

Company Number: 4210929
Registered Charity No: 1089276 (England & Wales)
SC042147 (Scotland)

A ROCHA UK

**TRUSTEES' REPORT
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
31 DECEMBER 2020**

A ROCHA UK

CONTENTS

	Page
Reference and administrative information	1
Trustees' report	2-14
Independent auditors' report	15-18
Statement of financial activities	19
Balance sheet	20
Statement of cash flows	21
Net debt reconciliation	22
Notes to the financial statements	23 - 34

A ROCHA UK
Year Ended 31 December 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	IJ McKay, Chair N A W Baker (appointed 5 June 2020) Dr C Beale (appointed 5 June 2020) D F Chandler J R Eames-Petersen, Treasurer (F) Dr A G Gosler (retired 5 June 2020) Rev Dr B J Griffiths (appointed 5 June 2020) J M Hibbert-Hingston (appointed 5 June 2020) R Kirby (appointed 5 June 2020) J Moore (appointed 5 June 2020) H M Oldfield (F) Dr J W Pearce-Higgins Rev Dr M J M Perry (appointed 5 June 2020) J A Stuart R M Thornbury (appointed 5 June 2020) (F) - member of Finance Committee
Company number	4210929
Charity Numbers	1089276 (England & Wales) SC042147 (Scotland)
Registered Office	80 Windmill Road, Brentford, TW8 0QH
Chief Executive Officer	Andy Atkins
Independent Auditors	Price Bailey LLP 24 Old Bond Street London W1S 4AP
Principal Bankers	CAF Bank Limited Kings Hill West Malling Kent ME19 4TA

A ROCHA UK

Year Ended 31 December 2020

DIRECTORS' AND TRUSTEES' REPORT

Introduction

The trustees (who are also directors of the company for the purposes of the Companies Act) present their report and the audited financial statements of A Rocha UK ("ARUK") for the year ended 31 December 2020. The Reference and Administrative information on page 1 forms part of this report.

The trustees confirm that the report and financial statements of the charity comply with the current statutory requirements, the requirements of the company's governing document, and the provisions of "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 (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

Thanks

We, the trustees, are grateful to all those who support the work in action, giving, and prayer. We are especially grateful for the extraordinary support we have received during 2020 when, as for so many charities, the Covid-19 pandemic and the associated lockdowns significantly affected our normal activities and jeopardised our income streams. That we ended the year ahead of our original income budget is a testament to the commitment of supporters and funding partners.

Staff: During the year the number of staff (full and part time) increased to 17 from 16 at the end of the previous year (14.5 from 12.7 FTE) to expand capacity on the Eco Church programme, in Supporter Relations, and the Partners in Action programme. We also took on a temporary project manager to coordinate the premises move. During the first lockdown 4 staff were furloughed reflecting the temporary reduction in programme activity. By subsequent lockdowns we no longer needed to do this, it being clear that our income was holding up and that there was no shortage of work to be done. Staff adapted swiftly to the need to work from home and to learn new ways of working and collaborating online. We are most grateful to the staff team for their commitment and adaptability.

Volunteers: Our volunteers continued to provide a vital contribution to the work of the charity giving of their time, passion and energy. The volunteers include both regular and occasional volunteers who help with speaking engagements, on our reserves and administrative tasks. By the end of 2020 volunteer numbers had grown to around 50 from 40 at the end of the previous year, with new church speaker volunteers and writing volunteers for our publications. The trustees are grateful to all our volunteers for the invaluable contribution they make to our work.

Supporters: Those individuals and churches who support us and partner with us are of course a fundamental part of the charity. They contribute financially, in prayer, and in practical action, to support and sustain the work in the UK and around the world through other A Rocha organisations. By the end of 2020 the number of supporting individuals - those we have permission to contact under GDPR - had grown to 6,886 from 4,842 at the end of the previous year. Even though many churches were hard hit financially by the pandemic, the number of giving churches grew during the year. We are profoundly encouraged and grateful for this growth in awareness of our work among the churches, and a growing desire to support it.

Partners: The work in Southall and Hayes depends entirely on good relationships with local partners. At Foxearth we have some excellent relationships with neighbouring organisations. Our growing Partners in Action network of Christian land-managers and community nature projects provides a means of increasing our collective impact and learning together, in a way that we greatly appreciate. Partners were hard-hit by the pandemic, with those in the hospitality business (Christian conference and retreat centres) having to close their premises to clients and thus lose their main income stream. Nevertheless, they remained committed to working together as Partners in Action, providing mutual support through the crisis where they could, and preparing even bolder conservation plans for rolling out when allowed. By the end of the year the total number of Partners in Action stood at 11 early 2020 to 14 Dec 2020.

A ROCHA UK

Year Ended 31 December 2020

DIRECTORS' AND TRUSTEES' REPORT (continued)

Grant funders: We are deeply grateful for the partnership of grant funders who provide both financial backing and collaborative insight. More detail on grants received is in the accounts. During 2020 we received several significant grants from sources new to us, which played a major role in reinforcing our income in what could have been a very damaging year financially.

Above all, the trustees would like to record their gratitude to God for bringing about far more than we have often believed possible, and for blessing the charity with people, financial resources and many other benefits when they have been needed. The trustees also affirm their total dependence on God for future guidance as to the development of the charity.

2. Objectives and Activities

The charity's objectives are:

- the advancement of the Christian faith and understanding of its relevance to the environment;
- to promote education and study of ecology and the environment; and
- to enable and encourage conservation of natural resources and habitats for the benefit of the public.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

How our charitable activities fulfil our objectives

Our main mission or aim, supporting the objectives stated above, is summarised as:

To mobilise Christians and Churches to care for the natural environment – for people (the wider public), nature and God.

The issues we address: We seek to tackle key environmental issues such as biodiversity and habitat loss, climate change, resource overuse and waste, and the drivers of those in human behaviour and economic and cultural systems.

The difference we want to make: Our goals for the 2016-20 period were to:

1. Increase a local population of at least 10 declining species in the UK (through ARUK and partner-managed land).
2. Establish a high-quality conservation demonstration site in every UK region (through ARUK and partners)
3. Increase by 10% the number of people which we and our partners are enabling to engage directly with nature.
4. Treble the number of UK churches taking action on the environment (Eco Church)
5. Double the number of Christians acting on the environment with us (Supporters)
6. Establish the internal culture, financial management, systems, skills, structure and premises required to achieve our external goals and achieve organisational sustainability

How our activities deliver on our charitable objectives: We fulfil our charitable objectives through activities organised in two broad areas: Engagement, and Conservation and Demonstration. Each area contributes to all three objectives, but they do so in different ways.

