



Aid to the Church in Need

AID TO THE CHURCH IN NEED (UNITED KINGDOM)

Company 4747666

Registered Charity (England and Wales) 1097984

Registered Charity (Scotland) SCO40748

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31 DECEMBER 2021

Aid to the Church in Need (United Kingdom) Information

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**Trustees' & Directors' Annual Report for
Aid to the Church in Need (United Kingdom)
31 December 2021 Accounts**

Highlights of Aid to the Church in Need (United Kingdom) 2021 Annual Report

- Thanks to the compassion of benefactors, Aid to the Church in Need (United Kingdom) ('ACN UK') provided £9,598,069 in aid, through 334 project payments in 76 countries.
- Priorities for aid during the period included: funding of £3,518,550 to Christian communities in Africa, many of whom experience continued violence; help to Church communities in Asia totalling £2,109,473, including help to poor and oppressed Christians suffering during COVID restrictions in India; and £1,830,471 for the Middle East where we provided vital aid to communities suffering in Lebanon, Syria and Iraq.
- The charity's audited income in 2021 was £10,246,817 which was down from 2020, but cash received, including cash from previously accrued legacies, increased. Donations and grants of £8,026,383 were up by 2.1%. Legacies received of £1,006,821 were up but legacy income receivable (due but not yet received) of £802,131 was down by £1,508,800; total audited legacy income equated to 17.7% of total income.
- Total charity cash received, excluding booked accrued legacies where no cash was received and excluding ACN Trading Ltd income, was £11,571,903 (2020 £9,738,447) an increase of £1,833,456 (11.9%).
- The reserves of ACN UK decreased by £1,762,980 due to reduced accrued legacy debtors.
- Online activity was strong and major donor and regular giving income grew.
- COVID-related restrictions meant ACN staff had to work remotely for long periods of time, with a rota system in place for staff who needed to be in the offices. Despite many challenges, the charity's work continued with improved systems implemented.
- Community Outreach income was relatively low, but development plans were implemented and recruitment began for a team of Community Fundraisers. Community Fundraising will develop in 2022, as parishes, schools and colleges open up.
- Advocacy for Pakistan Christian girl Maira Shahbaz to receive UK asylum resulted in three meetings with Home Secretary Priti Patel and repeated lobbying of the FCDO and the UK High Commission to Pakistan. Questions were raised in the Westminster Parliament. A report on Christian women and girls suffering forced conversion, forced marriage and sexual victimisation was launched on #RedWednesday 2021. A petition calling for action from the UN and UK garnered 3,200 signatures, despite Facebook advertising restrictions.
- ACN UK strengthened all policies, including governance and risk management. The trustees continued to ensure the implementation of safeguarding procedures, as well as the signed project agreements, liaising with ACN International.
- ACN UK continued to control costs carefully. Expenditure on raising funds, excluding trading, for charity cash received was £843,515 which equates to 7.3p in the pound (2020 8.9p).
- In the period, 88.5% (2020 82.9%) of total charity cash received was expended on the charitable purpose, excluding support services; 82.9% (2020 75.3%) of charity cash received was spent on the Grants programme in aid to persecuted and needy Christians.

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The trustees and directors of Aid to the Church in Need (United Kingdom) ('ACN UK') present this report for the year ended 31st December 2021 together with the consolidated charity accounts, which have been audited by Moore Kingston Smith LLP.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and its subsidiary are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410), the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and have considered the ongoing impact of the coronavirus outbreak on the viability of the charity. After making enquiries the trustees have concluded that there is a reasonable expectation that the charity group has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

The principal accounting policies adopted in the preparation of the financial statements are set out in Note 1 Accounting Policies.

This Trustees' and Directors' Report is not only to fulfil the legal and statutory requirements, but it is also intended to explain the activities and future plans of this charity.

