

Adventist Development & Relief Agency - UK

**Trustees' Report and Financial Statements
Year ended 31 December 2024**

*Charity Numbers
Scotland: SCO37726
England and Wales: 1074937*

Adventist Development and Relief Agency UK

YEAR ENDED 31 DECEMBER 2024

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Adventist Development and Relief Agency - UK

Trustees' Report Year Ended 31st December 2024

Reference and Administrative Details:

Trustees:

Eglan Brooks (Chair)
John Surridge (Resigned 13 June 2024)
Andrew Baildam
Stephen Logan
Jennifer Phillips
Snowdon Reid
Helen Rodd
Tristan Simmons
Gordon James Sagers
Wederly Aguiar
Jacques Venter (Appointed 13 June 2024)

General Secretary:

Helia Mateus, Interim Chief Executive Officer (Appointed 1 December 2023 to 31 May 2024)
Sandra Golding, Chief Executive Officer (Appointed 1 June 2024)

Bankers:

HSBC Bank plc, 73 High Street,
Watford, WD1 2DS

Solicitors:

Anthony Collins LLP, 134 Edmund Street,
Birmingham, BS 2ES

Auditors:

Moore Kingston Smith LLP, 4 Victoria Square,
St Albans, AL1 3TF

Registered Office:

British Union Conference, Stanborough Park,
Watford, WD25 9JZ

Registered Charity Numbers:

England and Wales: 1074937
Scotland: SC037726

Legal Statement

We present this report and financial statements of the charity for the year ended 31 December 2024 which have been audited by Moore Kingston Smith LLP. The Charity also operates and is identified under the acronym ADRA-UK.

The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Adventist Development and Relief Agency - UK

Trustees' Report Year Ended 31st December 2024

a. Constitution

The Charity was established by Trust Deed dated 24 November 1998 (updated in 2001 and 2008). The principal object of the Charity is to apply financial, material, and technical resources toward:

- a. The relief of poverty, sickness and distress of those in need, resulting from the effects of war, famine or any other natural or man-made disaster anywhere in the world.
- b. Addressing the long-term effects of poverty.
- c. The education of the public concerning the causes, effects and means of alleviation of poverty and distress.

There has been no change in objectives since the last report.

b. Method of appointment and election of trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

c. Organisational structure and decision making

The Charity is governed by its Board of Trustees. It is part of the international network of offices of the Adventist Development and Relief Agency – and works in co-operation with other offices in the network in implementing approved projects.

d. Risk management

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Statement of Financial Activities (SOFA)

The SOFA shows a deficit of £28,004 (2023: Surplus of £179,602). This result was mainly due to higher project expenses.

Income

Donated income is made up of general donations, donations received by the churches, legacies and the Appeal donations. The Charity's main donor base consists of members of the Seventh-Day Adventist Church. Donated income decreased by 17% in comparison to 2023 (which included significant legacies and donations for the Turkey/Syria Earthquake). The cost of living crisis in the UK is still impacting fundraising activities. We were able to undertake our annual appeal again in 2024. The Charity is grateful to its donors for their continued giving, as these funds go a long way towards helping those in need in the countries we operate.

Our main projects include:

- the UK Foreign, Commonwealth and Development Office (FCDO) funded 'Girls Education South Sudan' GESS project in South Sudan which is on-going.
- the Jersey Overseas Aid (JOA) funded 'the Enhanced Rural AI' (TERAI) project for smallholder Dairy Farmers in Nepal launched in 2022.
- the Royal Jersey Agricultural and Horticultural Society funded 'Jersey Breed-Focused Dairy Development in Zambia' launched in 2022.

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Trustees' Report Year Ended 31st December 2024

- the EU funded Sri Lanka 'Addressing the Immediate and Medium-term Needs of the Rural and Estate Communities in Creating Environmental and Nutritional Development' (AIM-RECCEND) which was completed on early 2024.

We are also contract named partners in EU projects in Myanmar, Sri Lanka and Thailand where we provide co-financing, financial and programmatic monitoring support. In addition, we supported small projects in Ghana, India, Nepal, Mauritania and Timor Leste.