Engagement encompasses our work with broad national audiences – churches, families, and individual supporters. Key components of this work are developing and running programmes for these subsections of our broad audience of churches and Christians. Key programmes are Eco Church, for grass-roots churches, Wild Christian for individuals and families, Convening for Christians in environmental leadership, and Publications and Events, serving all audiences, including our flagship magazine Root and Branch, the monthly eNews bulletin, and the website. Our Engagement department also oversees our fundraising work.

Our Conservation and Demonstration work encompasses the practical conservation work we do ourselves on our reserves, and the support we give to our conservation partners, alongside the place-specific

DIRECTORS' AND TRUSTEES' REPORT (continued)

education work we and they do on or around those conservation sites.

Key components of this work are the development and maintenance of the Wolf Fields and Foxearth Meadows reserves for nature and people (including educational activities), the development and support of our Partners in Action network, and the development and implementation of our Target Ten project (shared by us and our partners) to help deliver on our first multi-year goal (reversing the decline of ten species locally).

In all of our programmes, we encourage an understanding of the relevance of the Christian faith to the environment, we provide information and analysis to educate people of the ecology and the environment, and we provide ideas and tools to enable these audiences to take practical action themselves.

3. Achievements and Performance

The trustees set three priority goals for 2020:

- to have the biggest external impact we can by aligning, coordinating and, where possible, expanding our programmes to address the year's opportunities and the need for urgent and scaled action on the environmental crisis;
- to attempt a step change in financial sustainability and working efficiency; and
- to establish the next phase of the Southall conservation Project (without a national office in Southall) to achieve a scalable model.

We report on these below. But first, a comment on the impact of the pandemic on our plans for 2020.

From March 2020 our activities were significantly affected by the pandemic and control measures such as national lockdowns. Plans had to be changed to keep staff, volunteers and supporters safe and to comply with legislation. Some of our most routine and indeed core activities, such as hosting volunteer work parties and educational activities on our reserves and speaking in churches became impossible overnight. Initially, this appeared to seriously threaten our ability to deliver services and to raise income to support our work.

Nevertheless, the staff team was able to adapt quickly and find new ways to deliver services and raise income. Combined with the generous commitment of our supporters, funders and other partners, this enabled ARUK not only to survive but to diversify our services and accelerate the adoption of some ways of working that we were already moving to. So, while many activities were affected, we ended this, in many ways terrible, year stronger as an organisation and with new skills and approaches to build on.

3.1 To have the biggest external impact we can by aligning, coordinating and, where possible, expanding our programmes to address the year's opportunities and the need for urgent and scaled action on the environmental crisis

Our priorities were:

- Conservation: to scale up demonstration events for churches at our reserves and PIAs; to engage PIAs, reserves and land contacts in wider activities around COP26; to deliver the Southall project
- Churches: to fully develop the functionality and resources available on the new Eco Church platform; to scale up speaker training and recruitment; to engage Eco Churches in wider church activities around COP26
- Individuals and Families: to grow the Wild Christian community; to recruit a volunteer editorial team for participant engagement; to engage participants in wider activities around COP26
- Convening: to make a significant contribution to a coalition project to harness COP26 to accelerate transformation of UK churches engagement on the environment

Conservation

Because of the pandemic, Demonstration Days on both ARUK reserves had to be cancelled. Despite prolonged suspension of work with the public on our reserves, staff and core volunteers were able to carry

DIRECTORS' AND TRUSTEES' REPORT (continued)

out essential maintenance and habitat management for much of the time. They have kept the land we steward in good condition for when activities can resume. We were also able to produce attractive video material about each reserve to engage our supporters and raise the profile of the reserves.

The pandemic also forced all organisations in our Partners in Action programme to close their doors to clients (who are a key audience for our educational work), and many furloughed staff, meaning there was no available capacity to continue practical conservation work in some cases. Nevertheless, strong support for the network has helped keep it together and not one partner has dropped out of the scheme. Moreover, interest in the scheme grew, perhaps as more Christian organisations reflected on the environmental crisis and the benefits of nature to human wellbeing. During the year another four Christian land managing organisations formally joined the Partner in Action programme, including the first school (Monkton Combe in Somerset). We therefore achieved our growth target for the year, despite the pandemic.

In September we appointed our first full-time Partner in Action Programme Coordinator, to better undergird the scheme and facilitate participants in joint learning. We received more than a dozen enquires about joining the scheme during the year and are poised for more growth in 2021.

Churches

The pandemic had a significant impact on our churches programme but, with staff, volunteers and churches themselves adapting, we recovered much ground by the end of the year and learned new ways of working which will be useful in the future, in non-pandemic times too.

By the beginning of March 2020, just before the first lockdown, we had booked a record number of church speaker visits in response to invitations from churches. It was already looking that we might surpass our target of 200, an increase over the previous year. However, with the lockdown in March, all meetings were cancelled. At a stroke this shut down what is traditionally our main means of reaching our primary audience, and new people within it.

Yet, within weeks we and many churches were adapting by doing live video-link or recorded talks. By the end of 2020 staff and volunteer speakers had done 133 live or video talks with churches. Although this fell well short of our original target, we were very pleased to have been able to adapt to the situation and continue to provide a service to churches who were adapting too. We are expecting a sharp increase in invitations to speak online in 2021, as churches and others get used to working this way and will not abandon it even when church doors do open again.

Fortunately, we were able to deliver two volunteer speaker training events before lockdown, adding more than ten new and trained volunteers to our team. This has given us a much-needed increase in speaker capacity to support growing interest in the environment. To keep volunteer speakers better informed of our work, positions on external issues, and resources for their use, we also launched a new quarterly Speaker Update e-bulletin, which has been very well received and which should allow us to be presenting more consistent and up to date information to our audiences.

Our Eco Church programme was also, inevitably, hit by the pandemic. Nevertheless, while the number of new registrations and applications for awards slowed during 2020, the decrease was not as sharp as we might have imagined and had picked up again by the end of the year. Indeed, we have considerable anecdotal evidence that for churches unable to hold live services, Eco Church provided some with a focus for joint work they could do without meeting face to face, for example, by going through the Eco Church survey to assess their churches performance and research next steps. By the end of 2020 registrations for Eco Church had risen by another 818 to a total of 3,162 and we were about to issue our 1,000th award. While we did not achieve our original growth target for the year, we were satisfied with progress.

Work continued as much as capacity would allow on development tasks. These included working with a developer to expand the functionality of the Eco Church web-app, launched in November 2019; and revising criteria for the Eco Diocese scheme. We were also able to reinstate or adapt Eco Church conferences which had initially been cancelled because of the lockdown, to online events. With travel distance no longer

A ROCHA UK

Year Ended 31 December 2020

DIRECTORS' AND TRUSTEES' REPORT (continued)

affecting people's willingness to participate, numbers for these were very encouraging indeed. For example, the Eco Church conference organised in partnership with St Albans Diocese had more than 200 participants, including some coming in from abroad.