Structure, governance and management of Aid to the Church in Need (United Kingdom)

This Catholic charity (Registered Charity No.1097984) is a Company Limited by Guarantee registered in England and Wales (Company No.4747666). Aid to the Church in Need (United Kingdom) is also registered with the Office of the Scottish Charity Regulator (SC040748). In terms of Roman Catholic Canon Law, the British section is part of the international organisation Aid to the Church in Need, a Pontifical Foundation. The international General Secretariat in Königstein, Germany, carries some administrative and project costs, as appropriate.

The structure of ACN UK is centred upon the national office in Sutton, which supports the Scottish office in Motherwell and a Community Outreach office, based in Lancaster, which serves as a hub for front-facing community engagement in England and Wales.

Reference and administrative details of the charity, its trustees and advisers are carried on the index of the accounts, preceding this report. It is the National Director, Neville Kyrke-Smith, who oversees the running of the UK operation and its staff, on behalf of the trustees.

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Trustees are recruited to offer particular expertise to the charity, in the light of the needs of the organisation. The induction of new trustees includes an information overview, a visit to the General Secretariat, an induction day at the office and the issuing of Charity Commission guidance. As stated in a Board identity and outline document, all trustees are expected to attend the quarterly Board meetings, to be available to give advice or guidance to the National Director and to join ad hoc committees as necessary, as well as to attend charity events. It should be noted that payments are made in respect of the insurance of trustees against liabilities in relation to the charity's affairs but that the trustees receive no remuneration, although they can be reimbursed for activities required to carry out their duties (travel expenses) reported under Note 6 to the financial statements. The National Director and senior management team present information reports, discuss developments and review strategy with the trustees at the quarterly Board meetings.

The number of employees and Staff Costs are detailed in the charity accounts under Note 6; staffing is reported on at the quarterly board meetings and remuneration reviewed annually at the autumn board meeting when changes in the cost of living, performance and benchmarking are all taken into consideration. Remuneration for the senior management team is addressed at the same autumn board meeting, within the same parameters; remuneration for senior staff is stated within Note 6.

In 2021, one staff member was on furlough until the end of the scheme (30.09.2021) and then the employee resumed her role from 1st October 2021. Three staff left between July and August 2021 and one employee announced his intention to retire, but his last working day will be in 2022. Overall we had ten new starters in the period, five of whom were replacements (one role was split into two new positions), and five of whom were new hires. In September 2021, we reopened our offices and established a rota system adopting a hybrid work model. In December 2021, with the increasing of Omicron cases, we decided to advise our employees to work from home if they could and wished to do so, but the offices remained open.

In terms of volunteers, we had only one volunteer in our Sutton National Office in 2021 and 28 volunteers around the UK, excluding Parish Representatives. There were 165 voluntary Parish Representatives in England, Scotland and Wales, three School Ambassador Groups in Scotland, and a good number of RedWednesday Champions around the country. The average number of total employees during the year was 33 (2020 - 46) which equated to 30 (2020 - 29) on an FTE basis.

The trustees have reviewed their roles in the light of the Charity Governance Code; they have considered and adopted the Code as appropriate within the charity, which is part of a Pontifical Foundation. The trustees are all active, practising Catholics and have an appropriate diversity of skills to further the Mission of the Charity including finance, management, charity expertise, fundraising and pastoral backgrounds. ACN UK acknowledges and abides by the Equality Act of 2010. In appointing any new trustee to the Board the trustees ensure that he/she has the necessary level of competence and is fully committed to the Mission, Vision and Values of ACN UK; it is also important that there be nothing in their personal situation which would prevent them from fully supporting the work of the Charity. In so doing the trustees also take into account the nature of our key stakeholders; the focus, in particular, must be our donors and the persecuted Christians that we serve.

Moore Kingston Smith LLP were reappointed as auditors by the Board for the period under review at last year's Annual General Meeting.