In 2024, we raised just over £100,000 to support our humanitarian work. These funds helped us respond to emergencies in Brazil, Gaza, Lebanon, Syria and Zambia, as well as the aftermath of Hurricane Beryl in Grenada, Jamaica, Mexico, and St Vincent and the Grenadines. We also continued our ongoing support for Ukraine.

Expenditure

Restricted expenditure on charitable activities, which consists of project costs funded by FCDO, EU and the JOA, saw a 3% decrease in comparison to 2023. This is largely due to the completion of the EU Sri Lanka project in early 2024.

As part of project grant conditions, ADRA is often required to contribute towards funding a proportion of the project costs, i.e., match funding. In addition to this, ADRA-UK finances small projects directly. The match funding and the small project funding thus constitute the unrestricted expenditure on charitable activities. In 2024, there was a 24% increase in unrestricted charitable expenditure reflecting the support to projects and emergency appeals.

In 2024, the charity resumed its annual appeal again with a renewed focus, moving away from its pre-pandemic approach, which heavily relied on door-to-door fundraising. This method has remained discontinued since the pandemic. Moving forward with this new approach to fundraising, the charity aims to strengthen and expand its fundraising efforts.

Balance Sheet

The amount of Cash held in the Bank increased by £1,983,587 largely due to the early receipt of EU funds for the Somalia ACTIVE project. A decrease in Debtors and increase in Creditors is reflected in the Balance Sheet as a result of the advances on projects to ADRA overseas implementing offices (debtors) and from donors (liabilities) on the projects.

ADRA-UK also advanced funds to partnering ADRA offices to facilitate project implementation. Funds that are not yet used by these offices are recognised as Debtors. The Debtors was mainly driven by the advances to Nepal, South Sudan, and Zambia projects.

Principal Funding

ADRA-UK's success is substantially dependent on winning projects supported by institutional donors (EU, the FCDO, Jersey Overseas Aid, UN agencies), and on its Appeals and Campaigns. The Charity is also supported through donations and legacies by members of the Seventh-day Adventist Church and the general public.

Material Investments Policy

ADRA-UK seeks to respond to emergent needs and thus maintains its reserves in deposit funds or Money Market interest-bearing accounts. It has also been the recipient of investment equities and bonds, which have been retained.

Adventist Development and Relief Agency - UK

Trustees' Report Year Ended 31st December 2024

Reserves Policy

The Charity's Reserves are separated into three main categories (See Statement of Changes in Fund Balances):

- Restricted funds are generated when the donor stipulates how their donation may be spent. At the year end, restricted funds amounted to £148,601 (2023: £221,927).
- Unrestricted funds are generated when donors do not stipulate how their donation must be spent. At the year end, unrestricted funds amounted to £2,406,339 (2023: £2,361,017).
- Unrestricted funds include designated funds which are those that have been set aside by the Trustees for a specific purpose such as project funding. At the year end, unrestricted designated funds amounted to £301,235 (2023: £208,291).

Public Benefit

In setting plans and priorities for areas of work, the Trustees have given regard to guidance from the Charity Commission on the provision of public benefit. The Trustees have considered and will continue to consider how our planned activities will contribute to the objectives we have set. How we deliver our principal objective "reduction of poverty in the relief of suffering particularly in situations of disaster" is demonstrated in our policies, objectives, and plans.

The public benefit arising from our work is inherent in the grants made and the assistance given. Furthermore, we are mindful of the social, moral, and ethical causes of poverty and our purpose is both to address the causes and offer relief in outcome.

Key Management Personnel

The Trustees consider the board of Trustees, Chief Executive Officer, Chief Finance Officer and Chief Programmes Officer as comprising the key management personnel of the Charity, in charge of directing and controlling the Charity and running and operating the Charity on a day-to-day basis.

All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in note 20 of the accounts.

Trustees are required to disclose all relevant interests and register them with the Chief Executive. None of the Trustees had financial interests with the Charity or its Parent; any such interests would be disclosed.