Individuals and Families

As with other programmes, progress was affected by the pandemic but, not as drastically as we might have predicted in March, at the time of the first lockdown. We believe that the adaptations we made to the programme helped fill a need with our audience, so that growth continued despite the cancellation of other activities that we had planned. While we did not reach our growth target, we were pleased to have welcomed another 2,044 participants in net growth during the year.

We had planned to add a few offline activities into our Wild Christian community for individuals and families, which began as entirely online. Fortunately, we were able to carry out the first, well-received, training seminar just before the first lockdown, but all other offline activities, including a camp, had to be cancelled.

We then judged that there would be an increased appetite among families with young children particularly, for wholesome, interesting activities that could be done from home. We increased the frequency of our Wild Christian bulletin to fortnightly and launched a new accompanying learning blog series about different UK species. This was very well received and, despite the absence of live speaker events, numbers of new participants continued to rise.

Wild Christian is run by a part-time staff coordinator. To augment this capacity and diversify the activities we can offer our supporters, our aim in 2020 was to establish a volunteer editorial and events team. In the event, the need to redirect staff time in lockdown slowed the progress on this aim. Nevertheless, Wild Christian attracted several offers of help from supporters contributing a variety of creative gifts, and this puts us in a good place to form an editorial and production team in 2021.

Convening

Despite the need for radical changes of plan due to the pandemic, we have more than delivered on our targets for this programme.

This work was previously carried out largely through face-to-face meetings and we had a full programme planned for 2020. This included organising at least three Churches Environmental Issues Network (EIN) gatherings and three prayer forums (including a first in Northern Ireland). Importantly, it also included a major new strand: establishing a cross-denominational project to mobilise churches around climate change in the run up to the COP26 climate negotiations which were originally scheduled for November 2020 in Glasgow.

We had held only two of the planned events when the pandemic forced us to either cancel or move the rest online. We opted for the latter, and if anything, moving the events on line has attracted even greater participation than previously, making it much easier for people anywhere in the country to participate on an equal cost and time footing. Previously, for example with the Environmental Issues Network, many participants would travel from Wales, Scotland and Ireland to London twice a year for a four-hour meeting. During 2020, new organisations have joined the EIN, suggesting Christian charities working on the environment are increasingly valuing the opportunity to coordinate and exchange analysis, to improve our combined impact for our beneficiaries. We have also been able to broaden the leadership of EIN, which ARUK has chaired for several years, including an able co-chair in a senior colleague from Christian Aid, achieving gender balance and greater organisational capacity simultaneously.

By the end of 2020, we had exceeded our target of convening events (10 delivered vs 9 target) and numbers participating in them (with a total of 482 participants across those events vs 250 target).

Via the EIN, and working with others, we launched a major cross-denomination project to engage UK churches in climate change in the run up to COP26, called Climate Sunday, announced in Spring 2020. The

DIRECTORS' AND TRUSTEES' REPORT (continued)

pandemic, however, then forced the postponement of COP26 to the end of 2021. Fortunately, we had increasingly prepared for that eventuality, and were able to adapt the project, and secure funding from trusts and network members to retain a project coordinator, and then plan an even bigger and longer campaign to the end of 2021. By the end of 2020 the campaign was gathering good momentum and was supported by all of the UK's traditional church denominations, along with a large number of Christian development, environment and mission organisations. ARUK provides the chair of the Steering Group and input to other working groups.

3.2 To attempt a step change in financial sustainability and working efficiency

Our priorities were to:

- Upgrade our supporter relations function to recruit, retain and develop supporters much more effectively, to grow organisational influence and funds
- Relocate our national office to a premises and location fit for purpose for a national organisation
- Repay all loans on Avenue Road
- Upgrade our financial and administration procedures
- Upgrade our internal procedures and working culture for increased efficiency and impact as an increasingly national organisation

Again, the pandemic presented multiple challenges for this area. The office was shut from mid-March, so a small office team had to rapidly adapt to working from home. Remote working slowed some of these procedures a little, but staff put in place work arounds, and were able to maintain a credible service to our supporters and donors. Not only that, but the supporter relations team continued as planned to review and update processes to provide a better service to our supporters and beneficiaries.

Once the pandemic caused the first lock down, and churches closed their doors, we expected to see a significant drop in income from churches and individuals. While we did see some impact on normal giving, by the end of the year income from both channels had exceeded our original targets. This is due in part, we believe, to the commitment and coordination of our supporter relations, fundraising and communications staff.

We pressed ahead with plans to improve our supporter communications, feeling this more urgent than ever as our traditional means of meeting many supporters - in church speaker engagements - was blocked. As planned, we introduced a new 6-monthly Occasional Update, and increased visibility of our other bulletins across our platforms. We also introduced a greater variety of ways to give online, and greater clarity about the options. The end result of a large number of small changes has been to maintain a significant level of recruitment of new supporters during a very difficult year. Supporters we have permission to communicate with rose from 4,842 at the end of 2019 to 6,886 at the end of 2020 - picking up healthily after the significant reduction we experienced as a result of the 2019 GDPR exercise.

A critical organisational priority of 2020 was to sell our residential centre and office in Southall, repay remaining loans to supporters who had helped finance the purchase of the property 17 years ago, and find and move to a modern office. This no longer needed to be residential but did need to be better located and set up for our changing work - facilitating others as well as delivering directly ourselves, and including support for remote working and mixed-mode collaboration with staff and allies. We recruited a Project Coordinator to provide the capacity to deliver this project.

Our original hope was to sell our premises and move into a new one by mid-autumn. Lockdown caused delays in securing a sale on our premises and finding and setting up a suitable new premises. However, we were able to sell our premises in November and sign a lease on a suitable new premises we had identified, to move to once lockdown permitted. Lenders were alerted to the sale before Christmas and plans put in place to repay all loans in early 2021, expecting to move office-based staff to the new premises in early 2021.

DIRECTORS' AND TRUSTEES' REPORT (continued)

We have made reasonable progress with our plans for upgrading systems, policies and procedures, including installing systems to enhance collaborative working and HR functions. We began work on updating policies and procedures, including grievance, disciplinary, equal opportunities, staff handbook and salary policy, some being finished and rolled out by the end of the year, others to be completed early in 2021. We also invested in training for staff and volunteers.

3.3 To establish the next phase of the Southall conservation project (without a national office in Southall) to achieve a scalable model

Our priorities were to:

- Ensure availability of suitable accommodation for Southall conservation staff and interns
- Ensure access to equipment storage
- Ensure access to suitably located convening space for staff and volunteers
- Ensure robust management arrangements for local staff
- Further develop and communicate our vision for urban conservation in Southall, to Southall partners and premises donors and the wider supporter base
- Engage local churches in supporting, sustaining and using the next phase of the project

Again, despite the pandemic complicating progress, we ended the year having delivered the critical components. In collaboration with generous local church partners, we have secured good accommodation for Southall staff, and plans are in place to secure accommodation for interns. We have installed expanded storage capacity on Wolf Fields.