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Risk Management

The charity monitors risk issues on a continuing basis, with all trustees involved and informed. Risk assessment continues to be carried out and fully documented with a Risk Management Register regularly updated. Structures, systems and processes are reviewed to ensure that risk is properly identified, assessed, quantified and mitigated as far as is practical and economic. In-depth discussions and reviews are held at two Board meetings in the year and the National Director discusses issues on a regular basis with the designated staff member and senior staff. The coronavirus pandemic is still being faced, but the charity undertook an assessment of the risks arising from it and adjusted its operations in terms of staffing, remote working, outsourcing and on-line activity. In the period, we carefully followed government guidelines and put in place all possible short-term measures of mitigation, especially to protect our staff. The trustees and senior staff adapted their strategy and will continue to consider the impact of any pandemic or social upheaval. The coronavirus pandemic ruled out most public events and all project trips last year, but virtual on-line events and advocacy campaigns engaged the public. The development of Community Fundraising has begun and will be further expanded during 2022 as restrictions in parishes, schools and colleges are lifted.

The continued risk of terrorist attacks in the UK means that all ACN UK public events will be previewed with a risk assessment and, when possible, licensed security firms will be engaged and bag searches carried out in the halls and conference centres. We will ensure that the risk to those attending events – including guest speakers, ACN UK staff and helpers – is minimised. Whilst in the period under review no project trips were possible, security risks for future project trips will be taken fully into account, and a thorough discussion and review of trips will take place before project trips are undertaken; this includes security advice on the ground from local partners and contacts, and FCDO advice. The ACN UK policy and the ACN International policy will be followed.

The risk assessment of cyber security is continuously under review with respect to the digital technologies and systems which are critical to our charity, including who might attack them, and how they might be vulnerable. This involves identifying the technology that is essential for the functioning of the charity (such as payment systems), the nature of the data that we process, and our degree of reliance on third-party systems. The main types of threats to cyber security are common to most organisations. Many involve the exploitation of basic vulnerabilities using readily available hacking tools, such as mass phishing. Targeted attacks by cyber criminals, sometimes called 'spear phishing', are more concerning. Many attacks are preventable and the experience of organisations which have been attacked is valuable in this connection. ACN policy is to ensure that its IT infrastructure is always as secure as possible, using the latest technology, for example in the form of firewalls, secure configuration, effective access control (including passwords), malware protection, and patch management.

ACN UK is under the Fundraising Regulator, and the risks attached to breaching its Code of Fundraising Practice are considered; we have had a very small number of benefactors asking via the Fundraising Preference Service that we do not contact them again. There are detailed requirements for the conduct of telephone communications with supporters and dealing with complaints, and a separate set of rules concerning fundraising with people in vulnerable circumstances. We have implemented comprehensive procedures for all these matters.

The General Data Protection Regulation (GDPR) is followed and overseen by a Data Manager; he helps ACN UK review and strengthen policies concerning all benefactor data and other data

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held, provides training, introduces new guidance and helps supervise our mailings and contacts made. The Data Manager oversees all aspects of data protection and compliance; we have a privacy policy on the website and maintain other relevant policies in full compliance with the legislation. Policies for staff who deal with fundraising and/or personal data are in place.

As mentioned, regarding safeguarding, ACN International has policies in place. ACN deploys or employs a small number of staff or volunteers in a few project countries where we have a large number of projects, such as in Syria and Iraq; in general, we work with and through the local Church. The Catholic Bishops' Conference of each country has to comply with safeguarding procedures laid down by the Vatican, and each ACN project agreement includes a specific clause about safeguarding, which must be signed by the responsible bishop, religious superior, or equivalent senior Church official. Reporting and whistle-blowing guidance is in place. ACN UK has its own safeguarding policy and provides staff training.

All our obligations under both the Code of Fundraising Practice and the General Data Protection Regulation are in place and implemented.

ACN Trading Limited

The results from the wholly-owned trading company, ACN Trading Ltd, are carried in these accounts and reported under note 8. In line with SORP the total turnover and full expenses of the trading subsidiary are incorporated into the Income and Expenditure SOFA of the charity, shown under Other Trading Activities and Fundraising Trading: Costs of Goods Sold.

The trading subsidiary made a gross profit of £119,329 and net operating profit of £89,534. The gross turnover was 12.3% up on the previous year. Stock held at the year-end was £67,174. The trading subsidiary received Trading Related Donations made alongside purchases, which are transferred to the charity, totalling £292,511, similar to the previous year.