Trustee Induction and training

Prospective new Trustees are familiar with the Charity as they will have been associated with the Agency in some way. New Trustees are invited for an induction day with senior staff at the Agency. New Trustees are provided with information which outlines specific responsibilities and expectations of both the Trustees and the Charity. On-going training is offered to all Trustees, which includes events and courses that are organised both internally and externally. Beyond this, Trustees are invited at times to visit and to monitor projects both as ambassadors and consultants.

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

Adventist Development and Relief Agency - UK

Trustees' Report Year Ended 31st December 2024

The law applicable to charities in England and Wales requires the Charity Trustees to prepare financial statements for each year, which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable 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 charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charity Accounts and Reports Regulations 2008 and the provisions of the Trust Deed. 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.

Statement of Disclosure to Auditors

So far as the Trustees are aware, there is no relevant audit information of which the Charity's auditors are unaware; and the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

Approved by the Trustees of Adventist Development and Relief Agency UK and signed on their behalf by

Wederly Aguiar

Trustee

Date:

Independent Auditor's Report to The Trustees of The Adventist Year Ended 31st December 2024

Opinion

We have audited the financial statements of the Adventist Development Relief Agency United Kingdom for the year ended 31 December 2024 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the 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 Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024, and of its outgoing 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 Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and 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 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 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are 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.

Adventist Development Relief Agency -UK

Independent Auditor's Report to The Trustees of The Adventist Year Ended 31st December 2024

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 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 where the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the 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 trustees' responsibilities statement set out on page 4, the trustees are 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 trustees determine 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 trustees are responsible for assessing the 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 trustees either intend 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 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act and Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Adventist Development Relief Agency -UK

Independent Auditor's Report to The Trustees of The Adventist Year Ended 31st December 2024

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Explanation as to what extent the audit was considered 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.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

Independent Auditor's Report to The Trustees of The Adventist Year Ended 31st December 2024

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and to the charity's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinion we have formed.

Moore Kingston Smith LLP

Date

Roger Ogden FCCA
Senior Statutory Auditor
4 Victoria Square
St Albans
Herts
AL1 3TF

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006

Adventist Development & Relief Agency -UK

Statement of Financial Activity For the year ended 31 December 2024

		2024			2023		
	Note	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
		£	£	£	£	£	£
Incoming Resources							
Income and Endowments From:							
Donations and Legacies	2	527,836	124,084	651,920	576,114	330,853	906,967
Charitable Activities	2	155,491	1,514,266	1,669,757	161,466	1,582,690	1,744,156
Investments	2	44,056	-	44,056	26,329	-	26,329
Other income	2	970	-	970	1,536	-	1,536
Total Incoming Resources		728,353	1,638,350	2,366,703	765,445	1,913,543	2,678,988
Resources Expended							
Expenditure On:							
Charitable Activities	4a	568,855	1,721,010	2,289,865	638,028	1,796,603	2,434,631
Raising Funds	4d	131,059	-	131,059	80,641	-	80,641
Total Resources Expended		699,914	1,721,010	2,420,924	718,669	1,796,603	2,515,272
Net (expenditure)/ income before investment gains/(losses)		28,439	(82,660)	(54,221)	46,776	116,940	163,716
Net (losses)/gains on investments	13	26,217	-	26,217	15,886	-	15,886
Net (expenditure)/income before transfers		54,656	(82,660)	(28,004)	62,662	116,940	179,602
Transfers between funds	19	(9,334)	9,334	-	56,689	(56,689)	-
Net movement in funds		45,322	(73,326)	(28,004)	119,351	60,251	179,602
Reconciliation of Funds:							
Total funds brought forward	19	2,361,017	221,927	2,582,944	2,241,666	161,676	2,403,342
Total funds carried forward	19	2,406,339	148,601	2,554,940	2,361,017	221,927	2,582,944

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Balance Sheet As at 31 December 2024

	Note	Total 2024	Total 2023
<u>Non-current Assets</u>			
Tangible Fixed Assets	12	3,002	1,196
Total Non-Current Assets		3,002	1,196
<u>Current Assets</u>			
Debtors	14	576,694	1,258,872
Investments	13	281,116	254,899
Cash at bank	17	3,821,417	1,837,830
Total Current Assets		4,679,227	3,351,601
<u>Liabilities</u>			
Creditors: Amounts falling due within one year	15	2,127,289	769,853
Net Current Assets		2,551,938	2,581,748
Total Net Assets		2,554,940	2,582,944
<u>The Funds of the Charity:</u>			
Restricted Income Funds	19	148,601	221,927
Unrestricted Funds	19	2,406,339	2,361,017
Total Charity Funds		2,554,940	2,582,944