Developing a wider strategy for the area has progressed more slowly. Work had begun just before the first lockdown with a meeting between ARUK and local church leaders to share vision and discuss options for implementing. This was well received. However, planned next steps in this process had to be put on hold because of the pandemic, with local church partners having to direct their time and resources to support their communities at a time when Southall was one of the worst affected places in the country. This process will restart in 2021 as local community leaders' priorities allow.

4. Plans and Priorities

4.1 Threats

- Public despair: with environmental trends, and social trends post pandemic, going in the wrong direction, the public feels overwhelmed by 'big issues' and disengages from them.
- Economic chaos and hardship: because of Brexit and Covid the public, including many members of our core audience - the churches - have less disposable income, which affects giving to ARUK.
- An environmentally damaging economic recovery: the risk that economic recovery funds are spent on more environmentally damaging activities, not on greening the economy.

4.2 Opportunities

- Ambitious new goals for an urgent time: we will soon agree ambitious new goals for the next 5 years, which can be used to engage more people to engage with us at a time when public and Christian concern for the environment is rising.
- Focus on big outcomes and clear delivery programmes: in response to the risk of the public feeling cash-poor and despairing over the environment, continue to build on our very practical programmes, what they are achieving, and the different ways people can contribute and benefit.
- A rare opportunity for major strategic investment: A sizable cash injection from the sale of the Avenue Road premises, after repaying all debts, provides the trustees an unprecedented opportunity to invest to increase the reach and impact of the charity, including in its fundraising capacity for the future. This includes moving to a new office, designed to best deliver our mission, and new strategy.
- COP26 - awareness raising and joint advocacy: ARUK has a major opportunity to inform our supporters of the links between nature and climate in the run up to COP26 and to engage climate-aware churches in nature too. We also have the opportunity to work in coalition with others, such as in the Climate

DIRECTORS' AND TRUSTEES' REPORT (continued)

Sunday initiative, to advocate for a concerted government drive towards a green economy, to build back better.

4.3 Priorities for 2021

1. Long-term revision of strategy: complete definition of goals, development of metrics and programme alignment
2. Boost short-term income and supporter recruitment and retention for medium-to long-term income growth particularly:
 - Raise the agreed 2021 income budget
 - Increase supporter numbers and the depth of their engagement with us, to give us not just income, but greater voice and legitimacy
 - Improve digital tools to engage more people more efficiently, and allow us to steward supporters and develop their engagement with us and nature efficiently and effectively
 - Increase our profile as a national organisation
3. Boost capacity of our programmes to meet demand, maintain credibility, and attract more supporters particularly:
 - Deepen conservation activity and monitoring on our reserves and Partners in Action to ensure action plans consistent with our new goals
 - Update Eco Church resources and agree, fund and implement plan for ongoing management;
 - Agree framework for rolling out Eco Church internationally, support launch in at least 2 other countries and hold our first learning seminar
 - Deliver a major coalition effort around COP26, raising the profile of climate and nature win-wins
 - Grow Wild Christian and establish an effective volunteer project team.
4. Boost internal efficiency, further upgrading skills, technology, work practices and management capacity, to drive and implement our new strategy, particularly:
 - Complete new office set up and move in
 - Embed desired cultures
 - Complete and implement a salary review and salary policy
 - Roll out an enhanced training programme to upgrade most essential skills for staff, core volunteers and trustees
 - Update and communicate all standard organisational policies, including staff manual
 - Complete document management system and embed use
 - Review planning and budgeting system
 - Investigate and decide options for improved internal communication - including intranet, and agree a plan for implementation
 - Review organisational structure to ensure alignment with delivery of new strategy
5. Digital transformation
 - Assess our status, design and agree a plan for transition
 - Start implementation, including necessary training
6. High level influencing
 - Develop and agree a plan for high level influencing to help deliver our ambitious new strategy goals
 - Begin implementation of influence strategy
7. Volunteer recruitment and management
 - Complete design and launch the new Volunteer Advisors network
 - Design and agree a volunteer management framework, covering all types of volunteers and ensuring appropriate coordination between and support of all volunteer sub-networks

A ROCHA UK

Year Ended 31 December 2020

DIRECTORS' AND TRUSTEES' REPORT (continued)

5. Financial Review

Statement of Financial Activities

During the year the charity sold its freehold property, 18/19 Avenue Road, Southall for £1.12 million. This generated a gain of £344,984 over amortised cost which amount includes the release of a £205,000 revaluation reserve. As a result, supporter loans and interest of £446,468 became payable under the loan agreements.

Regular income for the year was £655,720, compared to £679,604 in 2019 and was £93,719 above budget (2019: £1,037 below budget). Income streams were little affected by the pandemic. Grants income was £144,734 compared to £112,708 in 2019 reflecting more robust and more timely applications. Churches donations were £90,848 (2019 - £63,963), helped by the growth of Eco Church.

Exceptional items comprise the surplus over book value on the sale of the property at £344,984. There were no exceptional items in 2019.

Expenditure at £684,770 (2019: £618,124) was £34,849 below budget (2019: £32,202 over budget). The deficit before the exceptional item for 2020 is £29,050 (2019 – surplus of £61,480).

Balance Sheet

The largest items in the balance sheet comprise cash at bank and the supporter loans for the sold freehold property. The supporter loans were to be discharged in the first quarter of 2021, which will reduce cash at bank. The trustees consider the charity to be in a strong financial position for the future.

Principal Risks and Uncertainties

The Board of Trustees is responsible for overseeing the charity's risk management activities. Detailed consideration of risk is delegated to the Finance Committee, which is assisted by the charity's management in reviewing this matter and reporting to the Board. Trustees review the risks to which the organisation is exposed throughout the year, both at the Finance Committee and at full Board meetings.

A risk register is regularly reviewed by management and trustees and updated as appropriate. The risks cover all potential threats to the charity including financial, legal, operational, governance and reputational. Mitigating strategies and/or contingency plans, controls and actions are in place for these and other risks identified. Through the risk management process established for the charity, the trustees are satisfied that the major risks have been identified and processes for addressing them have been implemented.

The major risk ARUK faces is income shortfall. The charity obtains the majority of its income from non-statutory sources and this can fluctuate year by year. The charity mitigates this risk by developing and maintaining a range of income sources and by seeking new income streams to support its charitable activities. The charity maintains a level of reserves that enables it to handle these fluctuations in income without impacting service delivery in the short term.

