focus on key themes of the conference 'Our Identity, Our People and Our Priorities'.

International Headquarters will continue to resource Salvationists around the world through development of books and magazines with translation of resources to make content available to as many people as possible.

The need for increased production of digital media and video content is recognised and IHQ has recently recruited a new Production Manager with plans in place to significant enhance video offerings over the coming year.



2 ASSISTANCE TO SALVATION ARMY TERRITORIES

OVERALL OBJECTIVE

To continue to provide financial assistance to The Salvation Army where needed.

SPECIFIC AIMS

The Trust seeks to provide financial assistance, infrastructure and technical support to territories through a wide range of programmes including grant funding and delivery of large-scale international projects with a particular focus upon four areas of work during 2021/22:

a. **International Development Services** (IDS), based at IHQ, aims to engage, equip, and empower local communities for effective development globally. This year, as many territories started to move out of the grip of the COVID-19 pandemic, it was increasingly necessary for IDS and partner territories to work closely together, seeking the best way to recommence development projects placed on hold during earlier lockdowns and restrictions. IDS aimed to facilitate necessary changes to project proposals and allow alterations to existing projects to better address new realities in territories. In addition, IDS planned to strengthen The Salvation Army's transformative impact in engagement with surrounding communities with specific objectives for the IDS team around skills development, partnerships, strengthening organisational capacity and working with development principles.

b. **International Property Project**, overseen by a full-time consultant based at IHQ, aims to assist territories in highest and best use reviews of underutilised property assets as a step towards financial independence. During 2021/22, despite continuing challenges in the global environment, the project aimed to work with territories to continue progression of existing property projects in Kenya and India and to explore potential new opportunities working with global property consultants to develop potential schemes through a number of recognised stages.

c. **International Financial and Accounting Standards** (IFAS) involves a global project team led from IHQ implementing cloud-based NetSuite accounting software to all financially supported territories alongside the roll out of new International Financial and Accounting Standards for the global Army. The software deployment replaces basic standalone systems, assists territories in complying with IFAS reporting and enables implementation of computerised internal financial controls to replace time-consuming manual processes. This year, key objectives were to continue the roll out of the software to a further group of territories, develop enhanced solutions for budgeting/reporting and point of sale and to construct e-learning resources.

d. **Office 365 Project** involves a large project team at IHQ and within territories rolling out a global collaboration and communication solution to provide an official Salvation Army digital identity for every officer and employee who uses technology to achieve mission tasks for The Salvation Army. Specific objectives during the year were to progress migration from a locally and internationally used legacy database system to alternative in-house or externally hosted platforms and to define the scope and approach to the next stage of the project to initiate and complete required programmes.



Learning Pathways teaching group in The Philippines Territory



In Romania, Salvation Army teams are providing information and hygiene kits to vulnerable members of the community

ACHIEVEMENTS

a. INTERNATIONAL DEVELOPMENT SERVICES

The IDS team have worked with territories to encourage sustainable, long-term positive change in communities, continuing to strengthen relationships with territorial project staff through online calls and provision of technical/financial support, while also progressing development of the Learning Pathways programme.

Learning Pathways is a skills-based training programme in community development, engagement and project management designed for use by territorial staff and volunteers. It is currently available in nine different languages with more translations being developed. Through the identification and pursuit of personal learning goals and application of action-reflection learning, students are challenged to enact positive changes in their personal life and communities. Student feedback since the launch of the pilot programme in 2017 includes the following comments: 'the course brings together several ideas and concepts that are important to the Salvation Army mission and message and integrates them in a meaningful way' and 'the most effective part of the course is the practical application and reflection questions. I found the readings inspiring and interesting and enjoyed the practical aspect, theory into action'. Since Learning Pathways was formally launched in June 2021 more than 75 delegates from 39 Salvation Army territories have participated. Currently, 42 territories have appointed Learning Pathways Coordinators and 22 learning groups have been formed of participating students.

The IDS team have also sought to better link relief, rehabilitation and development during 2021/22, working on a project to ensure a joined-up approach between delivery of emergency services and the formulation of development projects. IDS facilitated activation of 536 mission support projects in the 2021 calendar year and 251 community development projects during 2021/22 that were funded either by the Trust or financially independent Salvation Army territories.

AFRICA: IDS facilitated the activation of 74 community and institutional projects for work across Africa in 2021/22. These range from a literacy project in Mali which expanded to meet demand from neighbouring communities, to support for a school for children with disabilities in Tanzania which received letters of congratulations from the national government for their excellent results, and to a water and sanitation project in Zambia which provided safe water supplies to five communities and improved the sanitation and hygiene status in schools and health centres. In such projects African territories are striving to widen their impact beyond the immediate project through work with national governments and institutions. One excellent example of this is in Kenya where during the year the Kenya East Territory concluded a community-based anti-human trafficking project in which 62 Rights of Child groups were established and 19 community-based groups were formed. Due to The Salvation Army's strong and influential work in this sector the Kenya East Territory was selected as a member of the steering committee helping the national government to draft a Plan of Action on Anti-Human Trafficking.



RIGHT: Gaining essential life skills: literacy teaching in Kassela, Mali

BELOW: Project funding in action: a new vehicle enables community visitation in Brazil



ASIA: Across the continent, 2021/22 saw great challenges related to the COVID-19 pandemic, but alongside this a gradual and determined return to programmed activities to help the most marginalised. During 2021/22, IDS facilitated the activation of 90 community and institutional projects among territories in South Asia and 40 in South Pacific and East Asia. Schools and children's homes reopened, and children returned to in-person studies after long periods of online education. Where social work institutions remained closed, project work moved into communities and outreach programmes focused on increasing hygiene awareness and ensuring access to safe drinking water. In India, The Salvation Army started a water, sanitation and hygiene ('WASH') programme in 17 villages suffering from drought to provide almost 6,000 people with water wells. In Pakistan, support to the transgender community was initiated as this group had been excluded from some local pandemic response and was therefore increasingly vulnerable. Time was also devoted to development of an active anti-human trafficking community of practice for the region.

AMERICAS AND CARIBBEAN: Territories in the Americas and Caribbean continued to implement a range of community projects including youth and children's clubs which often serve marginalised and vulnerable children and their families. IDS facilitated the activation of 33 community and institutional projects in the region during 2021/22. In Nicaragua, The Salvation Army continued to help address the results of the socio-political crisis in the country following years of attacks and violence with specialists in mental health offering psychological workshops, spiritual support and artistic activities with the aim of supporting children to overcome the resulting trauma. Local Salvationists recognise the importance of children for the future of their country and so are acting to improve their emotional health and quality of life.

b. INTERNATIONAL PROPERTY PROJECT

Overseen by a full-time consultant based at IHQ, the International Property Project works with globally recognised property firms to develop potential schemes for territories through the stages of scoping and identification, feasibility approval, detailed feasibility and implementation.

Despite continuing challenges in the global environment in 2021/22 due to COVID-19 and other factors, work continued with territories to continue progression of existing projects and explore potential new opportunities, illustrated by the following examples:





Construction of new officer accommodation (above) in Nairobi, Kenya, with groundbreaking plaque recognising IHQ funding support (right)

> **The IDS team have worked with territories to encourage sustainable, long-term positive change in communities**

KENYA EAST: Construction continued on the building of 26 accommodation units for territorial headquarters (THQ) officers on unutilised land at the THQ site. The original plans were revised during the year to provide an additional accommodation block to better serve the new territorial structure following a governance review. The change extended completion of the work by four months into 2022. Following construction, existing accommodation units on another site will no longer be required, allowing this site to be redeveloped as a future phase of the project for income generating purposes and to incorporate a purpose-built facility for Fairtrade activities. A detailed feasibility study for this next phase of the project has been completed to determine the most appropriate plan for the site with an expectation that the new income generating activities will allow the territory to raise additional ongoing funds as an important step towards self-support.

c. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS project involves a global project team led from IHQ implementing cloud-based accounting software (NetSuite) for all financially supported territories alongside the roll out of new International Financial and Accounting Standards for the global Army. The scale of this international project covering 41 financially supported territories is significant and unprecedented within the global Salvation Army.

Despite ongoing operational challenges resulting from the COVID-19 crisis, the IFAS project made significant progress during the year successfully implementing NetSuite in the following territories, commands and regions: South America West, Nigeria, Sri Lanka, Southern Africa, Taiwan, Papua New Guinea and Solomon Islands as well as at IHQ.

The project is well placed to continue the momentum gained, with close to a full complement of project staff, 40 local project champions trained and in place within territories, 13 territories already live on the system at year end and a further group of territories being prepared for deployment during 2022/23.

The following chart illustrates the project status as at 31 March 2022:

The IFAS Project Team have tailored the design and testing of the accounting software to meet Salvation Army requirements, adding inter-unit/consolidation tools, a Point of Sale (POS) solution for territories with trading operations and new reporting tools allowing automatic generation of the Key Financial Indicators (KFIs) required for IFAS reporting.

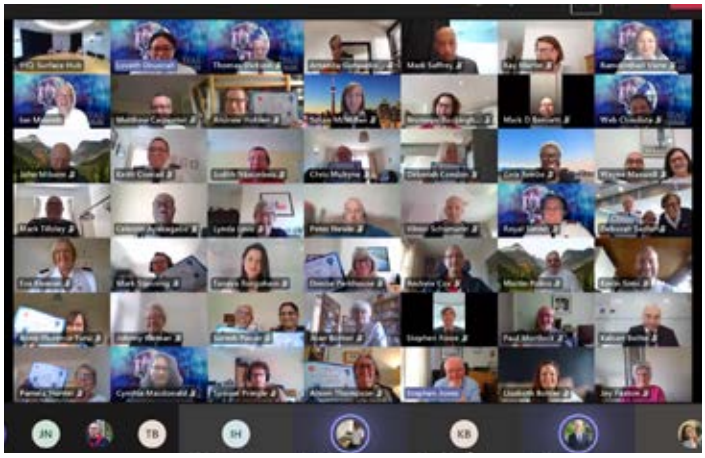
DESCRIPTIONS	STATISTICS
Number of NetSuite Users Trained	254
Number of Territories Implemented in 2021/2022	6
Number of Territories Implemented to Date	13
Number of IFAS Project Staff	22
Local Project Champions in Territories	40
Number of Territories to be Implemented	28

The Point of Sale solution (Zoku) was successfully deployed to Zambia Territory during 2021/22 with other territories planned to come online soon. A budgeting and reporting solution (PBCS) is currently in its final testing phase and due to be deployed in 2022/23. During the year, the IFAS Project Team also commenced work to design and deploy an e-learning solution with pilots run with 30 users on newly formulated IFAS e-learning courses. The IFAS Project Team also ran 10 monthly webinars to educate, inform and engage local project Champions in territories.



Territorial staff in Nigeria with IFAS project staff following training for NetSuite software go live





IFAS Project Team members and other staff with General Peddle during a training workshop event (above) and a remote launch for NetSuite at International Headquarters in April 2021 due to COVID-19 restrictions (right)

d. OFFICE 365 PROJECT

The Office 365 Project involves a large project team based at IHQ and within territories rolling out a new global collaboration and official Salvation Army digital identity for every officer and communications solution to provide an employee who uses technology to achieve mission tasks for The Salvation Army.

During the year, 75 per cent of IHQ provided databases were successfully migrated away from the legacy database system to alternative in-house or externally provided hosted platforms. A new and expanded service support model was successfully piloted in the following territories and commands: Zambia, Ghana, Italy and Greece, Kenya West, Sri Lanka with local IT Administrators trained to log support tickets and locally administer user accounts.

The Office 365 Project Team facilitated the purchase and shipping of laptops and other devices to territories with 398 devices shipped or awaiting delivery during 2021/22 covering 27 territories. Significant progress was also made in identifying and defining the key components of the next stage of the Office 365 programme, as well as the overall scope and approach to be taken. In particular, options and costs were identified to provide enhanced internet connectivity to all financially supported territories as well as to introduce a new lower cost and localised model for the provision of devices.

Significant progress was also made during the year in strengthening the IHQ IT team and building new capabilities in the wider Microsoft 365 product set. This enabled IHQ IT to provide a greater level of support to territories as well as to the Office 365 Project. A preferred global supplier for the procurement of hardware to financially supported territories is in place as well as a Global Enterprise Agreement with Microsoft.

> **“Over the next year, IDS will continue to strengthen The Salvation Army’s transformative impact in engagement with surrounding communities**



LEFT TO RIGHT:
Window to the world: IHQ staff testing new Teams Room equipment at International Headquarters

Welcome delivery: receipt of new IT equipment for South America West Territorial Headquarters, Chile

KEY STATISTICS

- IDS facilitated activation of 536 mission support projects in the 2021 calendar year and 251 community development projects during 2021/22 that were funded either by the Trust or financially independent Salvation Army territories.
- The International Property Project Team assisted territories in assessment and development of property schemes for under-utilised assets in India, Kenya, Democratic Republic of Congo and Bangladesh during 2021/22.
- The International Financial and Accounting Standards Project Team facilitated implementation of new cloud-based accounting software in six territories and IHQ during 2021/22 with 13 territories live on the system at year end.
- The Office 365 Project facilitated the purchase and shipping of 398 devices to territories during 2021/22 covering 27 territories.

FUTURE PLANS

a. INTERNATIONAL DEVELOPMENT SERVICES

Over the next year, IDS will continue to strengthen The Salvation Army's transformative impact in engagement with surrounding communities with a particular focus for the IDS team around skills development, partnerships, strengthening organisational capacity and working with development principles. IDS will also continue to develop and roll out the Learning Pathways programme to complement existing officer training programmes. Higher level studies will also be explored and devised with the help of internal and external course developers seeking to increase the capacity of Salvationists, officers, employees and volunteers worldwide in community engagement, development and project management. Continuing project support will also be offered to territories as required due to the ongoing effects of the COVID crisis and other global events.

b. INTERNATIONAL PROPERTY PROJECT

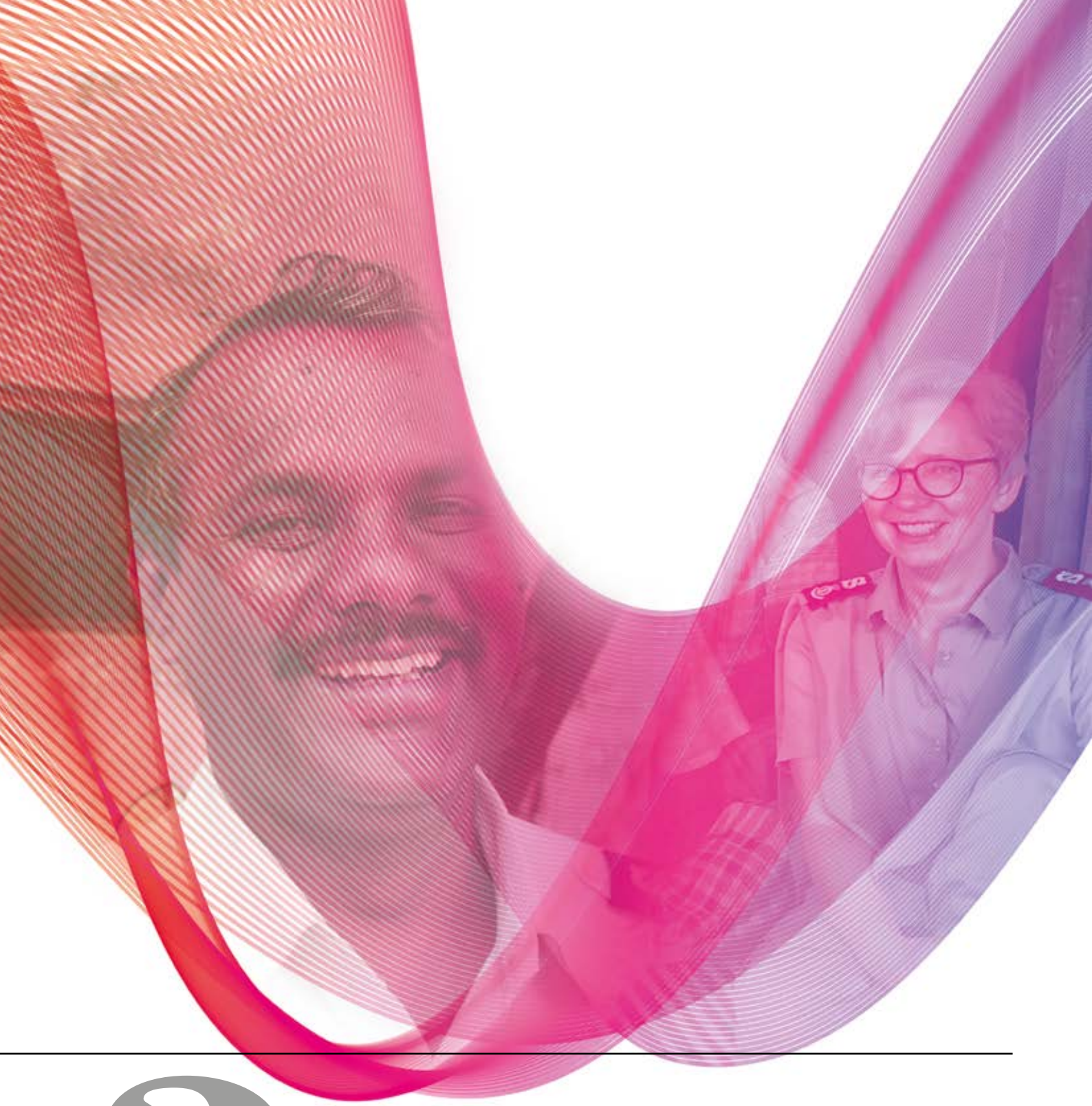
The International Property Project team will continue to support capital projects in territories and provide due diligence on property related proposals globally with particular emphasis on schools, children's homes and territorial headquarters development projects. Feasibility work is anticipated for India, Kenya, Bangladesh and Democratic Republic of Congo. A number of seminars are also planned for 2022/23 to assist territories in property assessments and business planning.

c. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS Project Team will work towards installation of the new accounting software in the remaining 28 territories, with a significant focus for 2022/23 deployments on intended roll out of NetSuite to all seven Indian territories and successful completion of all the software implementations targeted to 2025/26. Work will also continue to roll out the new Point of Sale (Zoku) solution and Budgeting/Reporting solution (PBCS) to territories. Another major objective is finalisation of the new e-learning materials with these to be formally launched to the global Army during 2022/23. It is also intended to hold an IFAS Champions Conference in 2022/23 to onboard local project Champions for the remaining group of territories to receive the NetSuite software. Finally, it is intended to refresh the International Financial and Accounting Standards manual, released in 2017, during 2022/23 through a consultative drafting process with significant consultation and involvement of territories.

d. OFFICE 365 PROJECT

During 2022/23, the Office 365 Project will move into a new stage encompassing scaling up of its roll out as well as the implementation of additional Microsoft 365 technologies which will enable enhanced collaboration and communications across the Salvation Army world. The programme will span multiple years and is likely to run until the end of 2024/25. For IHQ and financially supported territories, the next stage will also include the procurement and implementation of a new centrally managed network as well as the continuing roll out of devices. The final batch of IHQ provided databases will also be migrated away from the legacy database system during the year to alternative in-house or externally provided hosted platforms.



3 INTERNATIONAL PERSONNEL TRAINING AND DEVELOPMENT

OVERALL OBJECTIVE

To provide effective leadership and share knowledge and expertise through the strategic deployment of personnel.

SPECIFIC AIMS

International personnel training and development objectives for 2021/22 included supporting training colleges around the world as they train officer cadets for culturally relevant ministry, compilation of a new Divisional Leaders' Development Programme, review and clarification of territorial capability frameworks and continued delivery of an inclusive leadership course with online learning modules. Further objectives were to continue work towards a global resource repository for training and leader development needs, delivery of orientation training for new leadership in territories and restarting the residential training sessions of the International College for Officers (ICO) following disruption arising from the COVID-19 crisis.

ACHIEVEMENTS

The International Officer Training and Leader Development Council (IOTALDC) met several times during the year, with membership drawn from across the global Salvation Army, to review and develop key areas of training and development for leaders within The Salvation Army. The year in review saw the first refresh of membership, with some founder members rotating off the council and being replaced by other representatives from different territories bringing fresh perspectives.

The council this year focused on the compilation of a new Divisional Leaders' Development Programme with other projects including review of a Capability Development Framework for Salvation Army officers and review of the now published *Orders and Regulations for Officer Training and Leader Developmen*t making language adjustments and areas of clarification in some curriculum headings. Other work of IOTALDC included initial planning and preparation for a proposed Training Principals' Conference and further development of an International Resource Repository for use by officer training colleges and programmes with a working group researching needs and options for formation of the online resources needed for this project. Other key developments during the year were as follows:



SENIOR LEADERS' ORIENTATION: When personnel are appointed to senior leadership roles in territories, they participate in an orientation conference hosted by IHQ and the first of a new-style one-week residential conference was held in March 2022. An online element of the programme continued, introducing new leaders to important aspects of their role within the first three months of their appointment. The plan for the future is that one residential conference will be held each year at Sunbury Court, London, including as delegates those who have previously participated in an online conference. Beyond the orientation, ongoing support and engagement is offered to new leaders, including mentoring/coaching for new leaders from current and recently retired leaders around the world.



Online learning: delegates from around the world attend an online Leaders' Orientation Conference

OFFICER CADET TRAINING: As with many aspects of The Salvation Army, the training of future officers has been severely affected by the COVID-19 pandemic in recent years. Training colleges sought to continue training, despite the restrictions in education and residential activities and it was encouraging to learn of the many innovative solutions, mainly through technology, that were utilised to continue a high standard of training in many parts of the world. As the impact of the pandemic lessened, the International Personnel team at IHQ worked in 2021/22 to garner details of the approaches followed and new lessons learned so these can be disseminated and shared on a wider scale to inform future development of training processes.

INTERNATIONAL COLLEGE FOR OFFICERS (ICO): Based at Sunbury Court, London, the ICO brings together groups of officers from around the Salvation Army world for a six-week training experience that considers the challenges and opportunities facing Salvation Army leaders in the 21st century. The ICO was unable to offer residential training in 2020 and much of 2021 due to the COVID-19 pandemic however early in 2022 onsite training returned with a session of 21 delegates. It was especially pleasing for ICO staff to welcome delegates and deliver a newly refreshed curriculum with new lecturers from a variety of areas of ministry including online presentations from lecturers from around the world. Many lessons were learned from this first experience since the lifting of COVID-19 restrictions with enhancements planned for future sessions. The delegate evaluations proved very helpful to ICO staff, confirming plans and ideas for future developments, with larger numbers of delegates to be included in future training sessions.



Meeting room at Sunbury Court



Strategic Leadership Investment Initiative delegates at Sunbury Court, London

As a new innovation, a two-week Strategic Leadership Investment Initiative conference was held in November 2021 which enabled 46 officers from 21 different territories to gather at Sunbury Court, London, for intensive leadership development training. Many of the lectures were taken from the newly refreshed ICO curriculum which gave staff a good opportunity to review the effectiveness of materials. The feedback from delegates was exceptionally good and it was clearly a beneficial event for delegates and staff alike. It is hoped that future events such as this may be possible alongside the standard ICO sessions.

INCLUSIVE LEADERSHIP COURSE: A new online course was introduced in 2019/20 for the development of officers in preparation for potential leadership roles, with course content further refined and developed during 2021/22. A focus for the year was on providing discussion and reflection material for learning communities to use as they gather to reflect on what they have learned from the course. More than 650 delegates are now registered for the Inclusive Leadership Course with in excess of 160 completions since the launch. Further developments will be considered and researched for even greater impact.

TRAINING AND CAPABILITY DEVELOPMENT: The International Personnel team during the year continued to monitor the training of officer cadets and capability development for leaders. A new style Annual Training College Report was created during 2021/22 and has already been used by several colleges around the world. Initial feedback on the report enabled improvements to be made and for the resource to become more user friendly. Work also continued on the creation of a Capability Development Framework to assist in identifying areas for increased concentration on the right developmental opportunities for officers, especially in the early years of ministry.

KEY STATISTICS

- More than 650 delegates have now registered for the inclusive leadership course, designed for the development of Salvation Army officers in preparation for potential leadership roles, with in excess of 160 completions since the launch.
- 61 territorial commanders, chief secretaries, general secretaries, territorial presidents of women's ministries and territorial secretaries for women's ministries received senior leaders' orientation training during the year.

FUTURE PLANS

The International Personnel team will continue work to review, develop, and implement policies for training and leader development including frameworks for the development of Salvation Army officers, preparation and orientation of officers entering executive leadership roles and capability-building for leaders.

Other areas of future focus include continued oversight of the international resource repository for training and leader-development, creation of a Territorial Operational Leaders' development programme, additional promotion of the inclusive leadership course, encouraging coaching and mentoring of new territorial strategic leaders and continuing work on capability development frameworks. In addition, the team will work to foster and develop succession planning in territories around the world, ensuring potential future leaders are intentionally included on a development pathway opening possibilities for personal growth, wider experience and experiential learning.



4 CRISIS RELIEF

OVERALL OBJECTIVE

To respond to and help meet the needs arising from major crises.

SPECIFIC AIMS

The International Emergency Services (IES) team based at IHQ aims to support territories affected by disaster and crisis with assistance usually given when a location does not have all the necessary resources in place at that time to provide an appropriate response to the needs presented. Key objectives are to support territories through technical assistance, funding and trained personnel to enhance relief and recovery responses. A further goal for the year was to provide training courses to strengthen local capacity, particularly in disaster prone areas, and to assist in disaster preparedness and disaster risk reduction awareness.

ACHIEVEMENTS

The IES team provided support to multiple territories around the world affected by crisis and disaster, as illustrated by the following examples:

EMERGENCY RESPONSE: IES provided support to territories responding to severe weather-related disasters such as Cyclones Yaas and Tauktae in India (May 2021), Typhoon Odette in the Philippines (December 2021) and the drought response in Madagascar (mid-2021) and Turkana, Kenya (early/mid 2021). The IES team also provided assistance to earth-related disasters such as the earthquake in Haiti (August 2021) and volcanic eruptions in St Vincent and the Grenadines (April 2021) and in Democratic Republic of Congo (May 2021). Support was also offered following man-made disasters such as the oil spill in Sri Lanka (June 2021), terrorist attacks and resulting displacement in Cabo Delgado, Mozambique (March/April 2021) and Solhan, Burkina Faso (June 2021), the social/civil unrest situation in Cuba (July 2021) and ongoing conflict situations in Myanmar and Nigeria.

COVID-19 RESPONSE: Since the start of the pandemic in 2020 IES has facilitated the approval of 179 COVID-19 related projects spanning 77 countries in 48 territories. Whilst the majority of these projects started before April 2021, 27 new COVID-19 related projects were submitted and approved between April 2021 and March 2022. Many of them came from Indian territories responding to a massive spike in cases and deaths in May 2021. Typically projects focused on good hand and respiratory hygiene,



Earthquake relief in Haiti



Vital second wave COVID-19 support to communities in India

social distancing and the provision of some hygiene and sanitising materials. Other projects concentrated on food for vulnerable people, those in quarantine or without livelihood, due to the effect of the virus across society.

RUSSIA/UKRAINE WAR: As the reporting period came to an end, a new crisis took hold with the Russia/Ukraine conflict and resulting displacement of people across Europe. By 31 March 2022, IES had already approved 11 related projects covering Ukraine and also neighbouring countries including Moldova and Poland. The projects focused on immediate relief support offering food, hygiene items, hot meals, supermarket vouchers, emergency shelter and other needs. IES also deployed international emergency teams to Poland, Romania and Moldova to support local Salvation Army staff in their response.

TRAINING: Training courses usually feature in the annual programme of events and IES is always willing to support in the capacity strengthening of territories as they plan for disaster risk reduction and enhanced response activities. Due to COVID-19 restrictions no classroom training courses took place in 2021/22 however IES developed and delivered a new online training course which ran for the first time in February/March 2022 with 33 delegates from 26 territories. The training took place over eight weeks and included online live sessions, training by other organisations, reading and assignments and a mentorship programme with every delegate allocated an experienced mentor to walk alongside them on this journey of learning.

IES also deployed international emergency and Moldova to support

CLOCKWISE FROM RIGHT: Information leaflets for refugees; refugees in The Netherlands; local Salvation Army personnel offer hot meals at Dnipro, Ukraine; IES team at a refugee reception centre at the Poland/Ukraine border









Key Statistics

- IES facilitated the approval of 95 rapid response projects in 2021/22 providing immediate lifesaving activities and 18 further projects for longer term relief and recovery activities.
- Since the start of the pandemic in 2020 IES has facilitated the approval of 179 COVID-19 related projects spanning 77 countries in 48 territories.

Future Plans

IES will continue to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery responses and mitigate continuing impacts of natural and man-made hazards and disasters.

During 2022/23, IES will provide continued oversight, management and technical guidance regarding Russia/ Ukraine conflict response by The Salvation Army across Europe for as long as necessary. IES will also evaluate its recently developed online training materials and make decisions on the preferred mode and mechanism for future training delivery while also working to promote and support the development of Disaster Management Strategies for territories.

> teams to Poland, Romania
> local Salvation Army staff in their response.




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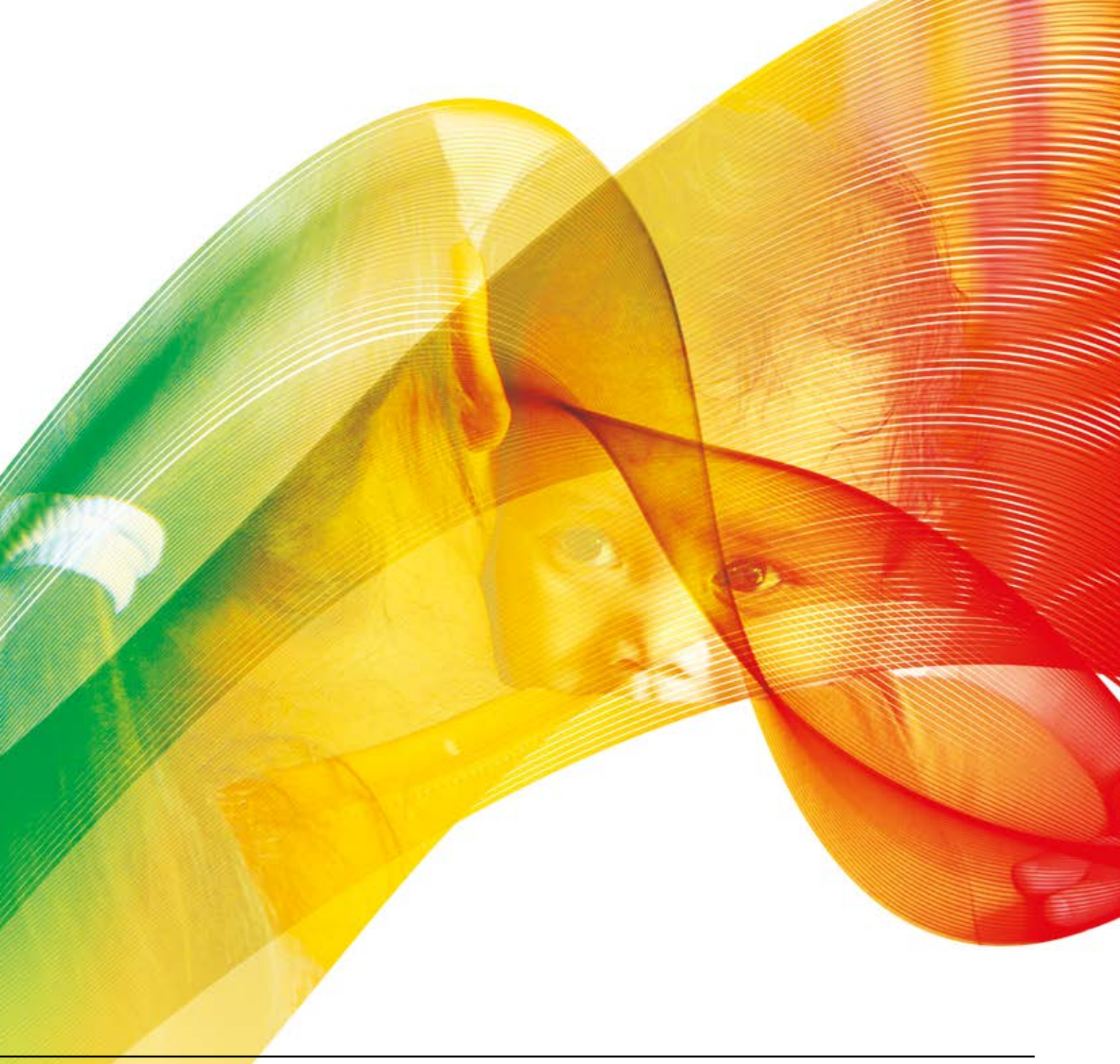






Responses in Eastern Europe by the Salvation Army to the Ukraine crisis





5 HEALTH SERVICES FOR THE POOREST PEOPLE

OVERALL OBJECTIVE

To strengthen The Salvation Army's capacity to support poor and marginalised people in accessing quality primary healthcare services as close to the family as possible.

SPECIFIC AIMS

The International Health Services (IHS) desk at IHQ seeks to provide support, supervision and in-service training to healthcare facilities around the Salvation Army world. A major focus for 2021/22 was continued facilitation of COVID-19 response by resourcing of Salvation Army hospitals, clinics and other healthcare facilities to adapt to emerging needs while supporting medical and administrative staff to maintain quality health services.

ACHIEVEMENTS

The Salvation Army continues to be a significant provider of faith-based, integrated, high-quality care with services offered as close to the family as possible and a high focus on care for poor and marginalised members of communities. IHS provides technical support and supervision to clinics, hospitals and nursing/biomedical colleges around the world and also facilitates activation of projects funded either by the Trust, local donors or financially independent Salvation Army territories. The following examples illustrate this significant service provision:

Crowds seeking emergency COVID admission for loved ones at Evangeline Booth Hospital, India





ABOVE: Lifesaving assistance: new ventilation equipment at Evangeline Booth Hospital, India
OPPOSITE PAGE: COVID-19 vaccination at a Salvation Army clinic in Ghana

INDIA: The Evangeline Booth Hospital in Ahmednagar is the longest established facility in the area and it was at this Salvation Army hospital where the first COVID-19 patients of Ahmednagar District were treated at the start of the pandemic. The second wave of COVID-19 hit India very hard during the reporting year and as a result, many people lost their lives across the country. During this time relatives of COVID-19 patients were constantly and desperately searching the hospitals to find beds for treatment in Ahmednagar with a daily queue of more than 50 patients for admission at the Evangeline Booth Hospital. The biggest challenge was how to treat everyone who needed care. Despite being a 100-bed hospital, 170 patients were treated daily. Patients included many senior citizens, women and children. One of the initial problems at this time was the lack of oxygen concentrators and oxygen cylinders but due to high profile work, oxygen concentrators were provided by a number of different donors and this meant that many more patients could receive oxygen and subsequently their lives were saved.

During this critical time, IHS helped facilitate support to the hospital with a range of different resources funded either by the Trust or financially independent Salvation Army territories including ventilators, oxygen lines, medicines, staff salaries and running costs. This meant the Intensive Care Unit could start to function, thereby helping many people to survive COVID-19. The hospital also received local donations including a grant from the local government in appreciation of the selfless and outstanding service rendered to COVID-19-infected patients. Other gifts from local businesses and organisations included an oxygen production plant that could fill 100 cylinders a day, a mini ambulance for critical patients, hospital equipment and monetary donations. This demonstrated a community coming together for the common good to find local solutions to the pandemic in the local area. More than 6,700 COVID-19 patients have now been treated at the hospital with a mortality rate of less than one per cent. The hospital staff are commended for their selfless service, often given at great risks to themselves.



> IHS provides technical support and supervision to clinics, hospitals and nursing/ biomedical colleges around the world

BANGLADESH: Andulia Clinic in the Southwest of Bangladesh is based 22 km away from the nearest hospital and is funded by local fees and grants from the Trust. It is estimated that 80 per cent of the community the clinic serves live in poverty and consequently are vulnerable when it comes to accessing healthcare. Andulia Clinic treats common diseases and with a high focus on mother and child care. Whilst an outpatient clinic, they also have a Maternity Centre for safe deliveries. The outpatient services currently available include diabetes care, minor surgeries, antenatal and postnatal care and emergency medical support. Alongside this, the clinic runs an ambulance, supporting community members through emergency care and transporting patients to the nearest city to ensure the necessary treatment is received. During the pandemic, when many clinics and institutions were forced to shut down or scale back, Andulia Clinic continued to operate at all times often in very difficult circumstances. As well as offering health services, the staff continued to conduct health training amongst the community to help prevent COVID-19 including targeted campaigns around hygiene, water and sanitation practices, the importance of mask wearing and isolating when COVID positive. Mothers and children in the community also received health awareness messages around the importance of immunisations for children and the importance of pregnant women attending the clinic to receive antenatal care.

GHANA: The Salvation Army runs many clinics in Ghana including the Urban Aid Health Centre situated in Maamobi, a densely populated area of greater Accra. The health centre was pivotal in the local COVID-19 vaccination exercise and roll out with many doses of vaccines given at the premises helping to protect the most vulnerable. During the year, the Ministry of Health of Ghana initiated a door-to-door campaign to boost uptake of COVID vaccines and Urban Aid Health Centre staff together with volunteers reached hundreds of people through door-to-door contacts. The health centre has vaccinated 10,672 people, making a lifesaving difference in its local community.

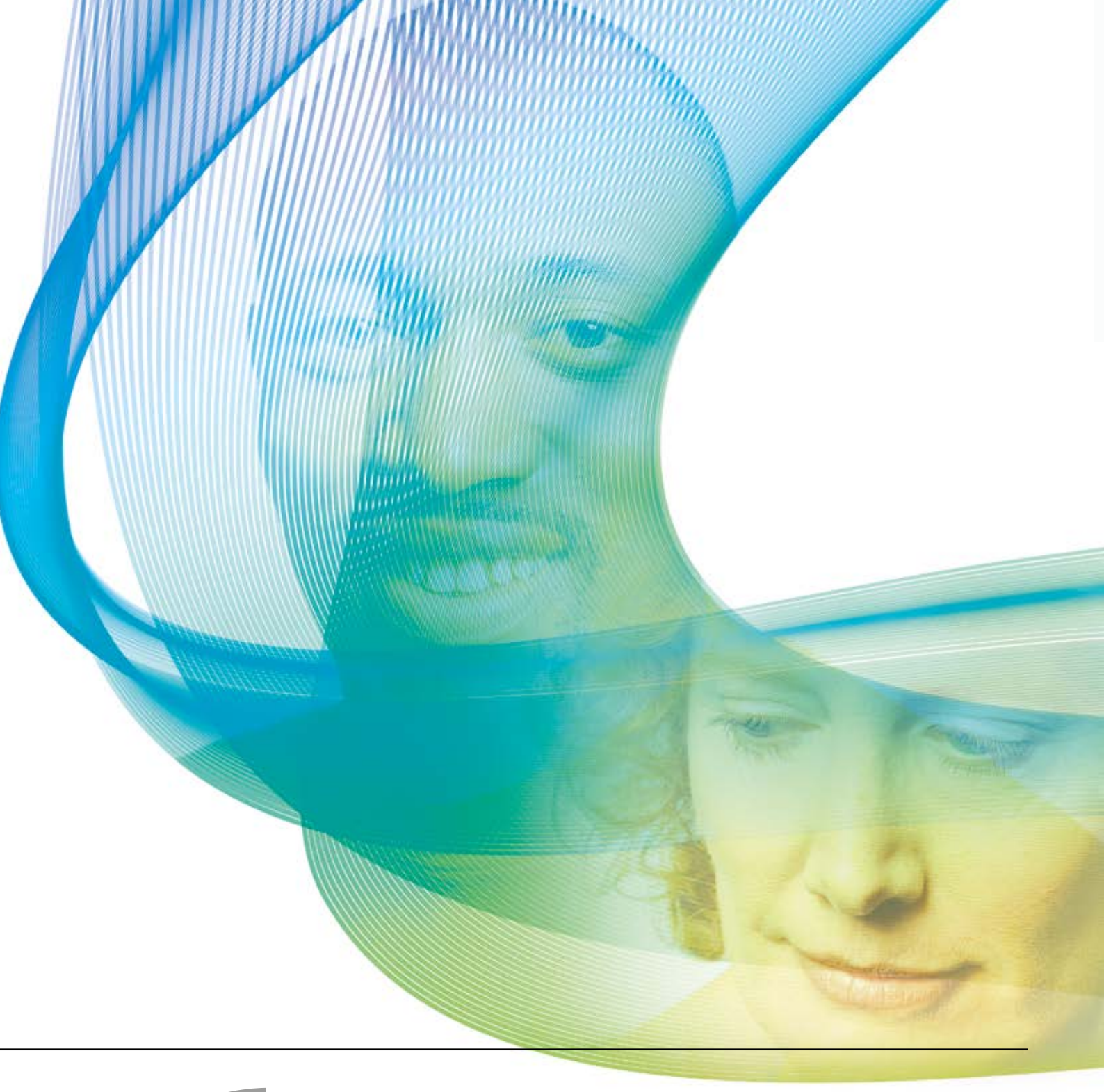
Key Statistics

- During 2021/22, The Salvation Army's 26 hospitals and 132 clinics around the world, with 5,667 healthcare professionals, delivered care to 361,785 inpatients and 831,129 outpatients.
- IHS personnel directly assisted 15 territories during 2021/22 monitoring operations, facilitating the activation of projects and providing technical support, help and advice.

Future Plans

IHS will continue to provide technical support and supervision to clinics, hospitals and nursing/biomedical colleges around the world, ensuring that all Salvation Army health programmes are technically sound, accountable, an integrated part of Salvation Army mission and meet required standards of the country where they are based.

IHS will facilitate increasing access to health information and education across all Salvation Army programmes (community, national, international) ensuring a relevant, holistic and integrated approach to all health-related work across different settings. The team will also work with territories to develop a more strategic approach to preventative health care in local communities and encourage partnership and mutual learning across Salvation Army health programmes, building relationships between Salvation Army medical, nursing and healthcare workers around the world.



6 FIGHTING AGAINST SEXUAL TRAFFICKING AND FOR SOCIAL JUSTICE

OVERALL OBJECTIVE

To take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

SPECIFIC AIMS

To support victims of human trafficking, work to prevent people being trafficked and raise awareness of social injustice by building capacity in people, developing effective partnerships, sharing quality resources and promoting best practice. This year, a major aim was to build up modern slavery and human trafficking (MSHT) responses while also maintaining the work of the International Social Justice Commission (ISJC) and campaigning for social justice.

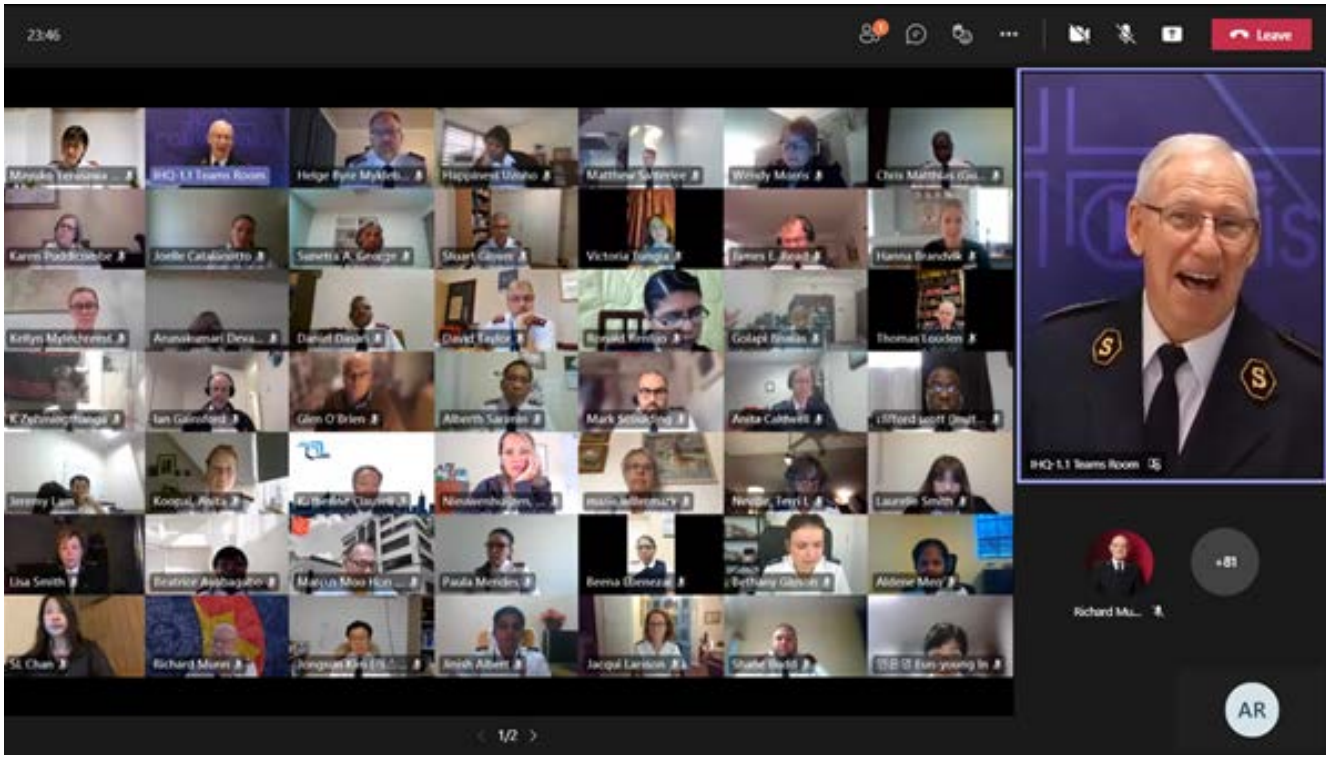
ACHIEVEMENTS

The ISJC, with its secretariat funded by the Trust and based in New York, United States, is The Salvation Army's strategic voice advocating for human dignity, human rights and social justice in all parts of the world. The ISJC, with the International Moral and Social Issues Council (IMASIC), and the International Modern Slavery and Human Trafficking Response Council (IMSHTRC), exercises leadership in determining The Salvation Army's policies and practices in the international social justice arena.

The ISJC works closely with those who have a track record of seeking God's justice for the world, in order to learn from them, distil experience and share lessons with others. Areas of ISJC attention and global engagement include, though are not limited to, poverty, racism, sexism, refugees and asylum seekers, indigenous peoples, climate change, gender-based violence and MSHT. In the period under review, the following were notable achievements:

SURVEY OF SOCIAL JUSTICE CONCERNS: At the end of 2021 a large-scale global survey was undertaken to explore the main social justice concerns of the international

General Brian Peddle addresses an IMASIC video symposium





ISJC staff at the United Nations Church Center, New York, USA

Salvation Army community (including soldiers, officers, employees, services users etc.). The aim of the project was to help provide an understanding of social justice topics of most concern both globally and by territory and in turn to guide the ISJC in topics of advocacy, territorial support and faith-based facilitation. More than 1,700 responses were received with, at the global level, MSHT recorded as the highest social concern, followed by domestic violence/abuse, racism and addiction.

MODERN SLAVERY AND HUMAN TRAFFICKING: The Salvation Army international response to MSHT around the world continued to evolve during 2021/22. This global, multi-layered response surrounding advocacy, prevention and intervention is a crucial part of the work of the ISJC. According to the 2018 Global Slavery Index more than 40 million men, women and children are victims of modern slavery on any given day. Of these, almost 35 million people are in forced labour and more than 15 million people are living in a forced marriage. Women and girls are vastly over-represented in these figures, making up 71 per cent of victims. The Salvation Army is deeply committed to fighting MSHT with a theological and historical mandate, and is uniquely equipped and has a role to play in this vital work.

A particular focus for the year in review was on learning how to create spaces and opportunities so that everyone everywhere can participate in God's mission of responding to MSHT. Together with the IMSHTRC, the ISJC worked towards implementing a new system and structure for the coordination of Salvation Army MSHT response, aiming to strengthen capacity for a strong response across the global Salvation Army, based on a Freedom Action Framework of key response areas: prayer, prevention, protection, prosecution, partnerships, policy, proof. The MSHT response was targeted towards four main outcomes:

Strengthening Systems. Growing Leaders
Establishing an international system of coordination active with appointed Modern Slavery and Human Trafficking Response (MSHTR) personnel and teams leading, coordinating and stewarding this work worldwide.