Throughout 2021 ACN Trading Ltd offered a varied and carefully selected range of products for sale through its brochures and inserts, the ACN online shop, social media and e-newsletters. The impact of the COVID pandemic continued, with associated restrictions; the impact was felt as the sale of goods at face-to-face events, appeals and talks was greatly reduced. However, trading continued on an upward trend, with a rise in Sales and Income, enabling the generation of a 15.7% increase in profit after costs of goods sold compared to 2020. As 2021 was The Year of St Joseph, a number of items were selected to encourage a devotional spirit towards this much-revered Saint, including a brand-new St Joseph Rosary, blessed by Pope Francis, which was given away alongside our ever-popular ACN Rosary booklet. Products associated with ACN projects and Christian communities supported by the charity continued to feature in ACN Trading's range. The handcrafted devotional gifts, such as holding crosses, made by Christians in the Holy Land were amongst the best-selling items of 2021. Easter and Christmas cards sold well and featured some designs sourced from project countries including a detail from the stained-glass Nativity window in the Church of St Catherine, Bethlehem. As well as a range of classical fine art, we were delighted to carry an image painted by Cornish artist Harold Harvey, with licence gifted to ACN by the Estate of Rachel John (RIP). With the continued support of Sister Annie Demerjian, helped by the charity, Christian workers in Aleppo handcrafted crocheted items such as fine bookmarks and woollen Christmas decorations. Student Iconographers in Ukraine reproduced icons in accord with the Byzantine style, which were also very popular. More general gift items were available to order alongside our many project-linked products. Music CDs with vocals sung by well-known choirs such as the Schola Cantorum (The Cardinal Vaughan Memorial School) and the London Oratory Schola Cantorum sold well, as

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did the promoted DVDs. Our range of books continued to offer a mix of prayerful reading with books on courage, faith, and reflection, including publications for children and teenagers. Crucifixes, medals, bangles and brooches, symbolising Christian traditions, all featured in our jewellery gift range and games, puzzles and activity sets centred on stories from the Bible were also included in the ACN range of products.

Objectives, Activities and Public Benefit

Objectives:

In line with the Memorandum and Articles of Association of the Charitable Company (Clause 3: Objects) the objects of ACN UK are to (i) advance the Christian religion by supporting and promoting the Church, especially in countries where Christians are suffering persecution or discrimination, and (ii) further the other charitable work of the Church in such ways that are charitable in law by providing practical assistance and pastoral care for persons in need, especially those who are living in, or are refugees from, such countries.

The trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission General Guidance on Public Benefit and the requirements of the Office of the Scottish Charity Regulator.

Activities:

In national campaigns during this period, ACN UK managed to continue to focus on and produce material to raise awareness about the extremely difficult situation facing many Christian communities. As for all charities and organisations, the COVID lockdowns and restrictions presented major challenges, but despite many staff having to work mainly or exclusively from home, we were able to maintain our annual programme of mailings and a wide range of fundraising and other activities; these included publications, articles, radio interviews, website, e-newsletters, talks, on-line events, school work and presentations. We continued to place an emphasis on digital activities and further increased our social media presence, despite some unforeseen restrictions. Our e-news brought in a good level of support. A few physical events were possible later in the year, but digital events and Zoom interactions were utilised particularly for presentations and in schools. As the period ended, ACN was taking on Community Fundraisers who were making renewed contact with priests and others. In summary, it can be said that ACN came out of the crisis well and in terms of engagement and the level of support from benefactors, surpassed expectations.

ACN UK was also supported by the use of digital content, material and projects information shared by ACN International. The media work, articles and reports of our Press and Information section enabled us to raise awareness and fundraise for the dire situations facing so many Christians in need and our advocacy work focused on the plight of vulnerable Christian girls and women in Pakistan and around the world. We continued to see a development and change in benefactor methods of payment, with many opting to make their donation via the website or by phone, with the website recording a high level of income.