Reserves Policy

Reason for holding reserves: ARUK's reserves are held in support of the charity's ongoing activities, recognising its commitment to employed staff, the lack of substantial multi-year income, and the uncertainty and fluctuation of income in relation to appeals, seasonal donations and legacies.

Level of reserves needed: The formula adopted for calculating reserves compares the amount of unrestricted general funds with the total budget for the forthcoming year. The planned level for this purpose is in the range of 3 to 6 months of annual expenditure. The Board plans to use the current position, which is significantly above this level, to expand the charity's programmes and invest in future sustainability.

A ROCHA UK

Year Ended 31 December 2020

DIRECTORS' AND TRUSTEES' REPORT (continued)

Monitoring and reviewing reserves policy: This policy shall be monitored and reviewed by the trustees regularly when the draft Annual Report and Financial Statements are presented for approval.

Reserves at 31 December 2020

Free unrestricted reserves (that is, unrestricted reserves excluding tangible fixed assets and loans secured thereon) at 31 December 2020 totalled £696,357 (2019 - £81,713). These represented 10.9 months of the £767,703 budgeted unrestricted expenditure for 2020. In 2019, the figure represented 1.4 months of the budgeted expenditure. Restricted funds, representing restricted income received but not yet spent, were £93,421 (2019: £54,995).

Compliance with Fundraising Standard

A Rocha UK is committed to legal, open, honest and respectful fundraising. The charity takes all reasonable steps to treat donors fairly, so that they can make an informed decision about any donation and understand our duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and undue pressure to donate. We take great care to ensure that our level of communication with our supporters is proportional and appropriate. The charity does not currently use external fundraising agencies for telephone, face-to-face campaigns or challenge events and received no fundraising complaints during the year (2019: none).

When seeking to raise money from the public, we only send marketing material to those who have previously said they are happy to be contacted by us (and individuals are free to change their mind at any time). We take great care to ensure that our level of communication with our supporters is proportional and appropriate.

6. Structure and Governance

Nature of the Charity

ARUK is a charitable company limited by guarantee, incorporated on 3 May 2001 and registered as a charity on 9 November 2001. In the event of the company being wound up the liability of its members (who are the trustees) is limited to £1.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, trustees are elected at the AGM with one third retiring by rotation at each AGM. Trustees may also appoint new trustees by ordinary resolution to hold office until the following AGM.

There is currently no legal membership scheme as may be established under the Memorandum and Articles of Association.

ARUK is completely independent in its governance and finances but shares a common vision and has a close association with A Rocha International ("ARI", formerly The A Rocha Trust). The two charities have agreed and signed an appropriate Memorandum of Understanding. During 2020, ARI continued to consolidate its work coordinating and resourcing the existing eighteen affiliated organisations (in Australia, Brazil, Canada, Czech Republic, Finland, France, Ghana, India, Kenya, Lebanon, Netherlands, New Zealand, Peru, Portugal, South Africa, Uganda, United Kingdom, and USA).

ARUK acts as the agent for ARI regarding the receipt and banking of funds from UK donors intended for the support of ARI and other A Rocha organisations. In 2020, income receivable by ARUK under this agreement (including Gift Aid tax repayment claims) was £15,255 (2019: £26,721) for ARI and £9,209 (2019: £11,449) for other A Rocha organisations. These funds are accounted for carefully and are paid over on a regular basis, usually quarterly. They do not form part of the financial statements of ARUK.

A ROCHA UK

Year Ended 31 December 2020

DIRECTORS' AND TRUSTEES' REPORT (continued)

Shared A Rocha values

ARUK seeks to express its charitable objects through five core commitments which are value statements agreed by, and shared across, the international family of A Rocha organisations. These are:

- **Christian:** Underlying all we do is our biblical faith in the living God, who made the world, loves it and entrusts it to the care of human society.
- **Conservation:** We carry out research for the conservation and restoration of the natural world and run environmental education programmes for people of all ages.
- **Community:** Through our commitment to God, each other and the wider creation, we aim to develop good relationships both within the A Rocha family and in our local communities.
- **Cross-cultural:** We draw on the insights and skills of people from diverse cultures, both locally and around the world.
- **Co-operation:** We have a willingness to work cooperatively with other organisations in the field and to press the case for action within this co-operative framework.

Each of ARUK's charitable objects can be seen as having an international, national and local dimension to them – all of which also express the five core commitments.

Organisation structure and personnel

The Board meets four times a year, and those listed below as observers to the Board are invited to attend. A Finance Committee of the Board, chaired by the Treasurer, meets shortly before each Board meeting to advise and where appropriate make decisions within authority delegated by the Board; its members are indicated by (F) in the list of trustees on page 1. At the end of 2020 the Board replaced the Finance Committee with the Standing Committee, which has a wider remit.

ARUK has an open recruitment process for the appointment of new trustees. The skill set and experience of the Board of Trustees is reviewed against the needs of the charity and where appropriate new trustees are recruited to meet these needs. Trustees serve an initial term of three years and are then eligible for re-election. When new trustees are appointed, they are provided with an induction including governance, the charitable objects, strategy and plans.

ARUK trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity. All trustees give of their time freely and no trustee received remuneration in the year.

Pay levels for senior staff, including the CEO, are reviewed annually by the Finance Committee in accordance with the staff pay framework and policy. A formal salary policy was developed in 2020 for implementation in 2021 for all staff salaries with the exception of the CEO which is set by the Board.

Day to day management is delegated to the Chief Executive Officer, Andy Atkins. His senior staff were George Kulasingham (Finance and Administration), Andy Lester (Conservation), Helen Stephens (Churches) and Sandi Philby (Fundraising and Communications).

The list of trustees holding office during 2020 is given on page 1.

Observers:

Revd M Hodson – nominated by the John Ray Initiative (JRI)

João Martinez da Cruz – nominated by A Rocha International (ARI)

Council of Reference (advisory):

Revd Steve Chalke

Mr Ram Gidoomal, CBE

Professor Sir John Houghton, FRS

Rt Rev Dr James Jones

A ROCHA UK
Year Ended 31 December 2020

DIRECTORS' AND TRUSTEES' REPORT (continued)

Professor Sir Ghilleen Prance, FRS
Dr Elaine Storkey

Trustees' responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report and Directors' Report) and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees 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 charitable company and of the incoming resources and application of resources, including its income and expenditure. In preparing these 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 2019 (FRS 102);
- 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 Companies Act 2006, and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

A ROCHA UK
Year Ended 31 December 2020

DIRECTORS' AND TRUSTEES' REPORT (continued)

Small company exemptions

The report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Approved by the Board of Trustees on 29 May 2021 and signed on its behalf by:



I J McKay (May 29, 2021, 4:49pm)
I J McKay
Chairman

A ROCHA UK
Year Ended 31 December 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of A Rocha UK (the 'charitable company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities (including income & expenditure account), the Balance Sheet, the Statement of Cash Flows, Net Debt reconciliation 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Charities SORP 2019.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020, and of its incoming resources and application of resources, including its income and expenditure, 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 Companies Act 2006; the Charities and Trustee Investment (Scotland) Act 2005 and the Charities SORP 2019.