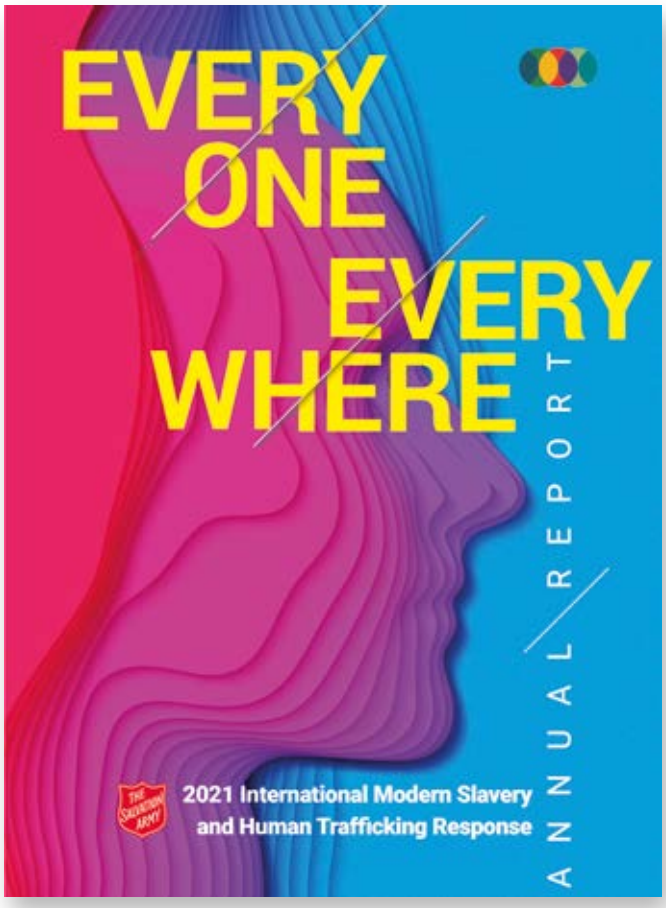
Educating and Equipping
Recognising everyone, everywhere has a role and place in responding to MSHT and no matter where you live and what language you speak, you are needed. Ensuring, around the world, The Salvation Army is growing in awareness and being equipped to recognise the signs within its local communities.

As part of this work a support booklet *Changing Behaviours to Prevent Modern Slavery and Human Trafficking* was launched to act as a guide to prepare The Salvation Army international community to go deeper in awareness-raising conversations within programmes, projects and communities.

Mobilising to Respond Holistically
Building internal capacity within territories to practically address MSHT as it presents itself locally.

Expanding our Global Network
Recognising The Salvation Army's greatest strength is people and growing a seamless global network between territories, contact people and practitioners based on communities of practice which are coordinated regionally and internationally.

UNITED NATIONS: The ISJC, reflecting the international Salvation Army, also campaigns for a holistic understanding of people and an integrated global plan for fair, sustainable and equitable development for all nations. The Salvation Army has been an affiliated non-governmental organisation (NGO) with the United Nations (UN) since the UN's







***Everyone Everywhere* - MSHT annual report**

formation. As one of the founding NGOs, The Salvation Army holds 'consultative status' at the UN and may formally contribute to its work in conjunction with other non-governmental, non-profit, public or voluntary organisations and faith-based organisations with similar status. If The Salvation Army wants to continue to have a voice in the global community, it is essential that Salvationists are present at the table and have global and up-to-date knowledge of issues. During the year under review, the ISJC represented The Salvation Army at the UN (and numerous other bodies) seeking to build strong alliances to end extreme poverty and promote sustainable development. The ISJC engages by attending open (public) official meetings, submitting written statements prior to sessions, meeting official government delegations and making oral statements on behalf of The Salvation Army during general discussions and interactive events. More details relating to ISJC engagement with the UN and other bodies plus additional resources can be accessed from the dedicated ISJC web page at: https://www.salvationarmy.org/isjc/ISJCUN



Webinar advertisement for ISJC-led sustainability discussion

SOCIAL MEDIA: The ISJC social media platforms were also actively used during 2021/22 to provide a framework to demonstrate the international work of The Salvation Army and to share outcomes with governments and other partners. Most notably, new resources were developed and shared exploring issues around MSHT response and the impact of COVID-19 upon justice. Resources can be accessed from the ISJC website at: https://www.salvationarmy.org/isjc/resource



Exhibition at The Salvation Army International headquarters high-lighting the response to modern slavery and human trafficking

Key Statistics

- The Salvation Army is active in responding to MSHT in 108 countries with 142 prevention programmes and initiatives underway across 47 territories.
- Globally, 79 MSHT survivor leaders are part of The Salvation Army serving as officers, consultants, corps members, employees, mentors, volunteers, advocates and advisory board members.

Future Plans

The ISJC will continue to act as the strategic voice of The Salvation Army advocating for human dignity, human rights and social justice in all parts of the world. Partnering closely with those who have a record of seeking God's justice for the world, the ISJC will seek to both learn and contribute from a strong Salvation Army worldview. The Salvation Army will continue to partner with other religious groups, other NGOs, the UN, the World Bank Group and others towards the vision of a world where all people can experience life in all its fullness.

The ISJC will also work with territories to continue to develop locally relevant MSHT response strategies, particularly in areas where existing capacity is low and poorly resourced. A particular focus for 2022/23 will be to appoint MSHTR Divisional Resource Persons, launch international MSHTR core values and strengthen systems for participatory monitoring, measurement and shared learning approaches for all MSHTR expressions. Plans are also in place to launch an International Social Justice Survivor Network being a group of survivor leaders all over the world, organised to speak up about matters concerning responding to MSHT both within The Salvation Army and through external advocacy efforts.

FINANCIAL REVIEW

FINANCIAL REVIEW

Group accounts for The Salvation Army International Trust, incorporating Reliance Bank Limited and The Salvation Army Leaders Training College of Africa and Resource Centre Limited as subsidiaries of the Trust, are presented for 2021/22 as well as charity results, assets and liabilities for The Salvation Army International Trust (see pages 64 to 92 for the accounts). The Group accounts reflect notable differences to the charity only results most especially for investments, debtors and prepayments, bank balances and current liabilities (see Notes 25-28 to the Accounts). The Group Accounts exclude SAITCo which is the managing trustee.

The commentary below relates to the charity only results for The Salvation Army International Trust with separate comments offered on the subsidiaries and Group accounts in the labelled section on page 59.

The net movement in funds for the year ended 31 March 2022 decreased by £39.84 million, moving from £51.38 million (2021) to £ 11.54 million (2022). Variances contributing to the total net movement in funds are outlined below.

INCOME

The primary income streams of the Trust are donations from Salvation Army territories to the International Self-Denial Fund to support the work of the global Army and Headquarters Support contributions from Salvation Army territories to fund the operation of IHQ.

Total income decreased from £53.26 million (2021) to £44.61 million (2022). External donations and legacies decreased from £7.98 million (2021) to £ 0.23 million (2022) as no significant donations were received from external donors in 2022. Contributions from Salvation Army territories to the International Self-Denial Fund decreased slightly from £25.42 million (2021) to £24.85 million (2022) with most territories able to maintain funding levels to IHQ despite ongoing COVID-19 impacts during the year. Donations from Salvation Army territories decreased from £4.84 million (2021) to £3.74 million (2022) and Headquarters Support funding from Salvation Army territories showed little movement from £9.74 million (2021) to £10.09 million (2022).

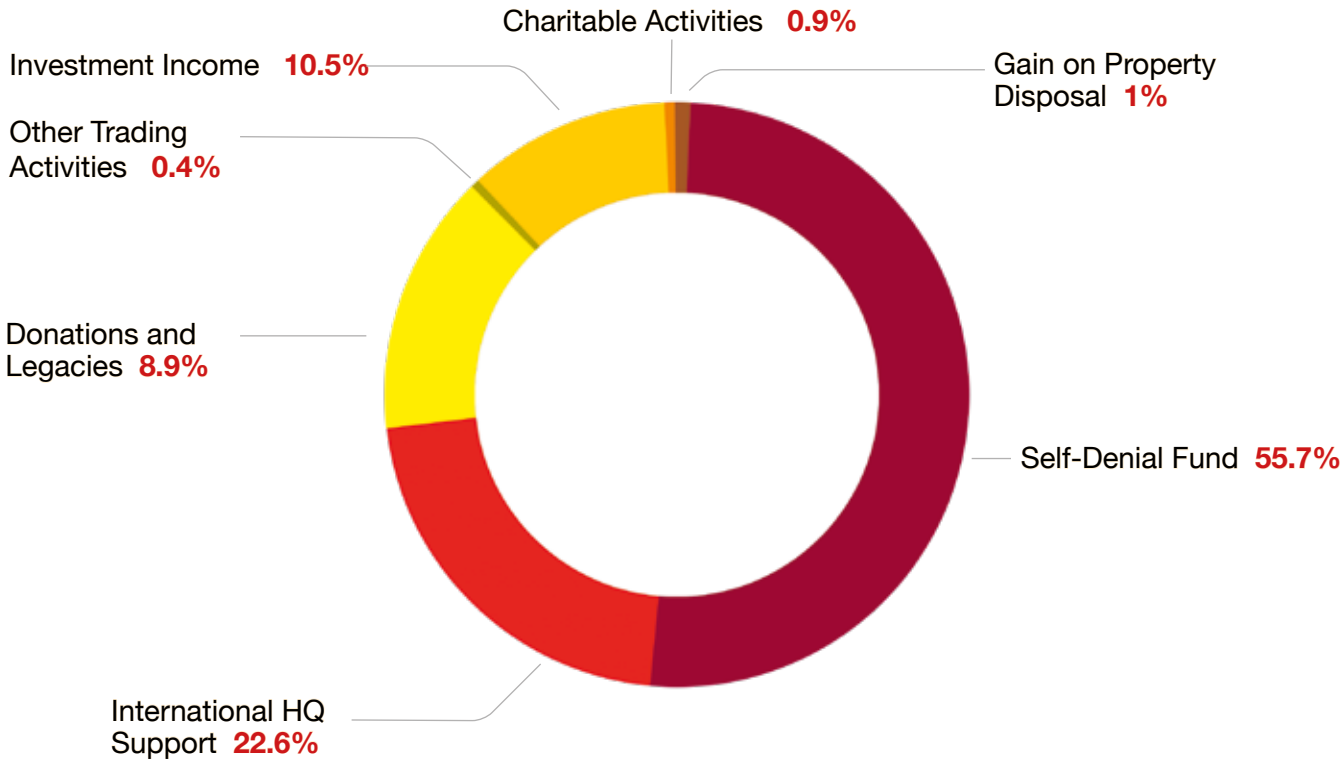
Investment income decreased slightly from £4.69 million (2021) to £4.65 million (2022) while income from charitable activities and trading income showed year-on-year increases of £65,000 and £70,000 respectively reflecting the impact of COVID-19 lockdowns easing during the year. Gains on disposal of properties increased from £122,000 (2021) to £453,000 (2022) with one functional property sold during 2022 and one during 2021.

No qualifying charitable donation was received from Reliance Bank Limited in 2022 or the preceding year, as the Bank incurred losses partly as expected during this implementation period of the strategic plan, and partly in response to the challenges of the global pandemic.

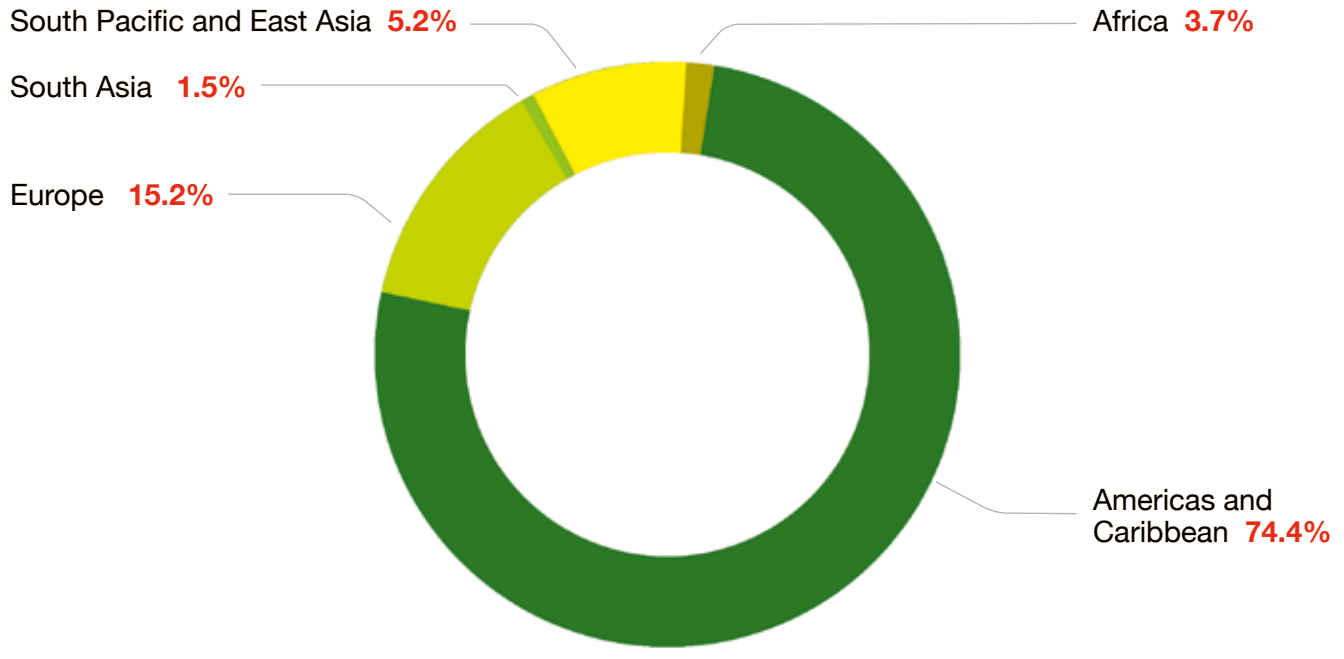
The following pie charts illustrate the sources of income for 2021/22 and also contributions to the International Self Denial Fund:

> “
>
> **Income from charitable activities and trading income showed year-on-year increases of £65,000 and £70,000 respectively**

INCOME 2021/2022



CONTRIBUTIONS TO INTERNATIONAL SELF-DENIAL FUND 2021/2022



EXPENDITURE

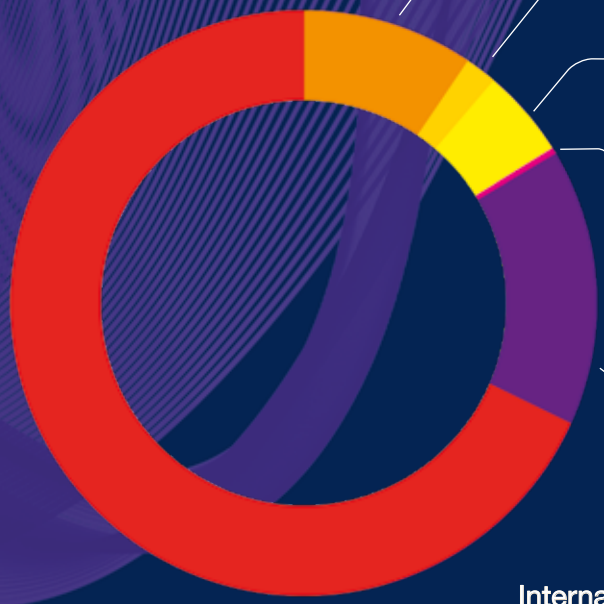
Expenditure across the six charitable activities in which The Salvation Army International Trust is engaged is detailed in Note 10 in the Accounts. Spending on charitable activities totalled £47.32 million (2022) representing a decrease of £3.84 million on the previous year. Financial assistance to Salvation Army territories decreased from £35.20 million (2021) to £30.48 million (2022) as requests for additional grants to meet needs of territories arising from the COVID-19 crisis began to reduce.

Expenditure of £9.43 million (2022) was also incurred on International Personnel and Development, £4.23 million (2022) on World Mission and £1.74 million (2022) on Crisis Relief, reflecting the cost of some of the strategies in which the Trust is engaging, as referenced earlier in this report. The cost of raising funds, relating primarily to investment management costs and the cost of letting of property, remained relatively flat with a small increase from £1.66 million (2021) to £1.76 million (2022).

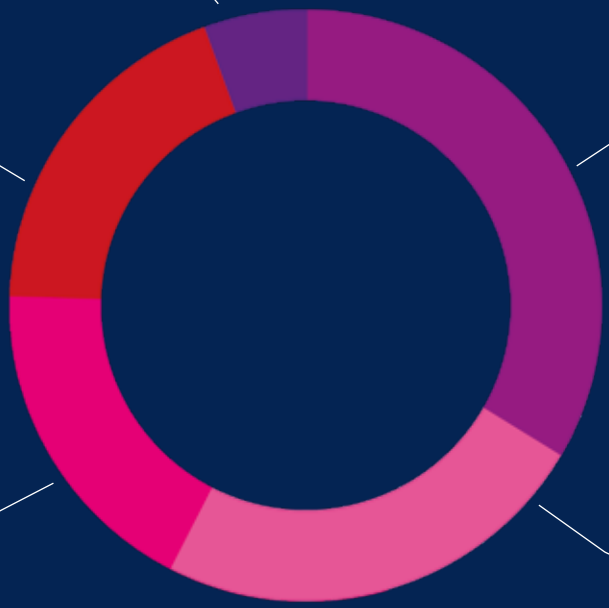
The following pie charts illustrate 2021/22 expenditure on charitable activities and also the geographic spread of support of overseas work:



EXPENDITURE ON CHARITABLE ACTIVITIES 2021/2022



SUPPORT OF OVERSEAS WORK 2021/2022



Other notable variances contributing to the total net movement in funds include, most notably, net gains on investment assets which decreased by £35.19 million from £51.21 million (2021) to £16.02 million (2022) reflecting market conditions and representing both the realised and unrealised gains arising on sales and the market value of investments held at year end. There were no additional employer contributions made to the defined benefit pension scheme during the year as the latest actuarial review reported a surplus.

The net movement in funds for the year ended 31 March 2022 was £11.54 million with a surplus on unrestricted funds of £12.64 million and a deficit of £1.10 million on restricted funds. Total funds of £347.23 million were held at year end.



FUTURE PLANS

The Trustee seeks to maintain the strong financial position of the Trust and will continue to explore means to increase the scale and scope of charitable activities while continuing to encourage Salvation Army territories to move towards financial self-reliance through provision of targeted financial support and other resources.

Emergency COVID-19 response is expected to reduce as territories move out of restrictions imposed and back to a level of normality during 2022/23 with the Trust providing a reduced amount of COVID-19-related additional funding to territories to support salaries, officers' allowances and other operational costs to ensure continuation of The Salvation Army's mission.

The two large scale international projects currently underway will materially impact the Accounts of the Trust during 2022/23 and subsequent years being the roll out of a new global email solution and implementation of cloud-based accounting software to all financially supported territories. Several material property grants may also be issued during the next year with multiple projects awaiting planning consents and final approval.

GOING CONCERN

The Trustee reviews the financial plans of the Trust on an ongoing basis as part of a programmed budget cycle including consideration of principal financial risks, also receives and reviews cashflow forecasts identifying any liquidity risks. The Trustee recognises the material pension liability arising from participation of the Trust in The Salvation Army Employees' Pension Fund (see Note 17 in the Accounts) and is well placed to meet its obligations in this regard.

The operation of the Trust and ability to meet the objectives outlined throughout this report are recognised as impacted by the ongoing COVID-19 crisis, Ukraine/Russia crisis with associated global and national economic impact, inflationary pressures and other external events. Since 31 March 2022 to the date of signing of these financial statements the impact of the crises has had a significant economic impact across all sectors and the Trustee has considered the effect on the Trust as a going concern, its resilience through this period and the effect on the assets and funds of the Trust.

In addition to the operations of the Trust, SAITCo is actively monitoring the impact of the COVID-19 crisis and Ukraine/Russia crisis in particular upon Salvation Army territories with multiple working parties undertaking tasks in specific areas and regular updates provided to the Board considering the impact of the crises upon global Salvation Army operations, the financial position of the Trust, the reserves policy of the Trust, the investment portfolio of the Trust and associated logistical matters.

The Trust holds a strong balance sheet with availability and liquidity of cash and unrestricted investments with, for example, current liabilities including amounts due to Salvation Army territories at the 2021/22 year end totalling £8.23 million against net current assets of £39.81 million of which £36.34 million is held in highly liquid current asset investments and cash at bank.

The Trustee is confident the Trust is well placed to meet the COVID-19 crisis and Ukraine/Russia crisis, with associated global and national economic impact, inflationary pressures and continue to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy (see below) all underpinned by the governance structures of SAITCo.

The Trustee continues to monitor developments closely in relation to the COVID-19 crisis, Ukraine/Russia crisis and other external events and remains confident that the level of reserves held is adequate in the changing economic climate and does not impact adversely on the Trust's going concern status. The Trustee is satisfied that the Trust has sufficient resources to continue operating for the foreseeable future following review by the Audit Committee of a going concern assessment to March 2024. The Trustee has not identified any material uncertainties related to going concern and the accounts are therefore prepared on a going concern basis.

INVESTMENTS

Listed investments (see Note 25 in the Accounts) are managed under the terms of an investment management agreement with Sarasin & Partners LLP. The investment manager is required to make investments on behalf of the Trust in line with benchmarks that have been set and against which performance is measured.

The Investment Committee which sits to review investment performance receives periodic reports on matters pertinent to its investment policy and this facilitates discussion which, in turn, enhances the committee's understanding of the relationship between its Christian conviction and ethos and investment return; and even more importantly, the positive effect that its policy can have on companies which themselves may (or may not) be seeking to improve conditions in many parts of the world. The reports are tabled at full board meetings so that those directors who do not sit on the Investment Committee have an opportunity to add to the debate and have greater understanding of the issues that the Trust can tackle through its investment policy. SAITCo has established an ethical investment policy to reflect The Salvation Army's ethical and moral stance which is required to be followed by the appointed investment manager. No breaches to this policy have been reported to SAITCo during the year.

Therefore, this policy excludes investment in companies which derive more than 10% of their revenues in aggregate from any of the following categories:

a. the production and/or sale of alcohol
b. the production and/or sale of tobacco
c. the manufacture and/or sale of whole weapons, weapon platforms and weapon systems
d. the manufacture and/or sale of strategic parts for weapon systems
e. the promotion or operation of gambling enterprises
f. the provision of adult entertainment services
g. the publication and/or sale of pornographic media
h. the extraction of thermal coal or the production of oil from tar sands

For the avoidance of doubt in relation to sub-paragraphs (c) and (d) above, 'weapons' refers to both nuclear and conventional weapons. In addition, investment is excluded in companies with disregard for human rights and/or the pollution of the environment. The following table gives the long-term ranges and current weightings expressed in percentages of the Trust's investment funds:

ASSET TYPE		YEAR END POSITION
AT 31/03/22	LONG-TERM RANGE	WEIGHTINGS
Fixed Income	10 - 30%	13.5%
Equities	70 - 90%	80.9%
Liquid Assets	0 - 5%	5.6%
TOTAL		100%

For the year ended 31 March 2022, the portfolio total return amounted to +6.2% against an ethically adjusted benchmark return of +7.9%.

Global equity markets continued to make progress throughout 2021 as economies recovered from the COVID-19 pandemic but lost some ground in the first three months of 2022, owing to the prospect of rising interest rates to combat persistently high inflation and the outbreak of war in Ukraine. The bond allocation was kept at the lower end of the permitted range as bonds continued to perform poorly against this backdrop. Cash levels remained slightly higher than the top of the permitted range which is in the process of being extended to 10% in anticipation of future withdrawals and the more uncertain economic outlook.

Investment strategy going forward will continue to be closely monitored by the Investment Committee in response to the prolonged inflationary environment currently being experienced and other emergent market conditions.

GRANTS

In supporting The Salvation Army's work overseas, territories, commands and regions produce annual budget proposals, covering all aspects of their operations that are reviewed at IHQ. Annual grants from the Trust to territories are considered as part of the annual IHQ budget process with proposals reviewed by the International Finance Board, approved by SAITCo and then paid quarterly in advance to each financially supported territory, command, and region (see Note 11 in the Accounts).

Payments from IHQ to territories are made according to the terms of an International Payments Procedure Manual for IHQ (reviewed and updated in March 2022) which outlines controls over banking transfers, assessment of overseas banking institutions for risk, identification and assessment of situations where funds paid to territories may be remitted on to third parties, controls over international payments direct to overseas suppliers, controls over transporting and controlling cash overseas and prohibitions on use of non-mainstream banking money transfer organisations.

RESERVES

The total funds of the Trust at 31 March 2022 amounted to £347.23 million comprising £27.56 million in restricted funds and £319.67 million in unrestricted funds which includes £287.28 million in designated funds. The General Reserve held £5.50 million at year end which is at the target level for free reserves. The Trustee continues to keep the matter of reserves under review, with a project ongoing to reduce the number of different funds held and examine any historic funds with minimal movement in the past few years, mindful of the legislative framework in place and applicable updates to charity law.

Restricted Funds

A restricted fund can only be used for a specific charitable purpose. The restriction may be declared by the donor when making the gift. Restricted funds held by the Trust include territorial donations and legacies specified for international use. Where possible the intention continues to be to use restricted donations and legacies in the year of receipt, except where the gift is sufficiently large to be used over a longer period or is used for support of multi-year programmes.

Designated Funds

The Self-Denial Fund Reserve represents amounts held to ensure sufficient funds are available to make operational grants to supported territories that are paid in advance on a quarterly basis. The aim of the Trustee is for the balance on this Reserve to be sufficient to fund one year's expenditure in support of overseas work. The balance as at 31 March 2022 of £24.69 million is equivalent to 12.4 months' expenditure. The Investment Appreciation Fund (£96.44 million) represents unrealised gains on investments which are still subject to market risk and the Investment Property Revaluation Fund (£45.15 million) represents the surplus on revaluation of tenanted properties held for investment purposes.

Other material designated amounts at 31 March 2022 relate to a reserve held to fund future replacement of the IHQ building (£19.33 million), a Property Commitments Reserve (£3.34 million) held to fund property acquisitions by the Trust and an International Property Project Reserve (£5.79 million) held to provide additional property project funding to territories over the next 2-3 years.

Other Designated Funds include reserves of £47.73 million supporting the balances held and invested in the USA on behalf of SAIT to generate income for specific purposes. These are Medical Services Support (£8.64 million), Schools Services Support (£4.20 million) and the Officers Support Endowment Fund (£34.89 million). In addition, an International Financial and Accounting Standards Implementation Reserve (£7.62 million) is held to fund provision of cloud-based accounting software to territories over the next 2-3 years and an IT Development Reserve (£4.45 million) is held to fund provision of a new global email solution to territories over the next 2-3 years.



An International Schools Development Reserve (£7.57 million) is held to provide additional schools project funding to territories over the next 2-3 years with a Leadership Development Reserve (£3.59 million) held to fund the enhancement of training and personal development for Salvation Army officers over the next 3-4 years. An Exchange Equalisation Reserve (£4.88 million) is held to fund exchange losses and a Mission Support Reserve (£2.81 million) is held to provide additional project funding to territories over the next 2-3 years. Four designated COVID-19 reserves (£2.41 million) were established to fund responses to the pandemic and are expected to be utilised within the next two years.

General Reserve

The General Reserve represents the working capital required to fund the day-to-day needs of the Trust. The aim of the Trustee is for the balance on the General Fund Reserve to cover equivalent to 6.0 months expenditure on headquarters administration costs, providing the Trust with adequate working capital. The current balance of £5.50 million is at the target level for free reserves, being equivalent to 6.0 months expenditure.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustee acknowledges its responsibilities relating to the management of risk. A formal risk management programme continues to operate allowing risks to be identified, classified and prioritised in terms of potential occurrence and impact. The Board of Directors of SAITCo has appointed a Risk Management Committee, consisting of eleven members, which is chaired by an external legal/risk advisor and includes an Independent Non-Executive Director of SAITCo.

A Risk Manager has been appointed and a Risk Register is maintained and kept under regular review by the Risk

Manager and the Risk Management Committee. The Risk Management Committee works with the Risk Owner of each major risk to ensure acceptable action is taken to manage the risk and to establish suitable systems to reduce the likelihood of harmful outcomes occurring and the impact on the organisation should they occur.

In addition to the above framework, a range of emergency protocols are in place allowing SAITCo to actively monitor the impact of the COVID-19 crisis and the Ukraine/Russia crisis upon the operations of the Trust as well as those of Salvation Army territories with multiple working parties undertaking tasks in specific areas and regular updates provided to the Board considering the impact of the crises upon global Salvation Army operations, the financial position of the Trust, the reserves policy of the Trust, the investment portfolio of the Trust and associated logistical matters.

The main risks and uncertainties faced by the Trust, as detailed in the Risk Register at the end of the financial year under review, are outlined below in top-down priority order together with a summary of the mitigating strategies being pursued to manage these risks:

KEY RISK	MANAGING STRATEGY
A serious safeguarding incident resulting in harm to a child or vulnerable adult and subsequent reputational damage to the local/ international Salvation Army.	Ongoing development of safeguarding policies and procedures for IHQ and all Salvation Army territories. IHQ support offered to territories to address safeguarding incidents involving child protection and legal specialists.
National economic and/or political crises adversely impacting Salvation Army operations in a territory prompting additional emergency support from IHQ.	Continuous IHQ monitoring of economic and political contexts on a country-by-country basis. Development of crisis management protocols for IHQ interventions.
Negative/adverse publicity affecting public perception of The Salvation Army internationally.	Communications Office at IHQ to monitor global press coverage and manage media relationships in consultation with Salvation Army territories.
IHQ support for territories impacted by national government controls targeted at foreign NGOs and/or Christian organisations.	Continuous IHQ monitoring of national political contexts on a country-by-country basis. External consultants and/or legal counsel offer training, resources and advice to IHQ staff to address specific circumstances.
Risk exposure to SAITCo and SAIT due to sole ownership of Reliance Bank Limited including financial and reputational risk.	An additional Director with banking expertise was recruited to the SAITCo Board in May 2019 and remains in post with two shareholder representatives appointed to the Bank board and additional performance and risk reporting mechanisms in place from the Bank to SAITCo.
Lack of effective financial controls and monitoring in territories resulting in demands for additional IHQ financial support and/or reputational damage to the local/international Salvation Army.	Continuous IHQ monitoring of global operations on a territory-by-territory basis. A suite of policies and procedures in place detailing required financial controls. Internal audits undertaken periodically depending on the extent of perceived risk.

SUBSIDIARY COMPANY – RELIANCE BANK LIMITED

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. The Bank has incurred losses for the full financial year, reflecting its continued investment in its organisational structure and systems, and also the impact of the global pandemic and low interest rates.

Despite the impact of successive lockdowns on the Bank and its customers (individuals and businesses) the Bank continued to lend money to those who met its criteria throughout the COVID-19 pandemic. The Bank provided temporary financial support to individuals and businesses during this period and suffered no losses.

The continued focus is to grow the loan portfolio to boost income levels and return to profitability. The priority of the business lending is focussed on supporting communities, churches, healthcare services and the education sector. During the year the Bank began to add more social housing providers to the portfolio; the Salvation Army Housing Association is a long-standing customer. In 2020 the Bank introduced a Key Worker mortgage looking to support those who supported us during the pandemic, and this, together with the Shared Ownership offering, form the basis of the social impact of the mortgage book. In this way, the Bank enables home ownership for those who could not afford a sizeable deposit to buy the whole residence outright. The Bank has a small portfolio of mortgages secured on properties which have been specifically altered to accommodate disability.

The mortgage book grew by 22% to £47 million in the year, providing the Bank with an important revenue stream. Loans to organisations grew 27% to £49 million and over £54 million of Bank lending was classified as social impact lending up from £35 million last year.

In the year to 31 March 2022, growth of the loan book resulted in an increase in net interest income of 29% to £3.1 million. Administrative costs remained comparable to the prior year, but no restructuring expense was incurred (£0.5m of exceptional costs in 2021). The Bank's performance for the year ended 31 March 2022 was a loss of £0.8 million (2021: loss of £1.8 million).

During the year, the Bank received £3 million in additional capital from the Trust to support its strategic plan against the background of the global pandemic, ultra-low interest rates and the Bank's investments in systems and resources. After the operating loss and additional investment, the Bank's capital and reserves increased by £2.2 million (2021: increased by £0.5 million) to £14.4 million. Owing to the Bank's' loss position this year no Gift Aid donation was made to the Trust (2021: £nil).

The Bank's total assets at 31 March 2022 remained broadly similar to last year at £251 million (2021: £244 million) split between loans to customers and balances held with other financial institutions, including the Bank of England. Balance sheet growth is primarily driven by customer deposits which increased to £236 million (2021: £232 million). The Bank continues to maintain very strong liquidity levels. The Bank has not recorded any loan losses from its mortgages or business lending during the year. The Bank has a low appetite for credit risk and has only incurred £7k of loan losses in the last five years, all of which related to unsecured personal lending.

The year ahead is expected to have different challenges for the Bank, with the impact of the global pandemic making way for inflationary pressures and increased interest rates. These challenges are reflected in the Bank's forecasts and the robust medium-term plan in place to return to profitability. The Bank continues to be focused on delivery of loan growth and investment in its resources and systems, to support the Bank's vision and demonstrate its social impact.

SUBSIDIARY COMPANY – THE SALVATION ARMY LEADERS TRAINING COLLEGE OF AFRICA AND RESOURCE CENTRE LIMITED

The Salvation Army Leaders Training College of Africa and Resource Centre Limited ('SALT College') is a wholly owned subsidiary of the Trust.

During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya, for Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets and so, from 1 August 2020 and during the year under review (2021/22), is no longer reported within the charity only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the new entity in the sum of £26,309 are not material to the Trust.

The Group accounts reflect operations of the new entity from 1 April 2021 to 31 March 2022. The new entity held net assets on the Group balance sheet of £293,000 up from £30,000 (2021) at the year end.

During the reporting period, the college offered adult distance learning subjects in four major languages at foundation, certificate and diploma levels, to more than 11,000 registered students across the continent of Africa.

A college website and bespoke student learning resources portal was developed during 2021/22 with a focus for the year ahead upon further enhancing online resources and providing tutors and student support personnel with additional training.

GROUP ACCOUNTS

The Group accounts comprise the results of The Salvation Army International Trust plus the subsidiary companies Reliance Bank Limited and The Salvation Army Leaders Training College of Africa and Resource Centre Limited for the period 1 April 2021 to 31 March 2022.

The net movement in funds for the Group showed a decrease of £38.89 million. Net goodwill at year end amounted to Negative £4.04 million as set out in Note 22 to the Accounts.

Total fixed assets including investments amounted to £322.26 million. Net current assets were £26.06 million. Total funds of the Group amounted to £344.21 million at year end as set out in Note 20 to the Accounts.

A going concern assessment has been undertaken for The Salvation Army International Trust, Reliance Bank Limited and Salvation Army Leaders' Training College of Africa & Resource Centre Limited. The Trustee is satisfied the Group has sufficient resources to continue operating for the foreseeable future. The Trustee has not identified any material uncertainties related to going concern and the Group accounts are therefore prepared on a going concern basis.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under The Charity Law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee has approved this 2021/22 Annual Report and Accounts on this basis.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the trustee. The trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein.

For and on behalf of the directors of The Salvation Army International Trustee Company:



Dr Matthew Carpenter BA, MBA, DBA, MCMI
Company Secretary 27 January 2023

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE SALVATION ARMY INTERNATIONAL TRUST

Opinion

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2022 and of the Group's and the Parent's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and The Salvation Army Act 1980.

We have audited the financial statements of The Salvation Army International Trust ('the Parent Charity') and its subsidiary ('the Group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the statement of financial activities (charity only), the consolidated balance sheet, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions related to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustee has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group or the Parent Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: The Trustee's Report, Direct Contributions from Territories Towards Special Projects and The Salvation Army Worldwide Facts and Figures.

The Trustee is responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion;

- the information contained in the financial statements is inconsistent in any material respect with the Trustees' Annual Report; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustee

As explained more fully in the Statement of Trustee's Responsibilities, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intends to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's (FRC) website at:

https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustee, as a body, in accordance with the Charities Act 2011 and The Salvation Army Act 1980. Our audit work has been undertaken so that we might state to the Charity's trustees those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

DocuSigned by:
BDO LLP
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For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date: 30 January 2023

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales
(with registered number OC305127).



A beneficiary at a Salvation Army outpost, Sri Lanka

THE SALVATION ARMY INTERNATIONAL TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £000	Restricted funds £000	2022 Total funds - Group £000	Unrestricted funds £000 (Restated)	Restricted funds £000 (Restated)	2021 Total funds - Group £000 (Restated)
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	3	24,847	-	24,847	25,419	-	25,419
- IHQ Support	3	10,085	-	10,085	9,743	-	9,743
- Donations	3	34	3,703	3,737	-	4,843	4,843
Other donations and legacies	5(a)	168	274	442	7,827	152	7,979
		35,134	3,977	39,111	42,989	4,995	47,984
Charitable activities	6	377	55	432	303	52	355
Other trading activities	7	1,093	-	1,093	1,166	-	1,166
Investments	8	7,818	140	7,958	7,108	133	7,241
Gain on Disposal of Properties		453	-	453	122	-	122
Total Income		44,875	4,172	**49,047**	51,688	5,180	**56,868**
EXPENDITURE ON							
Raising funds	9	6,582	29	6,611	6,622	25	6,647
Charitable activities	10	41,345	5,820	47,165	43,798	7,217	51,015
Total Expenditure		47,927	5,849	**53,776**	50,420	7,242	**57,662**
Net gains on investments	18	15,388	627	16,015	50,031	1,176	51,207
Net income/(expenditure)		12,336	(1,050)	11,286	51,299	(886)	50,413
Transfers between funds	20	(2)	2	-	90	(90)	-
Other recognised Gains/(Losses)	18	(10)	1	(9)	(253)	(10)	(263)
Tax on Loss on Subsidiary Activities	19	-	-	-	13	-	13
Net Movement in Funds	20	12,324	(1,047)	**11,277**	51,149	(986)	**50,163**
Reconciliation of funds:							
Total funds brought forward 1 April		304,268	28,669	332,937	253,119	29,655	282,774
Total funds carried forward 31 March		316,592	27,622	344,214	304,268	28,669	332,937

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes on pages 68 to 92 form an integral part of these consolidated financial statements.

STATEMENT OF FINANCIAL ACTIVITIES (CHARITY ONLY)
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £000	Restricted funds £000	2022 Total funds Charity Note	Unrestricted funds £000 (Restated)	Restricted funds £000 (Restated)	2021 Total funds Charity £000 (Restated)
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	3	24,847	-	24,847	25,419	-	25,419
- IHQ Support	3	10,085	-	10,085	9,743	-	9,743
- Donations	3	34	3,703	3,737	-	4,843	4,843
Other donations and legacies	5(b)	9	222	231	7,827	152	7,979
		34,975	3,925	38,900	42,989	4,995	47,984
Charitable activities	6	354	55	409	292	52	344
Other trading activities	7	189	-	189	119	-	119
Investments	8	4,514	140	4,654	4,559	133	4,692
Gain on Disposal of Properties		453	-	453	122	-	122
Total Income		40,485	4,120	**44,605**	48,081	5,180	**53,261**
EXPENDITURE ON							
Raising funds	9	1,726	29	1,755	1,639	25	1,664
Charitable activities	10	41,499	5,820	47,319	43,928	7,231	51,159
Total Expenditure		43,225	5,849	**49,074**	45,567	7,256	**52,823**
Net gains on investments	18	15,388	627	16,015	50,031	1,176	51,207
Net income/(expenditure)		12,648	(1,102)	11,546	52,545	(900)	51,645
Transfers between funds	20	(2)	2	-	90	(90)	-
Other recognised Gains/(Losses)	18	(9)	1	(8)	(251)	(10)	(261)
Net Movement in Funds		12,637	(1,099)	**11,538**	52,384	(1,000)	**51,384**
Reconciliation of funds:							
Total funds brought forward 1 April		307,036	28,655	335,691	254,652	29,655	284,307
Total funds carried forward 31 March		319,673	27,556	347,229	307,036	28,655	335,691

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes on pages 68 to 92 form an integral part of these financial statements.

THE SALVATION ARMY INTERNATIONAL TRUST

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Notes	2022 Group	2021 Group (Restated)	2022 Charity	2021 Charity (Restated)
		£000	£000	£000	£000
Intangible Fixed Assets					
Goodwill	22(a)	304	347	304	347
Negative Goodwill	22(a)	(4,342)	(4,560)	-	-
Other Intangible Assets	22(b)	443	392	-	-
		(3,595)	(3,821)	304	347
Fixed Assets					
Properties	23	31,346	32,177	27,085	27,802
Other Tangible Fixed Assets	24	2,369	2,488	2,306	2,422
Investments	25(a)	292,143	277,244	281,830	279,811
		325,858	311,909	311,221	310,035
Current Assets					
Investments	25(a)	20,888	49,244	27,360	23,649
Stocks		131	131	131	131
Debtors and Prepayments due in more than one year	26(a)	87,385	64,660	308	393
Debtors and Prepayments due within one year	26(b)	21,100	18,437	11,264	4,922
Cash at bank and in hand	27	114,541	105,691	8,983	9,376
		244,045	238,163	48,046	38,471
Less Current Liabilities					
Salvation Army Employees' Pension Fund	17	(39)	(76)	-	-
Other Creditors due within one year	28	(217,947)	(209,092)	(8,234)	(9,054)
Net Current Assets		26,059	28,995	39,812	29,417
Total Assets less current liabilities		348,322	337,083	351,337	339,799
Creditors: Amounts falling due after more than one year					
Salvation Army Employees' Pension Fund	17	-	(38)	-	-
Other Creditors due after more than one year	29	(4,108)	(4,108)	(4,108)	(4,108)
Net Assets	21	344,214	332,937	347,229	335,691
Funds					
Restricted Funds					
Property Fund		14,246	14,492	14,246	14,492
Other Restricted Funds		13,376	14,177	13,310	14,163
		27,622	28,669	27,556	28,655
Unrestricted Funds					
Property Fund		19,089	19,560	19,089	19,560
Other Fixed Assets Fund		2,306	2,422	2,306	2,422
Share Capital Fund		5,500	2,500	5,500	2,500
Designated Funds		287,455	277,566	287,282	277,553
General Reserve		2,242	2,220	5,496	5,001
		316,592	304,268	319,673	307,036
Total Funds	20	344,214	332,937	347,229	335,691

The accompanying notes on pages 68 to 92 form an integral part of these consolidated financial statements.
Approved by The Salvation Army International Trustee Company and signed on its behalf on 27th January 2023 by:

Lyndon Buckingham - Chairman

Lee Graves - Managing Director

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

	2022 £000 Group	2021 £000 Group (Restated)
Net cash (used in)/provided by operating activities	(24,883)	4,748
Cash flows from investing activities:		
Dividends, interest and rents from investments	4,654	4,549
Decrease/(Increase) in Long Term Bank Deposits	14,499	(3,776)
Proceeds from the sale of property, plant and equipment	499	210
Purchases of property, plant and equipment	(889)	(1,183)
Purchase of Intangible Fixed Assets	(255)	(177)
Proceeds from the sale of investments (including Investments Held in the USA)	98,041	149,474
Purchase of Investments	(75,257)	(118,663)
Net cash provided by investing activities	41,292	30,434
Change in cash and cash equivalents in the reporting period	16,409	35,182
Cash and cash equivalents at the beginning of the reporting period	106,327	72,235
Effects of currency translation on cash and cash equivalents	804	(1,090)
Cash and cash equivalents at the end of the reporting period (see note B)	123,540	106,327
Note A		
Reconciliation of net income to net cash flow (used in)/ provide by operating activities		
Net income for the reporting period (as per the statement of financial activities)	11,277	50,163
Adjustments for:		
Depreciation and amortisation	1,570	1,218
(Gain) on investments	(16,015)	(51,207)
Dividends, interest and rents from investments	(4,654)	(4,549)
(Profit) on disposal of fixed assets	(453)	(122)
Decrease in Stocks	-	8
(Increase) in Debtors	(25,388)	(20,148)
Increase in Creditors	8,780	29,385
Net cash (used in)/provided by operating activities	(24,883)	4,748

Note B

Analysis of Cash and Cash Equivalents - Group	**Balance 2021** £000	**Movement in year** £000	**Balance 2022** £000
Cash at bank	78,021	13,795	91,816
RBL Loans and Advances to Banks - Recoverable on demand	27,670	(4,945)	22,725
Cash held by Investment Managers	627	8,362	8,989
Notice deposits (less than 3 months)	9	1	10
Total cash and cash equivalents	106,327	17,213	123,540

(i) Analysis of changes in Net Debt	**01-Apr-21** £000	**Cashflows** £000	**31-Mar-22** £000
Cash and cash equivalents			
Cash	78,648	22,157	**100,805**
Overdrafts	-	-	-
Cash Equivalents	27,679	(4,944)	**22,735**
	106,327	**17,213**	**123,540**

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

The Trust is a registered Charity in England and Wales and a public benefit entity as defined in FRS 102.
The principal accounting policies adopted by the Trustee in the preparation of the financial statements, have been applied consistently and are set out below:

(a) **Basis of Accounting** - The financial statements have been prepared under the historical cost convention, subject to the inclusion of investments at fair value, and are in compliance with the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) (effective 1 January 2019), the Charities Act 2011, The Salvation Army Act 1980 and FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.
The banking company, Reliance Bank Limited, became a wholly owned subsidiary of The Salvation Army International Trust during the year of 2018, following the purchase of The Salvation Army Trust's (UK Territory) 49% interest. The consolidation of the bank into the Group accounts is on a line by line basis.
The Salvation Army Leaders Training College of Africa & Resource Centre Limited (SALT), which was previously part of the Salvation Army International Trust, became a separate company wholly owned by the Trust from 01 August 2020 by way of a transfer of assets equivalent to £26k to the new SALT entity and is consolidated on a line by line basis.

Critical accounting judgements and key estimations
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Apart from those involving estimates, no judgements are deemed to have had a significant effect on amounts recognised in the financial statements. Other than investment properties, It is the Trustees' opinion that there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

One of the key sources of estimation uncertainty relates to the cost of its proportion of The Salvation Army Employees' Pension Fund (a multi-employer defined benefit pension scheme accounted for as a defined contribution scheme as per FRS102- see Note 17) which is determined using actuarial valuations for the purpose of the provision for contributions payable in respect of past service deficits. This involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty.

Other key judgements and estimates relevant to the charity, include property valuations, depreciation and amortisation.
The Investment Property portfolio is independently valued by a Chartered Surveyor based on a three-year revaluation rolling plan carried out using the comparable method in accordance with the RICS Valuation Global Standards effective at the time and the fair values of properties not due for an external valuation are updated using the UK House Price Index provided by the Land Registry (See Note 26).
The judgements made in calculating the depreciation of non-investment properties are detailed in note (g) below.

Negative Goodwill arising from the acquisition of Reliance Bank Ltd is amortised on the basis of the excess up to the fair value of non-monetary assets which is recognised in profit or loss in the periods when the non-monetary assets are recovered, and any excess beyond the fair value of non-monetary assets acquired recognised in profit or loss in the periods expected to be benefited. The periods within which the benefits are expected is 10 years based on an anticipated return to profitability of Reliance Bank Ltd. Consideration for the acquisition is payable over a long period and is linked to qualifying charitable donation payable by Reliance Bank Ltd. The potential impact of discounting the consideration payable is estimated based on the projections of future profitability of the bank and, as the calculated amount is not material, an adjustment has not been made

In relation to Reliance Bank Ltd, in terms of impairment, reviews are undertaken for all financial assets, both on an individual and a collective basis. They are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the investment have been affected.
Loans and advances are considered on a case by case basis and are provided against in the financial year in which it is anticipated that they may not be recoverable in full (which, in practice, means when they become non-performing) unless the Bank considers that it has adequate security to cover all balances outstanding plus a margin.