Approved and authorised for issue by the Board of Trustees on and signed on its behalf by:

.....
Wederly Aguiar - Trustee

Adventist Development Relief Agency -UK

Cash Flow Statement For the year ended 31 December 2024

		2024 £	2023 £
Cash Flows from Operating Activities:			
Net Cash generated from/used by Operating Activities	(Note 11)	1,943,015	(138,869)
Cash Flows from Investing Activities:			
Dividends and Interest from Investments		44,056	26,329
Purchase of Fixed Assets		(3,484)	-
Net cash provided by investing activities		40,572	26,329
Change in cash and cash equivalents in the reporting period		1,983,587	(112,540)
Cash and Cash Equivalents at the beginning of the reporting period		1,837,830	1,950,370
Cash and Cash Equivalents at the end of the reporting period		3,821,417	1,837,830

Analysis of changes in net debt

	At start of year	Cash flows	At end of year
Cash	1,837,830	1,983,587	3,821,417
Total	1,837,830	1,983,587	3,821,417

Adventist Development & Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

Note 1 - Accounting Policies

a. Basis of preparation

The accounts (financial statements) have been prepared under the historical cost convention with transactions recognised at cost or transaction value unless otherwise stated in the relevant note to these accounts. These financial statements have been prepared in accordance with the statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

b. Going Concern

The Trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the Trustees have considered the Charity's forecasts and projections and have taken account of pressures on income.

The Charity continues to receive grants and ad hoc donations and seeks to win new projects in the future. Furthermore, as at 31 December 2024 the Charity had cash reserves of just over £3.8 million, which the Trustees believe is sufficient for the charity to meet its liabilities as they fall due.

After making enquiries, the Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future being at least 12 months from the date of signing the financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

c. Funds structure

Restricted income funds are funds which are to be used in accordance with specific restrictions imposed by the donor or trust deed.

Unrestricted income funds comprise those funds which the Trustees are free to use for any purpose in the furtherance of charitable objects. They include designated funds where the Trustees, at their discretion, have created a fund for a specific purpose. Further details of each fund are disclosed in note 19.

Designated funds for named projects (Note 19) are unrestricted funds. This includes those funds set aside by the Trustees in order to meet the Charity's contractual obligations for funding the Charity's share of project costs. This is usually in relation to the Charity's contracts with the UK Government and the European Union and Jersey Overseas Aid.

d. Grant-making policies

The Trustees allocate grants in accordance with the objects set out in Charity's governing document as summarised in the Trustees' Annual Report.

Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

e. Income recognition

All income is recognised once the Charity has entitlement to that income, it is probable that received, and the amount of income receivable can be reliably measured.

Donations are recognised when the Charity has been notified in writing of both the amount. In the event that a donation is subject to conditions that require a level of performance before being entitled to the funds, the income is deferred and not recognised until either those conditions or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that they will be fulfilled in the reporting period.

Legacies are recognised following the granting of probate when the administrator/executor has communicated in writing both the amount and settlement date. In the event that the gift is an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is given when the value of the gift being reliably measurable with a degree of reasonable accuracy and the title has been transferred to the Charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably. Interest on Charity; this is normally upon notification of the interest paid or payable by the bank. Dividends are included once the dividend has been declared and notification has been received of the dividend due upon receipt of a dividend voucher and related cash.

f. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation to the Charity to that expenditure, it is probable that settlement will be required, and the amount can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs are apportioned to the applicable expenditure headings.

Grant awards that are subject to the recipient fulfilling performance conditions are only recognised when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to the grant is within the control of the Charity.

Provisions for grants are made when the intention to make a grant has been communicated and there is uncertainty as to the timing of the grant or the amount of grant payable.

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Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

g. Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

h. Foreign currency

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling on the date of the transaction. Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the end of the financial year. All exchange differences are recognised within the statement of financial activities.

i. Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and valued at historical cost.