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 charitable company 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 Directors' 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 Company'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 Directors 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the trustees' report (incorporating the directors' report). 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.

A ROCHA UK

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees annual report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 13), the trustees (who are also the directors of the charitable company for the purposes of company law) 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 directors 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 charitable company'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 directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

A ROCHA UK

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Companies Act 2006 and report in accordance with the Acts 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Company and the sector in which it operates and considered the risk of the Company not complying with the applicable laws and regulations including fraud; in particular those that could have a material impact on the financial statements, including financial reporting which could have a material impact on the financial statements. In relation to the operations of the Company this included compliance with the employment law, health and safety and GDPR.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Review of legal fees incurred;
- Review of Company risk management procedures, including a review of the latest Risk Register
- Reviewing minutes of Trustee Board meetings;
- Agreeing the financial statement disclosures to underlying supporting documentation;
- Enquiring of management including those charged with governance;
- Reviewing the key accounting policies and estimates

We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions. We also assessed management bias in relation to the accounting policies adopted and in determining significant accounting estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

A ROCHA UK

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Use of report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Helena Wilkinson (Senior Statutory Auditor)

For and on behalf of
Price Bailey LLP,
Chartered Accountants
Statutory Auditors
24 Old Bond Street
London
W1S 4AP

Date: 7 June 2021

A ROCHA UK

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME					
Donations and legacies	2	397,892	95,488	493,380	545,626
Charitable activities	3	44,520	91,338	135,858	112,708
Other trading activities	4	17,336	-	17,336	20,626
Investments		270	-	270	644
Other income	5	353,860	-	353,860	-
Total income		813,878	186,826	1,000,704	679,604
EXPENDITURE					
Raising Funds	6	72,035	-	72,035	38,759
Charitable activities	7	464,335	148,400	612,735	579,365
Total expenditure		536,370	148,400	684,770	618,124
Net income for the year		277,508	38,426	315,934	61,480
Net movement in funds		277,508	38,426	315,934	61,480
RECONCILIATION OF FUNDS					
Total funds brought forward		491,104	54,995	546,099	484,619
TOTAL FUNDS CARRIED FORWARD	16	768,612	93,421	862,033	546,099

All income and expenditure has arisen from continuing activities.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes to the accounts are shown on pages 23 to 34 and form an integral part of these financial statements

A ROCHA UK
(Company number: 4210929)

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	£	2020 £	£	2019 £
FIXED ASSETS					
Tangible fixed assets	11		72,255		856,854
CURRENT ASSETS					
Stocks	13	753		323	
Debtors	12	25,945		10,823	
Cash at bank and in hand		1,267,313		198,707	
TOTAL CURRENT ASSETS		1,294,011		209,853	
LIABILITIES					
Creditors: amounts falling due within one year	14	(504,233)		(73,145)	
NET CURRENT ASSETS			789,778		136,708
TOTAL ASSETS LESS CURRENT LIABILITIES			862,033		993,562
Creditors: amounts falling due after more than one year	15		-		(447,463)
Total net assets			862,033		546,099
The funds of the charity					
Unrestricted funds:					
Revaluation reserve			-		205,731
Other funds			768,612		285,373
			768,612		491,104
Restricted funds			93,421		54,995
TOTAL FUNDS	16		862,033		546,099

The attached notes on pages 23 to 34 form part of these financial statements.

The financial statements were approved by the Board of Trustees on29.May.2021..... and signed on their behalf by:



 I J McKay (May 29, 2021, 4:49pm)
 I J McKay
 Chairman



 J R Eames-Petersen (May 29, 2021, 6:17pm)
 J R Eames-Petersen
 Treasurer

A ROCHA UK

STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2020

	2020 £	2019 £
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (<i>as per the Statement of Financial Activities</i>)	315,934	61,480
Adjustments for:		
Depreciation charges	9,581	10,749
Interest receivable	(270)	(644)
Interest payable	7,005	5,964
(Increase)/ Decrease in stock	(430)	751
(Increase)/ Decrease in debtors	(15,122)	81,836
(Decrease) in creditors	(8,373)	(29,268)
Gain on disposal of assets	(344,984)	-
Net cash (used in)/ provided by operating activities	(36,659)	130,868
Cash flows from investing activities:		
Net cash provided by / (used in) investing activities:		
Interest received	270	644
Acquisition of tangible fixed assets	-	(4,668)
Disposal proceeds from sale of fixed assets	1,120,000	-
Net cash (used in) investing activities	1,120,270	(4,024)
Cash flows from financing activities:		
Net cash (used in) operating activities:		
Repayments of loans	(8,000)	(11,500)
Interest payable	(7,005)	(5,964)
Net cash (used in) financing activities	(15,005)	(17,464)
Change in cash and cash equivalents during the period:	1,068,606	109,380
Cash and cash equivalents at the beginning of the period:		
Cash at bank and in hand	198,707	89,327
Cash and cash equivalents at the end of the period:		
Cash at bank and in hand	1,267,313	198,707

The notes to the accounts are shown on pages 23 to 34 and form part of these financial statements.

A ROCHA UK

NET DEBT RECONCILIATION AS AT 31 DECEMBER 2020

	As at 01/01/ 2020	Cash flows	Other changes	As at 31/12/2020
	£	£	£	£
Cash	198,707	1,068,606	-	1,267,313
Long term borrowings	(447,463)	8,000	439,463	-
Short term borrowings	-	-	(446,468)	(446,468)
Total	<u>(248,756)</u>	<u>1,076,606</u>	<u>(7,005)</u>	<u>820,845</u>

The notes on pages 23 to 34 form part of these financial statements.

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

1.1 General information

A Rocha UK is a charitable company limited by guarantee incorporated in England, Wales and Scotland. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 18/19 Avenue Road, Southall, Middlesex UB1 3BL. The principal activity of the charity is environmental conservation and education run with Christian values.

1.2 Basis of preparation

The financial statements have been prepared in accordance with "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 (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended)

A Rocha UK meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are presented in pounds sterling and rounded to the nearest pound.

1.3 Going Concern

At the balance sheet date the Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Post the balance sheet date, the Trustees consider that the Covid-19 pandemic has impacted the organisation's activities to the extent that events have had to be postponed in 2021.

Future cash flows forecasts and budgets indicate that the Pandemic will have potential negative impacts on the charitable company's financials in 2021. The trustees however believe the charitable company remains a going concern due to the ability of the organisation to settle liabilities as they fall due for a period of at least 12 months from the date of this report. This is due to the organisation disposing of its freehold property towards the end of 2020, which has significantly improved the charitable company's cash and free reserves.