(b) **Income**
- (i) Contributions to the International Self-Denial Fund are received annually from the headquarters of Salvation Army territories around the world (see Note 3). Contributions are recognised in the period they relate to when territories submit results of their respective Self-Denial appeals to the International Trust and these are formally accepted by the Trust or upon receipt of the cash, whichever is earlier. In rare cases where the above triggers have not occurred, income will be accrued provided all applicable income recognition criteria have been met. A territory is an administrative unit and may comprise several countries, a single country or part of a country.
The Self-Denial appeals are separate annual appeals within each Territory, whereby church members of The Salvation Army offer a monetary gift to support the work of The Salvation Army worldwide. In addition to this, some Territories make contributions to the Self-Denial fund from other funds available to them. These contributions are used to fund grants and other support payments to financially supported territories, as set out in Note 11.
- (ii) Contributions to International Headquarters support are receivable quarterly from financially independent territories, and either quarterly or annually from financially supported territories.
- (iii) Legacies are accounted for on receipt, or on earlier notification where the value can be reliably measured and receipt is probable, on a discounted basis where applicable and material.
- (iv) Investment income is recognised on an Accruals basis and includes returns on funds held in the US.
- (v) All income is recognised in the Statement of Financial Activities on an Accruals basis or on receipt of cash if there is no basis to accrue. Income relating to a specific future period is deferred. Refunds are shown as negative income.
- (vi) Reliance Bank Limited income items, including interest receivable, rental income and fees and commissions receivable, are recognised on an accruals basis with interest recognised on an effective interest rate basis. When calculating the effective interest rate all related fees are taken into account.

(c) **Expenditure**
Expenditure is charged in the Statement of Financial Activities on the accruals basis.
- (i) Irrecoverable Value Added Tax is charged to the related expenditure categories.
- (ii) Expenditure on Charitable Activities consists of all expenditure relating directly to the objects of the Trust including support costs. Support costs have been allocated over activities on a per capita basis. Governance costs include those associated with constitutional and statutory requirements and those incurred in the governance of the Trust's assets.
- (iii) Maintenance grants are paid quarterly to overseas Salvation Army territories to support their operating costs. They are payable at the beginning of each quarter and are accounted for in the year the obligations arise (see Note (b) (i) above).
- (iv) Property schemes not completed at the year end are carried forward in the Balance Sheet as a Fixed Asset under the heading of Property Schemes in progress.
- (v) Pension costs are accounted for in accordance with FRS 102 and are charged to the Statement of Financial Activities when payable. SAIT and Reliance Bank both participate alongside other entities in a multi-employer defined benefit plan scheme The actuary has confirmed that it is not possible to split the share of the scheme's assets and liabilities between employers. Pension costs are accounted for as if if they were made to a defined contribution plan. Details are provided in Note 17.
- (vi) Grants payable to Salvation Army Territories are recognised as expenditure when they are committed and communicated to the territories, in accordance with the annual budget.
- (vii) There are no assets held under Finance lease. Rentals payable and licensing arrangements under operating leases are charged to Expenditure on a straight line basis of over the lease term.
- (viii) Reliance Bank Limited costs are shown under Expenditure on Raising Funds.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

1. ACCOUNTING POLICIES - continued

(d) Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction.
Monetary assets and liabilities are translated into sterling at the exchange rate ruling on the balance sheet date.
All profits and losses on exchange are included in the Statement of Financial Activities.

(e) Going Concern

The Trustee has reviewed the Trust's financial position, taking account of satisfactory levels of reserves and cash, the annual plan, and its system of financial and risk management considering potentially adverse future scenarios.The Trustee recognises the potentially material pension liability arising from participation of the Trust in The Salvation Army Employees' Pension Fund (see Note 17) remains well placed to meet its obligations in this regard.
The Trustee has a reasonable expectation that the Trust has adequate resources to continue in operational existence in the foreseeable future following projections of the cash positon under adverse income performance scenarios over 12 months following the signing of the accounts.
The Trust holds a strong balance sheet with £36.34 million (2021: £33.03 million) held in cash or short-term bank deposits and current liabilities amounting to £8.23 million (2021: £9.05 million).
The Trustee is confident the Trust is well placed to meet the COVID-19 crisis and Ukraine/Russia crisis with associated global and national economic impacts, inflationary pressures and continue to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy all underpinned by the governance structures of SAITCo.

A going concern assessment has been undertaken for The Salvation Army International Trust, Reliance Bank Limited and Salvation Army Leaders' Training College of Africa & Resource Centre Limited. The Trustee is satisfied the Group has sufficient resources to continue operating for the foreseeable future. The Trustee has not identified any material uncertainities related to going concern and the Group accounts are therefore prepared on a going concern basis.

(f) Intangible Fixed Assets

Negative Goodwill arising from the acquisition of Reliance Bank Ltd is amortised on the following basis of: the excess up to the fair value of non-monetary assets which is recognised in profit or loss in the periods when the non-monetary assets are recovered, any excess beyond the fair value of non-monetary assets acquired recognised in profit or loss in the periods expected to be benefited.
Computer Software, where capitalised, is depreciated over a period of 4 years.

(g) Fixed Assets

Tangible fixed assets for the Trust are stated at cost (£1,000 or more) less accumulated depreciation.
For Reliance Bank Limited, property, fixtures and fittings and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.
Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives, as follows:

- Freehold and Long Leasehold Properties are depreciated over 50 years.
  The depreciation on some historic property costs includes Land values deemed immaterial.
- Internal Fit-Out Costs of the Headquarters building are depreciated over 15 years.
- Fixtures, Fittings and Office Equipment are depreciated over 5 - 10 years.
- Vehicles are depreciated over 6 years.
- IT Equipment is depreciated over 3 - 4 years.

The Bank opted during year ended March 2021 to follow the revaluation approach to its freehold property, under FRS102 section 17. The associated entries relating to this change in policy, including Deferred Tax, were eliminated on Consolidation into the Group Accounts and the property carrying value restated under the historical cost model and in accordance with the Group accounting policy.

The freehold property at Sunbury Court has been depreciated so as to write down the cost of the project by components, on a straight line basis over their estimated useful economic lives at the following annual rates:

- Building and Infrastructure - 50 years.
- Roof (flat), Windows and Doors - 25 years.
- Major Installations (including heating, electrical, drainage) - 25 years.
- Bathroom and Kitchen Installations, Lifts- 15 years.
- Furniture, Fixtures and Fittings - 15 years.

(h) Basic Financial Instruments

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at historical cost, which is usually the transaction price, and subsequently measured at their settlement value. Financial investments are recognised at fair value through Profit and Loss - See Note 1(i) below. Trade and other debtors are recognised at the settlement amount due.
Creditors and provisions are recognised where the Trust has an obligation resulting from a past event that is likely to result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.
The Bank's financial instruments are all basic financial instruments and comprise loans and advances, treasury bills, debt securities and customer accounts. The Bank does not hold derivative financial instruments.
Financial assets and liabilities are recognised initially at their historical cost, which is normally the transaction price. Thereafter, debt instruments are measured at amortised cost less impairment using the effective interest method. No financial instruments are designated as at fair value through profit or loss. Debt instruments that are payable or recoverable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

1. ACCOUNTING POLICIES - continued

(i) **Investments** - To comply with the Statement of Recommended Practice, Financial investments are included at fair value.
Listed investments are valued at the year end bid price.
The freehold reversionary interest is externally valued every five years, subject to any significant change in value in the intervening years.
Investment properties are held at fair value at the balance sheet date and no depreciation is provided. The aggregate surplus or deficit arising on revaluation at each period end is transferred to the Investment Property Revaluation Fund (see Note 20).
Investments in subsidiary undertakings are held at cost less impairment.

(j) **Stocks** are valued at the lower of cost or net realisable value.

(k) **Funds :**
(i) The Restricted Funds are held for restricted purposes, as specified by the donors.
(ii) The Unrestricted Funds include Designated Funds held for particular purposes designated by the Trustee in the exercise of its discretionary powers, and a General Reserve representing funds not designated for specific purposes. (See Note 20 for further details).

(l) **Subsidiary Companies**
Wholly owned subsidiary companies are consolidated with the Financial Statements of the Trust on a line-by-line basis.

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership model and through the delivery of its 5-year strategic plan, the Bank aims to become an important, positive social impact bank with an expanded remit in this market segment. The Trust has invested a total of £5.5 million in the Bank's share capital since acquisition, £3 million of which during 2022, to support its business transformation plans.
Whilst the Trust is the Bank's controller, a Nominations Committee comprising Non-Executive Directors of the Bank recommends appointments of Bank Directors to the board. This includes consideration of proposed Shareholder representative Directors, as and when appropriate.
Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of 'The Trust'. This has not been the case the last few years, as the Bank is investing in its organisational structure and systems as it embarks on a new strategy under the sole ownership of the Trust. Losses have continued in the year under review, partly as expected during this implementation strategic plan, while this initial investment takes place. of the strategic plan, and partly in response to the challenges of the global pandemic.
Full details of the subsidiary company's Profit and Loss Account and Balance Sheet are set out in Note 4.

The Salvation Army Leaders Training College of Africa & Resource Centre Limited (SALT) is a wholly owned subsidiary of the Trust.
During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust.
This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets and so, from August 2020 is no longer reported within the charity only accounts of the Trust but within the Group accounts.
The assets transferred from the Trust to the new entity are not material to the Trust.

(m) **Subsidiary Company - Provisions for liabilities**
A provision is recognised when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The effect of the time value of money is not material and therefore the provisions are not discounted.

(n) **Subsidiary Company - Set-off**
The Bank does have a legal right of set-off established in respect of some customer accounts (as confirmed by legal opinion). However, set-off positions would only be disclosed in the accounts where there is an intention to ordinarily settle on a net basis or to realise the asset and settle the liability simultaneously.

(o) **Subsidiary Company - Contingent Liabilities**
Contingent liabilities are recognised as memorandum items on the face of the Balance Sheet and further analysed in Note 32 to the accounts at their contract amounts unless the possibility of any transfer on settlement is remote.

(p) **Subsidiary Company - Risk Management Policies and Objectives**
The Board of Directors of Reliance Bank Ltd is responsible for determining the long-term strategy of the business and the level of risk acceptable in each area of the Bank's business.
The Bank's Audit, Risk and Compliance Committee recommends policies designed to mitigate risks to the Board of Directors of the Bank and reviews risk assessments within the Bank's risk register.
The main financial risks arising from the Bank's activities are as follows:
- Credit Risk.
- Liquidity and Funding Risk.
- Interest Rate Sensitivity.
- Foreign Exchange Risk.

(q) **Prepayments**
Prepayments are valued at the amount prepaid net of any trade discount offered.

(r) **Cash and cash equivalents**
For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash at banks and in hand and short term deposits with an original maturity (from date of acquisition) of less than three months.

(s) **Gains and Losses**
All recognised gains and losses are included in the Statement of Financial Activities, and all the reported activities, in both the current and preceding years, reflect ongoing activities.

2. BUSINESS COMBINATION - ACQUISITION

On 31 October 2018 (the acquisition date), The Salvation Army International Trust acquired the outstanding equity of Reliance Bank Ltd in a cash transaction per the workings below. Reliance Bank Ltd is a UK incorporated company limited by shares and authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). Following acquisition Reliance Bank Ltd is a wholly owned subsidiary of The Salvation Army International Trust. Reliance Bank's mission is to be a distinctive, solid and safe Bank with Christian and ethical values that delivers as part of the broader objectives of The Salvation Army by enabling positive social impact.

Equity transaction: Preceding the acquisition the outstanding Reliance Bank Limited had allotted, called up and fully paid £7.5 million of £1 ordinary shares.
The Salvation Army International Trust already held 51% of Reliance Bank and purchased the remaining 49% shareholding held by The Salvation Army Trust on 31st October 2018.
The estimated fair value of the Net Assets acquired benefitted from a fair value uplift associated with Property, Plant and Equipment as below:

	£
Freehold Property (per valuation)	4,400,000
Other Net Assets per Accounts	8,799,631
Total	13,199,631

Calculation of Goodwill

The total cost of acquisition is therefore £7,933,397 (original cost £3,825,000 and subsequent acquisition £4,108,397) acquiring Net Assets at fair value of £13,199,631, giving rise to negative goodwill of £5,266,234. The negative goodwill is unwound through the Statement of Financial Activities (SOFA) over a 10 year period (see Note 1(f)).

The cost of acquisition represents contingent consideration of £4,108,397 estimated as payable over 15 years (see Note 29).

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

3. CONTRIBUTIONS RECEIVED FROM SALVATION ARMY TERRITORIES

	Self-Denial Fund		International Headquarters Support		Donations Received	
	Unrestricted		Unrestricted		Restricted	
Territory	2022	2021	2022	2021	2022	2021
	£000	£000	£000	£000	£000	£000
Angola	7	6	1	1	-	-
Australia	434	519	733	712	229	123
Bangladesh	1	1	1	1	-	-
Brazil	-	19	2	2	-	-
Canada and Bermuda	1,434	1,520	575	558	741	571
Caribbean	-	52	5	5	-	-
Congo (Brazzaville)	82	64	5	5	-	-
Democratic Republic of Congo	64	23	6	5	-	-
Denmark	26	25	17	16	8	-
Eastern Europe	11	10	1	1	1	-
Finland and Estonia	52	56	29	29	51	60
France and Belgium	15	11	52	50	-	2
Germany, Lithuania and Poland	30	30	36	35	38	54
Ghana	31	21	3	3	-	-
Hong Kong and Macau	53	26	27	26	-	7
India Central	62	30	8	7	-	-
India Eastern	125	128	4	3	-	-
India Northern	24	25	6	6	-	-
India South Eastern	83	85	7	7	-	4
India South Western	34	33	7	7	-	-
India Western	30	23	7	6	-	-
Indonesia	42	40	12	11	-	-
Italy and Greece	4	4	1	1	2	2
Japan	40	43	70	68	-	-
Kenya East	221	134	8	7	-	-
Kenya West	203	154	8	8	-	-
Korea	158	129	12	12	34	-
Latin America North	-	31	2	2	-	-
Liberia	14	5	1	1	-	-
Malawi	9	5	1	1	-	-
Mali	3	2	1	1	-	-
Mexico	-	10	3	3	-	-
Middle East	11	14	1	1	-	-
Mozambique	2	1	1	1	-	-
The Netherlands, Czech Republic and Slovakia	189	200	113	110	173	98
New Zealand, Fiji and Tonga	402	540	267	260	113	386
Nigeria	27	16	5	5	-	-
Norway, Iceland and The Faeroes	400	398	100	97	(3)	179
Pakistan	3	3	6	6	-	-
Papua New Guinea	35	33	3	3	-	-
The Philippines	16	17	4	4	-	-
Russia	3	3	1	1	-	-
Rwanda and Burundi	3	3	1	1	-	-
Singapore, Malaysia and Myanmar	93	114	18	18	-	15
South America East	-	9	2	2	-	-
South America West	-	15	4	4	-	-
Southern Africa	39	28	4	3	4	2
Spain and Portugal	16	12	1	1	7	3
Sri Lanka	1	1	2	2	-	-
Sweden and Latvia	106	103	82	79	33	15
Switzerland, Austria and Hungary	712	888	158	154	162	39
Taiwan	6	7	1	1	-	-
Tanzania	8	7	2	2	-	-
Uganda	7	4	1	1	-	-
United Kingdom with the Republic of Ireland	2,220	2,190	873	847	1,063	688
USA Central	4,092	4,443	1,827	1,738	9	36
USA Eastern	4,424	4,713	1,521	1,473	367	421
USA Southern	4,792	4,688	1,919	1,865	143	641
USA Western	3,755	3,645	1,452	1,397	400	713
USA National HQ	-	-	55	57	162	784
Zambia	50	22	3	3	-	-
Zimbabwe	143	38	7	7	-	-
	24,847	25,419	10,085	9,743	3,737	4,843

4. RELIANCE BANK LIMITED (registered in England & Wales - Company Number 00068835)

Unrestricted income to the Salvation Army International Trust from Reliance Bank Limited for the year was therefore £nil (2021: £nil)

The banking company, Reliance Bank Limited (the 'Bank'), became a wholly owned subsidiary of The Salvation Army International Trust (the 'Trust') in October 2018, following the purchase of The Salvation Army Trust's (UK Territory) 49% interest (See Note 1(l)) Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of The Trust. This has not been the case during the year under review as the Bank continues to invest in its organisational structure and systems to deliver its strategy under the sole ownership of the Trust. As expected, a loss has been made in the early implementation period of the strategic plan, while this initial investment takes place.

RELIANCE BANK LIMITED	2022	2021
	£000	£000
Summary Profit and Loss Account		
Interest Receivable and other operating income	4,195	3,231
Interest Payable and other operating expenditure	(693)	(542)
Administration Expenditure	(4,252)	(4,509)
Operating Loss	(750)	(1,820)
Taxation	141	459
Retained Deficit for year	(609)	(1,361)
Retained Reserves brought forward	934	1,652
Change in Accounting Policy and Transfer from Revaluation Reserve	-	643
Deferred tax change	(45)	-
Transfer from Revaluation reserve	31	-
Retained Reserves carried forward	311	934
Share Capital owned	13,000	10,000
Summary Balance Sheet		
Fixed Assets	5,170	5,249
Current Assets		
Less than one year	159,000	167,378
Loans over one year	87,077	71,699
	251,247	244,326
Liabilities		
Current	(236,804)	(232,134)
Net Assets	14,443	12,192
Share Capital	13,000	10,000
Revaluation Reserve	1,132	1,258
Reserves	311	934
Shareholders' Funds	14,443	12,192

Differences from Group policy related to the Bank's building property valuation, including the revaluation reserve balance, were eliminated on consolidation and the impacted amounts were restated in the Group Financial Statements (see Note 1(g)).

5. OTHER DONATIONS AND LEGACIES

	Unrestricted	Restricted	2022	Unrestricted	Restricted	2021
	£000	£000	£000	£000	£000	£000
a) Group						
Other Donations	163	128	291	7,748	87	7,835
Legacies	5	146	151	79	65	144
	168	274	442	7,827	152	7,979
b) Charity						
Other Donations	4	76	80	7,748	87	7,835
Legacies	5	146	151	79	65	144
	9	222	231	7,827	152	7,979

Total external donations and legacies reduced from £7.98 million (2021) to £0.44 million (2022) due to one-off gifts from an external donor not being repeated in 2022.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

	2022 Group	2021 Group	2022 Charity	2021 Charity
6. INCOME FROM CHARITABLE ACTIVITIES	£000	£000	£000	£000
Rents from charitable activities	131	125	131	125
Software Charges	14	-	14	-
Income from publications	150	167	150	167
Income from Café 101	73	-	73	-
International Personnel Training and Development	64	63	41	52
	432	355	409	344
Restricted income for the year was £55k (2021: £52k)				
7. OTHER TRADING ACTIVITIES				
Conference Centre income	42	1	42	1
Rents from letting of property	147	118	147	118
Fees and Commissions receivable	729	520	-	-
Release of Negative Goodwill	175	527	-	-
	1,093	1,166	189	119
Unrestricted income for the year was £1,093k (2021: £1,166k)				
8. INVESTMENT INCOME				
Income from fixed interest securities	416	533	416	533
Dividends from equities	1,511	1,277	1,511	1,277
Interest on bank deposits	7	3	45	41
Income from funds held in USA	988	990	988	990
Rental on Freehold Reversionary Interest	225	470	225	470
Rents from letting of investment properties	1,469	1,385	1,469	1,381
	4,616	4,658	4,654	4,692
Interest on Loans and Advances to Bank Customers	3,342	2,583	-	-
	7,958	7,241	4,654	4,692
Restricted income for the year was £140k (2021: £133k)				

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

9. RAISING FUNDS

	2022 Group	2021 Group	2022 Charity	2021 Charity
	£000	£000	£000	£000
Cost of letting of property	701	720	701	720
Investment management costs	1,011	901	1,011	901
Release of Goodwill	-	-	43	43
Costs of subsidiary banking operations	4,899	5,026	-	-
	6,611	6,647	1,755	1,664

Restricted expenditure for the year was £29k (2021: £25k)

10. CHARITABLE ACTIVITIES

	2022						
Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2022 Group Total	2021 Group Total	2022 Charity Total	2021 Charity Total
	£000	£000	£000	£000	£000	£000	£000
World Mission	-	2,485	1,741	4,226	3,868	4,226	3,882
Assistance to Salvation Army territories (Note 11)	24,205	3,792	2,487	30,484	35,173	30,484	35,195
International Personnel Training and Development	-	5,218	4,056	9,274	7,820	9,428	7,908
Crisis Relief	-	1,476	266	1,742	2,831	1,742	2,846
Health Services for the Poorest People	-	137	66	203	220	203	221
Fighting Against Sexual Trafficking and for Social Justice	-	838	398	1,236	1,103	1,236	1,107
	24,205	13,946	9,014	47,165	51,015	47,319	51,159

Grant and donation funding includes operational grants paid quarterly to Salvation Army territories around the World and the onward transmission of project funding.
Costs of activities undertaken directly include the direct costs associated with emergency services and other projects which are managed by International Headquarters.
Support costs have been allocated over activities on a per capita basis (see Note 12).
SALT College costs are included under the International Personnel Training and Development heading.
Restricted expenditure for the year was £5.8m (2021: £7.2m)

	2021						
Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2021 Total	2020 Total	2021 Total	2020 Total
	£000	£000	£000	£000	£000	£000	£000
World Mission	-	2,622	1,246	3,868	4,038	3,882	4,038
Assistance to Salvation Army territories (Note 11)	29,236	3,959	1,978	35,173	28,246	35,195	28,279
International Personnel Training and Development	-	4,525	3,295	7,820	10,149	7,908	10,149
Crisis Relief	-	2,625	206	2,831	1,739	2,846	1,739
Health Services for the Poorest People	-	169	51	220	1,000	221	1,000
Fighting Against Sexual Trafficking and for Social Justice	-	795	308	1,103	1,177	1,107	1,177
Retired Officers Allowance Scheme	-	-	-	-	122	-	122
	29,236	14,695	7,084	51,015	46,471	51,159	46,504

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK

Territory	2022 Allowable deductions from Self-Denial funds *(see note 1(b(i))*	2022 Grant funding of activities	2022 Additional grant for specific costs	2022 Activities funded by donations	2022 Total	2021 Total
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	100	1	101	77
Americas, General	-	-	-	-	-	4
Angola	-	43	1	247	291	95
Australia	-	6	-	17	23	107
Bangladesh	-	191	3	64	258	460
Brazil	-	552	3	606	1,161	1,799
Canada and Bermuda	-	-	-	-	-	2
Caribbean	-	679	5	140	824	1,181
Congo (Brazzaville) and Gabon	15	488	42	517	1,062	1,313
Czech Republic and Slovakia (Netherlands)	-	449	1	10	460	491
Democratic Republic of Congo	28	496	39	449	1,012	807
Denmark	-	125	-	1	126	141
Eastern Europe	18	1,030	3	36	1,087	1,184
Estonia (Finland)	5	213	4	7	229	233
Fiji and Tonga	-	-	-	1	1	2
France and Belgium	-	-	-	1	1	1
Germany, Lithuania and Poland	-	198	-	-	198	315
Ghana and Togo	-	133	14	120	267	470
Hong Kong and Macau	-	-	1	1	2	-
India National Secretariat	-	259	2	603	864	129
India Central	-	211	1	117	329	556
India Eastern	2	-	2	15	19	(688)
India Northern	-	99	1	1	101	686
India South Eastern	-	297	2	207	506	496
India South Western	-	288	3	48	339	510
India Western	-	219	15	149	383	517
Indonesia	19	-	16	131	166	152
Italy and Greece	-	288	1	164	453	695
Kenya East	34	251	8	91	384	1,164
Kenya West	28	570	(20)	370	948	1,198
Korea	-	-	-	-	-	1
Latin America North	-	597	2	84	683	1,017
Latvia (Sweden)	-	132	-	1	133	200
Liberia, Sierra Leone and Guinea	9	190	1	487	687	533
Malawi	26	121	17	107	271	463
Mali and Burkina Faso	8	112	3	157	280	174
Mexico	-	354	4	36	394	543
Middle East	-	257	1	1	259	355
Mozambique	15	249	7	68	339	384
Nigeria	13	127	26	183	349	461
Norway	-	-	-	1	1	1
Pakistan	-	909	305	172	1,386	1,363
Papua New Guinea	16	795	68	408	1,287	1,123
The Philippines	11	388	3	244	646	634
Russia	2	677	1	47	727	740
Rwanda and Burundi	22	169	20	107	318	389
Singapore, Malaysia and Myanmar	-	190	2	30	222	437
South America East	-	500	3	342	845	1,275
South America West	-	362	5	86	453	773
Southern Africa	4	81	7	138	230	259
Spain and Portugal	3	625	1	5	634	714
Sri Lanka	-	176	2	51	229	294
Switzerland, Austria and Hungary	-	-	-	7	7	-
Taiwan	-	87	1	75	163	173
Tanzania	16	149	6	325	496	430
Uganda	25	148	15	248	436	583
United Kingdom with the Republic of Ireland	-	-	-	1	1	4
USA Eastern	-	-	-	-	-	24
USA Western	-	-	-	4	4	-
Zambia	36	330	5	140	511	830
Zimbabwe and Madagascar	77	396	8	138	619	962
2022 - Total	432	15,206	760	7,807	24,205	29,236

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK (Continued)

Territory	2021 Allowable deductions from Self-Denial funds *(see note 1(b(i))*	2021 Grant funding of activities	2021 Additional grant for specific costs	2021 Activities funded by donations	2021 Total	2020 Total
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	77	-	77	59
Americas. General	-	-	-	4	4	4
Angola	-	46	-	49	95	83
Australia	99	-	-	8	107	169
Australia Southern	20	208	2	230	460	330
Bangladesh	17	600	-	1,182	1,799	1,124
Brazil	-			2	2	35
Canada and Bermuda	81	738	3	359	1,181	821
Caribbean	13	537	23	740	1,313	657
Congo (Brazzaville) and Gabon	-	488	-	3	491	501
Czech Republic and Slovakia (Netherlands)	4	539	35	229	807	904
Democratic Republic of Congo	-	136	-	5	141	145
Denmark	13	1,081	2	88	1,184	1,106
Eastern Europe	1	231	-	1	233	227
Estonia (Finland)	-	-	-	2	2	1
Fiji and Tonga	-	-	-	1	1	3
France and Belgium	-	216	1	98	315	211
Germany, Lithuania and Poland	10	145	27	288	470	274
Ghana and Togo	-	-	-	-	-	2
Hong Kong and Macau	-	108	-	21	129	117
India National Secretariat	-	229	1	326	556	335
India Central	6	-	1	(695)	(688)	110
India Eastern	-	282	1	403	686	342
India Northern	2	324	1	169	496	428
India South Eastern	-	313	2	195	510	392
India South Western	4	238	2	273	517	415
India Western	6	-	17	129	152	109
Indonesia	5	254	-	436	695	374
Italy and Greece	27	274	32	831	1,164	534
Kenya East	55	620	36	487	1,198	954
Kenya West	-	-	-	1	1	1
Korea	8	650	-	359	1,017	731
Latin America North	-	144	-	56	200	155
Latvia (Sweden)	9	198	1	325	533	226
Liberia, Sierra Leone and Guinea	19	131	-	313	463	230
Malawi	-	80	-	94	174	120
Mali and Burkina Faso	2	386	1	154	543	622
Mexico	-	279	-	76	355	301
Middle East	9	271	-	104	384	299
Mozambique	13	138	12	298	461	434
Nigeria	-	-	-	1	1	2
Norway	1	1,113	-	249	1,363	1,263
Pakistan	18	540	56	509	1,123	693
Papua New Guinea	4	422	-	208	634	444
The Philippines	3	736	-	1	740	770
Russia	9	184	13	183	389	253
Rwanda and Burundi	6	207	2	222	437	314
Singapore, Malaysia and Myanmar	3	544	1	727	1,275	571
South America East	34	392	2	345	773	646
South America West	18	89	3	149	259	166
Southern Africa	-	680	-	34	714	713
Spain and Portugal	17	191	1	85	294	243
Sri Lanka	-	-	-	-	-	8
Switzerland, Austria and Hungary	-	94	-	79	173	154
Taiwan	9	162	12	247	430	305
Tanzania	28	161	7	387	583	261
Uganda	-	-	-	4	4	6
United Kingdom with the Republic of Ireland	-	-	-	24	24	-
Zambia	29	359	19	423	830	185
Zimbabwe and Madagascar	108	431	5	418	962	896
2021 - Total	710	16,189	398	11,939	29,236	21,778

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

12. ANALYSIS OF SUPPORT COSTS BY ACTIVITY

Charitable Activities	Management	Finance & IT	Human Resources	Property	Depreciation	Governance (see note 13)	2022 Total	2021 Total
	£000	£000	£000	£000	£000	£000	£000	£000
World Mission	240	614	127	224	236	300	1,741	1,246
Assistance to Salvation Army territories	343	878	181	321	337	427	2,487	1,978
International Personnel Training and Development	560	1,431	296	522	550	697	4,056	3,295
Crisis Relief	37	94	19	34	36	46	266	206
Health Services for the Poorest People	9	23	5	9	9	11	66	51
Fighting Against Sexual Trafficking and for Social Justice	55	140	29	51	54	69	398	308
	1,244	3,180	657	1,161	1,222	1,550	9,014	7,084

Depreciation on Vehicles and IT Equipment of £145k (2021: £131k) forms part of rechargeable expenditure allocated on a usage basis and is included in the functional headings above.
All support costs have been allocated against Charitable Activities on a per capita basis (see note 10).

	2021							
Charitable Activities	Management	Finance & IT	Human Resources	Property	Depreciation	Governance (see note 13)	2021 Total	2020 Total
	£000	£000	£000	£000	£000	£000	£000	£000
World Mission	112	428	121	131	217	237	1,246	1,380
Assistance to Salvation Army territories	178	678	192	209	344	377	1,978	2,250
International Personnel Training and Development	296	1,131	320	348	572	628	3,295	3,444
Crisis Relief	19	70	20	22	36	39	206	240
Health Services for the Poorest People	4	18	5	5	9	10	51	60
Fighting Against Sexual Trafficking and for Social Justice	28	106	30	32	53	59	308	360
	637	2,431	688	747	1,231	1,350	7,084	7,734

13. GOVERNANCE COSTS

	2022	2021
	£000	£000
Charitable Activities		
Internal Audit	409	437
External Audit	108	79
Legal and Administration (includes Trustees' Indemnity Insurance)	531	448
International Child Protection Governance	257	183
Finance and Property	245	203
	1,550	1,350
Raising Funds		
External Audit - Reliance Bank	144	102
Total	1,694	1,452

An Internal Audit Department carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working.
The external audit fee for Reliance Bank Limited is charged to expenditure on raising funds as part of their administrative expenses.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

14. PERSONNEL COSTS

	2022 £000	2021 £000
Salaries and Allowances	8,372	7,372
Employer's Social Security Costs	885	769
Employer's Pension Costs	790	762
	10,047	8,903

The Trust made Termination payments of £58k during the year.

The number of employees earning greater than £60,000 per annum (including employee benefits but excluding employer's pension costs) was as follows:

	2022 No.	2021 No.
£60,001 - £70,000	9	5
£70,001 - £80,000	8	5
£80,001 - £90,000	1	-
£90,001 - £100,000	1	4
£100,001 - £110,000	2	2
£110,001 - £120,000	5	1
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	1	-
£150,001 - £160,000	-	1

The highest paid employee within the above had employer pension contributions of £Nil (2021: £Nil).
The above amounts include employee and staff costs relating to subsidiary companies.

Average number of officers and employees	2022 Headcount	2021 Headcount	2022 FTE	2021 FTE
Salvation Army International Trust	182	176	172	166
Reliance Bank Limited	40	39	40	39
SALT College of Africa	17	14	17	14
TOTAL	239	229	229	219

(i) The Salvation Army International Trust
The key management personnel of The Salvation Army International Trust and the Group, comprise the General, the Chief of the Staff and seven International Secretaries. The total taxable allowances and benefits plus employers NIC of key management personnel were £227k (2021: £229k).

(ii) Reliance Bank Limited
The Bank's key management personnel are considered to be its Directors (both Executive and Non-Executive), and other members of its Executive Committee, the Chief Operating Officer, the Commercial Director and the Chief Risk Officer.
The total taxable remuneration and benefits plus employers NIC of the Bank's key management personnel was £616k (2021: £585k). Two Executive Directors of Reliance Bank received emoluments during the year, their remuneration was £283k (2021: £266k) and includes pension contributions of £13,905 (2021: £20,522). The highest paid Director received emoluments of £152,296 of which pension contributions were £Nil (2021: £142,148). Non-Executive Directors received no remuneration from the Bank and are not members of the pension scheme.
Executive Directors are eligible to apply for loans on terms that are available to all employees of the Bank.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

15. TRUSTEES

(i) Remuneration

The Salvation Army International Trustee Company directors, fourteen trustees (see Trustee's report for details), comprise nine senior Salvation Army officers, an employee who acts as Director/Company Secretary (until January 2022) and four non-executive directors with specialist expertise. All Salvation Army officers receive an allowance based on length of service and other personal circumstances and, as ministers of religion, are provided with furnished accommodation and transport facilities. Salvation Army officers are required to use the accommodation provided, or another agreed alternative, as part of their ministry. Taxable allowances and benefits received during the year by the officers serving as directors ranged from £2,262 to £32,657 (2021: £9,387 to £25,578) with total emoluments of £198,916 (2021: £161,651) and they did not receive any additional remuneration for their duties as directors.

The employee serving until January 2022 as Director/Company Secretary received remuneration of £92,857 (2021: £98,909) in the executive role of Head of Finance of the charity and did not receive any additional remuneration for his duties as director.
The non-executive directors did not receive any remuneration for their services.

(ii) Expenses

One trustee (2021:one) received any expenses of £832 (2021: £191) in their capacity as directors of The Salvation Army International Trustee Company. Expenses paid on behalf of Executive Directors, in respect of their executive roles are not included here.
There were no expenses paid to third parties on behalf of the Trustees during the year.

16. AUDIT COSTS

The amount payable to the auditors for the audit of these financial statements amounts to £65,000 excluding VAT (2021: £59,000) and a one-off fee of £10,000 due to the implementation of the new Accounting software. An additional payment of £15,000 excluding VAT was made in relation to additional work undertaken in respect of the 2021 audit. Their remuneration for services in connection with audits of overseas territories was £41,000 excluding VAT (2021: £51,250) and payments to BDO International offices amounted to £230,000 (2021: £215,000).
The audit of Reliance Bank Limited's financial statements amounts to £120,000 excluding VAT (2021: £85,000),

17. PENSION COSTS

(a) Salvation Army Employees' Defined Benefit Pension Scheme

The Salvation Army International Trust and Reliance Bank Ltd both participate in the same multi-employer defined benefit and defined contribution employee pension schemes, both administered by The Salvation Army United Kingdom with Republic of Ireland Territory. They contribute to The Salvation Army Employees' Pension Fund, a funded defined benefit scheme, in respect of those members of staff that were eligible and had joined the scheme prior to its closure to new members on 31 December 2011.

The scheme is subject to triennial actuarial valuations and provisional results from the most recent one, performed on 31 March 2021, reported a surplus of £2.547million relative to the technical provisions which corresponded to an on-going funding ratio of 101.2%. A proposed increase in the employers' contribution rate was agreed to be funded from the surplus until 31 March 2022 and for an increase in contribution payments to take effect from 01 April 2022.
The scheme is a multi-employer scheme incorporating five employers and the actuary has confirmed that it is not practical to allocate the assets and liabilities of the scheme between participating employers in accordance with FRS102.
As at 31 March 2022, the Trust had 35 employees in the scheme out of a total active membership of 309.
Reliance Bank Ltd's shortfall from the 2018 valuation amounted to £188k and the bank elected to pay its share over a 5-year period, with a remaining final payment of £38k due as at March 2022.
As at 31 March 2022, the Bank had 1 employee in the scheme respectively out of a total active membership of 309.

Salvation Army Employees' Pension Fund	2022 Group £000	2021 Group £000	2022 Charity £000	2021 Charity £000
Amounts falling due within one year	39	76	-	-
Amounts falling due after more than one year	-	38	-	-
	39	114	-	-

(b) Salvation Army Employees' Defined Contribution Pension Scheme

A Defined Contributions Scheme was introduced from 1 October 2011 and 53 members of staff of The Salvation Army International Trust and 35 members of staff of Reliance Bank Ltd have joined the scheme.
Auto enrolment was adopted from 1 April 2014, with employees required to opt out if they did not want to be part of the scheme.
The Trust accounts for Pension Costs on the date payments to the Schemes fall due. The costs charged in the current year are disclosed in Note 14.

All pension costs relating to the International Trust are met from Unrestricted funds.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

18. NET GAINS AND LOSSES

The following Gains/(Losses) have been recognised during the year:

	2022 Group	2021 Group (as Restated)	2022 Charity	2021 Charity (as Restated)
Net Gains on Investments	£000	£000	£000	£000
Gains on Listed Investments	7,867	38,787	7,867	38,787
Foreign Exchange Gains/(Losses) on Investments	804	(1,090)	804	(1,090)
Gain on Revaluation of Investment Properties	3,164	2,042	3,164	2,042
Transfer of Investment Property to Fixed Assets	-	(528)	-	(528)
Gain on revaluation of Freehold Reversionary Interest	-	450	-	450
Exchange Gain/(Loss) on revaluation of funds held in the USA	3,112	(5,525)	3,112	(5,525)
Gain on Investments held in the USA	1,068	17,071	1,068	17,071
	16,015	51,207	16,015	51,207

Further details on Gains on Investments can be found in Note 25(e).

	2022 Group	2021 Group (as Restated)	2022 Charity	2021 Charity (as Restated)
Other recognised gains/(losses)	£000	£000	£000	£000
Foreign Exchange (Losses)	(9)	(205)	(8)	(203)
(Loss) on properties reclassified back to Fixed Assets	-	(58)	-	(58)
	(9)	(263)	(8)	(261)

The significant volume of transactions denominated in US dollars has given rise to exchange losses, as rates moved between $1.3798 and $1.3122 between March 2021 and March 2022.
Net Gains on Investments were restated (see Note 35 (c)) in the financial statements and split between the elements pertaining to Net Gains on Investments and those pertaining to Other Recognised Gains/(Losses).

19. TAXATION

As a registered charity, the Trust is entitled to exemptions from tax in accordance with the provisions of Section 505 of the Income and Corporation Taxes Act 1988.

In relation to Reliance Bank Limited the following Deferred Tax Liability applies:

	2022	2021
Accelerated capital allowances:	£000	£000
Liability at start of the year	-	13
Deferred tax (Credited) to profit and loss account for the Year	-	(13)
Liability at end of the year	-	-

No deferred tax asset has been provided for at this point in respect of tax recoverable on losses except to the extent that it offsets timing differences which will crystalise a tax charge in future periods.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

20. MOVEMENT IN FUNDS

	Balance 31/03/2021	Transfers	Income	Expenditure	Balance 31/03/2022
	£000	£000	£000	£000	£000
RESTRICTED					
Property Fund	14,492	-	-	(246)	14,246
Other Fixed Assets Fund	-	-	-	-	-
Officers' Support Endowment Fund	5,248	-	243	-	5,491
Int'l Social Justice Commission Fund	2,515	-	-	-	2,515
Int'l Financial Accounting Standards Training	1,196	-	1,515	(2,317)	394
Other Restricted	5,218	2	3,042	(3,286)	4,976
	28,669	2	4,800	(5,849)	27,622

The Property Fund represents restricted funds used for specific property acquisitions.
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll out of cloud-based accounting software and training of internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

	Balance 31/03/2021	Transfers	Income	Expenditure	Balance 31/03/2022
	£000	£000	£000	£000	£000
UNRESTRICTED					
Property Fund	19,560	158	-	(629)	19,089
Other Fixed Assets Fund	2,422	231	-	(347)	2,306
Reliance Bank Share Fund	2,500	3,000	-	-	5,500
Designated Funds					
Property Commitments Fund	27,362	663	2,292	(1,861)	28,456
Self-Denial Fund	22,182	(1,987)	25,463	(20,966)	24,692
Investment Appreciation Fund	92,796	-	3,639	-	96,435
Investment Property Revaluation Fund	41,984	-	3,164	-	45,148
Exchange Equalisation Fund	3,155	-	1,720	-	4,875
Other Designated Funds	90,087	(2,547)	7,546	(7,237)	87,849
	277,566	(3,871)	43,824	(30,064)	287,455
General Reserve					
Held by Trust	5,001	480	12,210	(12,195)	5,496
Held by subsidiaries	(2,781)	-	4,841	(5,314)	(3,254)
	304,268	(2)	60,875	(48,549)	316,592

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.

The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 21).

The Reliance Bank Share Fund represents funds which have been used to finance the acquisition of additional Reliance Bank Share Capital.

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£19.33m), and an International Property Project reserve (£5.79m) held to provide additional property project funding to territories over the next 2-3 years.
The Self-Denial Fund represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 12.4 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund represents unrealised gains on investments (including the investment funds held by the US National office and recognised as a debtor within these accounts) which are still subject to market risk.
The Investment Property Revaluation Fund represents the surplus on revaluation of tenanted properties held for investment purposes.
The Exchange Equalisation Fund represents exchange gains made and held to offset future exchange losses.

Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers, including reserves of £47.73m supporting the balances held and invested in the USA on behalf of SAIT to generate income for specific purposes, which are Medical Services Support (£8.64m), Schools Services Support (£4.20m) and the Officers Support Endowment Fund (£34.89m).
The income generated from the Officers Support Endowment Fund has resulted in a reserve (£2.57m) which provides grants to Salvation Army Officers around the world to support basic needs.
Also included is a Mission Support Reserve (£2.81m) held to provide additional project funding to territories over the next 2-3 years and an International Schools Development reserve (£7.57m) held to provide additional school project funding to territories over the next 2-3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£7.62m) and IT Development Reserve (£4.45m) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territories over the next 2-3 years. A Leadership Development Reserve (£3.59m) is held to fund the enhancement of training and personal development of Officers over the next 3-4 years. The Children's Homes Support Reserve (£1.75m) is held to provide ongoing support to improve children's homes facilities around the world over the next 2-3 years.
Four designated Covid-19 Reserves (totalling £2.41m at 31 March 2022) were established to fund responses to the pandemic and are expected to be utilised within the next 2 years.
The remainder of the Other Designated Funds balance is made up of a number of smaller reserves, none of which are individually material.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust, and is equivalent to 6.0 months expenditure on headquarters administration costs.

20. MOVEMENT IN FUNDS - continued

	Balance 31/03/2020	Transfers	Income	Expenditure	Balance 31/03/2021
	£000	£000	£000	£000	£000
RESTRICTED					
Property Fund	14,287	-	450	(245)	14,492
Other Fixed Assets Fund	-	-	-	-	-
Officers' Support Endowment Fund	5,062	-	186	-	5,248
Int'l Social Justice Commission Fund	2,515	-	-	-	2,515
Int'l Financial Accounting Standards Training	2,138	-	1	(943)	1,196
Other Restricted	5,653	(90)	5,733	(6,078)	5,218
	29,655	(90)	6,370	(7,266)	28,669

The Property Fund represents restricted funds used for specific property acquisitions.
The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 21).
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs. This fund is made up of restricted donations and is not a permanent endowment.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll out of cloud-based accounting software and training of staff on internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

Transfers from Restricted Reserves relate to transfers to the Self Denial Fund to fund operational grants to specific Territories for activities which meet the restrictions criteria.

	Balance 31/03/2020	Transfers	Income	Expenditure	Balance 31/03/2021
	£000	£000	£000	£000	£000
UNRESTRICTED					
Property Fund	20,558	(1,043)	679	(634)	19,560
Other Fixed Assets Fund	916	1,858	-	(352)	2,422
Reliance Bank Share Fund	2,500	-	-	-	2,500
Designated Funds					
Property Commitments Fund	28,012	423	1,876	(2,949)	27,362
Self-Denial Fund	23,211	(6,076)	25,805	(20,758)	22,182
Investment Appreciation Fund	41,056	-	51,740	-	92,796
Investment Property Revaluation Fund	40,513	(43)	1,514	-	41,984
Exchange Equalisation Fund	5,327	-	-	(2,172)	3,155
Other Designated Funds	86,737	7,965	10,293	(14,908)	90,087
	224,856	2,269	91,228	(40,787)	277,566
General Reserve					
Held by Trust	5,822	(2,981)	11,978	(9,818)	5,001
Held by Trading Subsidiary	(1,533)	(13)	3,289	(4,524)	(2,781)
	253,119	90	107,174	(56,115)	304,268

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.

The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 21).

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£18.21m), and an International Property Project reserve (£5.73m) held to provide additional property project funding to territories over the next 2-3 years.
The Self-Denial Fund represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 12.0 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund represents unrealised gains on investments which are still subject to market risk.
The Investment Property Revaluation Fund represents the surplus on revaluation of tenanted properties held for investment purposes.
The Exchange Equalisation Fund represents exchange gains made and held to offset future exchange losses.
Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers, including reserves of £43.63m supporting the balance held and invested in the USA on behalf of SAIT to generate income for specific purposes, Medical Services Support (£7.90m), Schools Services Support (£3.82m) and the Officers Support Endowment Fund (£31.91m).
Also included is a Mission Support Reserve (£4.51m) held to provide additional project funding to territories over the next 2-3 years and an International Schools Development reserve (£8.06m) held to provide additional school project funding to territories over the next 2-3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£8.02m) and IT Development Reserve (£5.62m) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territroies over the next 2-3 years. A Leadership Development Reserve (£3.60m) is held to fund the enhancement of training and personal development of Officer over the next 3-4 years.
Four designated Covid-19 Reserves (totalling £4.52m) have been established to fund responses to the pandemic.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust, and is equivalent to 5.9 months expenditure on headquarters administration costs.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds (Restated)	Restricted Funds	Total 2021 (Restated)
	£000	£000	£000	£000	£000	£000
Goodwill	(4,038)	-	(4,038)	(4,213)	-	(4,213)
Other Intangible Assets	443	-	443	392	-	392
Property Assets	17,100	14,246	31,346	17,685	14,492	32,177
Other Tangible Fixed Assets	2,369	-	2,369	2,488	-	2,488
Investments	299,655	13,376	313,031	312,322	14,166	326,488
Current Assets	135,772	-	135,772	124,259	-	124,259
Current Liabilities	(217,986)	-	(217,986)	(209,168)	-	(209,168)
Debtors over one year	87,385	-	87,385	64,660	-	64,660
Creditors over one year	(4,108)	-	(4,108)	(4,146)	-	(4,146)
	316,592	27,622	344,214	304,279	28,658	332,937

Unrestricted Funds also include Funds held by the Trust as Designated.

22. INTANGIBLE FIXED ASSETS

(a) GOODWILL

The negative goodwill arising at acquisition (October 2018) represents the excess of net assets acquired over the cost of the shares purchased in Reliance Bank Limited (see note 2).
Release of the Negative Goodwill for the year was £175k (2021: £527k) per accounting policies as set out in Note 1(a) and Note 1(f).