Depreciation is charged over their estimated useful life as follows:

Property (portable office): 10% straight line

Office fixtures and equipment: 33.33% straight line

j. Current asset investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing quoted market price (note 13). The statement of financial activities includes the net gains and losses arising on revaluation throughout the year.

The Charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity is that of volatility in equity and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

k. Realised and unrealised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year.

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value.

Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

I. Pensions

Employees of the Charity are entitled to join a defined contribution 'money purchase' scheme. The Charity contribution is restricted to the contributions disclosed in note 9. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included within charitable activities or fundraising costs and charged to the unrestricted funds of the Charity on the basis of the employees employed under each of those activities.

From 1st January 2014, contributions have been made under the Auto-Enrolment compliance legislation by the employer to a Defined Contribution plan invested with the Legal and General insurance company (see note 9).

The assets of the defined contribution pension scheme are held separately from the charity.

The Charity previously participated in a defined benefit pension scheme of the British Union Conference of Seventh Day Adventists. This scheme closed to joiners after 31 December 2013.

ADRA-UK became a charity after the historic deficit was established and does not contribute to the recovery plan.

m. Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and other short-term liquid investments with original maturities of three months or less.

Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

Note 2 - Analysis of Income

	2024			2023		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£
Donations and Legacies						
Annual Appeal - Other	93,856	-	93,856	35,361	-	35,361
Other Donations	433,980	124,084	558,064	530,753	224,075	754,828
Legacies	-	-	-	10,000	106,778	116,778
Total Income from Donations and Legacies	527,836	124,084	651,920	576,114	330,853	906,967
Charitable Activities						
Project Grants Received - FCDO	-	735,999	735,999	-	807,569	807,569
Project Grants Received - JOA	-	594,410	594,410	31,739	437,745	469,484
Project Grants Received - EU	-	183,857	183,857	-	337,376	337,376
Project Overhead Income	127,991	-	127,991	117,727	-	117,727
Other Grants	27,500	-	27,500	12,000	-	12,000
Total Income from Charitable Activities	155,491	1,514,266	1,669,757	161,466	1,582,690	1,744,156
Income from Investments						
Interest On General Income	36,058	-	36,058	22,629	-	22,629
Unrealised Gain on Invesmtnt	-	-	-	-	-	-
Share Dividends	7,998	-	7,998	3,700	-	3,700
Total Income from Investments	44,056	-	44,056	26,329	-	26,329
Other Income						
Sales of Promotional Items	-	-	-	-	-	-
Realised Foreign Exchange Gain	970	-	970	1,536	-	1,536
Fixed asset Profit	-	-	-	-	-	-
Total Other Income	970	-	970	1,536	-	1,536
Total Income	728,353	1,638,350	2,366,703	765,445	1,913,543	2,678,988

Note 3 - UK Government Grant Income

	2024	2023
	£	£
Cash Received in the Year		
FCDO - South Sudan - GESS Project (EES)	793,865	881,991
Total	793,865	881,991
	2024	2023
	£	£
Amounts Recognised as Income in the Year		
FCDO - South Sudan - GESS Project	735,999	807,569
Total	735,999	807,569

Income is recognised based on stage of completion of project in line with contract terms and conditions.