1.4 Judgements and key sources of estimation uncertainty

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. There are no material judgements or key sources of estimation uncertainty in these financial accounts.

1.5 Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions which must be met before the charity is entitled to the funds. Other income and income from fundraising activities are recognised when receivable on the basis of when the services are provided or the events take place.

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

For legacies, entitlement is taken on a case by case basis as the earlier of the date on which: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and there is an expectation that a distribution will be made. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

1.6 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be measured or estimated reliably.

Expenditure is stated gross of irrecoverable VAT and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds includes the costs associated with attracting donations and grants and the cost of purchases for resale.

Expenditure on charitable activities includes expenditure on Churches and theology. Community conservation and education, and Outreach work as described in the Trustees' Report.

All costs are allocated between expenditure activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Direct staff costs are allocated based on an estimate of staff time.

Support costs are allocated on the basis of the proportion of direct costs and comprise those costs which are incurred directly in support of expenditure on the objectives of the charity and include governance costs, finance, office costs and irrecoverable VAT. Both support and governance costs are apportioned on a headcount basis to each activity.

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation on transition less depreciation. Assets costing less than £1,000 are not capitalised. Assets are reviewed for impairment if circumstances indicate their value in the accounts may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Freehold property	100 years straight line
Freehold land	Not depreciated
Land improvements	20 years straight line
Office equipment	4 years straight line

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

1.8 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Fixed assets are recorded at depreciated historical cost. All other assets and liabilities are recorded at cost, which is their fair value.

1.9 Concessionary loans

The Charity has opted to recognise concessionary loans at the amount received, with adjustments in subsequent periods for repayments made.

1.10 Pensions

A Rocha UK operates defined contribution schemes for the benefit of its employees. The assets of the scheme are held separately from those of A Rocha UK, in an independently administered fund. The pension cost in the financial statements represents the contributions payable by the charity during the year.

1.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for the particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchases on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Financial Activities.

1.13 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

1.14 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition, opening of the deposit or similar account.

1.15 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due. Accrued expenditure is included at the best estimate of the amounts payable at the balance sheet date, after allowing for any trade discounts due.

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

1.16 Taxation

A Rocha UK meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part II of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Gift aid donations including tax recoverable	176,181	11,654	187,749
Legacies receivable	22,945	-	22,945
Other donations	198,852	83,834	282,686
Total	397,892	95,488	493,380
Prior Year	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Gift aid donations including tax recoverable	179,423	10,623	190,046
Legacies receivable	129,263	-	129,263
Other donations	147,115	79,202	226,317
Total	455,801	89,825	545,626

3. CHARITABLE ACTIVITIES

	2020	2019
Conservation and Education	12,000	25,000
Eco Church	79,288	63,700
Partners in Action	50	-
General	44,520	24,008
	135,858	112,708

Total restricted charitable activities in 2020 equated to £91,338 (2019: £88,700).

4. OTHER TRADING ACTIVITIES

	Total 2020 £	Total 2019 £
Sales & Royalties	10,560	11,087
Service income	1,351	1,719
Other trading income	5,425	7,820
Total	17,366	20,626

There were no restricted other trading activities in 2020 (2019: none).

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

5. OTHER INCOME

	Total 2020 £	Total 2019 £
HMRC furlough	8,876	-
Disposal proceeds from property sale	344,984	-
Total	353,860	-

The above included £8,876 (2019: £NIL) of government grants received by the charity.

No other income relates to restricted funds (2019: none).

6. EXPENDITURE ON RAISING FUNDS

	Direct 2020 £	Support 2020 £	Total 2020 £
Staff costs	51,654	-	51,654
Other costs	20,381	-	20,381
Total costs	72,035	-	72,035

Prior Year	Direct 2019 £	Support 2019 £	Total 2019 £
Staff costs	29,008	-	29,008
Other costs	9,751	-	9,751
Total costs	38,759	-	38,759

No expenditure on raising funds was restricted in nature 2020 (2019: none).

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct 2020 £	Support 2020 £	Total 2020 £
Conservation and Education	180,006	198,521	378,527
Eco-Church	147,757	86,451	234,208
Total	327,763	284,972	612,735

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

Prior year	Direct 2019 £	Support 2019 £	Total 2019 £
Conservation and Education	119,028	214,713	333,741
Engagement including Eco-Church	177,298	68,326	245,624
Total	296,326	283,039	579,365

The above included £464,335 (2019: £438,437) of unrestricted expenditure and £148,400 (2019: £140,928) of restricted expenditure. Restricted expenditure is limited to costs which were used to deliver restricted activities.

8. SUPPORT COSTS

	Total 2020 £	Total 2019 £
Staff costs	150,160	138,607
Staff recruitment and development	-	2,562
Volunteer support	1,550	2,817
Events, marketing and communications	8,110	28,479
Alliances and affiliations	10,945	11,748
Telephone, stationery and IT	30,426	27,474
Bookkeeping and payroll	-	2,569
Equipment leasing	-	1,356
Travel and subsistence	6,894	13,245
Premises costs	43,714	16,331
Other costs	4,701	4,672
Depreciation	9,581	10,396
Loan interest	7,005	5,964
Governance costs:		
Legal and professional fees	4,200	6,489
Audit fees	5,620	5,460
Other fees to auditors	2,066	4,830
Trustees' expenses	-	40
Total	284,972	283,039

Support costs are allocated to each of the activities on the basis of estimated average headcount deployed supporting each objective in the year.

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

9. NET INCOME

	2020 £	2019 £
This is stated after charging:		
Depreciation	9,581	10,749
Auditors' remuneration	5,620	5,460
Auditors' remuneration – tax assistance	2,066	4,830
Interest expense on concessionary loans	7,005	5,964
Operating lease expense – Plant and equipment	1,195	1,195
	<u> </u>	<u> </u>

10. STAFF COSTS

	2020 £	2019 £
Wages and salaries	410,296	380,805
National Insurance	32,785	29,943
Pension contributions	27,513	32,235
	<u> </u>	<u> </u>
Total	470,594	442,983
	<u> </u>	<u> </u>

The average monthly number of employees during the year was as follows:

	2020 £	2019 £
Charity directors	2	2
Direct	7	7
Fundraising, Comms and Support	4	1
Convening and Influencing	1	-
Administration	3	6
	<u> </u>	<u> </u>
Total	17	16
	<u> </u>	<u> </u>

One employee received remuneration during the year amounting to more than £60,000 but less than £70,000, excluding employer pension contributions (2019: one employee earning more than £60,000 but less than £70,000).