	Acquisition
Calculation of Negative Goodwill	£000
Cost of 49% acquisition at October 2018	4,108
Share Capital Purchased	(3,675)
Positive Goodwill on acquisition	**433**
Original cost of 51% shareholding	3,825
Cost of 49% acquisition at October 2018	4,108
Total cost of acquisition	7,933
Fair Value of Assets acquired - 31 October 2018	
Freehold Property (per valuation)	4,400
Investments	70,828
Current Assets including loans and advances	114,114
	189,342
Liabilities including customer accounts	(176,142)
Net Assets Acquired	13,200
Net Negative Goodwill	**(5,267)**
Write back Postive Goodwill on Acquisition	**(433)**
Negative Goodwill on Consolidation	**(5,700)**

Amortised Goodwill	Book Value 2021	Amortisation 2022	Book Value 2022
	£000	£000	£000
Negative Goodwill	(4,560)	218	(4,342)
Positive Goodwill on Acquisition	347	(43)	304
Net Goodwill (Group)	(4,213)	175	(4,038)

(b) OTHER INTANGIBLE FIXED ASSETS

	Computer Software	Total (Charity)	Subsidiary Computer Software	Total (Group)
Cost:	£000	£000	£000	£000
Brought Forward	-	-	724	724
Additions	-	-	255	255
Disposals	-	-	-	-
	-	-	979	979
Amortisation:				
Brought Forward	-	-	331	331
Charge for the year	-	-	205	205
Disposals	-	-	-	-
	-	-	536	536
Net Book Value at 31 March 2022	-	-	443	443
Net Book Value at 31 March 2021	-	-	393	393

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

23. PROPERTY ASSETS

	Freehold	Long Leasehold	Overseas	Schemes in Progress	Total (Charity)	Subsidiaries Land & Buildings	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2021	30,888	8,488	226	-	39,602	4,647	44,249
Additions during the year	183	59	-	298	540	14	554
	31,071	8,547	226	298	40,142	4,661	44,803
Less: Disposals	(96)	-	-	-	(96)		(96)
Transfer to Investment Property	(31)	(344)	-	-	(375)	-	(375)
Balance at 31 March 2022	30,944	8,203	226	298	39,671	4,661	44,332
Depreciation							
Balance at 1 April 2021	9,612	2,155	33	-	11,800	272	12,072
Charge for the year	707	164	5	-	876	128	1,004
	10,319	2,319	38	-	12,676	400	13,076
Eliminated: on Disposals	(50)	-	-	-	(50)	-	(50)
on Transfer to Investment Property	(6)	(34)	-	-	(40)	-	(40)
Balance at 31 March 2022	10,263	2,285	38	-	12,586	400	12,986
Net Book Value at 31 March 2022	**20,681**	**5,918**	**188**	**298**	**27,085**	**4,261**	**31,346**
Net Book Value at 31 March 2021	21,276	6,333	193	-	27,802	4,375	32,177

The Transfer to Investments relates to tenanted properties that are held for investment purposes.

24. OTHER TANGIBLE FIXED ASSETS

	Fit-Outs	Office Equipment	IT Equipment	Vehicles	Total (Charity)	Subsidiaries Office Equipment	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2021	7,078	286	629	59	8,052	509	8,561
Additions during the year	-	43	188	-	231	6	237
	7,078	329	817	59	8,283	515	8,798
Less Disposals	-	-	-	-	-		-
Balance at 31 March 2022	7,078	329	817	59	8,283	515	8,798
Depreciation							
Balance at 1 April 2021	5,160	56	355	59	5,630	443	6,073
Charge for the year	155	47	145		347	9	356
	5,315	103	500	59	5,977	452	6,429
Eliminated on disposals	-	-		-	-		-
Balance at 31 March 2022	5,315	103	500	59	5,977	452	6,429
Net Book Value at 31 March 2022	**1,763**	**226**	**317**	**-**	**2,306**	**63**	**2,369**
Net Book Value at 31 March 2021	1,918	230	274	-	2,422	66	2,488

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

25. INVESTMENTS

	2022 Cost £000	2022 Market Value £000	2021 (Restated) Cost £000	2021 (Restated) Market Value £000
(a)(i) Group				
Fixed Assets Investments				
Listed Investments (See Note (d) below)				
Fixed Interest				
UK Government	22,399	21,020	20,796	20,490
Overseas	98	98	565	581
Sterling Certificates of Deposit maturing after One Year (see Note (b))	23,313	23,313	7,433	7,433
Equities				
UK Directly Held Equities	14,148	14,342	9,658	11,466
Overseas Directly Held Equities	87,934	116,669	91,771	126,077
	147,892	175,442	130,223	166,047
Investment Property (see Note (f) below)	8,306	53,454	7,873	49,857
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	6,250	2,990	6,250
Funds held in the USA (see Note (e) below)	-	56,997	-	55,090
	159,188	**292,143**	**141,086**	**277,244**
Current Assets Investments				
Bank Deposits (see Note (c) below)	10,000	10,000	16,137	16,137
Listed Investments (See Note (d) below)				
Sterling Certificates of Deposit maturing within One Year (see Note (b))	10,888	10,888	33,107	33,107
	20,888	**20,888**	**49,244**	**49,244**
	180,076	**313,031**	**190,330**	**326,488**
(a)(ii) Charity				
Listed Investments				
Fixed Interest				
UK Government	22,399	21,020	20,796	20,490
Overseas	98	98	565	581
Equities				
UK Directly Held Equities	14,148	14,342	9,658	11,466
Overseas Directly Held Equities	87,934	116,669	91,771	126,077
	124,579	152,129	122,790	158,614
Subsidiary Company (Note 4)				
Reliance Bank Ltd. - Shares	13,000	13,000	10,000	10,000
Investment Property (see Note (f) below)	8,306	53,454	7,873	49,857
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	6,250	2,990	6,250
Funds held in the USA (see Note (e) below)	-	56,997	-	55,090
	148,875	**281,830**	**143,653**	**279,811**
Bank Deposits (see Note (c) below)	27,360	27,360	23,649	23,649
	176,235	**309,190**	**167,302**	**303,460**

(b) Debt Securities

Debt securities are generally held to maturity and are valued at amortised cost less impairment. £9.88m of Sterling Certificates of Deposit held at the balance sheet date mature within three months (2021: £10.10m), with £nil maturing between three and six months (2021: £Nil) and £1.00m maturing between six months and one year (2021: £23.01m), £10.36m maturing between one and two years (2021: £Nil), and £12.95m maturing between two and five years (2021: £7.43m).

Debt Securities maturing in less than One year at March 2021 were reclassified as Current Assets Investments in these financial Statements and prior period comparatives consequently adjusted (see Note 35 (a)).

The role of debt securities in Reliance Bank's investment strategy is to provide a significant balance of realisable assets with high credit quality counterparties. These would be accessible in the event of unexpected funding demands which would otherwise exceed the level of instant access bank deposits that is maintained together with maturing interbank term deposits. Fixed rate debt securities are used to broadly match significant customer term deposits in terms of both interest rate risk and liquidity. A spread of maturities also helps to manage the Bank's overall maturity profile. The geographic spread of exposures to financial institutions is analysed in the Bank's Pillar 3 disclosures.

(c) Bank Deposits	2022 Group £000	2021 Group £000	2022 Charity £000	2021 Charity £000
Sterling - Notice Deposits (less than 3 months)	-	-	6,540	8,514
US Dollars & Euros	10	9	11,831	14,508
Loans and Advances to Banks - Deposits	1,001	15,501	-	-
Cash held by Investment Managers	8,989	627	8,989	627
	10,000	**16,137**	**27,360**	**23,649**

25. INVESTMENTS - continued

	2022 Group	2021 Group	2022 Charity	2021 Charity
(d) Movement in Listed Investments	£000	£000	£000	£000
Market Value at 1 April	199,154	189,350	158,614	129,140
Purchases in year	75,257	118,663	48,416	63,230
Sales proceeds	(95,768)	(147,543)	(62,768)	(72,543)
Amortisation	(180)	(103)	-	-
Net Gains- Listed Investments	7,867	38,787	7,867	38,787
Market Value at 31 March	186,330	199,154	152,129	158,614
(e) Gains/(Losses) on Investment Assets				
Listed Investments (see Note (d) above)	7,867	38,787	7,867	38,787
Net Surplus on revaluation of Investment Property	3,164	2,042	3,164	2,042
Release of revaluation surplus on transfer of Investment Property to Fixed Assets	-	(528)	-	(528)
Gain on revaluation of Freehold Reversionary Interest (see Note (f) below)	-	450	-	450
Gain/(Loss) on revaluation of US Dollar Deposits	792	(1,092)	792	(1,092)
Gain on Cash Held by Investment Managers	12	2	12	2
Exchange Gain/(Loss) on revaluation of funds held in the USA	3,112	(5,525)	3,112	(5,525)
Gain on funds held in the USA	1,068	17,071	1,068	17,071
	16,015	51,207	16,015	51,207

Funds held in the USA are held and invested by a USA Salvation Army entity on behalf of SAIT. These funds are intended to be invested with the USA in this way for the long term and for investment appreciation purposes. Net income is remitted quarterly to SAIT, including investment income as well as fair value gains and losses. Due to the nature of these funds held with the USA, SAIT are unable to accurately determine the cost of the investment funds and as such the cost is not disclosed.
The net movement in the funds held in the USA of £1,907k is as a result of, £2,273k of the £4,180k gains included within total gains above being disbursed.

(f) Investment Property

The investment property represents tenanted properties that are held for investment purposes. During the year there were additions to investment property at a depreciated cost of £433,144 and fair value as at 31 March 2022 of £667,500 giving rise to a revaluation gain of £234,356.
In line with the three-year revaluation rolling plan, twenty-eight investment properties were valued individually at fair value using the comparison method by an external Chartered Surveyor, with primary regard to vacant sales comparable evidence paying due regard to the resulting gross yields and generated a revaluation gain of £685,500.
Fair value of the remaining one hundred and three properties was measured by using the applicable Land Registry house price indices to 31 March 2022, resulting in an additional revaluation gain of £2,243,608.
Total net gains on revaluations amounted to £3,163,464. No investment properties were sold during 2021-22.

(g) Property - Freehold Reversionary Interest

The freehold reversionary interest represents the value of the freehold interest in 99 Queen Victoria Street (adjacent to the headquarters building) on which a long lease has been granted and rental income of £225k (2021: £232.7k) per annum is receivable.
The freehold reversionary interest has been valued at the year end by the Trustee, based on advice from an external consulting surveyor, at £6.25 million (2021: £6.25 million).

26. DEBTORS AND PREPAYMENTS

	2022 Group	2021 Group (as Restated)	2022 Charity	2021 Charity (as Restated)
(a) Debtors and Prepayments due in more than one year	£000	£000	£000	£000
Amounts falling due after more than one year:				
Loans and Advances to Bank Customers (see (i) below)	87,077	64,267	-	-
Loans due from Salvation Army territories.	308	393	308	393
	87,385	64,660	308	393

	2022 Group	2021 Group (as Restated)	2022 Charity	2021 Charity (as Restated)
(b) Debtors and Prepayments due within one year	£000	£000	£000	£000
Due from Salvation Army territories	9,836	4,066	9,836	4,066
Prepayments	1,176	532	1,005	341
Other Debtors	643	600	423	515
	11,655	5,198	11,264	4,922
Loans and Advances to Bank customers (see Note (i) below)	9,445	13,239	-	-
	21,100	18,437	11,264	4,922

Debtors and Prepayments previously aggregated were restated (see Note 35 (b)) in the financial statements and split between those due within one year and those due in more than one year.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

26. DEBTORS AND PREPAYMENTS - continued

(i) Loans and Advances to Bank customers

The role of loans and advances to customers in the Bank's investment and operating strategy is to grow the Bank's profit margins whilst maintaining a conservative lending policy and ensuring the Bank's liquidity and overall maturity profile are not compromised.

No loans have been made to group undertakings.

	2022 £000	2021 £000
Recoverable on Demand:		
Overdrafts	459	287
Other Loans and Advances:		
Mortgages	47,009	38,615
Loans	49,054	38,604
	96,063	77,219
	96,522	77,506
Loans and advances to customers analysed by periods to maturity:		
Recoverable:		
On demand	2,449	7,832
In 3 months or less	1,387	1,288
In 1 year or less but more than 3 months	5609	4119
	9,445	13,239
Loans and advances to customers analysed by periods to maturity:		
In 2 years or less but more than one year	6,724	222
In 5 years or less but more than 2 years	12,939	3,368
Over 5 years	67,552	60,831
Collective impairment provision	(138)	(154)
	87,077	64,267
	96,522	77,506

27. BANK BALANCES	2022 Group £000	2021 Group £000	2022 Charity £000	2021 Charity £000
Sterling - Interest-bearing current accounts	177	253	2,988	5,413
- Ordinary current accounts	346	172	262	238
US Dollars and Euros	6	37	5,733	3,725
	529	462	8,983	9,376
Loans and Advances to Banks (see (i) below)	22,725	31,302	-	-
Cash and Balances at Central Bank (see (ii) below)	91,287	73,927	-	-
	114,541	105,691	8,983	9,376

(i) Loans and Advances to Banks	2022 £000	2021 £000
Bank Balances		
Recoverable on Demand	21,584	27,670
Interbank Loans recoverable in 3 months or less	1,141	3,632
	22,725	31,302

All the loans and advances to banks represent deposits with financial institutions whose credit ratings meet the risk appetite of the Board. No impairment provisions have been raised against these balances (2021: £nil). In both financial years, none of these loans and advances to banks were extended to related parties and none are secured.

Deposits with, and debt instruments issued by, these financial institutions play an important role in Reliance Bank's strategy and day-to-day liquidity management. Instant access bank deposits are held at a sufficient level to meet expected funding requirements with a comfortable margin. Term deposits and debt securities have well spread maturities to match expected cash outflows. Some deposits and debt securities are used to directly match significant customer term deposits, in terms of both interest rate risk and liquidity.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

27. BANK BALANCES - continued

(ii) Cash and Balances at Central Bank	2022 £000	2021 £000
Balances at Central Bank	91,287	73,927
	91,287	73,927

The Bank does not offer a cash counter service at its sole branch premises, with customers having access to cash facilities through existing agency bank arrangements.

The Bank of England Reserve account forms part of the Bank's pool of High Quality Liquid Assets that could be accessed in times of liquidity stress within Reliance Bank's investment strategy. The Bank maintains a low risk approach to treasury investments, with risk appetite limits set on maintenance of various liquidity thresholds. Sufficient High Quality Liquid Assets must be held to cover net cash outflows over a 30-day period as a regulatory requirement, monitored through the calculation of a Liquidity Coverage Ratio (LCR).

28. CURRENT LIABILITIES - Other Creditors due within one year

	2022 Group £000	2021 Group £000	2022 Charity £000	2021 Charity £000
Due to Salvation Army territories	5,576	7,323	5,576	7,322
Bank customer Accounts (see (i) below)	209,043	199,535	-	-
Other Creditors and Accruals	3,328	2,234	2,658	1,732
	217,947	**209,092**	**8,234**	**9,054**

	2022 £000	2021 £000
(i) Reliance Bank Customer Accounts		
Current Accounts	92,737	108,580
Deposit Accounts	116,306	90,955
	209,043	199,535
With agreed maturity dates or periods of notice by remaining maturity:		
Repayable on demand	149,270	152,842
3 months or less but not repayable on demand	48,159	42,538
1 year or less but over 3 months	11,614	4,155
	209,043	199,535

The Bank has entered into an overarching minimum credit balance agreement with its parent and a similar arrangement exists with another key customer. The Bank agreed to adjust these minimum balance agreements during the year and total credit balances with the Bank to £59,000,000 are subject to 3 months' written notice (2021: £69,000,000). The Bank's liquidity position, under the current regulatory liquidity regime, reflects these assurances provided to the Bank.

29. OTHER CREDITORS DUE AFTER MORE THAN ONE YEAR

	2022 Group £000	2021 Group £000	2022 Charity £000	2021 Charity £000
Contingent Payments due to Salvation Army Territories	4,108	4,108	4,108	4,108
	4,108	**4,108**	**4,108**	**4,108**

30. OPERATING LEASE COMMITMENTS

At the 31 March 2022 The Salvation Army International Trust were committed to making the following payments in respect of operating leases:

	2022 Group £000	2021 Group £000	2022 Charity £000	2021 Charity £000
Within one year	374	239	28	53
Between one to five years	579	599	48	76
Over five years	-	2	-	-
	953	840	76	129

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

31. CAPITAL COMMITMENTS

There are no capital commitments at the year end.

32. GUARANTEES AND COMMITMENTS

The following guarantees and commitments of the group have arisen from the subsidiary company, Reliance Bank Limited:

	2022 Contract Amount £000	2021 Contract Amount £000
Commitments:		
Undrawn formal standby facilities of one year or less	16,555	12,688
Contingent Liabilities:		
Guarantees	7,694	7,694
	24,249	20,382

As a matter of course, the Bank takes counter indemnities to cover guarantees extended on behalf of customers. The Bank controls designated deposits sufficient to offset the guarantees extended.

Commitments reflect approved mortgage and loan commitments awaiting drawdown.

33. TRANSACTIONS WITH SALVATION ARMY TERRITORIES AND SUBSIDIARIES

The Salvation Army International Trust receives contributions for the International Self-Denial Fund, International Headquarters Support and for other items from Salvation Army territories (see Note 3). Annual grants from the Trust to territories are considered as part of the annual IHQ budget process and paid quarterly in advance to each financially supported territory (see Note 11).
Salvation Army Territories are separate and independent legal entities.

The International Trust solely owns Reliance Bank Limited. Related party transactions between the two entiities during the financial year include interest received of £38k (2021: £42k) from the Bank, donation of £Nil (2021: £Nil) received from the Bank, rent and services of £112k (2021: £142k) paid to the Bank and bank charges of £12k (2021: £18k) paid to the bank. The balance of connected deposits at Reliance Bank Limited due to Parent Undertaking was £27.5m (2021: £32.0m). Additional Share Capital of £3 million of the bank was purchased by the Trust during the year.

The Salvation Army Leaders Training College of Africa & Resource Centre Limited (Company Registration Number: PVT-DLUKBDP Kabete Children's Home Complex, PO Box 40575-00100, Nairobi, Kenya) is a wholly owned subsidiary of the Trust. Related party transactions between the two entities include grant payments to the College totalling £296k (2021: £63k and £26k Transfer of Assets).

34. ULTIMATE CONTROLLING PARTY

The charity is controlled by The Salvation Army International Trustee Company (SAITCo), a company limited by guarantee (company registration no. 2538134). SAITCo is appointed as the ordinary Trustee of The Salvation Army International Trust.

35. PRIOR PERIOD ADJUSTMENTS

The balance sheet and cashflow statement have been restated to rectify a number of errors as detailed below.

Summary of the prior year accounting impact:

	2021 Group *Previously Reported*	2021 Group *Restatement*	2021 Group *Restated*	2021 Charity *Previously Reported*	2021 Charity *Restatement*	2021 Charity *Restated*
Balance Sheet	£000	£000	£000	£000	£000	£000
Fixed Assets - Investments (see note (a) below)	255,261	21,983	277,244	224,721	55,090	279,811
Current Assets - Investments (see note (a) below)	16,137	33,107	49,244	23,649	-	23,649
Debtors and Prepayments (see note (a) and (b) below)	138,187	(138,187)	-	60,405	(60,405)	-
Debtors and Prepayments due in more than one year (see note (b) below)	-	64,660	64,660	-	393	393
Debtors and Prepayments due within one year (see note (b) below)	-	18,437	18,437	-	4,922	4,922

The cashflow statement has been restated as a result of the reclassification of funds held in the USA from Debtors and Prepayments to Fixed Asset investments (see also note 35(a)(ii) below). The funds held in and invested for the International Trust by the USA National Headquarters are intended to be held for investment appreciation and constitute a fixed asset investment in the financial statements rather than a debtor. £17,071k was incorrectly disclosed in the prior year as an investing cashflow instead of a non-cashflow adjustment.
The associated Gains and the Proceeds from the sale of relevant Investments were restated accordingly on the Statement of Cashflows.

Impact on Consolidated Cashflow Statement - Group

	2021 Group Total funds *Previously Reported*	2021 Group Total funds *Restatement*	2021 Group Total funds *Restated*
Cashflow Statement	£000	£000	£000
Cash flows from investing activities - Gain on US held investments	17,071	(17,071)	-
Cash flows from investing activities - Proceeds from the sale of investments	147,543	1,931	149,474
Cash flows from investing activities - Total	*45,574*	*(15,140)*	*30,434*
Cash (used in)/provided by operating activities - (Gain) on investments	(56,732)	5,525	(51,207)
Cash (used in)/provided by operating activities - (Increase) in Debtors	(29,763)	9,615	(20,148)
Cash (used in)/provided by operating activities - Total	*(10,392)*	*15,140*	*4,748*

(a) Investments

(i)The financial statements have been restated to rectify an error whereby Debt securities with maturity dates of less than one year were included as part of the Fixed Asset Investments instead of being included within Current Assets Investments at 31 March 2021. This adjustment (£33,107k) does not impact the opening/closing funds as it is a balance sheet reclassification. This impacted the Group figures, Charity only amounts were unaffected.
(ii)The financial statements have been restated to reclassify funds held in the USA (£55,090k) as Fixed Assest investments from Debtors and Prepayments. Funds held in the USA are held and invested by a USA Salvation Army entity on behalf of SAIT. These funds are intended to be invested with the USA in this way for the long term and for investment appreciation purposes. This impacted both the Group and Charity figures.

Summary of the prior year accounting impact:

	2021 Group *Previously Reported*	2021 Group *Restatement*	2021 Group *Restated*	2021 Charity *Previously Reported*	2021 Charity *Restatement*	2021 Charity *Restated*
Balance Sheet	£000	£000	£000	£000	£000	£000
Fixed Assets - Investments (see (a)(i))	255,261	(33,107)	222,154	-	-	-
Current Assets - Investments (see (a)(i))	16,137	33,107	49,244	-	-	-
Fixed Assets - Investments (see (a)(ii)	222,154	55,090	277,244	224,721	55,090	279,811
Debtors and Prepayments (see (a)(ii))	138,187	(55,090)	83,097	60,405	(55,090)	5,315

(b) Debtors and Prepayments

(i)The financial statements have been restated to rectify an error whereby all Debtors and Prepayments balances (£83,097k Group: £5,315k Charity) were reported under a single line of Debtors and Prepayments on the Balance Sheet without distinction between those due in less than one year and those due in more than one year.
FRS102 (Paragraph 4.4A) requires that debtors due after one year be separately disclosed on the face of the balance sheet where those amounts are so material in the context of the total net current assets that readers may misinterpret the financial statements in the absence of the disclosure.
This adjustment does not impact the opening/closing funds as it is a balance sheet reclassification.

Summary of the prior year accounting impact:

	2021 Group *Previously Reported*	2021 Group *Restatement*	2021 Group *Restated*	2021 Charity *Previously Reported*	2021 Charity *Restatement*	2021 Charity *Restated*
Balance Sheet	£000	£000	£000	£000	£000	£000
Debtors and Prepayments (see (b)(i))	83,097	(83,097)	-	5,315	(5,315)	-
Debtors and Prepayments due in more than one year (see (b)(i))	-	64,660	64,660	-	393	393
Debtors and Prepayments due within one year (see (b)(i))	-	18,437	18,437	-	4,922	4,922

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022 (Continued)

35. PRIOR PERIOD ADJUSTMENTS - Continued

(c) Net Gains and Losses

The financial statements have been restated to rectify an error in the presentation of Gains and Losses which were reported under a single line of Net Gains on Investments on the Statement of Financial Activities which included entries relating 'to 'Other Recognised Gains and Losses' as per FRS 102. These adjustments do not impact the opening/closing funds as they are reclassifications within lines on the Statement of Financial Activities.

Summary of the prior year accounting impact - Group

	2021 Group Unrestricted funds *Previously Reported*	2021 Group Unrestricted funds *Restatement*	2021 Group Total Unrestricted funds *Restated*	2021 Group Restricted funds *Previously Reported*	2021 Group Restricted funds *Restatement*	2021 Group Total Restricted funds *Restated*	2021 Group Total funds *Previously Reported*	2021 Group Total funds *Restatement*	2021 Group Total funds *Restated*
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Statement of Financial Activites									
Net gains on investments	49,778	253	50,031	1,166	10	1,176	50,944	263	51,207
Other recognised Gains/(Losses)	-	(253)	(253)	-	(10)	(10)	-	(263)	(263)

Summary of the prior year accounting impact - Charity

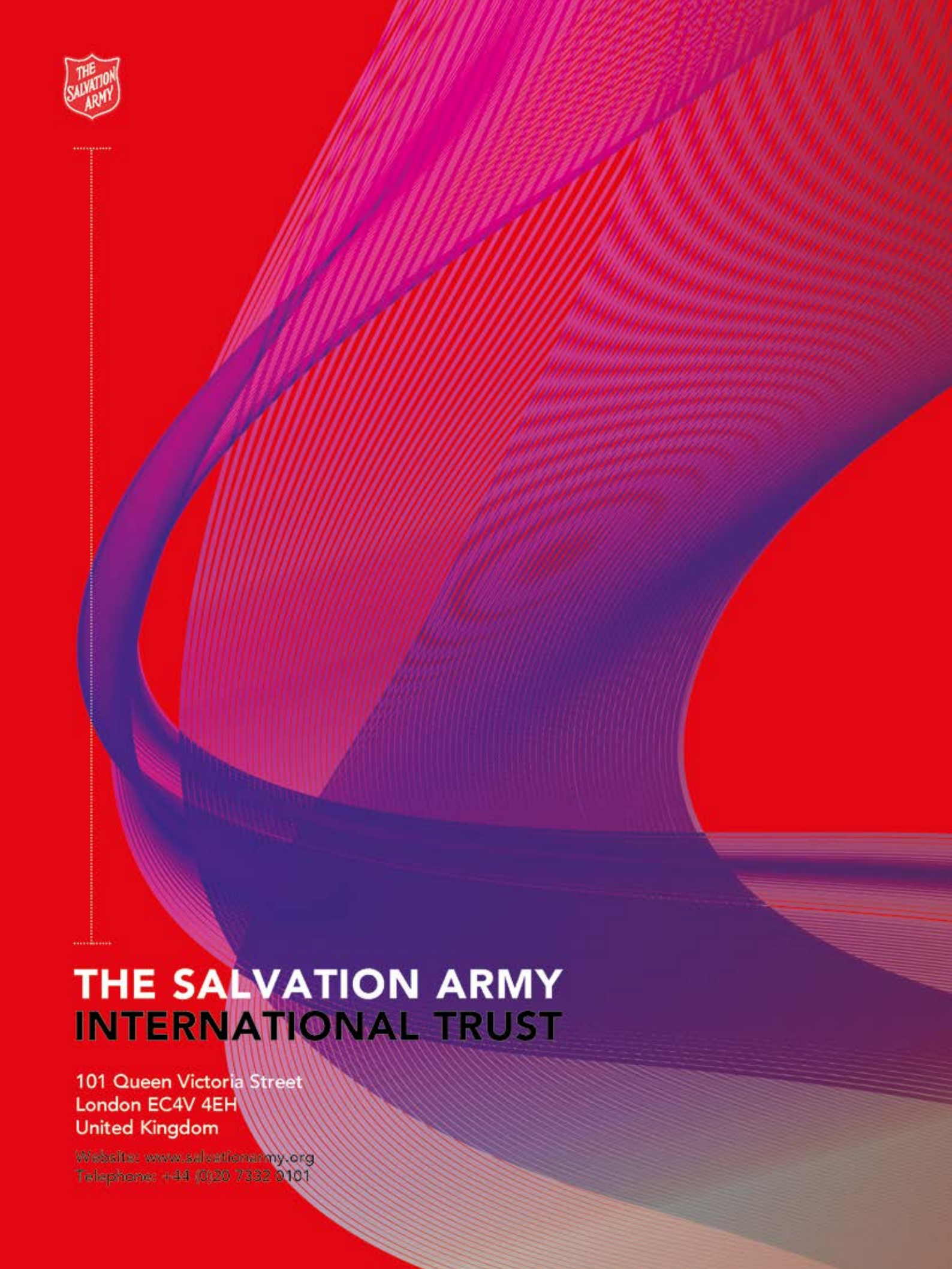
	2021 Charity Unrestricted funds *Previously Reported*	2021 Charity Unrestricted funds *Restatement*	2021 Charity Total Unrestricted funds *Restated*	2021 Charity Restricted funds *Previously Reported*	2021 Charity Restricted funds *Restatement*	2021 Charity Total Restricted funds *Restated*	2021 Charity Total funds *Previously Reported*	2021 Charity Total funds *Restatement*	2021 Charity Total funds *Restated*
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Statement of Financial Activites									
Net gains on investments	49,780	251	50,031	1,166	10	1,176	50,946	261	51,207
Other recognised Gains/(Losses)	-	(251)	(251)	-	(10)	(10)	-	(261)	(261)

DIRECT CONTRIBUTIONS FROM TERRITORIES TOWARDS SPECIAL PROJECTS
FOR THE YEAR ENDED 31 MARCH 2022

In addition to the contributions made by the International Trust for work overseas, contributions were made directly by territories towards special projects as stated below. This information is provided by the Trustee and is not included in the opinion on the financial statements by the external auditor.

CONTRIBUTIONS FROM TERRITORIES	£
Australia	1,750,093
Canada and Bermuda	766,322
Denmark and Greenland	31,200
The Netherlands, Czech Republic and Slovakia	1,340,966
New Zealand, Fiji, Tonga and Samoa	115,261
Norway, Iceland and The Faeroes	1,039,811
Sweden and Latvia	484,900
Switzerland, Austria and Hungary	1,434,565
United Kingdom with the Republic of Ireland	1,723,131
USA Central	2,240,731
USA Eastern	2,693,296
USA Southern	1,895,042
USA Western	1,437,153
USA SAWSO	5,969,004
	£22,921,475

RECIPIENT TERRITORIES	£
Angola	220,387
Australia	286,366
Bangladesh	441,762
Brazil	641,409
Canada and Bermuda	990
Caribbean	1,153,588
Congo (Brazzaville) with Gabon	384,349
Democratic Republic of Congo	83,877
Denmark and Greenland	89,286
Eastern Europe	1,110,275
Finland and Estonia	104,825
France and Belgium	14,881
Germany, Lithuania and Poland	150,030
Ghana with Togo	447,409
Hong Kong and Macau	205
India National Secretariat	7,868
India Central	70,197
India Eastern	314,401
India Northern	324,327
India South Eastern	453,967
India South Western	121,860
India Western	498,457
Indonesia	587,479
Italy and Greece	338,570
Kenya East	1,042,261
Kenya West	864,116
Korea	66,754
Latin America North	602,104
Liberia and Sierra Leone with Guinea	706,388
Malawi	1,113,336
Mali with Burkina Faso	394,407
Mexico	1,065,734
Middle East Region	29,926
Mozambique	108,808
The Netherlands, Czech Republic and Slovakia	160,052
New Zealand, Fiji, Tonga and Samoa	73,792
Nigeria	517,571
Norway, Iceland and The Faeroes	146,209
Pakistan	394,652
Papua New Guinea and Solomon Islands	603,324
The Philippines	1,003,435
Russia	214,185
Rwanda and Burundi	226,504
Singapore, Malaysia and Myanmar	276,985
South America East	871,828
South America West	622,905
Southern Africa	763,279
Spain and Portugal	199,183
Sri Lanka	348,621
Sweden and Latvia	89,509
Taiwan	155,849
Tanzania	523,517
Uganda	380,443
United Kingdom with the Republic of Ireland	95,109
Zambia	692,172
Zimbabwe and Botswana with Madagascar	721,752
	£22,921,475



THE SALVATION ARMY INTERNATIONAL TRUST

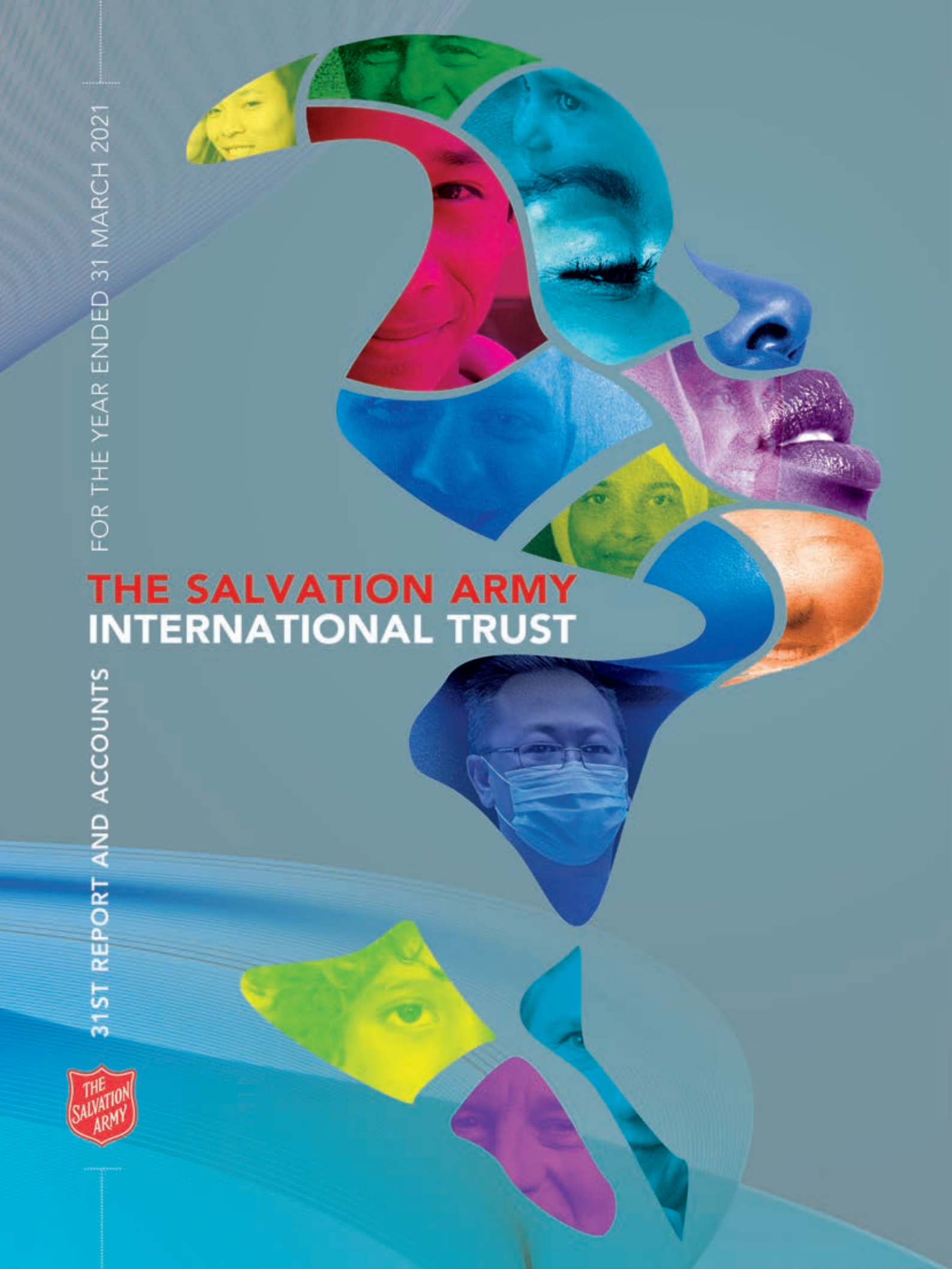
101 Queen Victoria Street
London EC4V 4EH
United Kingdom

Website: www.salvationarmy.org
Telephone: +44 (0)20 7332 0101

THE SALVATION ARMY INTERNATIONAL TRUST

England & Wales - Charity number 1000566

Accounts



THE SALVATION ARMY INTERNATIONAL TRUST

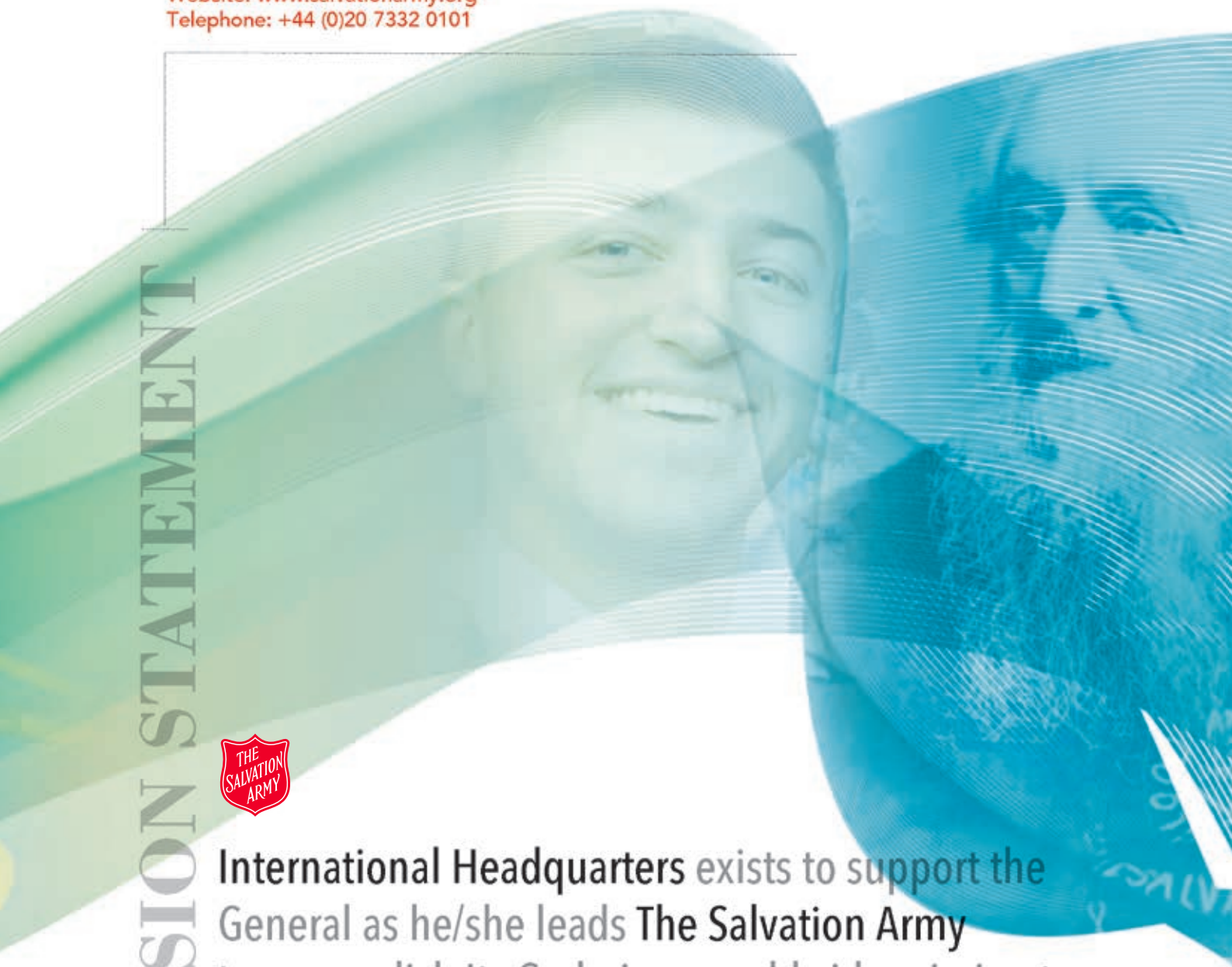
31ST REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021



THE SALVATION ARMY

International Headquarters
101 Queen Victoria Street
London EC4V 4EH

Website: www.salvationarmy.org
Telephone: +44 (0)20 7332 0101

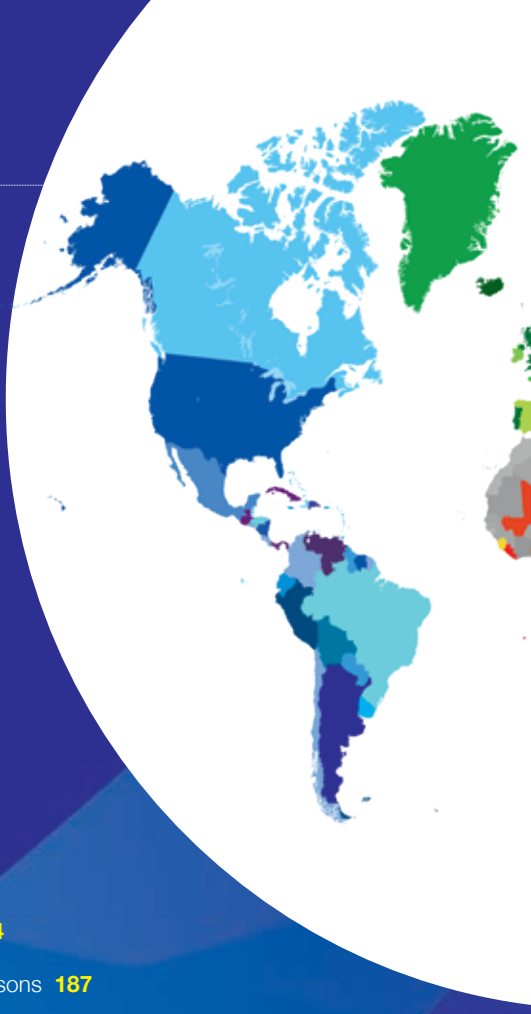


MISSION STATEMENT

International Headquarters exists to support the General as he/she leads The Salvation Army to accomplish its God-given worldwide mission to preach the gospel of Jesus Christ and meet human needs in his name without discrimination.

THE SALVATION ARMY

WORLDWIDE FACTS & FIGURES



GENERAL INFORMATION

Countries and territories where SA serves **131**
Corps, outposts, societies,
new plants and recovery churches **14,588**
Goodwill centres **74**
Officers **27,177**
Active **17,133**
Retired **9,989**
Auxiliary-captains **400**
Envoys/sergeants/non officer personnel, full-time **940**
Cadets **1,040**
Employees **107,245**

THE SALVATION ARMY MEMBERSHIP

Senior soldiers **1,231,838**
Adherents **174,815**
Junior soldiers **394,990**

CORPS PROGRAMME

Senior band musicians **27,427**
Senior songsters **132,553**
Other senior musical group members **111,102**
Senior and young people's local officers **160,662**
Women's Ministries (all groups) members **827,686**
League of Mercy – members **206,168**
SA Medical Fellowship– members **52,357**
Over-60 clubs – members **60,234**
Men's fellowships – members **106,490**
Young people's bands – members **16,460**
Young people's singing companies – members **101,166**
Other young people's music groups – members **181,357**
Corps cadets **40,902**
Sunday schools – members **756,487**
Junior youth groups
(scouts, guides, etc, and clubs) – members **256,463**
Senior youth groups – members **469,496**
Parent and toddler groups **816**
Capacity **79,543**
Corps-based community development programmes **7,124**
Beneficiaries/clients **1,783,055**
Thrift stores/charity shops (corps/territorial/social) **2,289**
Recycling centres **24**

ADDICTION DEPENDENCY

Non-residential programmes **108**
Capacity **2,981**
Residential programmes **235**
Capacity **14,598**
Harbour Light programmes **17**
Capacity **1,521**
Other services for those with addictions **59**
Capacity **2,100**

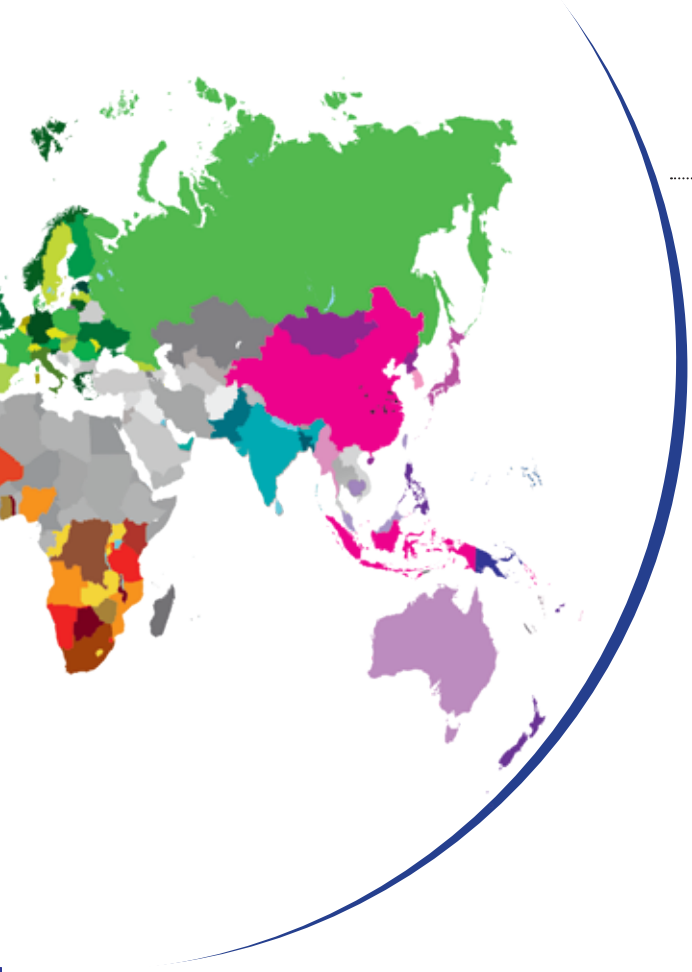
SOCIAL PROGRAMME

Residential
Accommodation for
the homeless **3,220**
Capacity **44,401**
Children's homes **224**
Capacity **6,785**
Homes for elderly persons **187**
Capacity **10,730**
Homes for disabled persons **40**
Capacity **1,612**
Homes for blind persons **3**
Capacity **51**
Remand and probation homes **135**
Capacity **1,165**
Mother and baby homes **36**
Capacity **1,122**
Training centres for families **99**
Capacity **515**
Care homes for vulnerable people **69**
Capacity **1,749**
Other residential care homes/hostels **36**
Capacity **1,941**

EDUCATION PROGRAMME

Pre-school/kindergarten/sub primary **801**
Primary schools **1,185**
Secondary and high schools **469**
Colleges and universities **15**
Vocational training schools/centres **64**
Pupils **432,410**
Teachers **19,466**
Schools for blind students (included in above totals) **22**
Schools for disabled students (included in above totals) **33**
Boarding schools (included in above totals) **208**
Staff training and development centres **18**
Learning centres **12**

Source of statistics: *The Salvation ArmyYear Book 2021* (pages 36-37)



HEALTH PROGRAMME

General hospitals **29**
Capacity **2,377**
Hospice long-term care **22**
Capacity **696**
Maternity hospitals **392**
Capacity **811**
Other specialist hospitals **18**
Capacity **1,276**
Specialist clinics **41**
Capacity **10,713**
General clinics/health centres **107**
Capacity **4,841**
Mobile clinics/community health posts **121**
Inpatients **945,345**
Outpatients **1,181,971**
Doctors/medics **4,710**
Non medical staff **1,956**
Invalid/convalescent homes **8**
Capacity **380**
Health education programmes (HIV/Aids, etc) **4,949**
Beneficiaries **308,617**
Day care programmes **48**

SERVICES TO THE ARMED FORCES

Mobile units for service personnel **18**
Chaplains **77**

SERVICES TO THE COMMUNITY

Community centres **556**
Capacity **429,724**
Day centres for the elderly **80**
Capacity **4,120**
Day centres for street children **1,596**
Capacity **9,050**
Day nurseries **405**
Capacity **37,819**
Drop-in centres for youth **347**
Capacity **35,959**
Other day care centres **81**
Capacity **2,677**
Prisoners visited **140,711**
Prisoners helped on discharge **53,774**
Police courts – people helped **120,619**
Missing persons – applications **3,867**
Number traced **1,484**
Night patrol/anti-suicide – number helped **280,667**
Employment bureaux – applications **52,887**
Initial referrals **52,264**
Counselling – people helped **278,280**
General relief – people helped **12,086,370**
Emergency relief (disasters) – people helped **884,825**
Emergency mobile units **1,861**
Feeding centres **1,117**
Restaurants and cafés **56**
Apartments for elderly **1,190**
Capacity **5,121**
Hostels for students, workers, etc **41**
Capacity **2,449**
Land settlements (capacity) **9**
Social Services summer camps **350**
Participants **23,356**

EMERGENCY DISASTER RESPONSE

Disaster rehabilitation schemes **105**
Participants **81,004**
Refugee programmes – host country **42**
Participants **221,644**
Refugee rehabilitation programmes **275**
Participants **188,375**
Other response programmes **56**
Participants **543,598**



If ever the world needed The Salvation Army, it is now. The continuing pandemic, natural disasters, and humanitarian crises are demonstrative of great need within our world. While Salvationist members and volunteers make sacrificial commitments to engage in the essential mission of preaching the gospel of Jesus Christ and meeting human needs in his name without discrimination, that mission needs to be financed not just in the immediate, but also in the medium and long term.