Notes to the Accounts
For the year ended 31 December 2024

**Note 4 - Analysis of Resources
Expended**

	2024			2023		
	Unrestricted Funds £	Restricted Funds £	Total £	Unrestricted Funds £	Restricted Funds £	Total £
4a. Charitable Activities Costs						
Direct Costs (Note 4b)	459,682	1,721,010	2,180,692	565,192	1,782,436	2,347,628
Support Costs (Note 4c)	109,173	-	109,173	72,836	14,167	87,003
Total Charitable Activities Costs	568,855	1,721,010	2,289,865	638,028	1,796,603	2,434,631
4b. Direct Expenditure on Charitable Activities						
Project Expenses - FCDO	-	748,459	748,459	30,620	807,569	838,189
Project Expenses - EU	13,000	160,873	173,873	-	317,925	317,925
Project Expenses - ADRA-UK	-	-	-	35,309	81,218	116,527
Grants paid to Partner Agencies (Note 10)	1,600	233,865	235,465	-	143,105	143,105
Project Expenses - JOA	66,826	577,813	644,639	-	432,619	432,619
Project Consultancy	1,190	-	1,190	4,765	-	4,765
Grants Disbursed Donors/Others	11,368	-	11,368	76,131	-	76,131
Other Project Expenses	4,032	-	4,032	109	-	109
Salaries and Wages	283,561	-	283,561	311,883	-	311,883
Employer Social Security Costs	31,930	-	31,930	34,140	-	34,140
Employer Pension Contributions	38,223	-	38,223	52,432	-	52,432
Other Employee Expenses	7,952	-	7,952	19,803	-	19,803
Total Direct Expenditure on Charitable Activities	459,682	1,721,010	2,180,692	565,192	1,782,436	2,347,628
4c. Analysis of Support Costs Attributed to Charitable Activities						
Audit Fees - Statutory Audit (5e)	25,000	-	25,000	23,600	-	23,600
Trustee And Advisory Meetings (5e)	4,291	-	4,291	717	-	717
Professional and Membership Fees	6,441	-	6,441	8,161	-	8,161
Travel Expenses	26,324	-	26,324	15,849	-	15,849
Office and Administrative Expenses	25,166	-	25,166	12,594	14,167	26,761
Staff Training and Conferences	5,254	-	5,254	3,649	-	3,649
Depreciation & Loss on Sale	1,678	-	1,678	1,251	-	1,251
Exchange Rate Loss / (Gain)	4,988	-	4,988	-	-	-
Bank Fees And Charges	10,031	-	10,031	7,015	-	7,015
Total Support Costs Attributed to Charitable Activities	109,173	-	109,173	72,836	14,167	87,003

Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

4d. Expenditure on Raising Funds

	2024			2023		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£
Incurred Seeking Donations	55,037	-	55,037	34,893	-	34,893
Incurred Seeking Grants	76,022	-	76,022	45,748	-	45,748
Total Expenditure on Raising Funds	131,059	-	131,059	80,641	-	80,641

The above costs relating to seeking grants of £76,022 included amounts of £31,930 incurred for the 40th Anniversary celebrations.

5. Governance Costs

Audit Fees - Statutory Audit	25,000	-	25,000	23,600	-	23,600
Trustee And Advisory Meetings	4,291	-	4,291	717	-	717
Total Governance Costs	29,291	-	29,291	24,317	-	24,317

6. Analysis of Resources Expenses by Expenditure Type

	Staff Costs 2024 £	Depreciation 2024 £	Other Costs 2024 £	Total 2024 £
Cost of Generating Voluntary Income (Note 4d)	-	-	131,059	131,059
Charitable Activities: Humanitarian Aid (Note 8,12,19)	353,714	1,678	1,934,473	2,289,865
	353,714	1,678	2,065,532	2,420,924

Note 7 - Fees for Examination of the Accounts

	2024			2023		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
	£	£	£	£	£	£
Audit Fees - Statutory Audit	25,000	-	25,000	23,600	-	23,600
Total Fees for Examination of the Accounts	25,000	-	25,000	23,600	-	23,600

Notes to the Accounts
For the year ended 31 December 2024

Note 8 - Paid Employees

	2024			2023		
	Unrestricted Funds	Restricted Funds	Total	Unrestricted Funds	Restricted Funds	Total
Note 8.1 - Staff Costs	£	£	£	£	£	£
Salaries and Wages	283,561	-	283,561	311,883	-	311,883
Social Security Costs	31,930	-	31,930	34,140	-	34,140
Pension Costs	38,223	-	38,223	52,432	-	52,432
Other Employee Benefits	7,952	-	7,952	19,803	-	19,803
Total Staff Costs	361,666	-	361,666	418,258	-	418,258

During the reporting period, the number of employees receiving employee benefits of £60,000 or more excluding Employer Pension Costs and National Insurance was 1 (2023: 1).

The total amount of employee benefits including employer pensions paid for key management personnel for their services to the Charity was £151,975 (2023: £199,881). This does not include Employer National Insurance.