The charity continued to produce material to raise awareness about the extremely difficult situation facing Christian communities in the Middle East, in particular on those in and from Iraq and Syria, and in August we featured an update on the emergency needs of Christian and other families, resulting from the huge explosion in Beirut, Lebanon. We also ran reports on

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Brazil, India, Pakistan, Nigeria and Mozambique as well as featuring our annual Christmas Gifts of Faith mailing.

COVID continued to curtail ACN's advocacy activities, especially in the first half of the year. That said, on 4th February 2021, ACN was able to present its 12,500-signature petition calling on Prime Minister Boris Johnson to give UK asylum to Maira Shahbaz, in hiding in Pakistan having escaped the man who abducted her, sexually assaulted her and forced her to marry him and convert to Islam. The petition was presented online to Fiona Bruce MP, the Prime Minister's Special Envoy for Freedom of Religion or Belief, who in turn forwarded it for the "immediate and urgent" attention of Home Secretary Priti Patel. ACN liaised with MPs who continued to advocate for Maira, including Sir Edward Leigh MP, who repeatedly asked questions about the case in the House of Commons. In response to one such appeal, Priti Patel held a meeting involving Sir Edward, John Pontifex, ACN's Head of Press & Information, and Mrs Bruce. Thereafter, ACN continued to advocate for Maira, working with Mrs Bruce, Maira and her family as well as her support group of Pakistani Christians and contacts in Pakistan close to the UK High Commission to Pakistan in Islamabad.

On 25th November ACN launched a report called 'Hear Her Cries: the kidnapping, forced conversion and sexual victimisation of Christian women and girls'. The report was due to be launched in Parliament but, in response to concerns about COVID restrictions, the event was held online, with Baroness Caroline Cox in the chair. In virtual attendance were parliamentarians and others involved in public affairs. Earlier that day, ACN UK National Director Neville Kyrke-Smith spoke at a religious freedom event hosted in parliament by Mrs Bruce, at which a video was played showing another Christian girl in Pakistan giving testimony of her abduction, rape, forced conversion and forced marriage. These events were part of activities marking #RedWednesday, ACN's wider campaign shining a light on persecution of Christians and calling for religious freedom.

In the run-up to the report launch and #RedWednesday 2021, in October 2021 ACN launched another petition calling on the UK Government and the UN to take more action to stop the kidnapping, forced conversion and forced marriage of women and girls, recognising the degree to which Christians and other religious minorities are especially vulnerable. The petition received early strong support, especially on Facebook. However, within two weeks, Facebook (Meta) imposed restrictions on ACN's account and other social media activities, meaning that promotion was reduced by up to 90 percent. ACN initiated media activity after Facebook gave no reason for imposing the restrictions and failed to respond to the charity's efforts to negotiate to resolve the issue. It was after Christmas that the restrictions were lifted. By then, ACN had submitted the petition, which garnered only 3,200 signatures. This was less than 25 percent of the support given to the Maira Shahbaz UK asylum petition. The petition was presented in the UK Parliament at Westminster to Fiona Bruce MP on 15th December and shortly after a digital copy was sent to Reem Alsalem, the UN's Special Rapporteur on Violence against Women.

We were only able to fulfil our main objectives due to integrated fund-raising activities, particularly on-line, and a closeness to the benefactors during this challenging period; this led to increased generosity from the friends and benefactors of ACN UK.

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Public Benefit – aid provided:

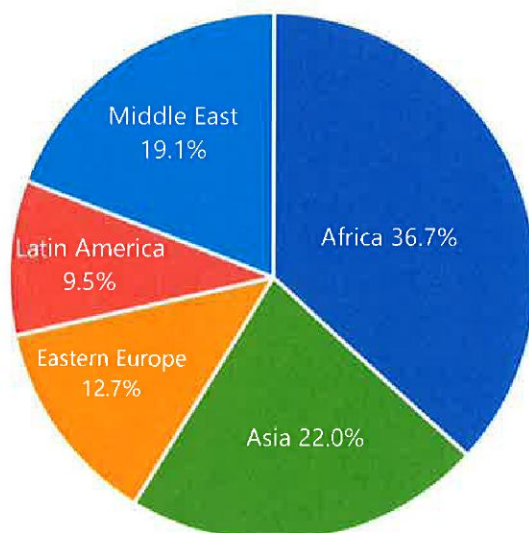
The charity's Grant Programme provided aid of £9,598,069, through 334 project payments in 76 countries; these grants are summarised in notes 12 and 13 of the Accounts. Priorities for aid included a range of countries in Africa which received a total of £3,518,550 in aid payments, including vital payments to Christian communities experiencing violence in the DRC and Burkina Faso. Help to Asia totalling £2,109,473 included help to poor and oppressed Christians in India suffering during COVID restrictions. Despite challenges, ACN UK was still able to provide vital aid of £1,830,471 to communities in the Middle East, particularly in Lebanon and Iraq.

The projects funded round the world included the support of Religious Sisters through construction of convents and provision of living costs, educational activities, broadcasting the Faith, provision of catechetical material and books, formation of catechists, training of seminarians, provision of transport for those involved in the Church's mission, subsidies for priests through grants and Mass stipends, humanitarian assistance for refugees and those actively facing persecution, and help with church buildings. The projects we support are mainly pastoral, though some are educational and developmental wherever the presence of the Church is at stake. Beneficiaries are selected in accordance with our charitable objects for the support and promotion of the Church, especially where it is suffering persecution or discrimination. Working with the Projects Section of ACN International General Secretariat, we apply selection criteria that include designating certain countries as priority areas and evaluating the suitability of projects for the pastoral development of the Church in line with the plans of the local bishops. All project proposals are supported by a local Bishop or Religious Superior, with project agreements, including safeguarding agreements, signed and agreed upon by ACN International's General Secretariat Heads of Projects and then approved by the UK National Director on behalf of the trustees of ACN UK, with whom the UK National Director liaises and to whom he reports on all projects.

Staff from the National Office and from the General Secretariat's projects sections were in regular contact with project partners around the world, even though trips during the period were not possible due to COVID travel restrictions. Reports continued to be received concerning the situation on the ground and the impact and effectiveness of aid provided. In the light of the level of aid provided in the Middle East, the international organisation employs a project consultant in Lebanon, two consultants for project monitoring and evaluation in Iraq and also two consultants based in Homs and Aleppo, Syria, who help prepare applications and monitor aid within Syria.

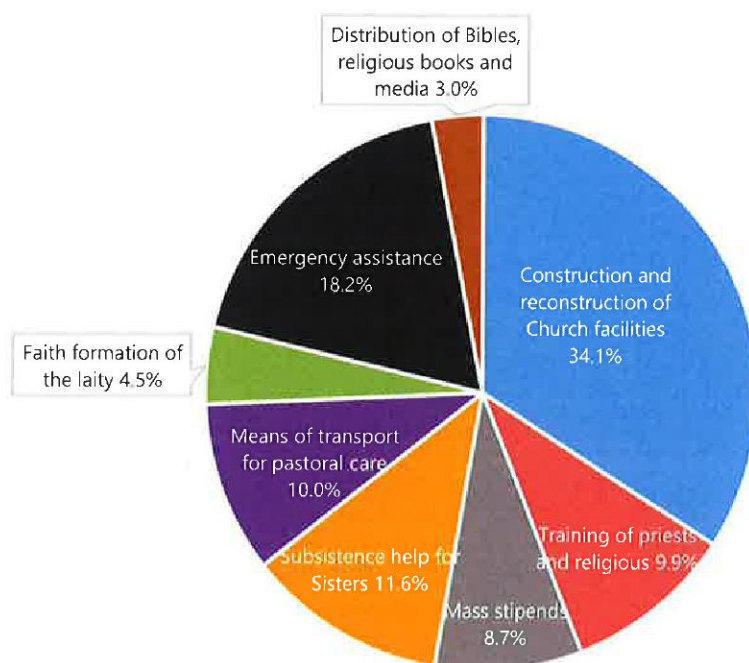
ACN UK provided aid in various regions of the world and by different funding types. Please see note 12 Restricted Funds and note 13 Aid Granted for more detail. The following pie chart gives a pictorial representation of the geographical distribution of £9,598,069 in aid provided during 2021, through 334 project payments in 76 countries:

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AID PAYMENTS 2021 BY REGION

The following pie chart provides a representation of the distribution of £9,598,069 in aid payments during 2021 by funding type, following the categories used by ACN International.