SAITCo directors engage in diligent oversight of SAIT to provide effective and compliant management of resources, so that the ethical decisions and investments are congruent with our expressed and lived Christian faith. That same diligent oversight enables and facilitates Salvationist mission in 132 countries across the world, often to the most vulnerable and marginalised people. Contained within these pages is a record of the work of SAIT both in terms of the tangible resources and the ministry undertaken.

The work undertaken by The Salvation Army is collaborative. To this end, I wish to record my thanks to the directors, bankers, solicitors, auditors and investment manager who together ensure best practice, legislative compliance, fiscal responsibility, effective allocation of resources and a whole that is greater than the sum of the parts.

As you read this report, may the words and stories remind you that the focus of our work is people. I pray you will be inspired as you read of our expansion into Bulgaria as our 132nd country, the Learning Pathways project, the International Property Project, and a myriad of ways in which The Salvation Army continued its ministry despite the reality of COVID-19.

Whether focusing on large-scale projects like IFAS and Office 365, seeking to upskill people through leader development and capacity building, engaging in disaster and crisis relief, or combatting the modern evil of human trafficking, this report provides a snapshot in time of the multiplicity and diversity of a global Salvation Army. Be amazed – and let that amazement turn into praise and worship of our awesome God. Be inspired – inspired to get involved and make a difference.

Sincerely yours,

Brian Peddle

GENERAL



As the Chair of the Board of Directors for SAITCo, it is my privilege to commend the Annual Report to readers.

The work of The Salvation Army around the world is vital at the best of times and even more so in times of crisis and challenge. I am proud of the way Salvation Army resources have been managed to ensure we were able to continue high levels of service during this difficult time due to the global pandemic.

The Trust exists to further the work of The Salvation Army, which is to advance the Christian religion and meet human needs as and where they occur throughout the world. It also supports the work of International Headquarters.

International Headquarters is responsible for coordinating the international work, as well as overseeing strategy. That the movement has maintained such a high level of uninterrupted service globally during the pandemic is truly notable.

In the midst of a challenging year, we have also taken on a number of reforms.

A Business Charter for SAITCo was developed during 2019/20 within a governance review process. During 2020/21, the Articles of Association of SAITCo were revised and the SAITCo Board Charter was further reviewed and updated to embed reforms prompted by the governance review. We also concluded an operation review to explore our effectiveness and efficiency. A number of the reforms as a result of the review have already been implemented with more to come in 2021/22.

There is no denying COVID-19 has had its impact on the global movement. We mourn the loss of officer colleagues and staff to the COVID pandemic and acknowledge with gratitude frontline workers who have carried out the mission of the movement despite the challenges faced. They are unsung heroes!

I express my sincere appreciation to fellow directors of SAITCo for their commitment, passion and professionalism.

The movement is well positioned to meet its mission objectives and continues to make a positive global impact.

Yours in his service



Lyndon Buckingham

CHIEF OF THE STAFF

THE SALVATION ARMY INTERNATIONAL TRUST

TRUSTEE'S REPORT

The Trustee is pleased to present the Annual Report for The Salvation Army International Trust (the 'Trust') for the year ended 31 March 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The General, acting under powers contained in The Salvation Army Act 1980, established the Trust to further the worldwide work of The Salvation Army. The Salvation Army International Trustee Company (SAITCo), a company limited by guarantee, was formed and appointed as the ordinary Trustee of the Trust. The directors of SAITCo are thus effectively the charity's Trustees.

THE SALVATION ARMY INTERNATIONAL TRUST
Registered Charity No 1000566
Trust Settlement Deed dated 21 September 1990
(Governing Document)

THE SALVATION ARMY INTERNATIONAL TRUSTEE COMPANY – ORDINARY TRUSTEE
Company Registration No 2538134

The General of The Salvation Army, as founder of the Trust, specifies the qualifying offices and the experts for SAITCo. Qualifying offices are such offices of The Salvation Army as the General may from time to time specify by notice to SAITCo and experts are persons who satisfy such conditions and/or who have such qualifications or expertise as the General may from time to time specify by notice to SAITCo. Both the qualifying offices' holders and the experts make application for membership of SAITCo with consent to become directors and are accepted by the Board of Directors of SAITCo.

All new directors follow teaching modules prepared specifically for The Salvation Army on its constitution, operational scope and the duties and responsibilities of directors. In addition individual directors follow external courses.

08 STRUCTURE, GOVERNANCE AND MANAGEMENT
14 OBJECTIVES AND ACTIVITIES
15 ACHIEVEMENTS AND PERFORMANCE
47 FINANCIAL REVIEW
62 STATEMENT OF FINANCIAL ACTIVITIES
64 BALANCE SHEET
65 CASHFLOW STATEMENT
66 NOTES TO THE ACCOUNTS

DIRECTORS

Commissioner Birgitte Brekke-Clifton *SRN*	from 1 March 2013 to 30 June 2021
Commissioner Lyndon Buckingham	from 3 August 2018
Commissioner Keith Conrad	from 1 August 2019
Commissioner Lee Graves *MBA*	from 1 November 2020
Commissioner Merle Heatwole *BSc*	from 2 November 2015 to 31 October 2020
Commissioner Edward Hill *MDiv, MACE*	from 1 May 2021
Commissioner Debbie Horwood	from 1 July 2021
Commissioner Eva Kleman	from 1 November 2020
Commissioner Johnny Kleman	from 1 January 2018 to 31 October 2020
Commissioner Robyn Maxwell	from 1 November 2020
Commissioner Wayne Maxwell *Dip Min, BTh, MA*	from 1 October 2019 to 31 October 2020
Commissioner Suresh Pawar	from 12 November 2020
Commissioner Mark Tillsley *BA, MSc, PhD*	from 11 May 2018 to 30 April 2021
Commissioner Alistair Venter	from 29 September 2017 to 31 October 2020
Dr Matthew Carpenter *BA, MBA, DBA, MCMI*	from 1 July 2014
Ms Elizabeth Edwards *BSc (Hons), FRICS*	from 1 May 2013
Mr Peter King *Solicitor, MA*	from 1 May 2013
Mr Robert Lister	from 1 January 2016
Mr Robin Foale	from 1 May 2019
Mr Mark Goodale *BA, FIA*	from 1 May 2019

AUDIT COMMITTEE MEMBERS

Ms Elizabeth Edwards BSc (Hons), FRICS (Chair)
Mr Mark Goodale BA, FIA
Mr Andrew Stickland BA(Hons), FCA
Ms Rosie Bichard GCB.D, CFA

PRINCIPAL OFFICERS

Commissioner Merle Heatwole *BSc*	Managing Director	to 31 October 2020
Commissioner Lee Graves *MBA*	Managing Director	from 1 November 2020
Dr Matthew Carpenter *BA, MBA, DBA, MCMI*	Company Secretary	
Mr Kaloan Belito *BA, DchA, MSc, FCCA*	Chief Accountant	

BANKERS

HSBC Bank plc
60 Queen Victoria Street
London EC4N 4TR

Reliance Bank Limited
Faith House, 23-24 Lovat Lane
London EC3R 8EB

National Westminster Bank
38 Strand
London WC2N 5JB

SOLICITORS

Slaughter and May
1 Bunhill Row
London EC1Y 8YY

AUDITORS

BDO LLP
55 Baker Street
London W1U 7EU

INVESTMENT MANAGER

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London EC4M 8BU

The Trust exists to further the work of The Salvation Army, which is to advance the Christian religion and meet human needs as and where they occur throughout the world and support the work of International Headquarters (IHQ). IHQ is responsible for coordinating the international work and overseeing strategy.

The Salvation Army is, for administrative purposes, divided into autonomous territories (generally by region or country). Each territory is governed, through local registration(s), in accordance with the applicable local laws and the Trust works with and through these separate legal entities. However, The Salvation Army remains under the oversight, direction and control of the General of The Salvation Army, as set out in greater detail in The Salvation Army Act 1980.



RELATED PARTY ENTITIES

The Salvation Army Retired Officers Allowance Scheme

Registered Charity 1153681
Declaration of Trust dated 13 December 2012

The Salvation Army Retired Officers Allowance Scheme is a separately registered charity that is administered by SAITCo as the Trustee.

The objects of The Salvation Army Retired Officers Allowance Scheme are to relieve the poverty of retired officers and the financial hardship amongst elderly retired officers of The Salvation Army anywhere in the world.

The Salvation Army in the United Kingdom and the Republic of Ireland

The work of The Salvation Army in the United Kingdom and the Republic of Ireland is directed by the United Kingdom and Ireland Territory, with resources provided through trusts administered by The Salvation Army Trustee Company. The two principal trusts of this territory are The Salvation Army Trust and The Salvation Army Social Work Trust.

Reliance Bank Limited

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership model and through the delivery of its five-year strategic plan, the Bank aims to become an important, positive social impact bank with an expanded remit in this market segment. In December 2019, £1 million of additional share capital was invested in the Bank to support the new business model. Against the backdrop of the impacts of the global pandemic, continued ultra-low interest rates and the Bank's ongoing transformation programme, the Trust subscribed for a further £1 million share capital in July 2021.

The Bank offers transactional banking services to more than 30 Salvation Army territories, providing a vital 'safe haven' for project funds and IHQ operational grants and a secure platform for international fund transfers for the global Salvation Army. The Bank offers these territories a comprehensive product range including current accounts and fixed interest products in GBP, USD and EUR as a UK domiciled bank authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Additionally, the Bank also meets the functional banking requirements of IHQ (as distinct from territories) involving processing payments to a wide range of international locations, providing personal banking services for non-UK nationals working at IHQ, creating bespoke banking arrangements for territories to match specific IHQ requirements and obtaining bank ratings information to inform IHQ evaluation of proposed bankers for territories. The Bank also provides a wide range of banking services to The Salvation Army (UK and Ireland Territory) and to other UK charities, positive social impact businesses and the general public.

SAITCo as ordinary Trustee of the Trust undertook considerable due diligence over an extended period before acquiring sole ownership of the Bank, with the Board of Directors receiving multiple reports from appointed consultants on legal, tax, accounting, governance, risk

and regulatory considerations, including a detailed critical analysis of the Bank's five-year strategic plan. During 2021/22, the Trust intends to refresh this diligence by engagement of an external consultant to review the Bank's performance to the five-year strategic plan and advise SAITCo on other related matters. From time to time, the Trust will refresh this appraisal and the Bank's performance against the five-year strategic plan.

Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of the Trust. This has not been the case during the last few years, as the Bank is investing in its organisational structure and systems as it embarks on a new strategy under the sole ownership of the Trust. Losses have continued in the year under review, partly as expected during this implementation period of the strategic plan, and partly in response to the challenges of the global pandemic.

Consolidated accounts for the Trust incorporating the Bank as its banking subsidiary are presented for 2020/21 as well as charity results, assets and liabilities for the Trust (see pages 62-87).

Whilst the Trust is the Bank's parent controlling entity, a Nominations Committee comprising Non-Executive Directors of the Bank recommends the appointment of Bank Directors to the board. This includes consideration of proposed Shareholder representative Directors, as and when appropriate.

The Bank, in common with all banks, faces a number of risks such as credit risk, interest rate risk, risk arising from holding foreign currencies, market risk, conduct risk and operational risk. Policies are in place to ensure that the Bank's exposure to these risks is monitored and controlled. The Bank maintains a risk register which is regularly reviewed by the Bank's Audit, Risk and Compliance Committee and Executive Committee.

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited

The Salvation Army Leaders' Training (SALT) College of Africa and Resource Centre Limited is a wholly owned subsidiary of the Trust.

During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for Salvation Army territories in Africa, that has hitherto been operated and managed as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets and so, from 1 August 2020, is no longer reported within the charity only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the new entity are not material to the Trust.

GOVERNANCE

The Trust utilises a committee structure to supervise its operations. SAITCo's Board of Directors, including five Non-Executive Directors, delegates day-to-day financial management decisions to the International Finance Board

The Salvation Army International Headquarters, London, UK



> The activities of the charity are rendered without discrimination and for the benefit of all people in need

(IFB), International Business Board and International Projects Board within clearly defined parameters. The terms of reference for subsidiary boards and the minutes of all meetings of these boards are reviewed by the Directors on a regular basis.

SAITCo has a Serious Incident Reporting Policy and Procedure in place, reviewed and updated in May 2020, outlining the process to be followed to decide if an incident relating to the Trust would be appropriate to be reported to the Charity Commission as a serious incident in accordance with the latest regulatory guidance.

A well-established Internal Audit Department also carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working, and a sound framework of internal controls and strong financial management systems are in place, supported by a manual of International Financial and Accounting Standards (IFAS) for The Salvation Army issued from IHQ. A project is well underway to roll out cloud-based accounting software to all financially supported territories to enable more regular and detailed reporting both within territories and from territories to IHQ. A new reporting mechanism from all territories to the IFB commenced during 2020/21, based upon the suite of 17 Key Financial Indicators (KFIs) defined within the IFAS manual, allowing IHQ to be better informed of the financial position in territories as a new and significant enhancement to internal controls.

An Audit Committee also meets on a quarterly basis, is chaired by a Non-Executive Director of SAITCo and comprises four members, none of whom hold executive responsibility for management of the Trust. The Committee holds delegated responsibility on behalf of SAITCo for continual review of the financial management and internal controls of the Trust and holds a direct line of communication to the internal and external auditor.

A wide ranging and significant governance review exercise commenced during 2018/19 assisted by an external consultant and involving a review of SAITCo membership, structure, interrelationships with other IHQ bodies, performance and effectiveness as well as benchmarking to good governance practice as outlined within the Charity Governance Code. SAITCo already embraces many governance activities outlined within the Code such as conducting board induction and training, managing potential or actual conflicts of interest and regularly reviewing terms of reference for subsidiary boards with opportunities for further development highlighted in areas such as formal monitoring of Board skills and performance. Further actions are also being considered following the most recent update to the Code which focuses on the principles of integrity and equality, diversity and inclusion.

A Board Charter for SAITCo was developed during 2019/20 within the governance review process and approved for implementation. The Charter defines the roles, responsibilities and authorities of SAITCo in the effective and efficient functioning of the Trust and considers mission objectives, board roles, board procedures, board composition, board committees, board induction and ongoing training, conflicts of interest and board evaluation.

During 2020/21, the Articles of Association of SAITCo were revised and the SAITCo Board Charter further reviewed and updated to embed reforms prompted by the governance review. An operational review was also undertaken during the year with assistance from two consultants and a remit to examine staffing establishments, explore effectiveness of internal communication and review the internal committee structure including the purpose, membership, expectations, outputs, reporting lines, accountability and decision-making thresholds of each board, committee and council. A number of reforms highlighted by the operational review have already been implemented with a further body of agreed actions anticipated in 2021/22.

SAITCo has in place a number of dedicated governance arrangements in respect of its role as sole owner of Reliance Bank Limited, having taken advice on this from an external consultant as part of the body of due diligence work undertaken towards acquiring sole ownership of the Bank. An additional Director with banking expertise was successfully recruited to the SAITCo Board in May 2019 and remains in post with three shareholder representatives appointed to the Bank board and mechanisms in place for performance reporting for the Bank to SAITCo and risk management for the Bank to the Risk Management Committee of the Trust.



COVID-10 response in The Netherlands: physically distanced but still close to the people they serve

REMUNERATION

SAITCo is committed to ensuring a proper balance between paying staff to attract and retain the best people for the job, and careful management of charitable funds.

Management remuneration policies and practices within the Trust are reviewed periodically by SAITCo with day-to-day decisions delegated to the Employee Review Board and Job Grading Panel within clearly defined parameters. The IHQ Remuneration Policy was last reviewed and updated by SAITCo in January 2021.

There are two grading structures currently used at IHQ – an IT specialist scale and a main pay scale for all other employees. The differentiation is to address the market salary demands of IT specialists in the third sector. Posts are graded between nine evenly distributed grades, each of which contain nine main spine points (three per cent apart) and two upper spine points (six per cent apart). The scales were formulated, and are subject to ongoing review, with assistance from an external consultant to undertake market comparisons and objective benchmarking to comparable roles in other organisations.

New staff are usually appointed at the lower spine points of the grades, though this can differ for some specialist posts or due to candidate experience. Postholders may progress through the pay grade subject to completion of performance appraisals. Cost of living increases are also awarded periodically to all staff by SAITCo, with an assessment made within the annual budget setting process to determine any proposed inflationary adjustment with reference to the Consumer Price Index and the financial position of the Trust.

Further remuneration disclosures for the Trust and group for this reporting period are shown within Note 15 to the Accounts. The Trust did not have any UK volunteers, excluding Trustees, during the reporting period.

MODERN SLAVERY ACT

The Salvation Army is very active in bringing practical assistance to those whose lives have been affected by the evil of modern slavery and as such is sensitive to the danger of inadvertently finding itself falling short of its own beliefs and standards in this regard as well as the standards set out in the UK Government's Modern Slavery Act 2015. The Modern Slavery Act 2015 compliance statement for SAITCo, reviewed and updated in November 2020, can be accessed at http://www.salvationarmy.org/ihq/modernslaveryact2015 and provides details of the variety of measures undertaken by SAITCo to avoid and reduce the risk of inadvertently supporting modern slavery in any way.

> The operation of the Trust has been significantly impacted by the COVID-19 crisis

FUNDRAISING

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although the Trust does not actively undertake widespread fundraising from the general public, the legislation defines fund raising as 'soliciting or otherwise procuring money or other property for charitable purposes'. Such amounts receivable are presented in the Accounts as 'Other Donations and Legacies'.

In relation to the above, SAITCo confirms that no fundraising activity has been taken by the Trust, or by anyone acting on its behalf, that no fundraising standards or scheme for fundraising regulation have been subscribed to by the Trust, or by anyone acting on its behalf, that no complaints in relation to fundraising activities have been received and that any solicitations are managed internally, without involvement of commercial participators or professional fundraisers.

OBJECTIVES AND ACTIVITIES

Public Benefit

The Trust is operating for the public benefit and in keeping with the organisation's mission statement. In setting and reviewing the Trust's aims and objectives and planning future activities, the Trustee pays due regard to the guidance issued by the Charity Commission on public benefit. The main activities of the Trust are:

- To continue the advancement of the Christian religion through evangelistic outreach
- To continue to provide financial assistance to The Salvation Army where needed
- To provide effective leadership and share knowledge and expertise through the strategic deployment of personnel
- To respond to and help meet the needs arising from major crises
- To strengthen The Salvation Army's capacity to support poor and marginalised people who need access to quality primary health care services as close to the family as possible
- To take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

A breakdown of expenditure per these main charitable activities of the Trust is presented at Note 10 in the Accounts. This shows a significant outlay on funding assistance to Salvation Army territories (under the second activity listed above) recognising that such grants also aid fulfilment of the other stated objectives as Salvation Army territories provide a wide range of local church/social programmes having received the IHQ funding necessary to maintain day-to-day operations.

Specific aims for each of the main activities of the Trust during the reporting period are outlined in the sections below. The activities of the charity are rendered without discrimination and for the benefit of all people in need.

The operation of the Trust has been significantly impacted by the COVID-19 crisis during the year under review, with the effect of the pandemic upon the Trust and Salvation Army territories and the resilience shown throughout this period explored in more detail in the following sections.

ACHIEVEMENTS AND PERFORMANCE

World Mission 16

Assistance to Salvation Army Territories 22

International Personnel Training and Development 30

Crisis Relief 34

Health Services for the poorest people 38

Fighting against sexual trafficking and for social justice 42



1 WORLD MISSION

OVERALL OBJECTIVE

To continue the advancement of the Christian religion through evangelistic outreach.

SPECIFIC AIMS

World Mission objectives are to encourage and enable people linked to The Salvation Army to reach out into their communities with spiritual and practical support, to offer online and other resources to Salvationists and friends around the world and so create a supportive network through which people can share in prayer and evangelism, and for the General and the Chief of the Staff to visit Salvationists and friends around the world, providing opportunities for increased publicity and offering encouragement and challenge.

ACHIEVEMENTS

Although the COVID-19 crisis made travel and gatherings impossible in much of the world, Salvationists and friends were encouraged during the year to forge ever-stronger community links, particularly using online facilities, offering practical, emotional and spiritual support while taking Christ to the people through a series of innovative initiatives.

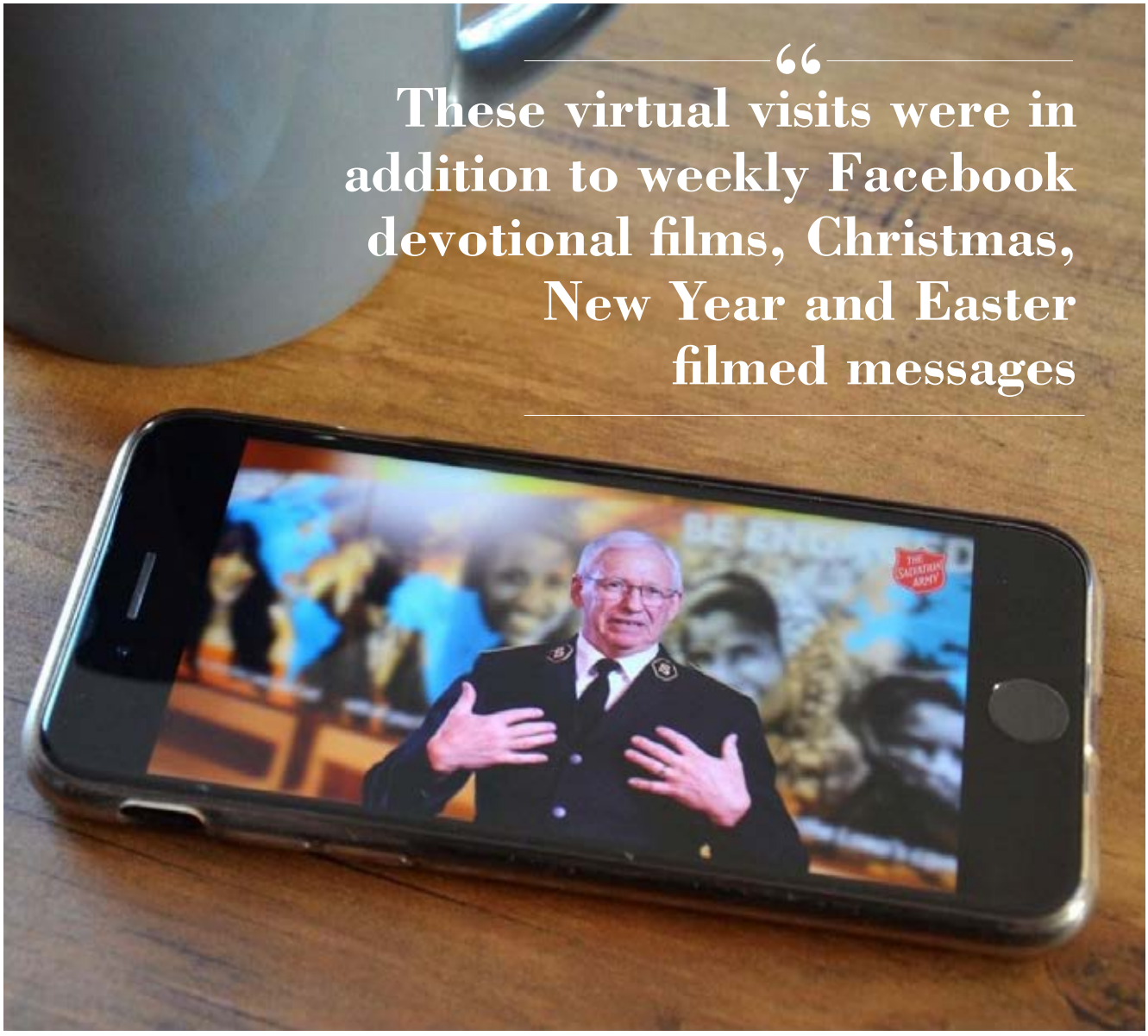
THE GENERAL ENGAGES IN 'VIRTUAL VISITS'

Visiting territories is an important part of the ministry of the General and the Chief of the Staff, however, as has been well documented, the period under examination was dominated by the COVID-19 pandemic, making local travel very restricted and international travel impossible. It would also have been unacceptable to encourage large gatherings in the knowledge that they could have aided the spread of a disease that has brought such suffering around the world.

Modern communications technology provided amazing opportunities for General Brian Peddle and Commissioner Rosalie Peddle (World President of Women's Ministries) to continue their international ministry of encouragement and challenge through 'virtual visits', which they could share with congregations and other groups. Among the places and events they have participated in are:

- United Kingdom and Ireland Territory: enrolment of junior soldiers at Maidstone Corps (church), Easter and Pentecost meetings at Southwark Corps, 140th anniversary of Lurgan Corps, Easter meeting at Nottingham William Booth Memorial Halls Corps; 140th anniversary of Bristol Citadel Corps.
- USA Eastern Territory: soldiers' rally and holiness meeting.
- The Netherlands, Czech Republic and Slovakia Territory: online meeting with directors.
- South America East Territory: 130th anniversary greetings.
- Spain and Portugal Command: 50th anniversary greetings.
- The Salvation Army's international ITX (Information Technology eXchange) Conference: keynote address.
- South America West Territory: 100th anniversary greetings for Bolivia.
- Canada and Bermuda Territory: youth gathering and territorial visioning.
- Hong Kong and Macau Command: 90th anniversary.
- The Salvation Army's International Social Justice Commission: participated in a focus on tackling racism.
- Programme Resources Consultancy Group annual conference: shared with delegates.

These virtual visits were in addition to weekly Facebook devotional films, Christmas, New Year and Easter filmed messages and the biennial International Conference of Leaders, which was due to be held in Portugal in April 2020 but instead became on online event – International Leaders Virtual Conversations – that was held over several months.



> These virtual visits were in addition to weekly Facebook devotional films, Christmas, New Year and Easter filmed messages

Modern mission: smartphone video message from the General

Major David Williamson, Private Secretary to the General, admits that the pandemic changed the way in which The Salvation Army's international leaders could undertake their expected role of visiting and encouraging Salvationists and friends worldwide, with the virtual visits often being the next best thing. He did, however, add that the change in circumstances also provided new opportunities, allowing some ministry to happen that would not have taken place otherwise.

INTERNATIONAL COVID-19 PRAYER WAVE:
Salvationists and friends around the world responded with passion and compassion to General Brian Peddle's call in April 2020 for the international Salvation Army to 'follow the sun' and pray from sunrise to sundown for the fight against the COVID-19 pandemic. Starting when the sun rose in Samoa on the morning of Sunday 19 April and carrying on for more than 36 hours until sunset in Hawaii, USA, the 'tsunami of prayer' that had been called for by the General picked up pace quickly to follow the light of the sun on its journey around the globe.

Prayers were shared in corporate online worship and prayer meetings, through individual and family times of devotion and between staff and service users. Just as COVID-19 doesn't discriminate between rich and poor, believer and unbeliever, the wave of prayer was given impetus by people of many races, languages, economic positions and social standings.

The General's Facebook page, www.facebook.com/GeneralBPeddle and the IHQ Facebook page received more than 1,500 comments throughout the event. An 'I'm praying about coronavirus' Facebook profile frame was



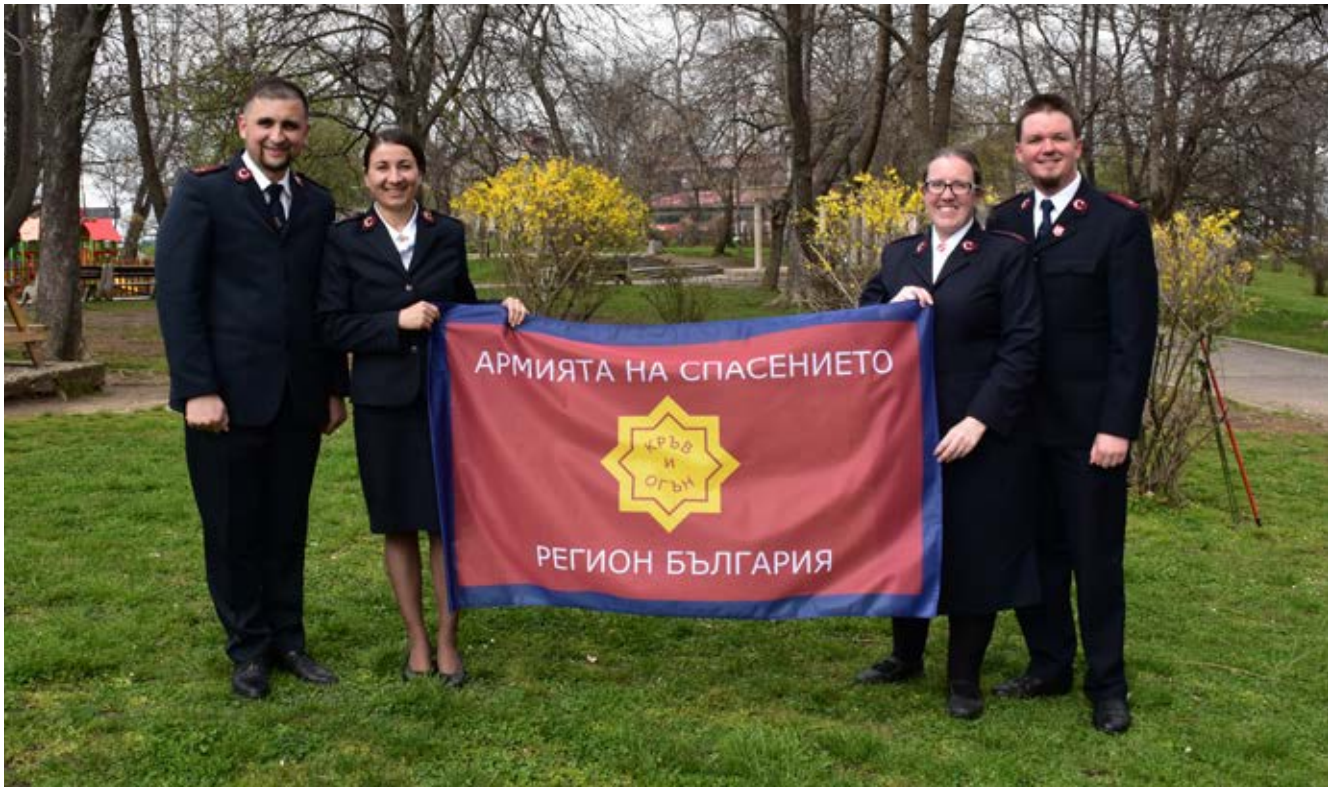
COVID-19 International Prayer Wave: hundreds of people added an IHQ-Communications frame to their social media to show they were praying for the COVID-19 tragedy.

used by thousands of people, forming a worldwide visual witness that many people are still using. On Twitter, the #FollowTheSunCOVID19 hashtag featured in 361 tweets, with an astonishing potential reach of 1,483,611 users (i.e. tweets with that hashtag could be seen by that many Twitter users). Instagram, which tends to have a younger user group, received hundreds of likes across six posts relating to the day of prayer (which contained prayer prompts and suggestions of how to pray), with each additionally being shared privately by users with their own network of followers.

People also shared prayers and prayer requests through a blog which had 448 messages and received 7,601 visits from 97 countries during the Follow the Sun period. Many deeply personal prayers were shared, including those from people who had lost loved ones and others who had profound concerns for friends and family. Some wrote bravely about the difficulties they were facing because of the pandemic, including people who had lost their jobs and even a sailor who had been on board his cargo ship for three months, with no immediate likelihood of being able to return home. The General responded to the unprecedented level of participation, telling Salvationists and friends: 'I believe God is sending our Army to serve others at such a time as this. Please be safe in all that you do – but be his Church in a world that needs our God whom we love and whom we serve.'

BULGARIA BECOMES COUNTRY NUMBER 132:

The Salvation Army officially opened work in its 132nd country during the year under review. The new ministry in Bulgaria is overseen by Captain Eduard Lebedev (Regional Leader, Bulgaria) and Captain Inna Lebedeva (Regional Director of Family Ministries, Bulgaria), who are originally from Russia and Moldova respectively. They are supported by Swedish officer Lieutenant Erik Johansson and Captain Kathleen Johansson, an Australian, who are officially designated as Pioneer Team Members. 'The Salvation Army' in Bulgarian – a Slavic language which is written using Cyrillic characters – is 'Армията на спасението'. A Bulgarian Salvation Army Red Shield has already been designed and registered.



New opening in Bulgaria: pioneering officers with Salvation Army flag

Although lockdown and other restrictions made life far from easy, this new Salvation Army ministry is already beginning to have influence. Partnerships have been started with local Christian fellowships, particularly with the Amazing Grace Church, which has a longstanding relationship with several families who live in a slum area on the outskirts of Sofia. During the Amazing Grace Church's Christmas distribution of clothes and food, The Salvation Army was able to come alongside and support with small gifts for the children. People have been helped with simple food parcels and contact has been made with two Salvationists living in different parts of Bulgaria. Home visits have been possible to share the gospel in people's homes and the Soldier's Covenant/Articles of War has been translated into Bulgarian. The pioneering officers also contacted several local churches in Sofia as well as forming relationships with representatives from an embassy and other influential organisations, all to ensure that people know about The Salvation Army's presence in Bulgaria and are aware of its mission.

EASTER COLOURING:

One of the joys of Easter for Christians is the opportunity it gives to remind people of Jesus' sacrifice on the cross and his glorious resurrection. Usually this can happen through many ways – from the personal (conversations with friends and colleagues) to the public, through marches and open-air worship.

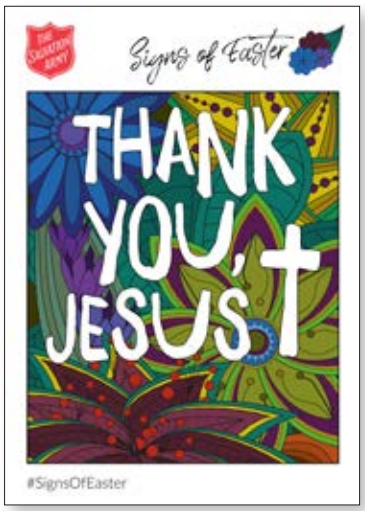
But what if – as happened at Easter 2020 – people had to stay at home, keeping separate from friends, colleagues and family members because the government was trying to stem the tide of a deadly pandemic? This was the challenge that the IHQ Communications and Literary and Editorial sections attempted to address.

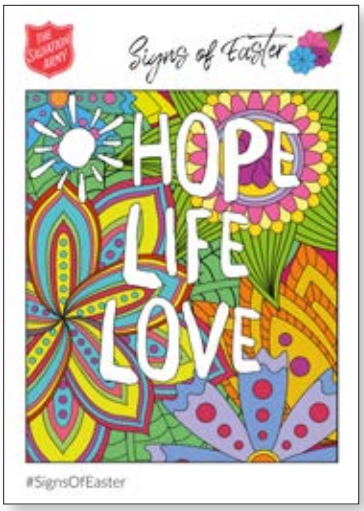
Colourful 'print-your-own' posters were created by designer Jooles Tostevin-Hobbs with the idea that they could be put in people's windows to share the Easter story with anyone passing by. To make things even more interactive, a version was created for children (adults too if they wished) to colour in, allowing them to play their part in sharing the message. The simple wording could be cut out of the poster so that when the sun shone through it, the words are naturally 'projected' onto a wall or floor – or the wording would be viewable at night when lights shone out. The wording was kept simple for ease of viewing. Posters for Good Friday said: 'Good Friday', 'Wounds of Love' or 'Thank You, Jesus' while the text on the Easter Sunday posters was a choice of: 'Easter Sunday', 'Hope Life Love' and 'He is Alive!' All of the posters can be downloaded from www.salvationarmy.org/ihq/signs-of-easter.

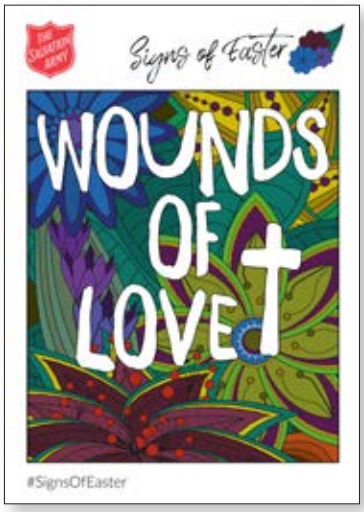
> **To make things even more interactive, a version was created for children (adults too if they wished) to colour in**

Colourful message: 'print-your-own' Easter posters.

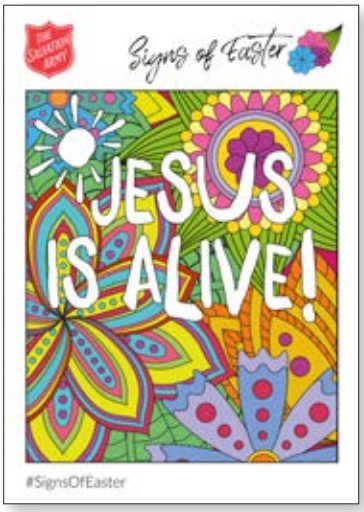












KEY STATISTICS

- The General's Facebook devotionals and personal messages had an average reach of 29,120 from April 2020 to the end of the March 2021. In the first two months under consideration, when the COVID-19 pandemic forced much of the world into lockdown (including the General, who shared his words of encouragement from his home), that reach was more than 52,000.
- The International COVID-19 Prayer Wave event during 2020 using the Twitter #FollowTheSunCOVID19 hashtag featured in 361 tweets, with an astonishing potential reach of 1,483,611 users.
- Since 2000, The Salvation Army has started work in 23 'new' countries with a further opening in Bulgaria during 2020/21.

FUTURE PLANS

As travel restrictions begin to be lifted, the General hopes to recommence his travels around the world, engaging with Salvationists, friends, supporters and people of influence. Where travel limitations remain in place due to the coronavirus pandemic, he will use online resources such as video messages to raise morale and provide continuing encouragement and spiritual challenge.

The Salvation Army will seek new and innovative ways to share the gospel message, through online means (including social media) and by providing resources to enable local outreach, with new materials to be made available from IHQ to territories during 2021/22.



2 ASSISTANCE TO SALVATION ARMY TERRITORIES

OVERALL OBJECTIVE

To continue to provide financial assistance to The Salvation Army where needed.

SPECIFIC AIMS

The Trust seeks to provide financial assistance, infrastructure and technical support to territories through a wide range of programmes including grant funding and delivery of large-scale international projects with a particular focus upon four areas of work during 2020/21:

a. International Development Services (IDS), based at IHQ, aims to engage, equip and empower local communities for effective development globally. This year, a major focus was on emergency COVID-19 response providing funding to territories to source and purchase handwashing facilities and sanitation supplies in corps, social centres and schools; essential personal protective equipment (PPE) and other resources for frontline workers in hospitals and clinics; as well as grants to support salaries, officers' allowances and other operational costs to ensure the continuation of The Salvation Army's mission. In addition, IDS planned to further develop a Learning Pathways training programme, encourage more intentional sharing of thematic expertise between territories and support timely, effective processing of projects

b. International Property Project, overseen by a full-time consultant based at IHQ, the project aims to assist territories in highest and best use reviews of underutilised property assets as a step towards financial independence. During 2020/21, despite COVID-related operating challenges, the project aimed to progress significant schemes in Kenya and India, and conduct multiple feasibility assessments in other territories.

c. International Financial and Accounting Standards (IFAS) involves a global project team led from IHQ implementing cloud-based NetSuite accounting software for all financially supported territories alongside the roll out of new International Financial and Accounting Standards for the global Army. The software deployment replaces basic standalone systems, assists territories in complying with IFAS reporting and enables implementation of computerised internal financial controls to replace time-consuming manual processes. This year, key objectives were to assess and adapt the software deployment model in light of the COVID-19 pandemic, to continue the tailoring of the software to meet diverse and unique Salvation Army needs globally and to develop enhanced reporting tools empowering territorial



Stay safe: additional handwashing facilities for Salvation Army schools in Liberia.



Lifesaving PPE for Salvation Army healthcare staff in Indonesia.

leaders and staff by providing consistent and up-to-date financial information.

d. Office 365 Project involves a large project team at IHQ and within territories rolling out a new global collaboration and communications solution to provide an official Salvation Army digital identity for every officer and employee who uses technology to achieve mission tasks for The Salvation Army. Specific objectives for the year were to complete the migration of all existing email users to the new platform, undertake negotiations for renewal of the contract for the new platform and initiate planning for the next stage of the project.

ACHIEVEMENTS

a. INTERNATIONAL DEVELOPMENT SERVICES

As well as the obvious, tragic effects of the COVID-19 pandemic, its repercussions have caused huge logistical and financial difficulties for territories around the world. A corps (church) that gets a large proportion of its income through a weekly cash offering collected from its congregation during a meeting or service, for instance, will struggle when that meeting cannot take place because of COVID-19 regulations. Other incomes, especially from trading operations, have also been badly hit – and all at a time when the need for Salvation Army corps, centres and outposts to reach out to their communities has been more vital than ever.

In response to emerging needs arising from the COVID-19 crisis, IHQ supplied funding that enabled territories to support salaries, officers' allowances and other operational costs that needed to be covered unexpectedly to ensure the continuation of The Salvation Army's mission. In addition, grants were provided to source and purchase handwashing facilities and sanitation supplies in corps, social centres and schools and allow purchase of essential PPE and other resources for frontline workers in Salvation Army hospitals and clinics.

During 2020/21, IDS facilitated the approval of 219 COVID-19 related project proposals that covered 39 different Salvation Army territories and were funded either by the Trust or financially independent Salvation Army territories. A 'COVID-19 International Response Group' chaired by the Chief of the Staff was established to coordinate the resources of IHQ to respond to emergency needs around the world and all project proposals were subject to due process with consideration of individual project applications by IHQ expenditure authorising board(s) within expenditure authority limits determined by SAITCo and also subject to established project monitoring mechanisms.



Mask distribution in Tamil Nadu, India

While Salvation Army territories have been significantly impacted by the pandemic, new creative opportunities have also emerged and been taken to ensure the most vulnerable people are supported, as illustrated by the following examples:

INDIA: In the state of Tamil Nadu, women's savings groups were impacted by restrictions on movement and the ongoing financial impact of the lockdown. However, they offered their own time and savings towards the COVID-19 response, delivering food rations and medicines to vulnerable groups. They stitched masks for key workers at a time when these were scarce and provided sanitary pads to teenage girls in quarantine. Their resilience and generosity, as well as their flexibility in providing effective emergency responses during the crisis, is indicative of wider Salvation Army responses across South Asia.

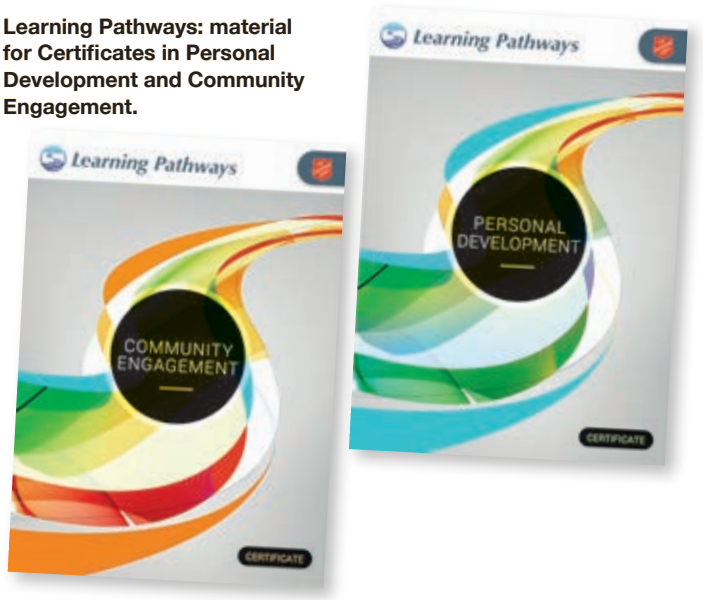
RUSSIA: When their centre was closed due to COVID-19 restrictions, the corps officers in St Petersburg were proactive in looking for new ways to serve God and meet the needs of the people. They contacted the city state administration to highlight vulnerable groups, particularly unemployed migrants and homeless people, to see if they could help in any way. The Salvation Army was given official authorisation and asked to help these groups, and bags of essential food and sanitary items were distributed. The Army also assisted a large non-governmental organisation to provide support to vulnerable seniors. As the wearing of masks in St Petersburg became compulsory, these became almost impossible to buy and, if they could be found, were very expensive. Salvation Army members responded by sewing reusable cotton face masks for those in need or unable to make or source their own.

KENYA EAST: The Salvation Army joined the Kenya for Resilience Consortium, working with the Swedish Mission Council, Children's Mission Sweden, Children's Mission Africa, International Aid Services, Kenya, and Life & Peace Institute. The partnership works from a rights-based approach, ensuring reduced disaster risk and loss of life, livelihoods and health, and also in the economic, physical, social, cultural, environmental and spiritual capitals of persons and communities. The partnership provided a framework for responses by the territory to the effects of the COVID-19 pandemic, allowing creative solutions to be developed to maintain services in consultation with partner organisations.

Despite the crippling effects of COVID-19 internationally, IDS worked intentionally to strengthen relationships with territories throughout the year through online calls and provision of technical/financial support to territorial teams. IDS also developed a monitoring framework entitled 'Linking Relief, Rehabilitation and Development' for completion by territories to ensure a joined-up approach between delivery of emergency response due to COVID-19 and the formulation of 'next steps' in development terms to care for communities supported through the pandemic.

The IDS team also continued to work with territories to encourage sustainable, long-term positive change in communities through development and application of the Learning Pathways programme, a training resource designed for use by territorial staff and volunteers covering subject areas such as project management, community engagement and personal development. Certificate material in community engagement and personal development was finalised during the year with the material and supporting documents translated into nine languages.

Learning Pathways: material for Certificates in Personal Development and Community Engagement.







Above: groundbreaking ceremony for new officer accommodation in Nairobi, Kenya, with (left) Territorial Commander Commissioner Margaret Siamoya (Kenya East) at the controls of a digger.

b. INTERNATIONAL PROPERTY PROJECT

Overseen by a full-time consultant based at IHQ, the International Property Project works with globally recognised property firms to develop potential schemes for territories through the stages of scoping and identification, feasibility approval, detailed feasibility and implementation. Despite disruption due to the COVID-19 pandemic, a number of different schemes were progressed through these various stages during 2020/21, illustrated by the following examples:

KENYA EAST: Construction commenced on building 22 accommodation units for territorial headquarters (THQ) officers on unutilised land at the THQ site, though work was impacted by COVID-19 restrictions which caused delays in receipt of the authorities' approvals and certifications. Following construction, existing accommodation units on another site will no longer be required, allowing this site to be redeveloped as a future phase of the project for income generating purposes and to incorporate a purpose-built facility for Fairtrade activities. Detailed planning for this next phase of the project is already underway with an expectation that the new income generating activities will allow the territory to raise additional ongoing funds as an important step towards self-support.

INDIA NORTHERN: Detailed feasibility and scoping work was undertaken for a scheme that identified a number of unused and underutilised properties that could be developed to provide significant income potential for the territory. Phase 1 concentrates on an unused site in Kolkata, while the Phase 2 focus is on an extensive underutilised site in the Uttar Pradesh region.

In addition to these schemes, the International Property Project team supported capital projects related to school development, children's homes and other programmes across multiple territories and provided virtual teaching seminars to develop capacity of territorial property teams within financially supported territories.

c. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS project involves a global project team led from IHQ implementing cloud-based accounting software for all financially supported territories alongside the roll out of new International Financial and Accounting Standards for the global Army. The scale of this international project covering 41 financially supported territories is significant and unprecedented within the global Salvation Army.