None of the Trustees were remunerated for their services as Trustees to ADRA-UK nor did they accrue any retirement benefits.

8.2 Average Head Count in the year

The parts of the Charity in which the employees work:	2024	2023
Charitable Activities	7	7
Total	7	7

Note 9 Pensions

Note 9.1 Defined contribution pension scheme	2024	2023
	£	£
Amount of employers contributions recognised in the SOFA as an expense	38,223	52,432

Note 10 Grant making

10.1 Analysis of grants paid (included in cost of charitable activities)

	2024	2023
Analysis of grants paid (to institutions):	£	£
Adventist UK Community Hubs	2,000	4,103
Emergency Grants to ADRA Network offices	118,400	134,002
Other Grants to ADRA Network offices	115,065	5,000
Total grants paid to institutions	235,465	143,105

The Charity did not make any grants to individuals.

Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

	2024 £	2023 £
<u>Note 11. Reconciliation of net (expenditure) to net cash flow from operating activities</u>		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(28,004)	179,602
Adjustments for:		
Depreciation Expense	1,678	1,251
Losses/(gains) on Investments	(26,217)	(15,886)
Dividends and Interest from Investments	(44,056)	(26,329)
(Increase)/Decrease in Debtors	682,178	(131,708)
Increase (Decrease) in Creditors	1,357,436	(145,799)
Net Cash provided by Operating Activities	<u>1,943,015</u>	<u>(138,869)</u>
<u>Note 11a. Analysis of cash and cash equivalents</u>		
Cash at bank	<u>3,821,417</u>	<u>1,837,830</u>

Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

Note 12 Tangible fixed assets

	Portable Office	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 January 2024	16,165	21,059	37,224
Additions	-	3,484	3,484
Disposals	-	-	-
At 31 December 2024	16,165	24,543	40,708
Depreciation			
At 1 January 2024	16,165	19,863	36,028
Charge for the year	-	1,678	1,678
Depreciation on disposal	-	-	-
At 31 December 2024	16,165	21,541	37,706
Net book value			
At 1 January 2024	-	1,196	1,196
At 31 December 2024	-	3,002	3,002

Note 13 Current Asset Investments

	2024	2023
	£	£
Fair Value at 1st January 2024	254,899	239,013
(Decrease)/Increase in fair value	26,217	15,886
Fair Value at 31st December 2024	281,116	254,899

The year end fair values of listed equities were obtained from data published by the London Stock Exchange, whereas the Prudential bond valuation was provided by the issuer.

Current asset investments represent 6.0% (2023: 7.1%) of the Charity's total Current Assets.

	Value When Gifted	2024	2023
	£	£	£
Investments consist of the following:			
Equities (listed)	110,344	127,143	108,030
Prudential Bond	25,000	153,973	146,869
Total	135,344	281,116	254,899

Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

Note 14 Debtors and Prepayments

Debtors due in less than 1 year	2024 £	2023 £
Amounts Receivable for performance-related Grants	526,670	870,490
Prepayments and Accrued Income	45,299	122,345
Other Debtors	4,725	92,860
Total Debtors and Prepayments due in less than 1 year	576,694	1,085,695

Debtors due over 1 year

Amounts Receivable for performance-related Grants	-	173,177
Total Debtors and Prepayments due over 1 year	-	173,177

Total Debtors	576,694	1,258,872
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Note 15 Creditors and Accruals

	2024 £	2023 £
Amounts Payable performance-related Grants	2,085,885	678,438
Accrued Expenses	41,019	84,038
Other Creditors	385	7,377
Total Creditors and Accruals	2,127,289	769,853

Note 16 Provisions for Liabilities and Charges

During the year ended 31st December 2024, the Charity had made no outstanding grant commitments (2023: NIL).

Note 17 Cash at Bank and in Hand

	2024 £	2023 £
Cash at bank	3,821,417	1,837,830
Total	3,821,417	1,837,830

Note 18 Fair Value of Assets and Liabilities

18.1 Management considers that the exposure to risk is minimal. No credit is extended, and the value of investments is not significant to the Charity's operation. Commitments to provide matching funds are set aside as designated funds at the commencement of each project.