The key management personnel are considered to be the trustees and the four members of the senior management team. The total employee benefits relating to key management personnel, including pension contributions were £189,636 (2019: £207,192).

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

11. TANGIBLE FIXED ASSETS

	Freehold land and property £	Land improvements £	Office equipment £	Total £
Cost or valuation				
At 1 January 2020	896,288	61,779	24,164	982,231
Additions	-	-	-	-
Disposals	(850,000)	-	(2,198)	(852,198)
At 31 December 2020	46,288	61,779	21,966	130,033
Depreciation				
At 1 January 2020	72,416	34,576	18,386	125,378
Charge for the year	4,628	2,810	2,143	9,581
Disposals	(77,044)	-	(137)	(77,181)
At 31 December 2020	-	37,386	20,392	57,778
Net book value				
At 31 December 2020	46,288	24,393	1,574	72,255
At 31 December 2019	823,872	27,204	5,778	856,854

The charity has applied the transitional arrangements of Section 35 of FRS 102 and measured its freehold property at The Avenue, Southall at a valuation of £850,000 and used that valuation as its deemed cost at the date of transition, being 1 January 2014. The property was valued by an independent valuer using market based evidence for similar properties sold in the local area. The original cost was £644,269. The charity's land at Foxearth continues to be held at its historic cost of £46,288.

12. DEBTORS

	2020 £	2019 £
Trade debtors	-	630
Prepayments and accrued income	25,945	10,193
Total	25,945	10,823

13. STOCKS

	2020 £	2019 £
Items held for resale	753	323

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	8,971	10,002
Taxation and social security	9,524	7,997
Other creditors	2,835	12,366
Accruals	36,435	42,780
Supporter loans	446,468	-
Total	504,233	73,145

During the year, the charity collected donations and associated Gift Aid as agent for A Rocha International and other international A Rocha organisations, and passed these on net of a service charge.

Due to the release of the revaluation the supporter loans have become payable under the loan agreement together with any accrued interest. This is now classified as an amount falling within one year. Of the £424,000 loan capital (2019 - £432,000), £111,000 (2019 – £134,000) is interest-free and £313,000 (2019 - £298,000) bears interest at 2% per annum. All of the loans are considered to be concessionary.

15. CREDITORS: FALLING DUE AFTER MORE THAN ONE YEAR

	2020 £	2019 £
Supporter loans	-	447,463

Due to the release of the revaluation the supporter loans have become payable under the loan agreement together with any accrued interest. This is now classified as an amount falling within one year. Of the £424,000 loan capital (2019 - £432,000), £111,000 (2019 – £134,000) is interest-free and £313,000 (2019 - £298,000) bears interest at 2% per annum. All of the loans are considered to be concessionary.

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

16. MOVEMENT ON FUNDS

Current year:	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	At 31 Dec 2020 £
Unrestricted funds:					
General funds:	285,373	813,878	(536,370)	225,731	768,612
Revaluation reserve	205,731	-	-	(225,731)	-
	491,104	813,878	(536,370)	-	768,612
Restricted funds:					
Conservation and Education	5,443	42,565	(31,472)	-	16,536
Eco Church	35,955	129,246	(97,812)	-	67,389
Partners in Action	13,597	9,966	(19,067)	-	4,496
Wild Christian	-	5,049	(49)	-	5,000
	54,995	186,826	(148,400)	-	93,421
Total funds	546,099	1,000,704	(684,770)	-	862,033
Prior year	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	At 31 Dec 2019 £
Unrestricted funds:					
General fund	261,490	501,079	(477,196)	-	285,373
Revaluation reserve	205,731	-	-	-	205,731
	467,221	501,079	(477,196)	-	491,104
Restricted funds:					
Engagement	5,588	-	(5,588)	-	-
Conservation and Education	-	35,510	(30,067)	-	5,443
Eco Church	-	129,418	(93,463)	-	35,955
Partners in Action	-	13,597	-	-	13,597
Premises fund	11,810	-	(11,810)	-	-
	17,398	178,525	(140,928)	-	54,995
Total funds	484,619	679,604	(618,124)	-	546,099

Revaluation reserve

The revaluation reserve was recognised on the revaluation of the freehold property.

Engagement

Work in this focuses on promotion of the Eco Church scheme which is an online toolkit to help churches care for creation. This programme was phased out in 2019 and remaining balance have been transferred to Eco Church which is part of the Engagement programme.

Conservation and education

The core of this strand of work is developing our two reserves for the enjoyment and education of local

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

communities and also as sites that demonstrate models of high quality, scientifically based conservation. In addition, a growing focus is the Partners in Action programme, whereby A Rocha is convening and advising Christian land managers on the management of their land for nature, and the environmental education of visitors to their organisations.

The fund transfers line represents unrestricted funds used to cover the expenditure, net of the purchase of fixed assets from restricted income.

Premises fund

The premises fund was set up in 2017 to enable the charity to retain and develop its premises in Southall. The fund transfer relates to the repayment of the previous equity-based loan net of funds received by the issuing of the new loans redeemable in 2022. The trustees used the balance on this fund to develop the premises.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year:	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	72,255	-	72,255
Net current assets	696,357	93,421	789,778
Total	768,612	93,421	862,033
 Prior year:	 Unrestricted funds 2019 £	 Restricted funds 2019 £	 Total funds 2019 £
Tangible fixed assets	856,854	-	856,854
Net current assets	81,173	54,995	136,708
Creditors due after more than one year	(447,463)	-	(447,463)
Total	491,104	54,995	546,099

A ROCHA UK

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2020

18. OPERATING LEASES

As at the balance sheet date, the charity was committed under non-cancellable operating leases to make the following annual minimum payments:

Land & Buildings	2020 £	2019 £
Not later than 1 year	26,500	-
Later than 1 year and not later than 5 years	103,792	-
Other	2020 £	2019 £
Not later than 1 year	1,195	1,195
Later than 1 year and not later than 5 years	1,793	2,988
Total	133,280	4,183

The other operating lease is in respect of the photocopier.

19. PENSION COSTS

The charitable company operates a defined contribution pension scheme. Pension costs for the year have been charged at £27,513 (2019: £32,235) as outlined above. At the year end, £nil was owed to the scheme (2019: £nil).

20. RELATED PARTY TRANSACTIONS

During the year, no trustees received any remuneration nor benefits (2019: £NIL).

Trustee D F Chandler received reimbursement of travel and meeting expenses amounting to £nil (2019: £40). These amounts include reimbursements of costs on occasions where the trustee was acting only as a volunteer.

Three trustees made donations without conditions attached totalling £4,785 (2019: £4,042).

Throughout the year, the Charity continued its affiliation with A Rocha International, another UK based charity. The Charity was charged £10,000 (2019: £10,000) in affiliation fees and there was no other related party transactions made in the year.

There were no further related parties in the year (2019: none).