Deployment of the NetSuite software to territories during 2020/21 was adversely impacted by the COVID-19 pandemic, particularly following international travel restrictions implemented from April 2020. At that time, roll out of the software was underway in Zambia Territory with deployments planned for multiple other territories during 2020/21. The deployment in Zambia was successfully completed despite the need for IHQ staff on site to be pulled out and the implementation concluded remotely. Other deployments planned for the year had to be postponed as IFAS trainers could not travel to provide on-site training and territories also faced local lockdowns. The IFAS Project team used this time to make further advances in tailoring the design and testing of the accounting software to meet Salvation Army requirements, adding inter-unit/consolidation tools, a Point of Sale (POS) solution for territories with trading operations and new reporting tools allowing automatic generation of the Key Financial Indicators (KFIs) required for IFAS reporting. This reporting fulfils a key project objective of empowering territorial leaders and staff by providing the tools for consistent and up-to-date reporting of financial information. The IFAS Project team also worked during the year to adapt the project deployment model to allow 'remote' online implementations without trainers visiting territories. A pilot was successfully completed for the Pakistan Territory with only one locally based IHQ Project team member on site.

The following chart summarises the project status up to 31 March 2021:

	31 March 2019	31 March 2020	31 March 2021
IFAS trainers	2	8	10
FAAST help desk staff	1	3	2
Local project champions in territories	-	40	40
Territories live on NetSuite accounting software	3	6	7
Territories being prepared for deployment	-	3	7
IHQ being prepared for deployment	-	-	1

The project is well placed to move past the period of COVID-19 related disruption with close to a full complement of project staff, 40 local project champions trained and in place within territories, seven territories already live on the system at year end and a further seven territories and IHQ being prepared for deployment during 2021/22.



Territorial staff and IFAS Project team members at the Zambia Territory 'Go Live' event just prior to COVID-19 related disruption.



Screenshots from the 'remote' software deployment 'Go Live' event for the Pakistan Territory

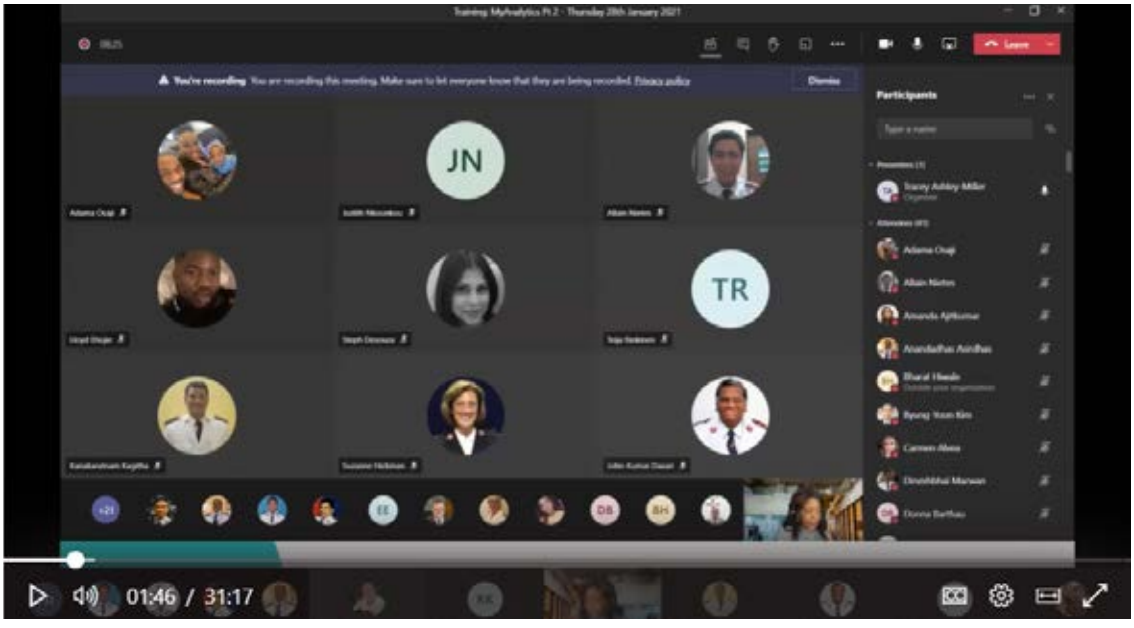
In addition to this activity, the IFAS Project team also provided dedicated training to the team, conducting internal audits of territories in 2020 and facilitated reporting of KFIs from territories to IHQ as required by the IFAS manual.

d. OFFICE 365 PROJECT

The Office 365 Project involves a large project team based at IHQ and within territories rolling out a new global collaboration and official Salvation Army digital identity for every officer and communications solution to provide an employee who uses technology to achieve mission tasks for The Salvation Army.

During the year, despite the challenges imposed by the COVID-19 pandemic, the migration of all territories from Lotus Notes email to the new Office 365 platform was successfully completed. The Office 365 Project facilitated the addition of 20,000 Office 365 email accounts during 2020/21, including the onboarding of a number of financially supported territories, with the global number of accounts now standing in excess of 80,000. This was made possible by undertaking all migrations remotely and making available online training and support through Microsoft Teams. In addition, all senior leadership accounts were migrated to Office 365, thus enabling IHQ leadership to communicate more easily with territorial leadership teams around the world.

Significant progress was also made in strengthening the IHQ IT team and building new capabilities in the wider Microsoft 365 product set. This enabled IHQ IT to provide a greater level of support to territories as well as to the Office 365 project. A preferred global supplier for the procurement of hardware to supported territories was selected and onboarded and a new five-year term for a Global Enterprise Agreement was agreed with Microsoft



IT training in a global pandemic: screenshot of Office 365 'remote' training



David S. Massaquoi with students from a Salvation Army school in Liberia

KEY STATISTICS

- IDS facilitated the approval of 219 COVID-19 related project proposals during 2020/21, covering 39 Salvation Army territories.
- The International Property Project team assisted territories in the assessment and development of property schemes for under-utilised assets in India, Kenya, Uganda and Bangladesh during 2020/21.
- The IFAS Project team facilitated the implementation of new cloud-based accounting software in two territories during 2020/21, with seven territories live on the system at year end and a further seven territories and IHQ being prepared for deployment during 2021/22.
- The Office 365 Project facilitated the addition of 20,000 Office 365 email accounts during the year, including the onboarding of a number of financially supported territories, with the global number of accounts now standing in excess of 80,000.

FUTURE PLANS

a. INTERNATIONAL DEVELOPMENT SERVICES

Over the next year, as many territories move out of the grip of the pandemic, IDS will work closely with territories to agree the best way forward to recommence any development projects placed on hold or delayed during earlier lockdowns and restrictions. Changes may need to be made to project proposals and alterations to existing projects, ensuring they better address the new reality in territories. Additional project support will also be offered to territories as required due to any ongoing effects of the COVID-19 crisis. IDS will also continue to develop and roll out the 'Learning Pathways' programme to complement existing officer training programmes. University accreditation of 'Learning Pathways' courses will be explored and courses for diploma-level studies devised with the help of internal and external course developers seeking to increase the capacity of Salvationists, officers, employees and volunteers worldwide in community engagement, development and project management.

b. INTERNATIONAL PROPERTY PROJECT

The International Property Project team will continue to support capital projects in territories and provide due diligence on property-related proposals globally, with particular emphasis on schools and children's homes development projects. Feasibility work is anticipated for India, Uganda and Bangladesh. A number of seminars are planned for 2021 to assist territories in property assessments and business planning.

c. INTERNATIONAL FINANCIAL AND ACCOUNTING STANDARDS

The IFAS Project team will work towards the installation of the new accounting software in the remaining 34 territories, with seven territories targeted for 2021 and deployments thereafter increasing to nine or ten per annum. The NetSuite deployment at IHQ was already prepared for the start of the new financial year and successfully achieved in April 2021. Potential disruption to the remaining programme of implementations due to the COVID-19 crisis will continue to be closely monitored and assessed. Ongoing support for frontline users will also be expanded as the FASST Help Desk for live territories is further developed.

d. OFFICE 365 PROJECT

During 2021/22, the Office 365 Project will move into a new stage encompassing scaling up of its roll out as well as the implementation of additional Microsoft 365 technologies which will enable enhanced collaboration and communications across the Salvation Army world. The programme will span multiple years and is likely to run until the end of 2023. For IHQ and financially supported territories, the next stage will also include the procurement and implementation of a new centrally managed network as well as the continuing roll out of devices.



3 INTERNATIONAL PERSONNEL TRAINING AND DEVELOPMENT

OVERALL OBJECTIVE

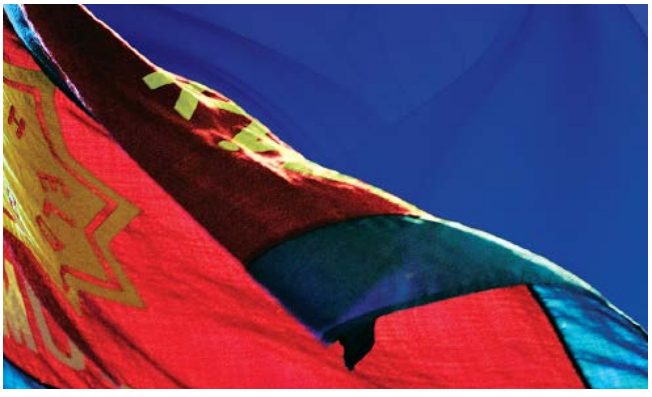
To provide effective leadership and share knowledge and expertise through the strategic deployment of personnel.

SPECIFIC AIMS

International personnel training and development objectives for 2020/21 included supporting training colleges around the world as they train officer cadets for culturally relevant ministry, the creation of a capability development framework for use by territories and the continued delivery of a leader development course with online learning modules. Further objectives were to encourage resource sharing between territories, the delivery of orientation training for new leadership in territories and the operation of the International College for Officers (ICO) in the face of challenges arising from the COVID-19 crisis.

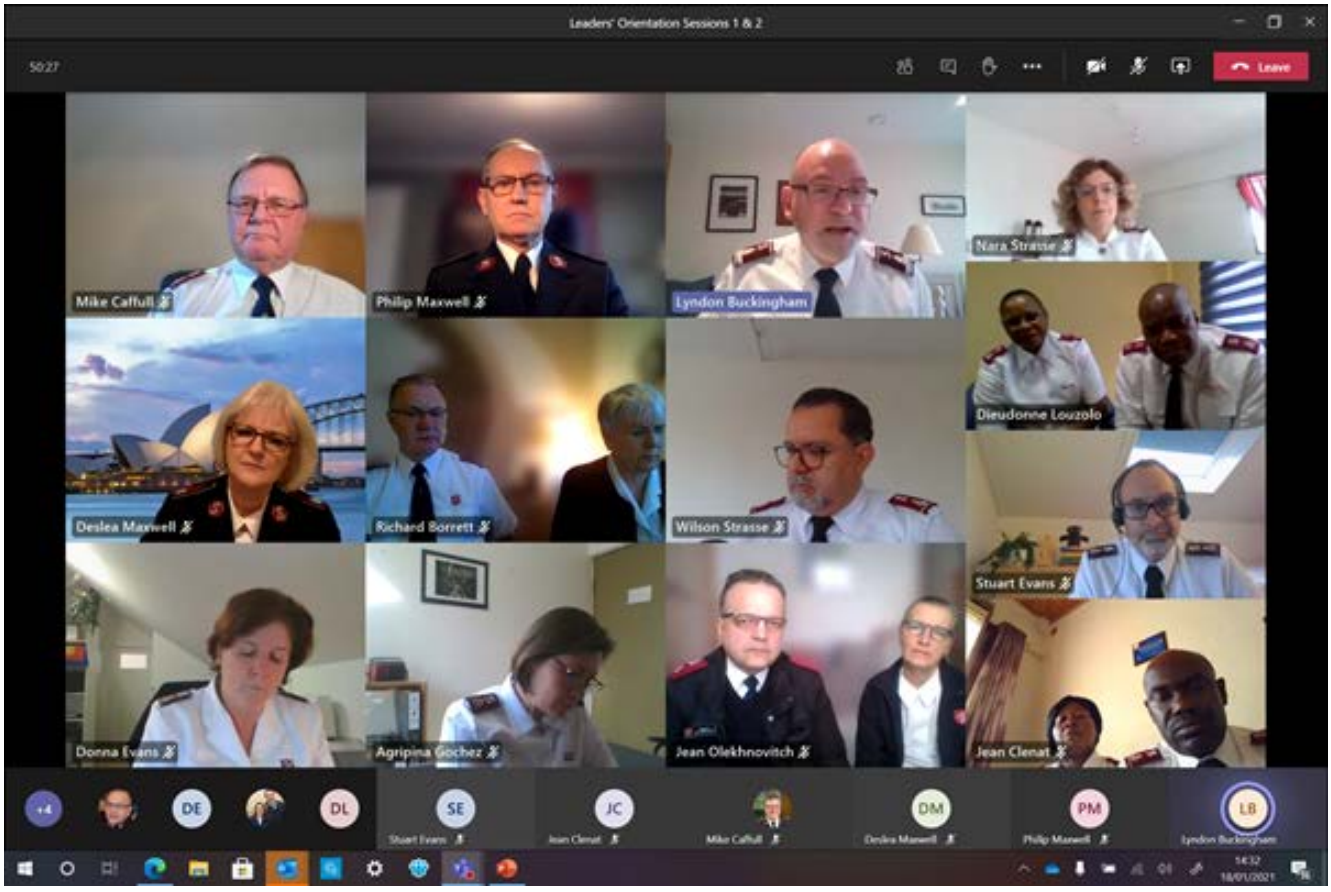
ACHIEVEMENTS

The International Officer Training and Leader Development Council (IOTALDC) met several times during the year, with membership drawn from across the global Salvation Army, to review and develop key areas of training and development for leaders within The Salvation Army. A major task completed was to review the personal reports used for identifying and appointing officers into senior leadership roles with work projects also commenced to explore an International Resource Repository for officer training colleges and to create a tool and development plan for use by territories when preparing for new divisional leaders to be appointed. Other key developments during the year were as follows:



OFFICER CADET TRAINING: As with many aspects of Salvation Army ministry, the training of future officers was severely affected by the coronavirus pandemic in 2020/21. The International Personnel team sought to encourage and support training colleges in their endeavours to continue training, despite restrictions in educational and residential activities. Territories shared details of innovative solutions (mainly utilising technology) used during the year to continue the high standard of training with new lessons learned holding the potential to develop and enhance the training process. The International Personnel team worked to garner these new approaches and disseminate details among territories, allowing best practice examples to be shared on a wider scale.

SENIOR LEADERS' ORIENTATION: When personnel are appointed to senior leadership roles in territories, they participate in an orientation conference hosted by IHQ. The conference is usually held at Sunbury Court, London. However, due to international travel restrictions relating to the COVID-19 crisis, this was not possible in 2020/21. As an alternative, four online versions of the conference were held during the year. This allowed information sharing with other elements, which could not easily be included online, planned to be provided at residential conferences to be held in 2022. Beyond the orientation, ongoing support and engagement is offered to new leaders with mentoring/coaching by current and recently retired leaders from around the world.



Chief of the Staff Commissioner Lyndon Buckingham (top row, centre right) addresses delegates to the virtual Senior Leaders' Orientation.

INCLUSIVE LEADERSHIP COURSE: A new online course was introduced last year for the development of officers in preparation for potential leadership roles, with course content further refined and developed during 2020/21. A focus this year has been on providing discussion and reflection material for learning communities to use as they gather to reflect on learning points from the course. The course was also promoted during the year, producing a significant increase in applications with more than 400 delegates now registered for the course and in excess of 120 completions since the launch in 2019/20.

TRAINING AND CAPABILITY DEVELOPMENT: A new post was created within the International Personnel team during the year to monitor the training of officer cadets and capability development for leaders. An early focus for the role has been to review the annual report for the training of officers and to commence work on creation of a Capability Development Framework to assist in identifying areas for increased concentration on the right developmental opportunities for officers, especially in the early years of ministry.

INTERNATIONAL COLLEGE FOR OFFICERS (ICO): Based at Sunbury Court, London, the ICO brings together groups of officers from around The Salvation Army world for a six-week training experience that considers the challenges and opportunities facing Salvation Army leaders in the 21st century. Unfortunately, due to international travel restrictions arising from the COVID-19 crisis, the ICO was unable to provide any residential training during the year. However, this provided the small team of ICO staff opportunity to give thorough consideration to the various reviews of ICO programme that have taken place in recent years. Time and prayerful review were given to all recommendations, resulting in the compilation of a plan for a renewed curriculum and enhanced faculty to deliver the programme that will be implemented as soon as training sessions are able to recommence. In addition, physical developments to the facilities at Sunbury Court were completed during 2020/21 to enhance the residential experience for future delegates to the college.

> **A focus this year has been on providing discussion and reflection material for learning communities to use**







Sunbury Court

KEY STATISTICS

- More than 400 delegates have now registered for the inclusive leadership course, designed for the development of Salvation Army officers in preparation for potential leadership roles.
- Fifty-three territorial commanders, chief secretaries, general secretaries, territorial presidents of women's ministries and territorial secretaries for women's ministries received virtual senior leaders' orientation training during the year.

FUTURE PLANS

The IOTALDC will continue its work to review, develop and implement policies for training and leader development with a focus on implementation of recommendations for leader development, advising the General on policy matters including modes of training delivery and providing oversight to an International Resource Repository for training and leader development.

The Senior Leaders' Orientation will continue to be delivered online, as required during 2021/22, if the COVID-19 crisis restricts physical gatherings. Following lessons learnt through holding the conference online during the past year, in future fewer residential events will be arranged with information sharing delivered online at three-monthly intervals throughout each year. The ICO will recommence residential training sessions for international officers when safe and practicable to do so in the context of COVID-19 guidance.

Other objectives are to continue development of a territorial operational leaders' training course and a capability development framework, to apply a coaching/mentoring system for new territorial strategic leaders and to assist development of succession planning in territories.



4 CRISIS RELIEF

OVERALL OBJECTIVE

To respond to and help meet the needs arising from major crises.

SPECIFIC AIMS

The International Emergency Services (IES) team based at IHQ aims to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery responses. Another key objective is to provide training courses to territories in order to strengthen local capacity, particularly in disaster-prone areas, and to assist in disaster preparedness and disaster risk reduction awareness. This year, the major focus was on emergency COVID-19 response while at the same time maintaining provision for disasters unrelated to the pandemic including terrorist incidents and weather-related events.

ACHIEVEMENTS

During the year, the COVID-19 pandemic took hold of communities right around the world with resulting difficulties on a previously unseen scale and Salvation Army personnel were called upon to serve selflessly and sacrificially as they ministered to the most vulnerable people in their communities. IES facilitated approval of 150 COVID-19 related rapid response projects in 2020/21, spanning 46 territories and 70 countries, with the global reach of organisational responses illustrated by the following chart:

Infographic: COVID-19 emergency situations in 2020 where assistance was provided by The Salvation Army







Above: Emergency food distribution to vulnerable people in Costa Rica with 4,000 beneficiaries.
Left: COVID-19 prevention measures: hand sanitising station in India

IES participated in a COVID-19 task force established to enhance IHQ assistance to territories which met regularly to share information, set strategies and determine criteria for use of resources for locations requiring additional support for programmes and activities due to the pandemic. IES facilitated the resourcing of programmes to promote good hand and respiratory hygiene, and social distancing with the provision of hygiene, sanitising and educational materials. As vaccine programmes were implemented by national governments, encouragement of vaccine take-up was also promoted with posters and information leaflets made available to territories, including in local languages on request. Due to the lengthy duration of the pandemic the need for food for vulnerable people, including migrants, refugees, sex workers and homeless people, and for those in quarantine or without livelihood due to the effect of the virus in society, was and is a key and increasing area of response. Many people who were unable to provide sufficiently for their families' needs have been assisted with essential food items and hygiene materials, as well as educational information about keeping safe and preventing the spread of the virus. This support, along with the provision of personal protective equipment (PPE) for those serving on the frontlines was a recurring feature of assistance provided during the year.

While response to the coronavirus was a major focus of emergency provision during this period, there were also additional emergency situations that required a response. Terrorism-related incidents in Indonesia and Nigeria impacted vulnerable communities, often displacing populations. Weather-related disasters are a regular feature of the work of IES, and the year under review was no exception. Cyclones and hurricanes, as well as the regular monsoon rains, brought floods, landslides and displacement

> **Due to the lengthy duration need for food for is a key and increasing**



Left: Wading through floodwater to provide relief supplies to 75 families in Mexico.

of people seeking refuge for their families. Affected territories included the Democratic Republic of Congo, Uganda, Liberia, Mozambique, Zimbabwe and Botswana, Latin America North, Mexico, Pakistan, Bangladesh, The Philippines, India Central and India Eastern. The main feature of immediate responses was the provision of food and hygiene materials, with some items distributed for house repairs in specific locations. Long-term recovery programmes were also commenced in Australia following devastating bushfires with the provision of housing, household items and livelihood/training support.

Training courses would usually feature in the annual programme of events for IES, which is always willing to support in the capacity strengthening of territories as they plan for disaster risk reduction and enhanced response activities. This year, several proposed face-to-face training events were unable to take place due to the COVID-19 pandemic and its impact on international and domestic travel arrangements. IES personnel instead participated in online workshops and conferences in support of locations able to hold COVID-secure training and learning activities.

> of the pandemic the vulnerable people was and area of response

Key Statistics

- IES facilitated the approval of 150 COVID-19 related rapid response projects in 2020/21, spanning 46 territories and 70 countries. A further three projects were approved for longer-term relief and recovery activities, with a total of 2,212,119 beneficiaries for these 153 projects.
- A further 53 projects were approved during the year for non-COVID immediate life-saving activities and relief and recovery work following terrorist incidents, weather-related events and other disasters.

Future Plans

IES will continue to support territories affected by disaster and crisis, providing technical assistance, funding and trained personnel to support relief and recovery responses and mitigate continuing impacts of the COVID-19 crisis and other disasters unrelated to the pandemic during 2021/22.

In order to support territories in their desire to enhance and develop local emergency response strategies, IES will also identify existing training modules and develop new training resources which can be delivered online, seeking to assist in the strengthening of local capacity and thus delivery of relevant and effective emergency response programmes.



5 HEALTH SERVICES FOR THE POOREST PEOPLE

OVERALL OBJECTIVE

To strengthen The Salvation Army's capacity to support poor and marginalised people in accessing quality primary healthcare services as close to the family as possible.

SPECIFIC AIMS

The International Health Services (IHS) desk at IHQ seeks to provide support, supervision and in-service training to healthcare facilities around the Salvation Army world. During 2020/21, a major focus was on COVID-19 response by resourcing of Salvation Army hospitals, clinics and other healthcare facilities to adapt to emerging needs and maintain quality health services in the midst of the pandemic.

ACHIEVEMENTS

The Salvation Army continues to be a significant provider of faith-based, integrated, high-quality primary healthcare with services offered as close to the family as possible, giving priority to poor and marginalised members of society. The global health crisis caused by the COVID-19 pandemic highlighted the importance of the life-giving care provided by Salvation Army health facilities around the world. The following examples illustrate this significant service provision:

INDIA WESTERN: Evangeline Booth Hospital, Ahmednagar, is a 65-bed facility that was selected by its State Government in March 2020 to be a COVID referral centre, resulting in the provision of care to 4,157 COVID-19 inpatients, many of whom were suffering from rejection



Staff at Evangeline Booth Salvation Army Hospital, Ahmednagar, administer a COVID vaccine to a local resident



Nursing staff at the hospital set up a new ventilator for use by COVID patients

by their families. IHS was able to support the hospital during this time by facilitating approval of IHQ grants for needed personal protective equipment (PPE) and medical equipment. In March 2021, the hospital also commenced provision of COVID vaccinations providing 126 people with injections that month, while the hospital continued to admit COVID patients.

ZIMBABWE AND BOTSWANA: Tshelanyemba Hospital is a 40-bed facility situated in a remote area of Zimbabwe near the border with Botswana and South Africa. During the year under review, the hospital screened 16,200 local people for coronavirus, and reached 33,000 community members with COVID prevention campaigns to help contain the virus. IHS facilitated approval of IHQ grants to assist with needed PPE and medical equipment so that staff were able to adequately manage patients admitted with the virus.

PAPUA NEW GUINEA: Provides an example of non-COVID work also undertaken by IHS during the year to support Salvation Army healthcare facilities. There are 25 Salvation Army health facilities in the country, 12 in the north and 13 in the south which served 150,970 out-patients in total during the year, including pregnant women and young children. IHS was able to assist by facilitating approval of IHQ grants to support the installation of three incinerators at busy rural clinics to ensure the safe disposal of medical waste.

> **In March 2021, the hospital also commenced provision of COVID vaccinations providing 126 people with injections that month, while the hospital continued to admit COVID patients**

Key Statistics

- The Salvation Army's 23 hospitals and 106 clinics around the world, with 3,220 healthcare professionals, delivered care to 210,339 inpatients and 1,321,470 outpatients during 2020/21.
- Although IHS personnel were physically unable to visit healthcare facilities during 2020/21 due to COVID-19 restrictions, direct contact was made through online meetings with 50 healthcare facilities in 17 territories to monitor operations and provide help and advice.

Future Plans

IHS will continue to provide support and supervision to Salvation Army healthcare facilities around the world to enable provision of high-quality health services to local communities.

IHS will continue to monitor the ongoing impact of the COVID crisis upon Salvation Army hospitals and clinics and assist territories in responding to emerging needs in the most appropriate way for each location, including offering guidance on operating in a COVID-safe manner and facilitating the purchase of PPE and other required items.

A nurse anaesthetist at Tshelanyemba Hospital, Zimbabwe and Botswana, prepares new equipment for a patient.





6 FIGHTING AGAINST SEXUAL TRAFFICKING AND FOR SOCIAL JUSTICE

OVERALL OBJECTIVE

To take action to combat the massive and growing evil of sexual trafficking and to create awareness of social injustice in the world.

SPECIFIC AIMS

To support victims of human trafficking, work to prevent people being trafficked and raise awareness of social injustice by building capacity in people, developing effective partnerships, sharing quality resources and promoting best practice. This year, the major focus was on building up modern slavery and human trafficking responses while also maintaining the work of the International Social Justice Commission (ISJC) and campaigning for social justice within the new reality of a world in the grip of the COVID-19 pandemic.



A procession on the Annual Day of Prayer for Victims of Human Trafficking at Shalle Chack, India Northern

ACHIEVEMENTS

The ISJC, with its secretariat in New York, advises the General and other senior Salvation Army leaders on matters of social justice. The co-directors of the ISJC – supported by a team of experts – are The Salvation Army's principal international advocates and advisers on social, economic and political issues giving rise to the perpetuation of social injustice in the world. Areas of ISJC attention and global engagement include, though are not limited to, poverty, racism, sexism, refugees and asylum seekers, indigenous peoples, climate change, gender-based violence, and modern slavery and human trafficking. In the period under review, the following were notable achievements:

MODERN SLAVERY AND HUMAN TRAFFICKING

(MSHT): The Salvation Army international response to MSHT around the world continued to evolve during 2020/21. This global, multi-layered response surrounding advocacy, prevention and intervention is a crucial part of the work of the ISJC. An estimated 40.3 million men, women and children are victims of modern slavery on any given day. Of these, 24.9 million people are in forced labour and 15.4 million people are living in a forced marriage. Women and girls are vastly over-represented in these figures, making up 71 per cent of victims (Global Slavery Index, 2018). The Salvation Army is deeply committed to fighting modern slavery and human trafficking with a theological and historical mandate, and is uniquely equipped and has a role to play in this vital work.

During the year under review, The Salvation Army celebrated the official launch and first year of implementing *Fight for Freedom*, the International MSHT Response Strategy, as a call to action for The Salvation Army to bring justice, peace





Above: prayer against MSHT in Mirpur, Bangladesh; right: ISJC staff, wearing campaign-themed orange scarves, participate in a webinar as part of 16 Days of Activism Against Gender-Based Violence

and freedom to those on the margins of exploitation. The aim of the strategy is to achieve a strong and sustainable MSHT response in every territory embedded within Salvation Army structures, by:

- Implementing a new system and structure for the coordination of Salvation Army MSHT response led by an International Modern Slavery and Human Trafficking Response Coordinator under the auspices of the ISJC, and
- Building capacity for a modern slavery and human trafficking response around the world, putting in place systems that support the work of responding to MSHT through The Salvation Army and encouraging new initiatives and responses around the world.

The strategy is intended to serve victims and survivors of MSHT in all its different guises; women, girls, boys and men at risk of MSHT and the families and friends of those who have been trafficked and/or exploited. It is also intended to reduce incidence of MSHT by working with perpetrators of human trafficking and their families and those people increasing demand by using services or buying products. Practical achievements, under the strategy, during the year included:

- The appointment of an International Modern Slavery and Human Trafficking Response Coordinator following an involved interview and hiring process, with the role attracting more than 70 applicants.
- The appointment of five zonal coordinators to support MSHT response by territories within regions of the world.
- The selection of 86 territorial or national contact persons (TCPs/NCPs) who are appointed by territorial leaders and have responsibility to coordinate MSHT responses within their territory.
- The launch of five regional communities of practice, providing regular learning and development opportunities for TCPs/NCPs.
- A global day of prayer for MSHT response and victims of human trafficking was held.
- The instigation of an International Modern Slavery and Human Trafficking Response Council that is actively working to monitor and support implementation of the Fight for Freedom strategy towards stated objectives.

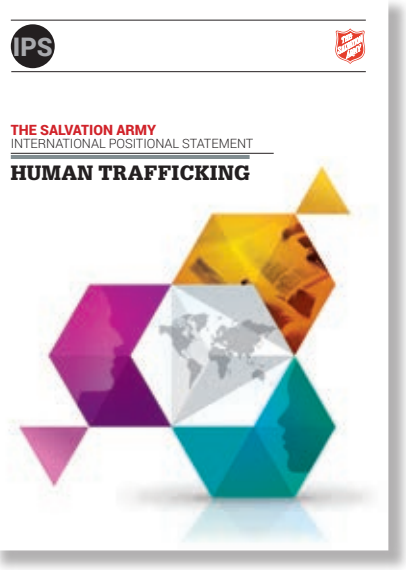


Bold and active campaigning: ISJC publicity materials for the 2020 UN International Day of The Girl

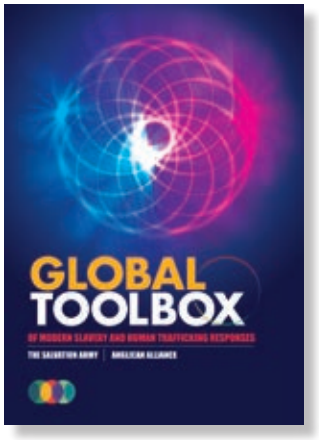
SOCIAL MEDIA: The ISJC social media platforms were actively used during 2020/21 to provide a framework to demonstrate the international work of The Salvation Army and to share outcomes with governments and other partners. Most notably, new resources were developed and shared exploring issues around COVID-19 and justice, including the impact of the pandemic on outworking of the United Nations Sustainable Development Goals (SDGs). Resources relating to justice and COVID-19 can be accessed from a dedicated webpage on the ISJC website at: https://www.salvationarmy.org/isjc/covid

UNITED NATIONS: The ISJC, reflecting the international Salvation Army, also campaigns for a holistic understanding of people and an integrated global plan for fair, sustainable and equitable development for all nations. The Salvation Army has been an affiliated non-governmental organisation (NGO) with the United Nations (UN) since the UN's formation. As one of the founding NGOs, The Salvation Army holds 'consultative status' at the UN and may formally contribute to its work in conjunction with other non-governmental, non-profit, public or voluntary organisations, and faith-based organisations with similar status. If The





From far left: ***Fight for Freedom Strategy*****;** ***The International Positional Statement on Modern Slavery and Human Trafficking*****;** ***Fight for Freedom: The Salvation Army Guide to Fighting Modern Slavery and Human Trafficking; Global Toolbox of Modern Slavery and Human Trafficking Responses***





Salvation Army wants to continue to have a voice in the global community, it is essential that Salvationists are present at the table and have global and up-to-date knowledge of issues.

During the year under review, the ISJC represented The Salvation Army at the UN (and numerous other bodies) seeking to build strong alliances to end extreme poverty and promote sustainable development. The ISJC engages by attending open (public) official meetings, submitting written statements prior to sessions, meeting official government delegations and making oral statements on behalf of The Salvation Army during general discussions and interactive events. Highlights for the year included participation in the 2020 UN International Day of the Girl and 16 Days of Activism against Gender-Based Violence, a UN Women's Generation Equality campaign seeking to 'Orange the World' and amplify the call for global action to bridge funding gaps, ensure essential services for survivors of violence during the COVID-19 crisis and focus on prevention and collection of data that can improve life-saving services for women and girls. More details relating to ISJC engagement with the UN and other bodies plus additional resources can be accessed from the dedicated ISJC web page at: https://www.salvationarmy.org/isjc/ISJCUN.

KEY STATISTICS

- Following the official launch and first year of implementing Fight for Freedom, the International Modern Slavery and Human Trafficking Response Strategy, 86 territorial or national contact persons have been appointed by territorial leaders and have responsibility to coordinate MSHT responses within their territory.

- Five regional communities of practice for MSHT response were launched during the year, providing regular learning and development opportunities for territorial staff working actively to bring justice, peace and freedom to those on the margins of exploitation.

FUTURE PLANS

The ISJC will continue to act as the strategic voice of The Salvation Army advocating for human dignity, human rights and social justice in all parts of the world. Partnering closely with those who have a record of seeking God's justice for the world, the ISJC will seek to both learn and contribute from a strong Salvation Army world view. The Salvation Army will continue to partner with other religious groups, other NGOs, the UN, the World Bank Group and others towards the vision of a world where all people can experience life in all its fullness.

The ISJC will also work with territories to continue to develop locally relevant MSHT response strategies, particularly in areas where existing capacity is low and poorly resourced. A particular focus for 2021/22 will be to foster survivor leadership and inclusion; seeking to prioritise growing survivor engagement and inclusion as a strategy for change in recognition that survivors should not only be recipients of services but also contributors and agents of change. Work will also be progressed to strengthen systems and grow leaders by appointing divisional and regional MSHT posts, to educate and resource through development of an MSHT elective course, and to build capacity through the establishment of regional and local MSHT councils.

FINANCIAL REVIEW

FINANCIAL REVIEW

Group accounts for The Salvation Army International Trust, incorporating Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited as subsidiaries of the Trust, are presented for 2020/21 as well as charity results, assets and liabilities for The Salvation Army International Trust (see pages 62 to 87 for the Accounts). The Group accounts reflect notable differences to the charity only results most especially for investments, debtors and prepayments, bank balances and current liabilities (see Notes 25-28 to the Accounts).

The commentary below relates to the charity only results for The Salvation Army International Trust, with separate comments offered on the subsidiaries and Group accounts in the labelled section on page 58.

The net movement in funds for the year ended 31 March 2021 increased by £45.56 million, moving from £5.82 million (2020) to £51.38 million (2021). Variances contributing to the total net movement in funds are outlined below.

INCOME

The primary income streams of the Trust are donations from Salvation Army territories to the International Self-Denial Fund to support the work of the global Army and Headquarters Support contributions from Salvation Army territories to fund the operation of IHQ.

Total income increased from £49.44 million (2020) to £53.26 million (2021). External donations and legacies increased from £935,000 (2020) to £7.98 million (2021) as a significant donation was received from an external donor in 2021. Contributions from Salvation Army territories to the International Self-Denial Fund decreased slightly from £26.08 million (2020) to £25.42 million (2021) with most territories able to maintain funding levels to IHQ despite COVID-19 impacts during the year. Donations from Salvation Army territories decreased from £6.34 million (2020) to £4.84 million (2021) and Headquarters Support funding from Salvation Army territories showed little movement from £9.66 million (2020) to £9.74 million (2021).

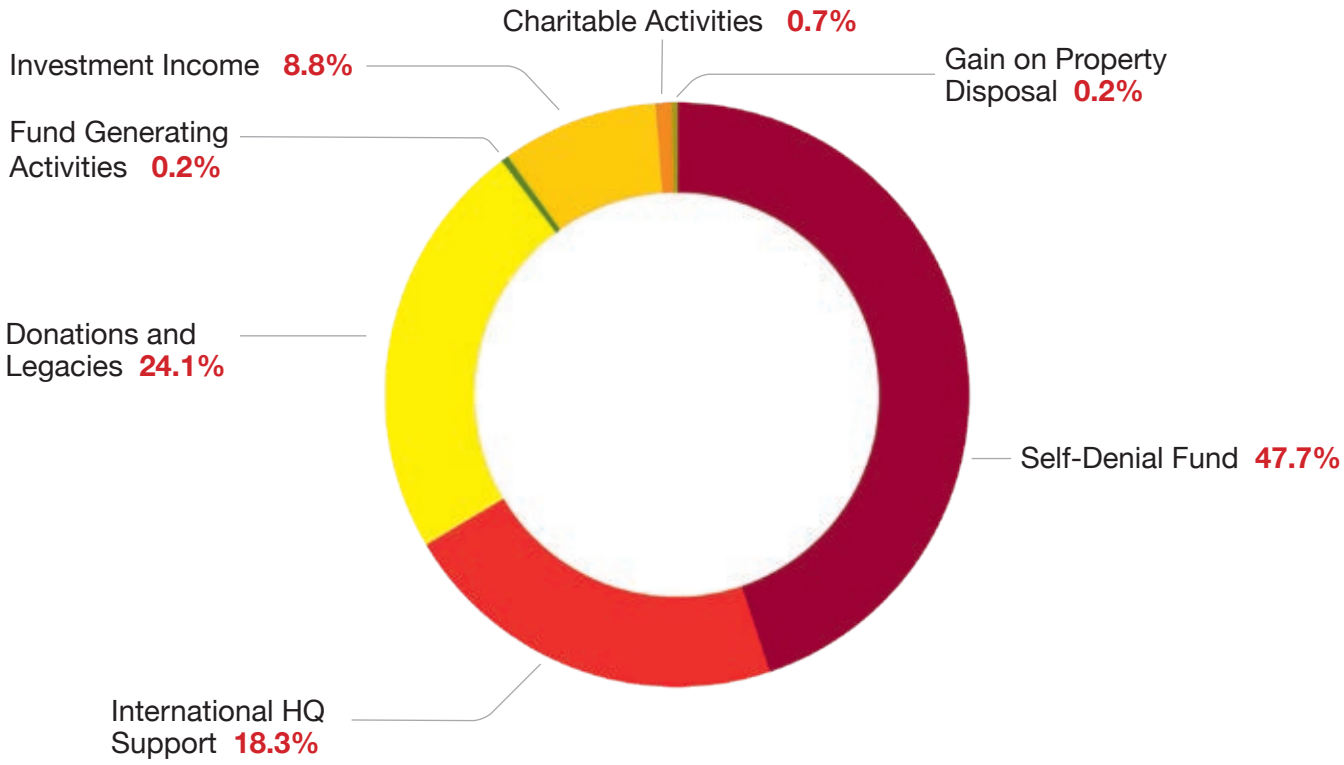
Investment income decreased from £5.43 million (2020) to £4.69 million (2021) while income from charitable activities and trading income showed year-on-year decreases of £425,000 and £98,000 respectively reflecting the impact of COVID-19 lockdowns during the year. Gains on disposal of properties increased from £0 (2020) to £122,000 (2021) with one functional property sold during 2021 and none the preceding year.

No Gift Aid donation was received from Reliance Bank Limited in 2021 or the preceding year, as the Bank incurred losses partly as expected during this implementation period of the strategic plan, and partly in response to the challenges of the global pandemic.

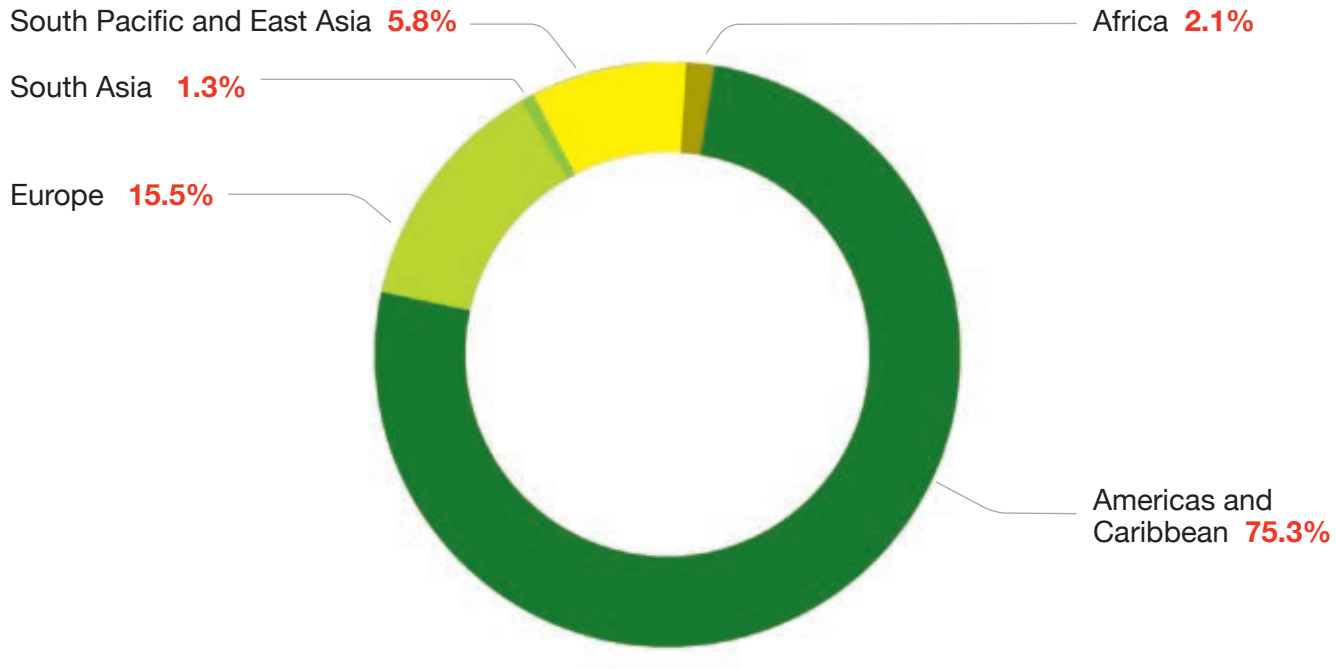
The following pie charts illustrate the sources of income for 2020/21 and contributions to the International Self-Denial Fund:

> **Total income increased from £49.44 million (2020) to £53.26 million (2021)**

INCOME 2020/2021



CONTRIBUTIONS TO SELF-DENIAL FUND 2020/2021



EXPENDITURE

Expenditure across the six charitable activities in which The Salvation Army International Trust is engaged is detailed in Note 10 in the Accounts. Spending on charitable activities totalled £51.16 million (2021) representing an increase of £4.66 million on the previous year. Financial assistance to Salvation Army territories increased from £28.28 million (2020) to £35.20 million (2021) as additional grants were made to meet emerging needs of territories arising from the COVID-19 crisis.

Expenditure of £7.91 million (2021) was also incurred on International Personnel and Development, £3.88 million (2021) on World Mission and £2.85 million (2021) on Crisis Relief, reflecting the cost of some of the strategies in which the Trust is engaging, as referenced earlier in this report. The cost of raising funds, relating primarily to investment management costs and the cost of letting of property, remained relatively flat with a small increase from £1.50 million (2020) to £1.66 million (2021).

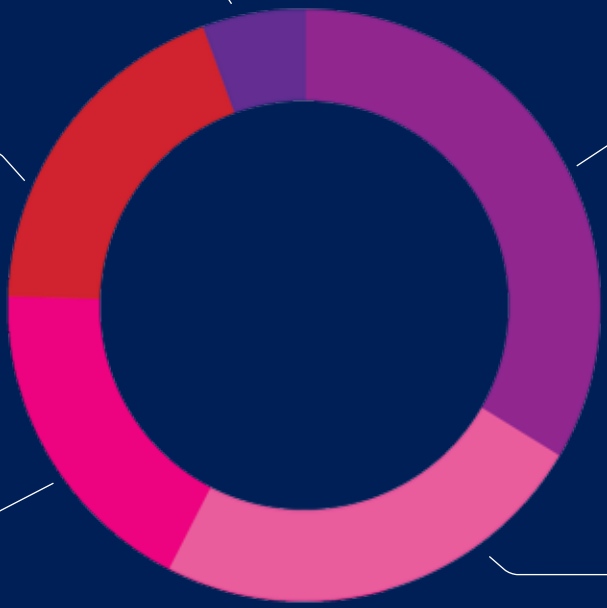
The following pie charts illustrate 2020/21 expenditure on charitable activities and the geographic spread of support of overseas work:



EXPENDITURE 2020/2021



SUPPORT OF OVERSEAS WORK 2020/2021



Other notable variances contributing to the total net movement in funds include, most notably, net gains on investments which increased by £46.56 million from £4.39 million (2020) to £50.95 million (2021) reflecting market conditions and representing both the realised and unrealised gains arising on sales and the market value of investments held at year end. There was no additional expenditure relating to the defined benefit pension scheme during the year due to the timing of the actuarial review.

The net movement in funds for the year ended 31 March 2021 was £51.38 million with a surplus on unrestricted funds of £52.38 million and a deficit of £1.00 million on restricted funds. Total funds of £335.69 million were held at year end.



FUTURE PLANS

The Trustee seeks to maintain the strong financial position of the Trust and will continue to explore means to increase the scale and scope of charitable activities while continuing to encourage Salvation Army territories to move towards financial self-reliance through provision of targeted financial support and other resources.

Emergency COVID-19 response is expected to remain a major focus during 2021/22 with the Trust providing a material amount of additional funding to territories to source and purchase handwashing facilities and sanitation supplies in corps, social centres and schools; essential PPE (personal protective equipment) and other resources for frontline workers in hospitals and clinics; as well as grants to support salaries, officers' allowances and other operational costs to ensure the continuation of The Salvation Army's mission.

The two large-scale international projects underway will also materially impact the Accounts of the Trust during 2021/22 and subsequent years, being the roll out of a new global email solution and implementation of cloud-based accounting software to all financially supported territories. Several material property grants may also be issued during the next year with multiple projects awaiting planning consents and final approval.

GOING CONCERN

The Trustee reviews the financial plans of the Trust on an ongoing basis as part of a programmed budget cycle including consideration of principal financial risks. The Trustee recognises the material pension liability arising from participation of the Trust in The Salvation Army Employees' Pension Fund (see Note 17 in the Accounts) and is well placed to meet its obligations in this regard.

The operation of the Trust and ability to meet the objectives outlined throughout this report are recognised as impacted by the ongoing COVID-19 crisis. Since 31 March 2021 to the date of signing of these financial statements the outbreak of the pandemic has had a significant economic impact across all sectors and the Trustee has considered the effect on the Trust as a going concern, its resilience through this period and the effect on the assets and funds of the Trust.

In addition to the operations of the Trust, SAITCo is actively monitoring the impact of the pandemic upon Salvation Army territories with multiple working parties undertaking tasks in specific areas and regular updates provided to the Board considering the impact of the COVID-19 crisis upon global Salvation Army operations, the financial position of the Trust, the reserves policy of the Trust, the investment portfolio of the Trust and associated logistical matters.

Material additional grants have been issued by the Trust during the year and post year end to financially supported territories in the light of emergent funding needs arising from the COVID-19 crisis with specific controls and safeguards developed for these awards in addition to standard project protocols. On 22 May 2020 SAITCo approved a reduction in the Self-Denial Reserve target for the 2020/21 year end from 12 months equivalency in support of overseas work to 9 months equivalency, allowing release of additional COVID-related grants to territories in the region of £5-6 million, however this did not prove necessary due to the level of donations received by the Trust from financially independent territories and an external donor which allowed the year-end target of 12 months equivalency to still be met. Use of the Self-Denial Reserve during 2021/22 is being kept under review by SAITCo recognising the Trust is well placed to meet its obligations as the level of grants awarded by the Trust to territories is within the control of SAITCo.

The Trust holds a strong balance sheet with availability and liquidity of cash and unrestricted investments with, for example, current liabilities including amounts due to Salvation Army territories at the 2020/21 year end totalling £9.05 million against net current assets of £84.51 million

of which £33.03 million is held in highly liquid current asset investments and cash at bank.

The Trustee is confident the Trust is well placed to meet the COVID-19 crisis and continue to achieve its grant-making and other objectives due to its strong financial position, investment strategy and reserves policy (see below) all underpinned by the governance structures of SAITCo.