AID PAYMENTS 2021 BY FUNDING TYPE

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Examples of projects supported in each Funding Type are given below:

CONSTRUCTION AND RECONSTRUCTION OF CHURCH FACILITIES	
Lebanon	Rebuilding of St George's Cathedral Beirut, after the bomb blast
Mozambique	Rebuilding of the Santa Madalena Chapel, in Netia
Bangladesh	Construction of Church at Cholbol Sub-Center, Narikelbari Parish
Brazil	Building of the Diocesan Curia in Coari
TRAINING OF PRIESTS AND RELIGIOUS	
Ethiopia	Formation for priests and religious in the Vicariate of Nekemte
Haiti	Building the Junior Seminary of Saint Theresa of the Christ Child
Vietnam	Formation of 28 junior seminarians at the Séminaire Propédeutique
MASS STIPENDS	
Cameroon	Ordinary Masses for 105 priests in the diocese of Kumbo
Philippines	2,340 Ordinary Masses and 78 Novenas for Priests in Borangan Diocese
Ukraine	3,200 Ordinary Masses for 12 priests in the Diocese of Kyiv-Zhytomyr
SUBSISTENCE HELP FOR SISTERS	
Belarus	A host-making machine for the Holy Family Sisters in Navahrudka
D R Congo	Expansion of the Convent of the Angelic Sisters of St Paul in Murhesa
Indonesia	Living costs for 25 Sisters of ADM in Yogyakarta (COVID help)
MEANS OF TRANSPORT FOR PASTORAL CARE	
Solomon Islands	Vehicle for Buma Pastoral Centre
Papua New Guinea	Vehicle for the Auxiliary Bishop of Wabag
Mauritania	Vehicle for the Vicar General of Nouakchott
FAITH FORMATION OF THE LAITY	
Egypt	Youth formation programme - 2021
Togo	Training for families in the diocese of Sokode.
Algeria	Language and Culture training for 8 priests at 'Les Gylcines' College
EMERGENCY ASSISTANCE	
India	Corona emergency help for Trivandrum Archdiocese
Syria	Help for 650 families in the Damascus area to pay their rent
Uganda	Help to purchase medical equipment for Kisubi Hospital
DISTRIBUTION OF BIBLES, RELIGIOUS BOOKS AND MEDIA	
Lebanon	Studio equipment for SAT 7 studio in Lebanon
Argentina	Distribution of Catholic programmes across Latin America (SIPCATV)
Mali	Printing of 5,087 copies of the whole Bible in the 'Bambara' language

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Impact measurement

Projects for which grants have been approved by ACN UK are monitored closely; all projects have their outcomes analysed to see if they are in accordance with the project proposals and represent value for money. Project holders are asked to provide additional information as necessary, and if this is not deemed satisfactory, or is not forthcoming, ACN UK will not consider further project applications from that project holder, diocese or province, or continued funding for a project which is being funded in stages.

Monitoring in the Middle East presents a particular challenge, and we are fortunate that our project partners – bishops, priests and Sisters in particular – have assisted us by providing excellent accounts of their spending of ACN funds, overseen by ACN staff and volunteers.

The Charity receives reports on the impact of grants made in terms of those people reached and the effectiveness of aid provided. It will also continue to be through visits, reports and follow-up that we will see that ACN UK makes a huge difference to the life of the Church and to suffering Christians.

The examples below illustrate the vital help given by ACN UK to various projects around the world during 2021.