18.2 The fair value of Current Asset investments increased by £26,217 and this increase has been recognised in the Statement of Financial Activity.

Notes to the Accounts
For the year ended 31 December 2024

Note 19 Charity Funds

19.1 Details of material funds held and movements during the current reporting period

Fund names	Purpose	Fund balances brought forward	Income	Expenditure	Transfers (Note 19.3)	Fund balances carried forward
		£	£	£	£	£
Designated funds						
Invested in Property and Equipment	Fixed Assets	1,564	-	1,678		(114)
Major Emergency Fund	Major Emergencies	-	-			-
Named Project Funds	Project commitments	206,727	97,257	3,872	1,237	301,349
Total designated funds		208,291	97,257	5,550	1,237	301,235
General Fund	General	2,152,726	657,313	694,364	(10,571)	2,105,104
Total Unrestricted funds		2,361,017	754,570	699,914	(9,334)	2,406,339
Restricted funds						
Myanmar -Case 2 Learn		-				-
South Sudan - GESS	Girls' Education	(1)	748,459	748,459	1	-
Sri Lanka - EU Project	Environmental and Nutritional Development	19,450	171,397	162,699		28,148
Jersey Overseas Aid	Agricultural Support	5,126	585,135	585,135	(5,126)	-
Virtual gift boxes	Benefit disadvantaged children in UK	618			50	668
Urban Ministries Jubilee	Migrant Advocacy	1,737		500	(1,237)	-
Emergency Restricted Funds	Small Emergencies	90,031	100,292	118,300	(32,418)	39,605
Small Restricted Funds	Small Projects	104,966	33,067	105,917	48,064	80,180
Total restricted funds		221,927	1,638,350	1,721,010	9,334	148,601
Total funds		2,582,944	2,392,920	2,420,924	-	2,554,940

19.2 Analysis of Assets between Funds

	2024			2023		
	Restricted Funds	Unrestricted Funds	Total Funds	Restricted Funds	Unrestricted Funds	Total Funds
	£	£	£	£	£	£
Tangible Fixed Assets	-	3,002	3,002	-	1,196	1,196
Current Assets	148,601	4,530,626	4,679,227	221,929	3,129,672	3,351,601
Creditors due within one year	-	(2,127,289)	(2,127,289)	-	(769,853)	(769,853)
Total Funds	148,601	2,406,339	2,554,940	221,929	2,361,015	2,582,944

Adventist Development Relief Agency -UK

Notes to the Accounts For the year ended 31 December 2024

19.3 Transfers between funds in 2024

Between unrestricted and restricted funds:		Reason for transfer	Amount (£)
Various small restricted funds	General	To fund shortfall in restricted funds	9,334
			9,334

19.4 Details of material funds held and movements during the previous reporting period :

Fund names	Purpose	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Designated funds						
Invested in Property and Equipment	Fixed Assets	2,815	-	1,251	-	1,564
Major Emergency Fund	Major Emergencies	100,137	-	-	(100,137)	-
Named Project Funds	Project Commitments	192,869	35,361	63,503	42,000	206,727
Total designated funds		295,821	35,361	64,754	(58,137.00)	208,291
General Fund	General	1,945,845	745,970	653,915	114,826	2,152,726
Total unrestricted funds		2,241,666	781,331	718,669	56,689	2,361,017
Restricted funds						
Myanmar - Case 2 Learn		-	-	-	-	-
South Sudan - GESS	Girls' Education	-	807,568	807,569	-	(1)
Sri Lanka - EU Project	Environmental and Nutritional Development	-	337,375	317,925	-	19,450
Jersey Overseas Aid	Agricultural Support	-	437,745	432,619	-	5,126
Virtual gift boxes	Benefit disadvantaged children in UK	618	-	-	-	618
Urban Ministries Jubilee	Migrant Advocacy	5,840	-	4,103	-	1,737
Emergency Restricted Funds	Small Emergencies	53,020	171,013	134,002	-	90,031
Small Restricted Funds	Small Projects	102,198	159,842	100,385	(56,689)	104,966
Total restricted funds		161,676	1,913,543	1,796,603	(56,689)	221,927
Total funds		2,403,342	2,694,874	2,515,272	-	2,582,944