The Trustee continues to monitor developments closely in relation to the COVID-19 crisis and other external events and remains confident that the level of reserves held is adequate in the changing economic climate and does not impact adversely on the Trust's going concern status. The Trustee is satisfied that the Trust has sufficient resources to continue operating for the foreseeable future and accounts have been prepared in the knowledge that the Trust is a financially viable organisation

INVESTMENTS

Listed investments (see Note 25 in the Accounts) are managed under the terms of an investment management agreement with Sarasin & Partners LLP. The investment manager is required to make investments on behalf of the Trust in line with benchmarks that have been set and against which performance is measured.

The Investment Committee which sits to review investment performance receives periodic reports on matters pertinent to its investment policy and this facilitates discussion which, in turn, enhances the committee's understanding of the relationship between its Christian conviction and ethos and investment return; and even more importantly, the positive effect that its policy can have on companies which themselves may (or may not) be seeking to improve conditions in many parts of the world. The reports are tabled at full board meetings so that those directors who do not sit on the Investment Committee have an opportunity to add to the debate and have greater understanding of the issues that the Trust can tackle through its investment policy. SAITCo has established an ethical investment policy to reflect The Salvation Army's ethical and moral stance.

Therefore, this policy excludes investment in companies which derive more than 10% of their revenues in aggregate from any of the following categories:

a. the production and/or sale of alcohol
b. the production and/or sale of tobacco
c. the manufacture and/or sale of whole weapons, weapon platforms and weapon systems
d. the manufacture and/or sale of strategic parts for weapon systems
e. the promotion or operation of gambling enterprises
f. the provision of adult entertainment services
g. the publication and/or sale of pornographic media
h. the extraction of thermal coal or the production of oil from tar sands

For the avoidance of doubt in relation to sub-paragraphs (c) and (d) above, 'weapons' refers to both nuclear and conventional weapons. In addition, investment is excluded in companies with disregard for human rights and/or the pollution of the environment. The following table gives the long-term ranges and current weightings expressed in percentages of the Trust's investment funds:

ASSET TYPE		YEAR END POSITION
AT 31/03/21	LONG-TERM RANGE	WEIGHTINGS
Fixed Income	10 - 30%	13.2%
Equities	70 - 90%	86.2%
Liquid Assets	0 - 5%	0.6%
TOTAL		100%

For the year ended 31 March 2021, the portfolio total return amounted to +32.0% against an ethically adjusted benchmark return of +29.4%.

Global equity markets delivered very strong returns from their nadir in late March 2020, propelled by extraordinary monetary and fiscal support for economies across the world in response to the outbreak of the COVID-19 pandemic. A combination of a successful thematic strategy, detailed consideration of Environmental, Social and Governance factors, stress-testing analysis of disruption risks and careful awareness of shifting market conditions have all contributed to the positive performance of the equities in the portfolio. Bonds have been the more challenging asset class, particularly in the first quarter of the 2021 calendar year, as yields have risen (and prices fallen) on the back of improved economic growth expectations and the prospect of higher inflation.

Investment strategy going forward will continue to be closely monitored by the Investment Committee in response to the global recovery from COVID-19 and other emergent market conditions.

GRANTS

In supporting the Army's work overseas, territories, commands and regions produce annual budget proposals, covering all aspects of their operations that are reviewed at IHQ. Annual grants from the Trust to territories are considered as part of the annual IHQ budget process with proposals reviewed by the International Finance Board (IFB), approved by SAITCo and then paid quarterly in advance to each financially supported territory, command and region (see Note 11 in the Accounts).

Payments from IHQ to territories are made according to the terms of an International Payments Procedure Manual for IHQ (reviewed and updated in July 2021) which outlines controls over banking transfers, assessment of overseas banking institutions for risk, identification and assessment of situations where funds paid to territories may be remitted on to third parties, controls over international payments direct to overseas suppliers, controls over transporting and controlling cash overseas and prohibitions on the use of non-mainstream banking money transfer organisations.

RESERVES

The total funds of the Trust at 31 March 2021 amounted to £335.69 million comprising £28.66 million in restricted funds and £307.04 million in unrestricted funds which includes £277.55 million in designated funds. The General Reserve held £5.00 million at year end which is almost at the target level for free reserves. The Trustee continues to keep the matter of reserves under review, with a project ongoing to reduce the number of different funds held and examine any historic funds with minimal movement in the past few years, mindful of the legislative framework in place and applicable update to Charity Law.

Restricted Funds

A restricted fund can only be used for a specific charitable purpose. The restriction may be declared by the donor when making the gift. Restricted funds held by the Trust include territorial donations and legacies specified for international use. Where possible the intention continues to be to use restricted donations and legacies in the year of receipt, except where the gift is sufficiently large to be used over a longer period.

Designated Funds

The Self-Denial Fund Reserve represents amounts held to ensure sufficient funds are available to make operational grants to supported territories that are paid in advance on a quarterly basis. The aim of the Trustee is for the balance on this Reserve to be sufficient to fund one year's expenditure in support of overseas work. The balance as at 31 March 2021 of £22.18 million is equivalent to 12.0 months' expenditure. Material additional grants have been issued by the Trust post year end to territories in the light of emergent funding needs arising from the COVID-19 crisis, with use of the Self-Denial Reserve during 2021/22 kept under review by SAITCo recognising the Trust is well placed to meet its obligations as the level of grants awarded by the Trust to territories is within the control of SAITCo.

Other material designated amounts at 31 March 2021 relate to a reserve held to fund future replacement of the IHQ building (£18.21 million), a Property Commitments Reserve (£3.32 million) held to fund property acquisitions by the Trust over the next two-three years and an International Property Project Reserve (£5.73 million) held to provide additional property project funding to territories over the next two-three years. In addition, an International Financial and Accounting Standards Implementation Reserve (£8.02 million) is held to fund provision of cloud-based accounting software to territories over the next two-three years and an IT Development Reserve (£5.62 million) is held to fund provision of a new global email solution to territories over the next two-three years.



An International Schools Development Reserve (£8.06 million) is also held to provide additional schools project funding to territories over the next two-three years with a Leadership Development Reserve (£3.60 million) held to fund the enhancement of training and personal development for Salvation Army officers over the next three-four years. An Exchange Equalisation Reserve (£3.16 million) is held to fund exchange losses and a Mission Support Reserve (£4.51 million) is held to provide additional project funding to territories over the next two-three years. Four designated COVID-19 reserves (totalling £4.52 million) have also been established to fund responses to the pandemic.

General Reserve

The General Reserve represents the working capital required to fund the day-to-day needs of the Trust. The aim of the Trustee is for the balance on the General Fund Reserve to cover equivalent to 6.0 months expenditure on headquarters administration costs. The current balance of £5.00 million is almost at the target level for free reserves, being equivalent to 5.9 months expenditure.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustee acknowledges its responsibilities relating to the management of risk. A formal risk management programme continues to operate allowing risks to be identified, classified and prioritised in terms of potential occurrence and impact. The Board of Directors of SAITCo has appointed a Risk Management Committee, consisting of 10 members, which is chaired by a Non-Executive Director.

A Risk Manager has been appointed and a Risk Register is maintained and kept under regular review by the Risk Manager and the Risk Management Committee. The Risk Management Committee works with the Risk Owner of each major risk to ensure acceptable action is taken to manage the risk and to establish suitable systems to reduce the likelihood of harmful outcomes occurring and the impact on the organisation should they occur.

In addition to the above framework, a range of emergency protocols are in place allowing SAITCo to actively monitor the impact of the COVID-19 crisis upon the operations of the Trust as well as those of Salvation Army territories with multiple working parties undertaking tasks in specific areas and regular updates provided to the Board considering the impact of the COVID-19 crisis upon global Salvation Army operations, the financial position of the Trust, the reserves policy of the Trust, the investment portfolio of the Trust and associated logistical matters.

The main risks and uncertainties faced by the Trust, as detailed in the Risk Register at the end of the financial year under review, are outlined below in top-down priority order, together with a summary of the mitigating strategies being pursued to manage these risks:

KEY RISK	MANAGING STRATEGY
A serious safeguarding incident resulting in harm to a child or vulnerable adult and subsequent reputational damage to the local/ international Salvation Army.	**Ongoing development of safeguarding policies and procedures for IHQ and all Salvation Army territories. IHQ support offered to territories to address safeguarding incidents involving child protection and legal specialists.**
National economic and/or political crises adversely impacting Salvation Army operations in a territory prompting additional emergency support from IHQ.	**Continuous IHQ monitoring of economic and political contexts on a country-by-country basis. Development of crisis management protocols for IHQ interventions.**
IHQ support for territories impacted by national government controls targeted at foreign NGOs and/or Christian organisations.	**Continuous IHQ monitoring of national political contexts on a country-by-country basis. External consultants and/or legal counsel offer training, resources and advice to IHQ staff to address specific circumstances.**
Local issues in a territory resulting in demands for additional IHQ financial support and/or reputational damage to the local/international Salvation Army.	**Continuous IHQ monitoring of global operations on a territory-by-territory basis. A suite of policies and procedures in place to manage operational risks. Internal audits undertaken periodically depending on the extent of perceived risk.**
Local issues resulting in use of donor restricted funds within a territory for non-specified purposes.	**Continuous IHQ monitoring of application of project funds via bespoke databases. Policies and procedures in place to regulate use of project funds. Internal and external audits undertaken for project related activity depending on the extent of perceived risk.**
Negative/adverse publicity affecting public perception of The Salvation Army internationally.	**Communications section at IHQ to monitor global press coverage and manage media relationships in consultation with Salvation Army territories.**

SUBSIDIARY COMPANY – RELIANCE BANK LIMITED

The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. The Bank has incurred losses for the full financial year, reflecting its continued investment in its organisational structure and systems, and also the impact of the global pandemic. Previously the Bank was able to place surplus liquidity in the market, to achieve returns in excess of the Bank of England Base Rate (0.75% for much of the prior year). In March 2020, in response to the economic risks posed by COVID-19, the Base Rate was reduced to an emergency 0.1% and remained there for the full financial year in review. Suitable opportunities for market placements were challenging to find as the economic impacts of the pandemic gave rise to forecasts of 0% or even negative rates.

Despite the impact of successive lockdowns on the Bank and its customers (individuals and businesses) the Bank has continued to lend money to those who meet its criteria. The continued focus is to support those delivering a positive social impact and as part of this, in 2020 a key worker mortgage product was launched. The mortgage book grew by 58% to £38.6 million in the year, providing the Bank with an important revenue stream which partly offsets the reduction in investment income. Loans to businesses also showed record growth in the year, almost doubling to £38.6 million with 55% of lending now social impact up from 45% last year.

The Bank's performance for the full year ended 31 March 2021 was also impacted by some exceptional costs and resulted in an Operating Loss of £1,820,258 (2020: Operating Loss of £1,488,327). During the year the Bank revalued its Freehold Head Office which increased reserves by £2.3 million. After taking into account the operating loss and the revaluation, the Bank's capital and reserves have increased by £540,229 (2020: decreased by £490,764) to £12.2 million noting that the revaluation amounts are eliminated in the Group Accounts in accordance with group accounting policies.

Owing to the Bank's loss position this year, no Gift Aid donation has been made to the Trust (2020: £0). The total of the Bank's assets at 31 March 2021 amounted to £244.3 million (2020: £198.5 million) with growth mainly in lending to customers and balances held with other financial institutions, including the Bank of England. Total liabilities amounted to £232.1 million (2020: £186.8 million). This reflects increased deposits from Salvation Army customers and other UK charity and business customers. The Bank continues to maintain excellent liquidity and funding levels.

The COVID-19 crisis has had an unprecedented disruption impacting on people's livelihoods and businesses' ability to continue trading. The Bank continued to support its customers during this time, providing payment holidays and facility extensions. The Bank was not part of the Coronavirus Business Interruption Loan or 'Bounce Back' government schemes due to its size but has continued to support new lending requests to existing customers. All mortgage customers have now returned to full repayment. A small number of business customers will remain on interest only terms until restrictions are full lifted in July. The Bank has not recorded any loan losses from its mortgages or business lending during the year.

Despite a promising UK roll out of vaccines, there continue to be a number of unknowns around the extent of the impact that COVID-19 will eventually have, including the medium-term trend for property prices; there is also an expectation that there will be increased credit risk as government support schemes fall away. The people cost of the pandemic, in terms of lives lost and the impact on survivors, has yet to be fully understood and we have learned over the crisis period that a new resurgence in infections can unexpectedly result in a return to business restrictions. The Bank continues to plan for this possibility and to support its customers and staff to adjust to the new ways of working, in line with government guidance.

The year ahead is expected to be less disruptive, but one focused on delivery of growth and the transformation programme, supporting the Bank's vision and demonstrating its social impact.

SUBSIDIARY COMPANY– THE SALVATION ARMY LEADERS' TRAINING COLLEGE OF AFRICA AND RESOURCE CENTRE LIMITED

The Salvation Army Leaders' Training College of Africa and Resource Centre Limited (SALT College) is a wholly owned subsidiary of the Trust.

During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya, for Salvation Army territories in Africa that has hitherto been operated and managed as an integral part of the Trust. This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets and so, from 1 August 2020, is no longer reported within the charity only accounts of the Trust but within the Group accounts. The assets transferred from the Trust to the new entity in the sum of £26,309 are not material to the Trust.

The Group accounts reflect eight-month operations of the new entity from commencement of business on 1 August

2020 to 31 March 2021. The new entity held net assets on the Group Balance Sheet of £30,000 at the year end.

During the reporting period, the College offered distance learning subjects in four major languages at foundation, certificate and diploma levels, to 11,000+ registered students across the continent of Africa. A major focus for the year ahead will be delivery of a bespoke Internet-based student registration database and learning portal

GROUP ACCOUNTS

The Group Accounts comprise the results of The Salvation Army International Trust plus the subsidiary companies Reliance Bank Limited and The Salvation Army Leaders' Training College of Africa and Resource Centre Limited for the period 1 April 2020 to 31 March 2021.

The net movement in funds for the Group showed an increase of £50.16 million. Net goodwill at year end amounted to Negative £4.21 million as set out in Note 22 to the Accounts.

Total fixed assets including investments amounted to £286.11 million. Net current assets were £50.98 million.

Total funds of the Group amounted to £332.94 million at year end as set out in Note 20 to the Accounts.

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

The Trustee is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under The Charity Law the Trustee must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustee is responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee has approved this 2020/21 Annual Report and Accounts on this basis.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustee. The Trustee's responsibility also extends to the ongoing integrity of the financial statements contained therein



For and on behalf of the directors of The Salvation Army International Trustee Company.

Dr Matthew Carpenter BA, MBA, DBA, MCMI
Company Secretary

21 January 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEE OF THE SALVATION ARMY INTERNATIONAL TRUST

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charity's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011 and The Salvation Army Act 1980.

We have audited the financial statements of The Salvation Army International Trust ("the Parent Charity") and its subsidiaries ("the Group") for the year ended 31 March 2021 which comprise the consolidated statement of financial activities (incorporating an income and expenditure account), the statement of financial activities (charity only) the consolidated and charity balance sheets, the consolidated cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence
We remain independent of the Group and the Parent Charity in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

Other information

The Trustee is responsible for the other information. The other information comprises the information included in the Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: Worldwide Fact & Figures, The General's Introduction, The Chief of the Staff's Introduction, The Trustee's Report and Direct Contributions from Territories Towards Special Projects. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion;

- The information contained in the financial statements is inconsistent in any material respect with the Trustee's Annual Report; or
- adequate accounting records have not been kept by the Parent Charity; or
- the Parent Charity financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustee's responsibilities, the Trustee is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustee is responsible for assessing the Group's and the Parent Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustee either intend to liquidate the Group or the parent Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of the audit we gained an understanding of the legal and regulatory framework applicable to the Group and the sector in which it operates, and considered the risk of acts by the Group that were contrary to applicable laws and regulations, including fraud. We considered the Group's own assessment of the risks that irregularities may occur either as a result of fraud or error, the Group's compliance with laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011, the Salvation Army Act 1980 and other laws and regulations applicable to the group such as employment law, taxation legislation, data protection and health and safety legislation. We considered financial performance, key performance indicators and other performance targets. We also considered the risks of non-compliance with requirements imposed by the Charity Commission, and other regulators, and we considered the extent to which non-compliance might have a material effect on the group financial statements.

We also communicated relevant identified laws and regulations, potential fraud risks and that there were no known matters of significant non-compliance with laws and regulations, to all engagement team members including internal specialists audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

As a result of these procedures we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: contributions received from other Salvation Army Territories, donations and grants revenue recognition, supplier and overseas grant payments.

Our tests included:

- agreeing the financial statement disclosures complied with applicable legislation
- enquiries of the Audit Committee, management and internal audit, review of minutes of meetings of those charged with governance
- sample testing income from Territories and other donors including agreeing recognition to agreements to ensure conditions have been met
- audit testing a sample of overseas expenditure and grant awards, ensuring these have been made in accordance authority limits, agreements and internal control procedures
- challenging assumptions made by management in their significant accounting estimates in particular in relation to property valuations, amortisation of goodwill and repayment of deferred consideration
- enquiries of third parties, where information from that third party has been used by the Group in the preparation of the financial statements
- review of Serious Incident Reports submitted to the Charity Commission and performing an assessment of these and any Whistleblowing matters
- vouching balances and reconciling items in key control account reconciliations to supporting documentation as at 31 March 2021; and
- performing audit procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

As in all of our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluations, whether there was evidence of bias in accounting estimates by management or the Board that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charity's trustee, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Charity's trustee those matters we are required to state to them in an auditor's 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 Charity and the Charity's trustee, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
BDO LLP
73D8B18FE9AC4C9...

BDO LLP, statutory auditor

London, UK.

Date: 31 January 2022

BDO LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

THE SALVATION ARMY INTERNATIONAL TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

(incorporating an Income and Expenditure account)

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £000	Restricted funds £000	2021 Total funds - Group £000	Unrestricted funds £000	Restricted funds £000	2020 Total funds - Group £000
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	3	25,419	-	25,419	26,082	-	26,082
- IHQ Support	3	9,743	-	9,743	9,660	-	9,660
- Donations	3	-	4,843	4,843	-	6,341	6,341
Other donations and legacies	5	7,827	152	7,979	875	60	935
		42,989	4,995	47,984	36,617	6,401	43,018
Charitable activities	6	303	52	355	709	60	769
Other trading activities	7	1,166	-	1,166	1,492	-	1,492
Investments	8	7,108	133	7,241	7,956	206	8,162
Gain on Disposal of Properties		122	-	122	-	-	-
Total Income		51,688	5,180	**56,868**	46,774	6,667	**53,441**
EXPENDITURE ON							
Raising funds	9	6,622	25	6,647	6,476	22	6,498
Charitable activities	10	43,798	7,217	51,015	41,212	5,259	46,471
Total Expenditure		50,420	7,242	**57,662**	47,688	5,281	**52,969**
Net gains on investments	18	49,778	1,166	50,944	4,082	309	4,391
Net income/(expenditure)		51,046	(896)	50,150	3,168	1,695	4,863
Transfers between funds	20	90	(90)	-	136	(136)	-
Tax on Loss/(Profit) on Subsidiary Activities	19	13	-	13	(2)	-	(2)
Net Movement in Funds	20	51,149	(986)	**50,163**	3,302	1,559	**4,861**
Reconciliation of funds:							
Total funds brought forward 1 April		253,119	29,655	282,774	249,817	28,096	277,913
Total funds carried forward 31 March		304,268	28,669	332,937	253,119	29,655	282,774

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes are an integral part of this consolidated statement of financial activities.

THE SALVATION ARMY INTERNATIONAL TRUST

STATEMENT OF FINANCIAL ACTIVITIES (Charity only)
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £000	Restricted funds £000	2021 Total funds Charity Note	Unrestricted funds £000	Restricted funds £000	2020 Total funds Charity £000
INCOME AND ENDOWMENTS FROM							
Donations and legacies:							
Received from Salvation Army territories							
- Self-Denial Fund	3	25,419	-	25,419	26,082	-	26,082
- IHQ Support	3	9,743	-	9,743	9,660	-	9,660
- Donations	3	-	4,843	4,843	-	6,341	6,341
Other donations and legacies	5	7,827	152	7,979	875	60	935
		42,989	4,995	47,984	36,617	6,401	43,018
Charitable activities	6	292	52	344	709	60	769
Other trading activities	7	119	-	119	217	-	217
Investments	8	4,559	133	4,692	5,227	206	5,433
Gain on Disposal of Properties		122	-	122	-	-	-
Total Income		48,081	5,180	**53,261**	42,770	6,667	**49,437**
EXPENDITURE ON							
Raising funds	9	1,639	25	1,664	1,480	22	1,502
Charitable activities	10	43,928	7,231	51,159	41,245	5,259	46,504
Total Expenditure		45,567	7,256	**52,823**	42,725	5,281	**48,006**
Net gains on investments	18	49,780	1,166	50,946	4,082	309	4,391
Net income/(expenditure)		52,294	(910)	51,384	4,127	1,695	5,822
Transfers between funds	20	90	(90)	-	136	(136)	-
Net Movement in Funds		52,384	(1,000)	**51,384**	4,263	1,559	**5,822**
Reconciliation of funds:							
Total funds brought forward 1 April		254,652	29,655	284,307	250,389	28,096	278,485
Total funds carried forward 31 March		307,036	28,655	335,691	254,652	29,655	284,307

All activities reported above, in both the current and preceding year, include Gains and Losses and relate to continuing activities.
The accompanying notes are an integral part of this consolidated statement of financial activities.

THE SALVATION ARMY INTERNATIONAL TRUST

CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2021

	Notes	2021 Group £000	2020 Group £000	2021 Charity £000	2020 Charity £000
Intangible Fixed Assets					
Goodwill	22(a)	347	390	347	390
Negative Goodwill	22(a)	(4,560)	(5,130)	-	-
Other Intangible Assets	22(b)	392	394	-	-
		(3,821)	(4,346)	347	390
Tangible Fixed Assets					
Properties	23	32,177	33,506	27,802	29,045
Other Tangible Fixed Assets	24	2,488	1,000	2,422	916
Investments	25	255,261	244,020	224,721	193,810
		289,926	278,526	254,945	223,771
Current Assets					
Investments	25(c)	16,137	13,571	23,649	15,093
Stocks		131	139	131	139
Debtors and Prepayments	26	138,187	108,424	60,405	54,817
Cash at bank and in hand	27	105,691	70,389	9,376	5,362
		260,146	192,523	93,561	75,411
Less Current Liabilities					
Salvation Army Employees' Pension Fund	17	(76)	(416)	-	(378)
Other Creditors due within one year	28	(209,092)	(179,315)	(9,054)	(10,779)
Net Current Assets		50,978	12,792	84,507	64,254
Total Assets less current liabilities		337,083	286,972	339,799	288,415
Creditors: Amounts falling due after more than one year					
Salvation Army Employees' Pension Fund	17	(38)	(76)	-	-
Other Creditors due after more than one year	29	(4,108)	(4,122)	(4,108)	(4,108)
Net Assets	21	332,937	282,774	335,691	284,307
Funds					
Restricted Funds					
Property Fund		14,492	14,287	14,492	14,287
Other Restricted Funds		14,177	15,368	14,163	15,368
		28,669	29,655	28,655	29,655
Unrestricted Funds					
Property Fund		19,560	20,558	19,560	20,558
Other Fixed Assets Fund		2,422	916	2,422	916
Share Capital Fund		2,500	2,500	2,500	2,500
Designated Funds		277,566	224,856	277,553	224,856
General Reserve		2,220	4,289	5,001	5,822
		304,268	253,119	307,036	254,652
Total Funds	20	332,937	282,774	335,691	284,307

The accompanying notes are an integral part of these Consolidated and Charity Balance Sheets.
Approved by The Salvation Army International Trustee Company and approved on its behalf on 21 January 2022 by:

Lyndon Buckingham – Chairman

Lee Graves – Managing Director

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £000 Group	2020 £000 Group
Net cash (used in)/provided by operating activities (see note A)	(10,392)	(1,865)
Cash flows from investing activities:		
Dividends, interest and rents from investments	4,549	10,103
Gain/(Loss) on US held investments	17,071	(1,978)
(Increase)/Decrease in Long Term Bank Deposits	(3,776)	9,811
Proceeds from the sale of property, plant and equipment	210	444
Purchases of property, plant and equipment	(1,183)	(3,010)
Purchase of Intangible Fixed Assets	(177)	(253)
Proceeds from the sale of investments	147,543	39,104
Purchase of Investments	(118,663)	(38,605)
Net cash provided by investing activities	45,574	15,616
Change in cash and cash equivalents in the reporting period	35,182	13,751
Cash and cash equivalents at the beginning of the reporting period	72,235	57,924
Effects of currency translation on cash and cash equivalents	(1,090)	560
Cash and cash equivalents at the end of the reporting period (see note B)	106,327	72,235

Note A

Reconciliation of net income to net cash flow from operating activities

Net income for the reporting period (as per the statement of financial activities)	50,163	4,861
Adjustments for:		
Depreciation charges	1,218	1,098
(Gain) on investments	(56,732)	(2,190)
Dividends, interest and rents from investments	(4,549)	(5,103)
(Profit) on sale of fixed assets	(122)	-
Decrease/(Increase) in Stocks	8	(29)
(Increase)/Decrease in Debtors	(29,763)	(4,936)
(Decrease)/Increase in Creditors	29,385	4,420
Tax Refund	-	14
Net cash (used in) operating activities	(10,392)	(1,865)

Note B

Analysis of Cash and Cash Equivalents - Group	**Balance 2020** £000	**Movement in year** £000	**Balance 2021** £000
Cash at bank	56,787	21,234	78,021
Bank Balances - Recoverable on demand	13,602	14,068	27,670
Cash held by Investment Managers	1,835	(1,208)	627
Notice deposits (less than 3 months)	11	(2)	9
Total cash and cash equivalents	72,235	34,092	106,327

(i) Analysis of changes in Net Debt	**01-Apr-20** £000	**Cashflows** £000	**31-Mar-21** £000
Cash and cash equivalents			
Cash	58,622	20,026	**78,648**
Overdrafts	-	-	**-**
Cash Equivalents	13,613	14,066	**27,679**
	72,235	**34,092**	**106,327**

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

The principal accounting policies adopted by the Trustee in the preparation of the financial statements, have been applied consistently and are set out below:

(a) **Basis of Accounting** - The financial statements have been prepared under the historical cost convention, subject to the inclusion of investments at fair value, and are in compliance with the Accounting and Reporting by Charities: Statement of Recommended Practice (FRS 102) (effective 1 January 2019), the Charities Act 2011, The Salvation Army Act 1980 and FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland.
The banking company, Reliance Bank Limited, became a wholly owned subsidiary of The Salvation Army International Trust during the year of 2018, following the purchase of The Salvation Army Trust's (UK Territory) 49% interest. The consolidation of the bank into the Group accounts is on a line by line basis.
The Salvation Army Leaders Training College of Africa & Resource Centre Limited (SALT), which was previously part of the Salvation Army International Trust, became a separate company wholly owned by the Trust from 01 August 2020 by way of a transfer of assets equivalent to £26k to the new SALT entity and is consolidated on a line by line basis.

Critical accounting judgements and key estimations
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Apart from those involving estimates, no judgements are deemed to have had a significant effect on amounts recognised in the financial statements.
One of the key sources of estimation uncertainty relates to the cost of its proportion of The Salvation Army Employees' Pension Fund (a defined benefit pension scheme) which is determined using actuarial valuations. This involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty. Assumptions are based on the recommendations of the actuary.
Other key judgements and estimates relevant to the charity, include property valuations, depreciation and amortisation.
Investment Property valuations are based on a three-year revaluation rolling plan. Valuations are provided using the comparison method and are completed by an External Chartered Surveyor. The judgements made in calculating depreciation are detailed in note (g) below. Negative Goodwill arising from the acquisition of Reliance Bank Ltd will be amortised over a period of 10 years based on an anticipated return to profitability within 10 years of acquisition.
The consideration for the acquisition is payable over a long period of time and is linked to gift aid payable by Reliance Bank Ltd.
In relation to Reliance Bank Ltd, in terms of impairment, reviews are undertaken for all financial assets, both on an individual and a collective basis. They are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cashflows of the investment have been affected.
Loans and advances are considered on a case by case basis and are provided against in the financial year in which it is anticipated that they may not be recoverable in full (which, in practice, means when they become non-performing) unless the Bank considers that it has adequate security to cover all balances outstanding plus a margin.

(b) **Income**
- (i) Contributions to the International Self-Denial Fund are received annually from the headquarters of Salvation Army territories around the world (see Note 3). A territory is an administrative unit and may comprise several countries, a single country or part of a country. The Self Denial appeals are separate annual appeals within each Territory, whereby church members of The Salvation Army offer a monetary gift to support the work of The Salvation Army worldwide. In addition to this, some Territories make contributions to the Self Denial fund from other funds available to them. These contributions are used to fund grants and other support payments to financially supported territories, as set out in Note 11.
- (ii) Contributions to International Headquarters support are receivable quarterly from financially independent territories, and either quarterly or annually from financially supported territories.
- (iii) Legacies are accounted for on receipt, or on earlier notification where the value can be reliably measured and receipt is probable.
- (iv) Donations and all other income is recognised in the Statement of Financial Activities when received or receivable, whichever is earlier, unless it relates to a specific future period in which case it is deferred. Refunds are shown as negative income.
- (v) Reliance Bank Limited income items, including interest receivable, rental income and fees and commissions receivable, are recognised on an accruals basis with interest recognised on an effective interest rate basis. When calculating the effective interest rate all related fees are taken into account.

(c) **Expenditure**
Expenditure is charged in the Statement of Financial Activities on the accruals basis.
- (i) Irrecoverable Value Added Tax is charged to the related expenditure categories.
- (ii) Expenditure on Charitable Activities consists of all expenditure relating directly to the objects of the Trust including support costs. Support costs have been allocated over activities on a per capita basis. Governance costs include those associated with constitutional and statutory requirements and those incurred in the governance of the Trust's assets.
- (iii) Maintenance grants are paid quarterly to overseas Salvation Army territories to support their operating costs. They are payable at the beginning of each quarter and are accounted for in the year the obligations arise (see Note (b) (i) above).
- (iv) Property schemes not completed at the year end are carried forward in the Balance Sheet as a Fixed Asset under the heading of Property Schemes in progress.
- (v) Pension costs are accounted for in accordance with FRS 102 and are charged to the Statement of Financial Activities when payable. SAIT and Reliance Bank both participate alongside other entities in a multi-employer defined benefit plan scheme The actuary has confirmed that it is not possible to split the share of the scheme's assets and liabilities between employers. Pension costs are accounted for as if if they were made to a defined contribution plan. Details are provided in Note 17.
- (vi) Grants payable to Salvation Army Territories are recognised as expenditure when they are committed and communicated to the territories, in accordance with the annual budget.
- (vii) There are no assets held under Finance lease. Rentals payable and licensing arrangements under operating leases are charged to Expenditure on a straight line basis of over the lease term.
- (viii) Reliance Bank Limited costs are shown under Expenditure on Raising Funds.

(d) **Foreign Currencies**
Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction.
Monetary assets and liabilities are translated into sterling at the exchange rate ruling on the balance sheet date.
All profits and losses on exchange are included under 'Other Gains and Losses' in the Statement of Financial Activities.

1. ACCOUNTING POLICIES - continued

(e) **Going Concern**

The Trustee has reviewed the Trust's financial position, taking account of satisfactory levels of reserves and cash, the annual plan, and its system of financial and risk management considering potentially adverse future scenarios.The Trustee recognises the material pension liability arising from participation of the Trust in The Salvation Army Employees' Pension Fund (see Note 17) and is well placed to meet its obligations in this regard.

Particular attention has been given to the impact of the ongoing COVID-19 Crisis as part of the monitoring of the financial standing of the Trust and, following this review, the Trustee has a reasonable expectation that the Trust has adequate resources to continue in operational existence in the foreseeable future. The Trust holds a strong balance sheet with availability and liquidity of cash and unrestricted investments with, for example, current liabilities including amounts due to Salvation Army territories at the 2020/21 year end totalling £9.05 million against net current assets of £84.51 million of which £33.03 million is held in highly liquid current asset investments and cash at bank. The Trustee continues to monitor developments closely in relation to the COVID-19 crisis and other external events and remains confident that the level of reserves held is adequate in the changing economic climate and does not impact adversely on the Trust's going concern status. Further details can be found within the trustee report commentary (see Page 52).

In accordance with their responsibilities, the Board of the Bank has considered carefully the going concern assumption and believe that the Bank's business model, together with its conservative, robust risk management policies, place the Bank in a position where it can continue to generate positive returns and grow its business despite the challenging market conditions that the industry currently faces. The Bank's current 5-year business plan de-risks the Bank further by making it more diversified both in terms of lending and deposit taking. The Board is satisfied that the business has adequate financial resources to continue as a going concern for the foreseeable future on the basis that it has sufficient capital and liquidity to meet regulatory requirements for a period beyond 12 months from the date of signing the accounts.

(f) **Intangible Fixed Assets**

Negative Goodwill arising from the acquisition of Reliance Bank Ltd is amortised over a period of 10 years, beginning during the Financial Year 2019/2020 (See Note 22). The Trust has based this amortisation rate on a prudent assessment of future profits which will be generated by the bank.

Computer Software, where capitalised, is depreciated over a period of 4 years.

(g) **Fixed Assets**

Tangible fixed assets for the Trust are stated at cost (£1,000 or more) less accumulated depreciation.

For Reliance Bank Limited, property, fixtures and fittings and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided to write off the cost of tangible fixed assets over their estimated useful economic lives, as follows:

- Freehold and Long Leasehold Properties are depreciated over 50 years
  The depreciation on some historic property costs include Land values deemed immaterial.
- Fixtures, Fittings and Office Equipment are depreciated over 5 - 10 years
- Vehicles are depreciated over 6 years
- IT Equipment is depreciated over 3 - 4 years

During the year the Bank opted to follow the revaluation approach to its freehold property, under FRS102 section 17. The associated entries relating to this change in policy, including Deferred Tax, were eliminated on Consolidation into the Group Accounts and the property carrying value restated under the historical cost model and in accordance with the Group accounting policy.

The freehold property at Sunbury Court has been depreciated so as to write down the cost of the project by components, on a straight line basis over their estimated useful economic lives at the following annual rates:

- Building and Infrastructure - 50 years
- Roof (flat), Windows and Doors - 25 years
- Major Installations (including heating, electrical, drainage) - 25 years
- Bathroom and Kitchen Installations, Lifts- 15 years
- Furniture, Fixtures and Fittings - 15 years

(h) **Basic Financial Instruments**

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discount offered. Creditors and provisions are recognised where the Trust has an obligation resulting from a past event that is likely to result in the transfer of funds to a third party and the amount due can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Bank's financial instruments are all basic financial instruments and comprise loans and advances, treasury bills, debt securities and customer accounts. The Bank does not hold derivative financial instruments.

Financial assets and liabilities are recognised initially at their fair value, which is normally the transaction price. Thereafter, debt instruments are measured at amortised cost less impairment using the effective interest method. No financial instruments are designated as at fair value through profit or loss. Debt instruments that are payable or recoverable within one year are measured at the undiscounted amount of the cash or other consideration expected to be paid or received.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

(i) **Investments** - To comply with the Statement of Recommended Practice, investments are included at fair value.
Listed investments are valued at the year end bid price.
The freehold reversionary interest is externally valued every five years, subject to any significant change in value in the intervening years.
Investment properties are revalued on a rolling three-year basis and held at fair value at the balance sheet date and no depreciation is provided. The aggregate surplus or deficit arising on revaluation is transferred to a revaluation reserve.

(j) **Stocks** are valued at the lower of cost or net realisable value.

(k) **Funds**
(i) The Property Fund represents monies already expended on the acquisition of freehold and leasehold properties.
(ii) The Restricted Funds are held for restricted purposes, as specified by the donors.
(iii) The Unrestricted Funds include Designated Funds held for particular purposes designated by the Trustee in the exercise of its discretionary powers, and a General Reserve representing funds not designated for specific purposes.

(l) **Subsidiary Companies**
The banking company, Reliance Bank Limited (the 'Bank'), is a wholly owned subsidiary of the Trust. In 2018, the Trust purchased The Salvation Army Trust's (UK Territory) 49% interest in the Bank and invested an additional £1.5 million in the Bank's share capital. Under its new ownership model and through the delivery of its 5-year strategic plan, the Bank aims to become an important, positive social impact bank with an expanded remit in this market segment. The Trust invested an additional £1.0 million in the Bank's share capital in 2019 and a further £1.0 million in the Bank's share capital following the 2021 year end to support its business transformation plans.
Whilst the Trust is the Bank's controller, a Nominations Committee comprising Non-Executive Directors of the Bank recommends appointments of Bank Directors to the board. This includes consideration of proposed Shareholder representative Directors, as and when appropriate.
Ordinarily, the Bank will donate a proportion of its net taxable profits to support the mission of 'The Trust'. This has not been the case the last few years, as the Bank is investing in its organisational structure and systems as it embarks on a new strategy under the sole ownership of the Trust. Losses have continued in the year under review, partly as expected during this implementation strategic plan, while this initial investment takes place. of the strategic plan, and partly in response to the challenges of the global pandemic.
Full details of the subsidiary company's Profit and Loss Account and Balance Sheet are set out in Note 4.

The Salvation Army Leaders Training College of Africa & Resource Centre Limited (SALT) is a wholly owned subsidiary of the Trust.
During 2020/21 a restructuring was progressed for SALT College, a training facility in Nairobi, Kenya for Salvation Army territories in Africa that had hitherto been operated and managed as an integral part of the Trust.
This was registered in Kenya as a separate legal entity controlled by SAITCo to which the Trust transferred assets and so, from August 2020 is no longer reported within the charity only accounts of the Trust but within the Group accounts.
The assets transferred from the Trust to the new entity are not material to the Trust.

(m) **Subsidiary Company - Provisions for liabilities**
A provision is recognised when the Bank has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. The effect of the time value of money is not material and therefore the provisions are not discounted.

(n) **Subsidiary Company - Set-off**
The Bank does have a legal right of set-off established in respect of some customer accounts (as confirmed by legal opinion). However, set-off positions would only be disclosed in the accounts where there is an intention to ordinarily settle on a net basis or to realise the asset and settle the liability simultaneously.

(o) **Subsidiary Company - Contingent Liabilities**
Contingent liabilities are recognised as memorandum items on the face of the Balance Sheet and further analysed in Note 32 to the accounts at their contract amounts unless the possibility of any transfer on settlement is remote.

(p) **Subsidiary Company - Risk Management Policies and Objectives**
The Board of Directors of Reliance Bank Ltd is responsible for determining the long-term strategy of the business and the level of risk acceptable in each area of the Bank's business.
The Bank's Audit, Risk and Compliance Committee recommends policies designed to mitigate risks to the Board of Directors of the Bank and reviews risk assessments within the Bank's risk register.
The main financial risks arising from the Bank's activities are as follows:
Credit Risk
Liquidity and Funding Risk
Interest Rate Sensitivity
Foreign Exchange Risk

(q) **Cash and cash equivalents**
For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise cash at banks and in hand and short term deposits with an original maturity (from date of acquisition) of less than three months.

(r) **Gains and Losses**
All recognised gains and losses are included in the Statement of Financial Activities, and all the reported activities, in both the current and preceding years, reflect ongoing activities.

2. BUSINESS COMBINATION - ACQUISITION

On 31 October 2018 (the acquisition date), The Salvation Army International Trust acquired the outstanding equity of Reliance Bank Ltd in a cash transaction per the workings below. Reliance Bank Ltd is a UK incorporated company limited by shares and authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA). Following acquisition Reliance Bank Ltd is a wholly owned subsidiary of The Salvation Army International Trust. Reliance Bank's mission is to be a distinctive, solid and safe Bank with Christian and ethical values that delivers as part of the broader objectives of The Salvation Army by enabling positive social impact.

Equity transaction: Preceding the acquisition the outstanding Reliance Bank Ltd had allotted, called up and fully paid £7.5 million of £1 ordinary shares.
The Salvation Army International Trust already held 51% of Reliance Bank and purchased the remaining 49% shareholding held by The Salvation Army Trust on 31st October 2018.
The estimated fair value of the Net Assets acquired benefitted from a fair value uplift associated with Property, Plant and Equipment as below:

	£
Freehold Property (per valuation)	4,400,000
Other Net Assets per Accounts	8,799,631
Total	13,199,631

Calculation of Goodwill

The total cost of acquisition is therefore £7,933,397 (original cost £3,825,000 and subsequent acquisition £4,108,397) acquiring Net Assets at fair value of £13,199,631, giving rise to negative goodwill of £5,266,234. The negative goodwill is unwound through the Statement of Financial Activities (SOFA) over a 10 year period (see Note 1(f)).

The cost of acquisition represents deferred consideration of £4,108,397 estimated as payable over 15 years (see Note 29).

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

3. CONTRIBUTIONS RECEIVED FROM SALVATION ARMY TERRITORIES

	Self-Denial Fund		International Headquarters Support		Donations Received	
	Unrestricted		Unrestricted		Restricted	
Territory	2021 £000	2020 £000	2021 £000	2020 £000	2021 £000	2020 £000
Angola	6	10	1	1	-	-
Australia	519	607	712	691	123	489
Bangladesh	1	1	1	1	-	-
Brazil	19	27	2	2	-	-
Canada and Bermuda	1,520	1,509	558	542	571	553
Caribbean	52	66	5	4	-	6
Congo (Brazzaville)	64	88	5	4	-	-
Democratic Republic of Congo	23	70	5	5	-	-
Denmark	25	25	16	16	-	-
Eastern Europe	10	11	1	1	-	-
Finland and Estonia	56	50	29	28	60	34
France and Belgium	11	15	50	49	2	21
Germany, Lithuania and Poland	30	30	35	34	54	85
Ghana	21	25	3	3	-	-
Hong Kong and Macau	26	82	26	25	7	19
India Central	30	65	7	7	-	-
India Eastern	128	8	3	3	-	-
India Northern	25	27	6	6	-	-
India South Eastern	85	97	7	7	4	-
India South Western	33	38	7	7	-	-
India Western	23	37	6	6	-	-
Indonesia	40	55	11	11	-	25
Italy and Greece	4	5	1	1	2	1
Japan	43	59	68	66	-	41
Kenya East	134	292	7	7	-	-
Kenya West	154	212	8	7	-	-
Korea	129	108	12	12	-	10
Latin America North	31	34	2	2	-	-
Liberia	5	5	1	1	-	-
Malawi	5	6	1	1	-	2
Mali	2	1	1	1	-	-
Mexico	10	18	3	3	-	-
Middle East	14	17	1	1	-	-
Mozambique	1	2	1	1	-	-
The Netherlands, Czech Republic and Slovakia	200	196	110	107	98	114
New Zealand, Fiji and Tonga	540	501	260	252	386	133
Nigeria	16	27	5	5	-	-
Norway, Iceland and The Faeroes	398	415	97	94	179	49
Pakistan	3	8	6	5	-	-
Papua New Guinea	33	38	3	3	-	-
The Philippines	17	15	4	4	-	5
Russia	3	4	1	1	-	-
Rwanda and Burundi	3	8	1	1	-	-
Singapore, Malaysia and Myanmar	114	106	18	17	15	23
South America East	9	10	2	2	-	-
South America West	15	37	4	4	-	-
Southern Africa	28	46	3	3	2	1
Spain and Portugal	12	14	1	1	3	4
Sri Lanka	1	1	2	2	-	-
Sweden and Latvia	103	94	79	77	15	85
Switzerland, Austria and Hungary	888	829	154	149	39	126
Taiwan	7	9	1	1	-	10
Tanzania	7	11	2	2	-	-
Uganda	4	6	1	1	-	-
United Kingdom with the Republic of Ireland	2,190	2,136	847	823	688	152
USA Central	4,443	4,204	1,738	1,774	36	872
USA Eastern	4,713	4,991	1,473	1,452	421	1,685
USA Southern	4,688	4,760	1,865	1,888	641	937
USA Western	3,645	3,815	1,397	1,370	713	787
USA National HQ	-	-	57	57	784	72
Zambia	22	53	3	3	-	-
Zimbabwe	38	46	7	6	-	-
	25,419	26,082	9,743	9,660	4,843	6,341

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

4. CORPORATE DONATION FROM SUBSIDIARY COMPANY

Reliance Bank Limited

The banking company, Reliance Bank Limited (the 'Bank'), became a wholly owned subsidiary of The Salvation Army International Trust (the 'Trust') in October 2018, following the purchase of The Salvation Army Trust's (UK Territory) 49% interest (See Note 1(i))

	2021 £000	2020 £000
Summary Profit and Loss Account		
Interest Receivable and other operating income	3,231	3,825
Interest Payable and other operating expenditure	(542)	(1,145)
Administration Expenditure	(4,509)	(4,169)
Operating Loss	(1,820)	(1,489)
Taxation	459	(2)
Loss after Tax	(1,361)	(1,491)
Less donation	-	-
Retained Deficit for year	(1,361)	(1,491)
Retained Reserves brought forward	1,652	3,143
Change in Accounting Policy and Transfer from Revaluation Reserve	643	-
Retained Reserves carried forward	934	1,652
Donation received in year	-	-
Share Capital owned	10,000	10,000
Summary Balance Sheet		
Fixed Assets	5,249	2,994
Current Assets		
Less than one year	167,378	152,206
Loans over one year	71,699	43,250
	244,326	198,450
Liabilities		
Over one year	-	-
Current	(232,134)	(186,798)
Net Assets	12,192	11,652
Share Capital	10,000	10,000
Revaluation Reserve	1,258	-
Reserves	934	1,652
Shareholders' Funds	12,192	11,652

Unrestricted income to the Salvation Army International Trust from Reliance Bank Limited for the year was £nil (2020: £nil)
Differences from Group policy related to the Bank's building property valuation, including the revaluation reserve balance, were eliminated on consolidation and the impacted amounts were restated in the Group Financial Statements (see Note 1(g)).

5. OTHER DONATIONS AND LEGACIES

	Unrestricted £000	Restricted £000	2021 £000	Unrestricted £000	Restricted £000	2020 £000
Other Donations	7,748	87	7,835	116	60	176
Legacies	79	65	144	759	-	759
	7,827	152	7,979	875	60	935

External donations and legacies increased from £935,000 (2020) to £7.98 million (2021) as a significant donation was received from an external donor in 2021.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

6. INCOME FROM CHARITABLE ACTIVITIES	2021 Group £000	2020 Group £000	2021 Charity £000	2020 Charity £000
Rents from charitable activities	125	125	125	125
Income from publications	167	308	167	308
Income from Café 101	-	277	-	277
International Personnel Training and Development	63	59	52	59
	355	769	344	769

Restricted income for the year was £52k (2020: £60k)

7. OTHER TRADING ACTIVITIES				
Conference Centre income	1	129	1	129
Rents from letting of property	118	84	118	84
Fees and Commissions receivable	520	752	-	4
Release of Negative Goodwill	527	527	-	-
	1,166	1,492	119	217

Unrestricted income for the year was £1,166k (2020: £1,492k)

8. INVESTMENT INCOME				
Income from fixed interest securities	533	1,120	533	526
Dividends from equities	1,277	1,718	1,277	1,718
Interest on bank deposits	3	706	41	210
Income from funds held in USA	990	1,319	990	1,319
Rental on Freehold Reversionary Interest	470	244	470	244
Rents from letting of investment properties	1,385	1,454	1,381	1,416
	4,658	6,561	4,692	5,433
Interest on Loans and Advances to Bank Customers	2,583	1,601	-	-
	7,241	8,162	4,692	5,433

Restricted income for the year was £133k (2020: £206k)

9. RAISING FUNDS	2021 Group £000	2020 Group £000	2021 Charity £000	2020 Charity £000
Cost of letting of property	720	607	720	607
Investment management costs	901	852	901	852
Release of Goodwill	-	-	43	43
Costs of subsidiary banking operations	5,026	5,039	-	-
	6,647	6,498	1,664	1,502

Restricted expenditure for the year was £25k (2020: £22k)

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

10. CHARITABLE ACTIVITIES

Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2021 Group Total	2020 Group Total	2021 Charity Total	2020 Charity Total
	£000	£000	£000	£000	£000	£000	£000
World Mission		2,622	1,246	3,868	4,038	3,882	4,038
Assistance to Salvation Army territories (Note 11)	29,236	3,959	1,978	35,173	28,246	35,195	28,279
International Personnel Training and Development		4,525	3,295	7,820	10,149	7,908	10,149
Crisis Relief		2,625	206	2,831	1,739	2,846	1,739
Health Services for the Poorest People		169	51	220	1,000	221	1,000
Fighting Against Sexual Trafficking and for Social Justice		795	308	1,103	1,177	1,107	1,177
Retired Officers Allowance Scheme	-	-	-	-	122	-	122
	29,236	14,695	7,084	51,015	46,471	51,159	46,504

Grant and donation funding includes operational grants paid quarterly to Salvation Army territories around the World and the onward transmission of project funding.
Costs of activities undertaken directly include the direct costs associated with emergency services and other projects which are managed by International Headquarters.
Support costs have been allocated over activities on a per capita basis (see Note 12).
SALT College costs are included under the International Personnel Training and Development heading.
Restricted expenditure for the year was £7.2m (2020: £5.3m)

Activity	Grant and Donation funding of activities	Activities undertaken directly	Support costs (Note 12)	2020 Total	2019 Total	2020 Total	2019 Total
	£000	£000	£000	£000	£000	£000	£000
World Mission	-	2,658	1,380	4,038	4,165	4,038	4,165
Assistance to Salvation Army territories (Note 11)	21,778	4,218	2,250	28,246	31,450	28,279	31,464
International Personnel Training and Development	-	6,705	3,444	10,149	9,811	10,149	9,811
Crisis Relief	-	1,499	240	1,739	1,676	1,739	1,676
Health Services for the Poorest People	-	940	60	1,000	686	1,000	686
Fighting Against Sexual Trafficking and for Social Justice	-	817	360	1,177	998	1,177	998
Retired Officers Allowance Scheme	-	122	-	122	-	122	-
	21,778	16,959	7,734	46,471	48,786	46,504	48,800

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK

Territory	2021 Allowable deductions from Self-Denial funds *(see note 1(b(i))*	2021 Grant funding of activities	2021 Additional grant for specific costs	2021 Activities funded by donations	2021 Total	2020 Total
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	77	-	77	59
Americas, General	-	-	-	4	4	4
Angola	-	46	-	49	95	83
Australia	99	-	-	8	107	169
Bangladesh	20	208	2	230	460	330
Brazil	17	600	-	1,182	1,799	1,124
Canada and Bermuda	-			2	2	35
Caribbean	81	738	3	359	1,181	821
Congo (Brazzaville) and Gabon	13	537	23	740	1,313	657
Czech Republic and Slovakia (Netherlands)	-	488	-	3	491	501
Democratic Republic of Congo	4	539	35	229	807	904
Denmark	-	136	-	5	141	145
Eastern Europe	13	1,081	2	88	1,184	1,106
Estonia (Finland)	1	231	-	1	233	227
Fiji and Tonga	-	-	-	2	2	1
France and Belgium	-	-	-	1	1	3
Germany, Lithuania and Poland	-	216	1	98	315	211
Ghana and Togo	10	145	27	288	470	274
Hong Kong and Macau	-	-	-	-	-	2
India National Secretariat	-	108	-	21	129	117
India Central	-	229	1	326	556	335
India Eastern	6	-	1	(695)	(688)	110
India Northern	-	282	1	403	686	342
India South Eastern	2	324	1	169	496	428
India South Western	-	313	2	195	510	392
India Western	4	238	2	273	517	415
Indonesia	6	-	17	129	152	109
Italy and Greece	5	254	-	436	695	374
Kenya East	27	274	32	831	1,164	534
Kenya West	55	620	36	487	1,198	954
Korea	-	-	-	1	1	1
Latin America North	8	650	-	359	1,017	731
Latvia (Sweden)	-	144	-	56	200	155
Liberia, Sierra Leone and Guinea	9	198	1	325	533	226
Malawi	19	131	-	313	463	230
Mali and Burkina Faso	-	80	-	94	174	120
Mexico	2	386	1	154	543	622
Middle East	-	279	-	76	355	301
Mozambique	9	271	-	104	384	299
Nigeria	13	138	12	298	461	434
Norway	-	-	-	1	1	2
Pakistan	1	1,113	-	249	1,363	1,263
Papua New Guinea	18	540	56	509	1,123	693
The Philippines	4	422	-	208	634	444
Russia	3	736	-	1	740	770
Rwanda and Burundi	9	184	13	183	389	253
Singapore, Malaysia and Myanmar	6	207	2	222	437	314
South America East	3	544	1	727	1,275	571
South America West	34	392	2	345	773	646
Southern Africa	18	89	3	149	259	166
Spain and Portugal	-	680	-	34	714	713
Sri Lanka	17	191	1	85	294	243
Switzerland, Austria and Hungary	-	-	-	-	-	8
Taiwan	-	94	-	79	173	154
Tanzania	9	162	12	247	430	305
Uganda	28	161	7	387	583	261
United Kingdom with the Republic of Ireland	-	-	-	4	4	6
USA Eastern	-	-	-	24	24	-
Zambia	29	359	19	423	830	185
Zimbabwe and Madagascar	108	431	5	418	962	896
2021 - Total	710	16,189	398	11,939	29,236	21,778

Prior year commitments made to India Eastern Territory over several years were reversed out due to the passage of time and inability to transfer these funds, resulting in a net negative figure of £688k in the year.

11. GRANTS AND DONATIONS ALLOCATED TO SALVATION ARMY TERRITORIES IN SUPPORT OF OVERSEAS WORK (Continued)

Territory	2020 Allowable deductions from Self-Denial funds *(see note 1(b(i))*	2020 Grant funding of activities	2020 Additional grant for specific costs	2020 Activities funded by donations	2020 Total	2019 Total
	£000	£000	£000	£000	£000	£000
Africa, General	-	-	62	(3)	59	245
Americas, General	-	-	-	4	4	2
Angola	-	48	-	35	83	59
Australia	165	-	-	4	169	86
Australia Southern	-	-	-	-	-	3
Bangladesh	8	203	1	118	330	373
Brazil	26	927	-	171	1,124	666
Canada and Bermuda	35	-	-	-	35	-
Caribbean	27	726	3	65	821	804
Congo (Brazzaville) and Gabon	13	514	28	102	657	769
Czech Republic and Slovakia (Netherlands)	-	493	-	8	501	480
Democratic Republic of Congo	7	560	21	316	904	688
Denmark	-	132	-	13	145	1
Eastern Europe	8	1,052	1	45	1,106	1,116
Estonia (Finland)	1	225	-	1	227	229
Fiji and Tonga	-	-	-	1	1	1
France and Belgium	-	-	-	3	3	1
Germany, Lithuania and Poland	-	210	-	1	211	203
Ghana and Togo	7	149	8	110	274	388
Hong Kong and Macau	-	-	1	1	2	2
India National Secretariat	-	117	-	-	117	134
India Central	-	268	1	66	335	377
India Eastern	9	-	1	100	110	323
India Northern	-	304	1	37	342	550
India South Eastern	2	347	1	78	428	960
India South Western	-	337	2	53	392	458
India Western	4	256	1	154	415	331
Indonesia	-	-	19	90	109	118
Italy and Greece	36	253	2	83	374	470
Kenya East	60	311	35	128	534	584
Kenya West	42	603	30	279	954	784
Korea	-	-	-	1	1	1
Latin America North	7	671	-	53	731	712
Latvia (Sweden)	-	140	-	15	155	145
Liberia, Sierra Leone and Guinea	3	180	17	26	226	234
Malawi	54	128	4	44	230	218
Mali and Burkina Faso	-	109	-	11	120	93
Mexico	5	388	1	228	622	434
Middle East	-	272	-	29	301	268
Mozambique	21	264	3	11	299	318
Nigeria	7	161	34	232	434	290
Norway	-	-	-	2	2	-
Pakistan	3	1,117	-	143	1,263	1,096
Papua New Guinea	28	427	148	90	693	565
The Philippines	7	410	-	27	444	458
Russia	9	754	-	7	770	769
Rwanda and Burundi	13	179	14	47	253	209
Singapore, Malaysia and Myanmar	12	201	2	99	314	264
South America East	6	547	1	17	571	567
South America West	34	407	2	203	646	481
Southern Africa	26	108	3	29	166	183
Spain and Portugal	17	684	-	12	713	706
Sri Lanka	11	186	3	43	243	354
Switzerland, Austria and Hungary	-	-	-	8	8	33
Taiwan	-	95	-	59	154	294
Tanzania	8	157	22	118	305	307
Uganda	4	156	22	79	261	207
United Kingdom with the Republic of Ireland	-	-	-	6	6	245
Zambia	53	368	18	(254)	185	3,838
Zimbabwe and Madagascar	172	545	28	151	896	783
2020 - Total	950	16,689	540	3,599	21,778	25,277

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

12. ANALYSIS OF SUPPORT COSTS BY ACTIVITY

Charitable Activities	Management	Finance & IT	Human Resources	Property	Depreciation	Governance (see note 13)	2021 Total	2020 Total
	£000	£000	£000	£000	£000	£000	£000	£000
World Mission	112	428	121	131	217	237	1,246	1,380
Assistance to Salvation Army territories	178	678	192	209	344	377	1,978	2,250
International Personnel Training and Development	296	1,131	320	348	572	628	3,295	3,444
Crisis Relief	19	70	20	22	36	39	206	240
Health Services for the Poorest People	4	18	5	5	9	10	51	60
Fighting Against Sexual Trafficking and for Social Justice	28	106	30	32	53	59	308	360
	637	2,431	688	747	1,231	1,350	7,084	7,734

Depreciation on Vehicles and IT Equipment of £131,000 (2020: £125,000) forms part of rechargeable expenditure allocated on a usage basis and is included in the functional headings above.
All support costs have been allocated against Charitable Activities on a per capita basis (see note 10).

	2020							
Charitable Activities	Management	Finance & IT	Human Resources	Property	Depreciation	Governance (see note 13)	2020 Total	2019 Total
	£000	£000	£000	£000	£000	£000	£000	£000
World Mission	291	332	63	141	221	332	1,380	1,402
Assistance to Salvation Army territories	475	542	103	230	360	540	2,250	1,711
International Personnel Training and Development	726	829	158	353	552	826	3,444	3,219
Crisis Relief	50	58	11	25	38	58	240	280
Health Services for the Poorest People	13	14	3	6	10	14	60	168
Fighting Against Sexual Trafficking and for Social Justice	76	87	16	37	58	86	360	337
	1,631	1,862	354	792	1,239	1,856	7,734	7,117

Depreciation on Vehicles and IT Equipment of £125,000 (2019: £137,000) forms part of rechargeable expenditure allocated on a usage basis and is included in the functional headings above.
All support costs have been allocated against Charitable Activities (see note 10).

13. GOVERNANCE COSTS

	2021	2020
	£000	£000
Charitable Activities		
Internal Audit	437	463
External Audit	79	64
Legal and Administration (includes Trustees' Indemnity Insurance)	448	816
International Child Protection Governance	183	367
Finance and Property	203	146
	1,350	1,856
Raising Funds		
External Audit - Reliance Bank	102	70
Total	1,452	1,926

An Internal Audit Department carries out a cycle of reviews of the systems in operation within IHQ and in all countries where The Salvation Army is working.
The external audit fee for Reliance Bank Limited is charged to expenditure on raising funds as part of their administrative expenses.

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

14. PERSONNEL COSTS

	2021 £000	2020 £000
Salaries and Allowances	7,372	7,050
Employer's Social Security Costs	769	701
Employer's Pension Costs	762	731
	8,903	8,482

The number of employees earning greater than £60,000 per annum was as follows:	No.	No.
£60,001 - £70,000	5	5
£70,001 - £80,000	5	3
£80,001 - £90,000	-	1
£90,001 - £100,000	4	5
£100,001 - £110,000	2	2
£110,001 - £120,000	1	-
£120,001 - £130,000	-	-
£130,001 - £140,000	-	-
£140,001 - £150,000	1	1

The highest paid employee within the above had employer pension contributions of £Nil (2020: £Nil).
The above amounts include employee and staff costs relating to the subsidiary company.

Average number of officers and employees	2021 FTE	2020 FTE
Salvation Army International Trust	166	161
Reliance Bank Limited	39	36
SALT College of Africa	14	-
TOTAL	219	197

(i) The Salvation Army International Trust
The key management personnel of The Salvation Army International Trust, comprise the General, the Chief of the Staff and seven International Secretaries. The total taxable allowances and benefits plus employers NIC of key management personnel were £229k (2020: £243k).

(ii) Reliance Bank Limited
The Bank's key management personnel are considered to be its Directors (both Executive and Non-Executive), and other members of its Executive Committee, the Chief Operating Officer, the Commercial Director and the Head of Risk and Compliance. The total taxable remuneration and benefits plus employers NIC of the Bank's key management personnel were £585k (2020: £648k). Three Directors of Reliance Bank received emoluments during the year, their remuneration were £266k (2020, £258k) and includes pension contributions of £20,522 (2020: £23,570 from acquisition). The highest paid Director received emoluments of £142,148 of which pension contributions were £Nil (2020: £145,460). Non-Executive Directors received no remuneration from the Bank and are not members of the pension scheme.
Executive Directors are eligible to apply for loans on terms that are available to all employees of the Bank.

15. TRUSTEES

(i) Remuneration
The directors of The Salvation Army International Trustee Company, the fourteen trustees (see Trustee's report for details), comprise nine senior Salvation Army officers, an employee who acts as Director/Company Secretary and five non-executive directors with specialist expertise. All Salvation Army officers receive an allowance based on length of service and other personal circumstances and, as ministers of religion, are provided with furnished accommodation and transport facilities. Salvation Army Officers are required to use the accommodation provided, or another agreed alternative, as part of their ministry. The taxable allowances and benefits received during the year by the officers serving as directors ranged from £9,387 to £25,578 (2020: £5,256 to £27,887) and they did not receive any additional remuneration for their duties as directors. The employee serving as Director/Company Secretary received remuneration of £98,909 in the executive role of Head of Finance of the charity and did not receive any additional remuneration for his duties as director. The non-executive directors did not receive any remuneration for their services.

(ii) Expenses
One (2020:two) trustee received a total of £191 (2020: £3,554) for travel expenses in their capacity as directors of The Salvation Army International Trustee Company. Expenses paid on behalf of Executive Directors, in respect of their executive roles are not included here.
There were no expenses paid to third parties on behalf of the Trustees during the year.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

16. AUDIT COSTS

The amount payable to the Auditors for the audit of these financial statements amounts to £59,000 excluding VAT (2020: £52,500).
SALT College audit review fees amounting to £4,000 excluding VAT were incurred and local Audit fees
in the first audit period following incorporation amounted to £3,000 (2020: £Nil).
Their remuneration for non-audit services represents direct liaison and coordination for the audits of African
Territories amounts to £51,250 excluding VAT (2020: £51,500) with additional payments of £215,000 (2020: £353,600)
due to overseas BDO Network Member Firms for the audits of the African territories.
The audit of Reliance Bank Limited's financial statements amounts to £85,000 excluding VAT (2020: £70,000),

17. PENSION COSTS

The Salvation Army International Trust and Reliance Bank Ltd both participate in the same multi-employer defined benefit and
defined contribution employee pension schemes, both of which are administered by The Salvation Army United Kingdom Terrritory.
They contribute to The Salvation Army Employees' Pension Fund, a funded defined benefit scheme,
in respect of those members of staff that were eligible and had joined the scheme prior to its closure
to new members on 31 December 2011.
The scheme is subject to triennial actuarial valuations, and the most recent was performed on 31 March 2018,
which reported a shortfall of £10.592 million relative to the technical provisions which corresponded to an on-going
funding ratio of 94.1%. Employers were allowed a maximum of five years to fund the shortfall by paying additional contributions.
The Salvation Army International Trust made the third and final payment to meet its share of the shortfall in March 2021.
The results of the triennial actuarial valuation performed on 31 March 2021 were not finalised
at the time of the signing of these financial statements.
Reliance Bank Ltd's shortfall from the 2018 valuation amounted to £188k and the bank elected to pay its share over a 5-year period
and had paid two of the five instalments as at March 2021 with the third one paid in August 2021.
The scheme is a multi-employer scheme incorporating five employers and the actuary has confirmed that it is not practical to
allocate the assets and liabilities of the scheme between participating employers in accordance with FRS102.
As at 31 March 2021, the Trust and Bank had 40 and 2 employees in the scheme respectively out of a total active membership of 360.

A Defined Contributions Scheme was introduced from 1 October 2011 and 44 members of staff of The Salvation Army International
Trust and 25 members of staff of Reliance Bank Ltd have joined the scheme.
Auto enrolment was adopted from 1 April 2014, with employees required to opt out if they did not want to be part of the scheme.
The Trust accounts for Pension Costs on the date payments to the Schemes fall due. The costs charged in the current year
are disclosed in Note 14.
All pension costs relating to the International Trust are met from Unrestricted funds.

18. NET GAINS ON INVESTMENTS

The following other (Losses)/Gains have been recognised during the year:

	2021 Group £000	2020 Group £000	2021 Charity £000	2020 Charity £000
Gains on Investment	56,732	2,190	56,732	2,190
Foreign Exchange (Losses)/gains on Investments	(5,730)	2,201	(5,728)	2,201
(Loss) on properties reclassified back to Fixed Assets	(58)	-	(58)	-
	50,944	4,391	50,946	4,391

Further details on Gains on Investments can be found in Note 25(e).
The significant volume of transactions denominated in US dollars has given rise to exchange losses, as rates moved between $1.2455
and $1.3798 between March 2020 and March 2021.

19. TAXATION

As a registered charity, the Trust is entitled to exemptions from tax in accordance with the provisions of Section 505 of the Income
and Corporation Taxes Act 1988.

In relation to Reliance Bank Limited the following Deferred Tax Liability applies:

Accelerated capital allowances:	2021 £000	2020 £000
Liability at start of the year	13	11
Deferred tax (Credited)/charged to profit and loss account for the Yea	(13)	2
Liability at end of the year	-	13

No deferred tax asset has been provided for at this point in respect of tax recoverable on losses except to the
extent that it offsets timing differences which will crystalise a tax charge in future periods.

20. MOVEMENT IN FUNDS

	Balance 31/03/2020	Transfers	Incoming Resources	Outgoing Resources	Balance 31/03/2021
	£000	£000	£000	£000	£000
RESTRICTED					
Property Fund	14,287	-	450	(245)	14,492
Other Fixed Assets Fund	-	-	-	-	-
Officers' Support Endowment Fund	5,062	-	186	-	5,248
Int'l Social Justice Commission Fund	2,515	-	-	-	2,515
Int'l Financial Accounting Standards Training	2,138	-	1	(943)	1,196
Other Restricted	5,653	(90)	5,733	(6,078)	5,218
	29,655	(90)	6,370	(7,266)	28,669

The Property Fund represents restricted funds used for specific property acquisitions.
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll out and training of internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

	Balance 31/03/2020	Transfers	Incoming Resources	Outgoing Resources	Balance 31/03/2021
	£000	£000	£000	£000	£000
UNRESTRICTED					
Property Fund	20,558	(1,043)	679	(634)	19,560
Other Fixed Assets Fund	916	1,858	-	(352)	2,422
Reliance Bank Share Fund	2,500	-	-	-	2,500
Designated Funds					
Property Commitments Fund	28,012	423	1,876	(2,949)	27,362
Self-Denial Fund	23,211	(6,076)	25,805	(20,758)	22,182
Investment Appreciation Fund	41,056	-	51,740	-	92,796
Investment Property Revaluation Fund	40,513	(43)	1,514	-	41,984
Exchange Equalisation Fund	5,327	-	-	(2,172)	3,155
Other Designated Funds	86,737	7,965	10,293	(14,908)	90,087
	224,856	2,269	91,228	(40,787)	277,566
General Reserve					
Held by Trust	5,822	(2,981)	11,978	(9,818)	5,001
Held by subsidiaries	(1,533)	(13)	3,289	(4,524)	(2,781)
	253,119	90	107,174	(56,115)	304,268

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.

The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 21).

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£18.21m), and an International Property Project reserve (£5.73m) held to provide additional property project funding to territories over the next 2-3 years.
The Self-Denial Fund represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 12.0 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund represents unrealised gains on investments which are still subject to market risk.
The Investment Property Revaluation Fund represents the surplus on revaluation of tenanted properties held for investment purposes.
The Exchange Equalisation Fund represents exchange gains made and held to offset future exchange losses.
Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers. This includes a Mission Support Reserve (£4.51m) held to provide additional project funding to territories over the next 2-3 years and an International Schools Development reserve (£8.06m) held to provide additional school project funding to territories over the next 2-3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£8.02m) and IT Development Reserve (£5.62m) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territroies over the next 2-3 years. A Leadership Development Reserve (£3.60m) is held to fund the enhancement of training and personal development of Officer over the next 3-4 years.
Four designated Covid-19 Reserves (totalling £4.52m) have been established to fund responses to the pandemic.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust, and is equivalent to 5.9 months expenditure on headquarters administration costs.

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

20. MOVEMENT IN FUNDS - continued

	Balance 31/03/2019	Transfers	Incoming Resources	Outgoing Resources	Balance 31/03/2020
	£000	£000	£000	£000	£000
RESTRICTED					
Property Fund	14,533	-	-	(246)	14,287
Other Fixed Assets Fund	141	-	-	(141)	-
Officers' Support Endowment Fund	4,848	-	214	-	5,062
Int'l Social Justice Commission Fund	2,515	-	-	-	2,515
Int'l Financial Accounting Standards Training	-	-	3,335	(1,197)	2,138
Other Restricted	6,059	(136)	3,427	(3,697)	5,653
	28,096	(136)	6,976	(5,281)	29,655

The Property Fund represents restricted funds used for specific property acquisitions.
The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 21).
The Officers' Support Endowment Fund represents restricted funds used to provide grants to Salvation Army officers around the world to assist with basic support costs.
The International Social Justice Commission Fund represents restricted funds to support the work of the International Social Justice Commission office.
The International Financial Accounting Standards Training represents restricted project funds to support the work of the roll out of cloud-based accounting software and training of staff on internally established International Financial Accounting Standards around the world.
All other restricted reserves are funds held for specific overseas areas of work.

Transfers from Restricted Reserves relate to transfers to the Self Denial Fund to fund operational grants to specific Territories for activities which meet the restrictions criteria.

	Balance 31/03/2019	Transfers	Incoming Resources	Outgoing Resources	Balance 31/03/2020
	£000	£000	£000	£000	£000
UNRESTRICTED					
Property Fund	18,930	2,128	109	(609)	20,558
Other Fixed Assets Fund	883	276	-	(243)	916
Reliance Bank Share Fund	1,500	1,000	-	-	2,500
Designated Funds					
Property Commitments Fund	29,116	(1,738)	2,021	(1,387)	28,012
Self-Denial Fund	22,926	(2,693)	26,435	(23,457)	23,211
Investment Appreciation Fund	43,163	(2,515)	408	-	41,056
Investment Property Revaluation Fund	40,462	-	51	-	40,513
Exchange Equalisation Fund	4,930	-	556	(159)	5,327
Other Designated Funds	83,771	5,378	4,208	(6,620)	86,737
	224,368	(1,568)	33,679	(31,623)	224,856
General Reserve					
Held by Trust	4,708	(1,700)	13,182	(10,368)	5,822
Held by Trading Subsidiary	(572)	-	4,004	(4,965)	(1,533)
	249,817	136	50,974	(47,808)	253,119

The Property Fund represents funds which have been utilised to finance the acquisition of freehold and leasehold properties.

The Other Fixed Assets Fund represents funds which have been used to finance the acquisition of Other Tangible Fixed Assets (per Note 21).

Transfers between designated reserves relates mainly to the provision for future or development expenses, such as a sinking fund to fund the replacement of the Headquarters office, funding for the High Council held to elect a new General, provision for Information Technology and Finance developments worldwide.

The Property Commitments Fund represents funds earmarked for future property acquisitions and schemes. This includes a reserve held to fund the future replacement of the IHQ building (£17.08m), and an International Property Project reserve (£6.39m) held to provide additional property project funding to territories over the next 2-3 years.
The Self-Denial Fund represents amounts held to ensure sufficient funds are available to meet the commitment to make maintenance grants to supported territories payable quarterly in advance. The balance is equivalent to 12.0 months of the budgeted grants and support costs payable to overseas territories for the following year.
The Investment Appreciation Fund represents unrealised gains on investments which are still subject to market risk.
The Investment Property Revaluation Fund represents the surplus on revaluation of tenanted properties held for investment purposes.
The Exchange Equalisation Fund represents exchange gains made and held to offset future exchange losses.
Other Designated Funds are held for particular purposes designated by the directors in the exercise of their discretionary powers. This includes a Mission Support Reserve (£2.62m) held to provide additional project funding to territories over the next 2-3 years and an International Schools Development reserve (£8.88m) held to provide additional school project funding to territories over the next 2-3 years. In addition, an International Financial and Accounting Standards Implementation Reserve (£7.53m) and IT Development Reserve (£6.32m) are held to fund provision of cloud-based accounting software and adequate Information Technology infrastructures to territories over the next 2-3 years.
A Leadership Development Reserve (£3.60m) has been established to fund the enhancement of training and personal development of Officers over the next 3-4 years.

The General Reserve represents the working capital required to fund the day-to-day needs of The Salvation Army International Trust, and is equivalent to 7.1 months expenditure on headquarters administration costs.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£000	£000	£000	£000	£000	£000
Goodwill	(4,213)	-	(4,213)	(4,740)	-	(4,740)
Other Intangible Assets	392	-	392	394	-	394
Property Assets	17,685	14,492	32,177	19,219	14,287	33,506
Other Tangible Fixed Assets	2,488	-	2,488	1,000	-	1,000
Investments	241,095	14,166	255,261	228,652	15,368	244,020
Current Assets	195,487	-	195,487	148,848	-	148,848
Current Liabilities	(209,168)	-	(209,168)	(179,731)	-	(179,731)
Debtors over one year	64,659	-	64,659	43,675	-	43,675
Creditors over one year	(4,146)	-	(4,146)	(4,198)	-	(4,198)
	304,279	28,658	332,937	253,119	29,655	282,774

Unrestricted Funds also include Funds held by the Trust as Designated.

22. INTANGIBLE FIXED ASSETS

(a) GOODWILL

The negative goodwill arising at acquisition (October 2018) represents the excess of net assets acquired over the cost of the shares purchased in Reliance Bank Limited (see note 2).

	Acquisition
Calculation of Negative Goodwill	£000
Cost of 49% acquisition in the year	4,108
Share Capital Purchased	(3,675)
Positive Goodwill on acquisition	**433**
Original cost of 51% shareholding	3,825
Cost of 49% acquisition in the year	4,108
Total cost of acquisition	7,933
Fair Value of Assets acquired - 31 October 2018	
Freehold Property (per valuation)	4,400
Investments	70,828
Current Assets including loans and advances	114,114
	189,342
Liabilities including customer accounts	(176,142)
Net Assets Acquired	13,200
Net Negative Goodwill	**(5,267)**
Write back Postive Goodwill on Acquisition	**(433)**
Negative Goodwill on Consolidation	**(5,700)**

Goodwill is being released to the Statement of Financial Activities over a period of 10 years, commencing from 31 March 2020

Amortised Goodwill	Book Value 2020	Amortisation 2021	Book Value 2021
	£000	£000	£000
Negative Goodwill	(5,130)	570	(4,560)
Positve Goodwill on Acquisition	390	(43)	347
Net Goodwill (Group)	(4,740)	527	(4,213)

(b) OTHER INTANGIBLE FIXED ASSETS

	Computer Software	Total (Charity)	Subsidiary Computer Software	Total (Group)
Cost:	£000	£000	£000	£000
Brought Forward	-	-	1,912	1,912
Additions	-	-	177	177
Disposals	-	-	(1,365)	(1,365)
	-	-	724	724
Amortisation:	-			
Brought Forward	-	-	1,518	1,518
Charge for the year	-	-	179	179
Disposals	-	-	(1,365)	(1,365)
	-	-	332	332
Net Book Value at 31 March 2021	-	-	**392**	**392**
Net Book Value at 31 March 2020	-	-	394	394

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

23. PROPERTY ASSETS

	Freehold	Long Leasehold	Overseas	Schemes in Progress	Total (Charity)	Subsidiary Land & Buildings	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2020	30,796	7,426	226	1,506	39,954	4,601	44,555
Transfers from Investment Property	114	649	-	-	763	-	763
Additions during the year	201	434	-	-	635	46	681
	31,111	8,509	226	1,506	41,352	4,647	45,999
Less: Disposals	(136)	-	-	-	(136)		(136)
Transfer to Tangible Fixed Assets	-	-	-	(1,506)	(1,506)	-	(1,506)
Transfer to Investment Property	(87)	(21)	-	-	(108)	-	(108)
Balance at 31 March 2021	30,888	8,488	226	-	39,602	4,647	44,249
Depreciation							
Balance at 1 April 2020	8,927	1,954	28	-	10,909	140	11,049
Reinstated on Transfer from Investment Property	44	39	-	-	83	-	83
Charge for the year	706	170	5	-	881	132	1,013
	9,677	2,163	33	-	11,873	272	12,145
Eliminated: on Disposals	(48)	-	-	-	(48)	-	(48)
on Transfer to Investment Property	(17)	(8)	-	-	(25)	-	(25)
Balance at 31 March 2021	9,612	2,155	33	-	11,800	272	12,072
Net Book Value at 31 March 2021	**21,276**	**6,333**	**193**	**-**	**27,802**	**4,375**	**32,177**
Net Book Value at 31 March 2020	21,869	5,472	198	1,506	29,045	4,461	33,506

The Transfer to Investments relates to tenanted properties that are held for investment purposes.

24. OTHER TANGIBLE FIXED ASSETS

	Fit-Outs	Office Equipment	IT Equipment	Vehicles	Total (Charity)	Subsidiary Office Equipment	Total (Group)
	£000	£000	£000	£000	£000	£000	£000
Cost							
Balance at 1 April 2020	5,627	75	604	59	6,365	1,138	7,503
Additions during the year	1,451	211	195	-	1,857	23	1,880
	7,078	286	799	59	8,222	1,161	9,383
Less Disposals	-	-	(170)	-	(170)	(652)	(822)
Balance at 31 March 2021	7,078	286	629	59	8,052	509	8,561
Depreciation							
Balance at 1 April 2020	5,006	15	369	59	5,449	1,054	6,503
Charge for the year	154	41	156	-	351	41	392
	5,160	56	525	59	5,800	1,095	6,895
Eliminated on disposals	-	-	(170)	-	(170)	(652)	(822)
Balance at 31 March 2021	5,160	56	355	59	5,630	443	6,073
Net Book Value at 31 March 2021	**1,918**	**230**	**274**	**-**	**2,422**	**66**	**2,488**
Net Book Value at 31 March 2020	621	60	235	-	916	84	1,000

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

25. INVESTMENTS

	2021 Cost	2021 Market Value	2020 Cost	2020 Market Value
	£000	£000	£000	£000
(a)(i) Group				
Listed Investments				
Fixed Interest				
UK Government	20,796	20,490	20,123	22,785
Overseas	565	581	517	577
Sterling Certificates of Deposit (see Note (b) below)	40,540	40,540	60,210	60,210
Equities				
UK Directly Held Equities	9,658	11,466	9,576	8,944
Overseas Directly Held Equities	91,771	126,077	86,362	96,834
	163,330	199,154	176,788	189,350
Investment Property (see Note (f) below)	7,873	49,857	8,400	48,870
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	6,250	2,990	5,800
	174,193	**255,261**	**188,178**	**244,020**
Bank Deposits (see Note (c) below)	16,137	16,137	13,571	13,571
	190,330	**271,398**	**201,749**	**257,591**
(a)(ii) Charity				
Listed Investments				
Fixed Interest				
UK Government	20,796	20,490	20,123	22,785
Overseas	565	581	517	577
Equities				
UK Directly Held Equities	9,658	11,466	9,576	8,944
Overseas Directly Held Equities	91,771	126,077	86,362	96,834
	122,790	158,614	116,578	129,140
Subsidiary Company (Note 4)				
Reliance Bank Ltd. - Shares	10,000	10,000	10,000	10,000
Investment Property (see Note (f) below)	7,873	49,857	8,400	48,870
Property - Freehold Reversionary Interest (see Note (g) below)	2,990	6,250	2,990	5,800
	143,653	**224,721**	**137,968**	**193,810**
Bank Deposits (see Note (c) below)	23,649	23,649	15,093	15,093
	167,302	**248,370**	**153,061**	**208,903**

(b) Debt Securities

Debt securities are generally held to maturity and are valued at amortised cost less impairment. £10.10m of Sterling Certificates of Deposit held at the balance sheet date mature within three months (2020: £15.04m), with £nil maturing between three and six months (2020: £15.08m) and £23.01m maturing between six months and one year (2020: £30.09m). The Bank also held Covered Bonds of £7.43m maturing between two and three years.

The role of debt securities in Reliance Bank's investment strategy is to provide a significant balance of realisable assets with high credit quality counterparties. These would be accessible in the event of unexpected funding demands which would otherwise exceed the level of instant access bank deposits that is maintained together with maturing interbank term deposits. Fixed rate debt securities are used to broadly match significant customer term deposits in terms of both interest rate risk and liquidity. A spread of maturities also helps to manage the Bank's overall maturity profile. The geographic spread of exposures to financial institutions is analysed in the Bank's Pillar 3 disclosures.

	2021 Group	2020 Group	2021 Charity	2020 Charity
(c) Bank Deposits	£000	£000	£000	£000
Sterling - Notice Deposits (less than 3 months)	-	-	8,514	1,001
US Dollars & Euros	9	10	14,508	12,257
Loans and Advances to Banks - Deposits	15,501	11,726	-	-
Cash held by Investment Managers	627	1,835	627	1,835
	16,137	**13,571**	**23,649**	**15,093**

THE SALVATION ARMY INTERNATIONAL TRUST

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

25. INVESTMENTS - continued

	2021 Group £000	2020 Group £000	2021 Charity £000	2020 Charity £000
(d) Movement in Listed Investments				
Market Value at 1 April	189,350	191,594	129,140	126,309
Purchases in year	118,663	118,605	63,230	38,605
Sales proceeds	(147,543)	(124,104)	(72,543)	(39,104)
Amortisation	(103)	(75)	-	-
Net Gains- Listed Investments	38,787	3,330	38,787	3,330
Market Value at 31 March	**199,154**	**189,350**	**158,614**	**129,140**
(e) Gains/(Losses) on Investment Assets				
Listed Investments (see Note (d) above)	38,787	3,330	38,787	3,330
Net Surplus on revaluation of Investment Property	2,042	1,316	2,042	1,316
Realised Gain on disposal of Investment Property	-	81	-	81
Release of revaluation surplus on disposal of Investment Property		(207)	-	(207)
Release of revaluation surplus on transfer of Investment Property to Fixed Assets	(528)	(912)	(528)	(912)
Gain on revaluation of Freehold Reversionary Interest (see Note (f) below)	450	-	450	-
Gain/(Loss) on revaluation of US Dollar Deposits	(1,092)	560	(1,092)	560
Gain on Cash Held by Investment Managers	2	-	2	-
Gain/(Loss) on US held investments	17,071	(1,978)	17,071	(1,978)
	56,732	**2,190**	**56,732**	**2,190**

(f) Investment Property

The investment property represents tenanted properties that are held for investment purposes. During the year there were additions to investment property at a depreciated cost of £235,359 and fair value as at 31 March 2021 of £1,100,000 giving rise to a revaluation gain of £864,641.
As part of the three-year revaluation rolling plan, sixty-nine investment properties have been valued at fair value as at 31 March 2021 resulting in an additional revaluation gain of £1,177,250.
During the year no investment properties were sold and two were transferred back to Fixed Assets.
Valuations are provided using the comparison method by an external Chartered Surveyor, with primary regard to vacant sales comparable evidence paying due regard to the resulting gross yields. The properies have been valued individually.

(g) Property - Freehold Reversionary Interest

The freehold reversionary interest represents the value of the freehold interest in 99 Queen Victoria Street (adjacent to the headquarters building) on which a long lease has been granted and rental income of £232,750 per annum is receivable. An additional £237,000 was received in the year, in relation to a break in the lease.
The freehold reversionary interest has been valued at the year end by the Trustee, based on advice from an external consulting surveyor, at £6.25 million (2020: £5.80 million)
This valuation is reported on the basis of "material valuation uncertainty", as per VPS 3 and VPGA 10 of the RICS Red Book Global. This means that although the valuation can be relied upon, less certainty can be attached in the current Covid-19 circumstances than would otherwise be the case.

26. DEBTORS AND PREPAYMENTS

	2021 Group £000	2020 Group £000	2021 Charity £000	2020 Charity £000
Due from Salvation Army territories	4,066	7,049	4,066	7,049
Funds held in USA	55,090	45,475	55,090	45,475
Prepayments	532	699	341	290
Other Debtors	600	1,434	515	1,441
Amounts falling due after more than one year:				
Loans due from Salvation Army territories.	393	562	393	562
	60,681	55,219	60,405	54,817
Loans and Advances to Bank customers (see Note (i) below)	13,239	10,092	-	-
Amounts falling due after more than one year:				
Loans and Advances to Bank Customers (see (i) below)	64,267	43,113	-	-
	77,506	53,205	-	-
	138,187	108,424	60,405	54,817

Funds held in USA are held and invested by a US Salvation Army entity on behalf of SAIT.

26. DEBTORS AND PREPAYMENTS - Continued

(i) Loans and Advances to Bank customers

The role of loans and advances to customers in the Bank's investment and operating strategy is to grow the Bank's profit margins whilst maintaining a conservative lending policy and ensuring the Bank's liquidity and overall maturity profile are not compromised.

No loans have been made to group undertakings.

	2021 £000	2020 £000
Recoverable on Demand:		
Overdrafts	287	1,115
Other Loans and Advances:		
Mortgages	38,615	24,504
Loans	38,604	27,586
	77,219	52,090
	77,506	53,205
Loans and advances to customers analysed by periods to maturity:		
Recoverable:		
On demand	7,832	9,861
In 3 months or less	1,288	1
In 1 year or less but more than 3 months	4119	230
	13,239	10,092
In 2 years or less but more than one year	222	681
In 5 years or less but more than 2 years	3,368	1,689
Over 5 years	60,831	40,881
Collective impairment provision	(154)	(138)
	77,506	53,205

27. BANK BALANCES

	2021 Group £000	2020 Group £000	2021 Charity £000	2020 Charity £000
Sterling - Interest-bearing current accounts	253	348	5,413	4,998
- Ordinary current accounts	172	142	238	360
US Dollars and Euros	37	4	3,725	4
	462	494	9,376	5,362
Loans and Advances to Banks (see (i) below)	31,302	18,126	-	-
Cash and Balances at Central Bank (see (ii) below)	73,927	51,769	-	-
	105,691	70,389	9,376	5,362

(i) Loans and Advances to Banks	2021 £000	2020 £000
Bank Balances		
Recoverable on Demand	27,670	13,602
Interbank Loans recoverable in 3 months or less	3,632	4,524
Recoverable on Demand	31,302	18,126

All the loans and advances to banks represent deposits with financial institutions whose credit ratings meet the risk appetite of the Board. No impairment provisions have been raised against these balances (2020: £nil). In both financial years, none of these loans and advances to banks were extended to related parties and none are secured.

Deposits with, and debt instruments issued by, these financial institutions play an important role in Reliance Bank's strategy and day-to-day liquidity management. Instant access bank deposits are held at a sufficient level to meet

NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

27. BANK BALANCES - continued

	2021	2020
(ii) Cash and Balances at Central Bank	£000	£000
Cash in Hand	-	-
Balances at Central Bank	73,927	51,769
	73,927	51,769

The Bank does not offer a cash counter service at its sole branch premises, with customers having access to cash facilities through existing agency bank arrangements.

The Bank of England Reserve account forms part of the Bank's pool of High Quality Liquid Assets that could be accessed in times of liquidity stress within Reliance Bank's investment strategy. The Bank maintains a low risk approach to treasury investments, with risk appetite limits set on maintenance of various liquidity thresholds. Sufficient High Quality Liquid Assets must be held to cover net cash outflows over a 30-day period as a regulatory requirement, monitored through the calculation of a Liquidity Coverage Ratio (LCR).

28. CURRENT LIABILITIES

	2021 Group	2020 Group	2021 Charity	2020 Charity
	£000	£000	£000	£000
Due to Salvation Army territories	7,323	7,650	7,322	7,650
Bank customer Accounts (see (i) below)	199,535	168,295	-	-
Other Creditors and Accruals	2,234	3,370	1,732	3,129
	209,092	179,315	9,054	10,779

	2021	2020
	£000	£000
(i) Reliance Bank Customer Accounts		
Current Accounts	108,580	63,637
Deposit Accounts	90,955	104,658
	199,535	168,295
With agreed maturity dates or periods of notice by remaining maturity:		
Repayable on demand	152,842	89,755
3 months or less but not repayable on demand	42,538	56,138
1 year or less but over 3 months	4,155	22,402
	199,535	168,295

The Bank has entered into an overarching minimum credit balance agreement with its parent and a similar arrangement exists with another key customer. The Bank agreed to adjust these minimum balance agreements during the year and total credit balances with the Bank to £69,000,000 are subject to 3 months' written notice (2020: £79,000,000). The Bank's liquidity position, under the current regulatory liquidity regime, reflects these assurances provided to the Bank.

29. OTHER CREDITORS DUE AFTER MORE THAN ONE YEAR

	2021 Group	2020 Group	2021 Charity	2020 Charity
	£000	£000	£000	£000
Deferred Payments due to Salvation Army Territories	4,108	4,108	4,108	4,108
Deferred Tax Liability	-	14	-	-
	4,108	4,122	4,108	4,108

30. OPERATING LEASE COMMITMENTS

At the 31 March 2021 The Salvation Army International Trust were committed to making the following payments in respect of operating leases:

	2021 Group £000	2020 Group £000	2021 Charity £000	2020 Charity £000
Within one year	239	195	53	81
Between one to five years	599	122	76	26
Over five years	2	-	-	-
	840	317	129	107

31. CAPITAL COMMITMENTS

There are no capital commitments at the year end.

32. GUARANTEES AND COMMITMENTS

The following guarantees and commitments of the group have arisen from the subsidiary company, Reliance Bank Limited:

	2021 Contract Amount £000	2020 Contract Amount £000
Commitments:		
Undrawn formal standby facilities of one year or less	12,688	7,465
Contingent Liabilities:		
Guarantees	7,694	7,694
	20,382	15,159

As a matter of course, the Bank takes counter indemnities to cover guarantees extended on behalf of customers. The Bank controls designated deposits sufficient to offset the guarantees extended.

Commitments reflect approved mortgage and loan commitments awaiting drawdown.

33. RELATED PARTY TRANSACTIONS

The Salvation Army International Trust receives contributions for the International Self-Denial Fund, International Headquarters Support and other items from Salvation Army territories (see Note 3). Annual grants from the Trust to territories are considered as part of the annual IHQ budget process and paid quarterly in advance to each financially supported territory (see Note 11)

The banking company, Reliance Bank Limited (Company Registration Number: 00068835, Faith House, 23-24 23-24 Lovat Lane, London, EC3R 8EB) is a wholly owned subsidiary of the Trust. Related party transactions between the two entities during the financial year include bank interest received of £42k (2020:£271k), services invoiced £18k (2020:£11k), rent and services, paid of £142k (2020:£59k) and bank charges paid of £18k (2020:£14k).

The Salvation Army Leaders Training College of Africa & Resource Centre Limited (Company Registration Number: PVT-DLUKBDP Kabete Children's Home Complex, PO Box 40575-00100, Nairobi, Kenya) is a wholly owned subsidiary of the Trust. Related party transactions between the two entities include a transfer of assets of £26k (2020:Nil) at 31 July 2020 and grants totalling £63k (2020:£Nil) from August 2020.

Trustee remuneration and expenses for SAITCo Directors are listed in Note 15.

34. ULTIMATE CONTROLLING PARTY

The charity is controlled by The Salvation Army International Trustee Company (SAITCo), a company limited by guarantee (company registration no. 2538134). SAITCo is appointed as the ordinary Trustee of The Salvation Army International Trust.

DIRECT CONTRIBUTIONS FROM TERRITORIES TOWARDS SPECIAL PROJECTS
FOR THE YEAR ENDED 31 MARCH 2021

In addition to the contributions made by the International Trust for work overseas, contributions were made directly by territories towards special projects as stated below. This information is provided by the Trustee and is not included in the opinion on the financial statements by the external auditor.

CONTRIBUTIONS FROM TERRITORIES	£
Australia	981,161
Canada and Bermuda	817,171
Denmark and Greenland	39,273
Hong Kong and Macau	871,603
Japan	49,364
Korea	6,114
The Netherlands, Czech Republic and Slovakia	425,049
New Zealand, Fiji, Tonga and Samoa	332,281
Norway, Iceland and The Faeroes	464,042
Switzerland, Austria and Hungary	1,589,627
United Kingdom with the Republic of Ireland	64,670
USA Central	3,196,428
USA Eastern	3,245,866
USA Southern	1,970,302
USA Western	1,322,790
USA SAWSO	4,356,354
	£19,732,095

RECIPIENT TERRITORIES	£
Angola	59,250
Australia	463,518
Bangladesh	263,362
Brazil	926,781
Canada and Bermuda	20,052
Caribbean	1,094,506
Congo (Brazzaville) with Gabon	336,156
Denmark and Greenland	17,540
Democratic Republic of Congo	452,006
Eastern Europe	412,036
Finland and Estonia	1,334
Germany, Lithuania and Poland	154,548
Ghana with Togo	100,568
Hong Kong and Macau	78,690
India National Secretariat	81,489
India Central	315,739
India Eastern	4,038
India Northern	272,696
India South Eastern	686,441
India South Western	233,229
India Western	448,544
Indonesia	647,708
Italy and Greece	391,798
Japan	1,530,187
Kenya East	413,284
Kenya West	596,212
Korea	31,544
Latin America North	839,663
Liberia and Sierra Leone with Guinea	303,522
Malawi	429,837
Mali with Burkina Faso	321,847
Mexico	695,784
Middle East Region	167,600
Mozambique	116,874
The Netherlands, Czech Republic and Slovakia	157,704
New Zealand, Fiji, Tonga and Samoa	37,302
Nigeria	195,746
Norway, Iceland and The Faeroes	189,819
Pakistan	95,882
Papua New Guinea and Solomon Islands	452,464
The Philippines	530,206
Russia	144,315
Rwanda and Burundi	242,758
Singapore, Malaysia and Myanmar	425,130
South America East	345,446
South America West	591,801
Southern Africa	448,895
Spain and Portugal	240,892
Sri Lanka	421,592
Sweden and Latvia	96,675
Switzerland, Austria and Hungary	57,136
Taiwan	183,678
Tanzania	375,665
Uganda	216,613
United Kingdom with the Republic of Ireland	6,525
Zambia	689,298
Zimbabwe and Botswana with Madagascar	678,170
	£19,732,095










TOGETHER
WE CAN BEAT
COVID-19
Keep hands
Clean
Wash thoroughly with soap and warm, clean water. Hand sanitiser should have a high alcohol content.
2m
Leave space
Between
Apart from those you share a home with, you should avoid being any closer than two metres (six feet) from other people.
Mask for
Hygiene
Face coverings, or masks, should be worn in indoor and crowded public spaces.
Get the
Vaccine
Getting the COVID-19 vaccine adds a layer of protection for you, your coworkers, patients, and family.
To protect yourself and others from COVID-19, it all starts with YOU.
Save lives by following these simple guidelines. Adhere to all national regulations and requirements, and take the advice of your own healthcare professionals. Download this poster and find out more about the vaccine at sar.my/beatcovid19
THE SALVATION ARMY











THE SALVATION ARMY
INTERNATIONAL TRUST

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