Ukraine – formation grant for seminarians in the seminary of Drohobych, diocese of Sambir-Drohobych-Ucr

The Church in Ukraine is notable for its many vocations to the priesthood, and ACN has supported its seminaries for many years.

Drohobych seminary is about 50 miles south-west of Lviv, in western Ukraine, close to the border with Poland, and within the Ukrainian Greek Catholic Eparchy of Sambir-Drohobych.

When it began, the seminary was housed in a former pharmaceutical warehouse, but now, as the Drohobych Theological Seminary, it has new purpose-built premises, opened in 2004.

ACN has been supporting the formation of seminarians in Drohobych since 1996. The seminary started with 12 seminarians and now has over 80 students undertaking the required six years of study. Courses in Theology, Philosophy, Scripture, Liturgy and the Humanities are taught by 30 teachers, eight of whom have a Doctoral degree.

Seminary graduates work as priests in the Sambir-Drohobych Eparchy or outside of it, especially in the Russian Federation, Kazakhstan, the Kyiv Archeparchy, Donetsk and Kharkiv and Crimea Exarchate. Some work in the USA while others belong to monastic orders. Some graduates are continuing their education in Ukraine and abroad.

In 2021 ACN sent the first of three equal instalments of EUR 69,600. This will provide 28% of the total annual cost of training the seminarians.

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Seminarians celebrating the sacred liturgy in the Drohobych Seminary chapel

Sudan – subsistence help for 166 Church personnel working in seven parishes (and Yida Prayer Centre) in the Nuba Mountains

In south-west Sudan, the Nuba mountains are one of the most remote areas in the whole of Africa. Ethnically and culturally, the people have more in common with those of South Sudan, but after the independence of South Sudan in 2011 the region stayed under the control of the Sudanese government, and the Comprehensive Peace Agreement did not give the people the right to vote and join the south. The Sudanese government maintained a heavy military presence and kept the region isolated. There are almost no roads; most villages are only connected by paths and cannot be reached by vehicles. During the rainy season there is grazing of animals and growing of crops, but at other times of the year there is often drought and famine. These harsh conditions, along with years of conflict, have taken their toll on the people, who continue to need the assistance of the Church.

The bishop of El Obeid was not allowed to visit the region for a long time, even though it is important to him, because many of his priests come from the Nuba Mountains and South Sudan. The diocese struggles to meet its running costs, so appealed to ACN to fund its programme of relief and evangelisation in six parishes and a prayer centre. The relatively new bishop needs to be encouraged and supported in his efforts to encourage and support his clergy, Sisters and catechists.

ACN UK agreed a grant of USD 115,000. This will be used to provide food for priests, Sisters and catechists, and also to support their evangelisation programmes, especially with children. The project is co-financed with Propaganda Fides.

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Nuba Mountains Evangeliser Pastoral Team, diocese of El Obeid

Lebanon – humanitarian assistance plan for Syrian refugees in Zahle

Zahle is close to the busiest crossing point between Syria and Lebanon, and it was inevitable that, when the Syrian civil war began in 2011, Zahle and the surrounding Beqaa valley would become a haven for Syrian refugees.

Lebanon soon had the highest concentration of refugees per capita in the world. The already fragile Lebanese economy was overwhelmed by the enormous influx of Syrian refugees, which coincided with a political paralysis of the Lebanese government, the collapse of the local currency, and, to cap it all, the ravages of COVID.

There is a majority of Melkite Greek Catholics in Zahle, and their Archbishop, Most Rev John Darwish, has worked with ACN for many years to alleviate suffering. He writes: *'This cooperation between us was the saviour for the Christian Syrian refugees to overcome their struggles.'*

Although some refugees have now returned to their home country, or have emigrated to Canada and some European countries, there remain many families under the care of the Archdiocese. Families with young children or elderly/disabled members are specially targeted. These are being helped in three main ways:

1. Direct assistance – food, hygiene kits, rent, heating.
2. Medical assistance – medications, hospital fees.
3. Yearly dues – demanded by the Lebanese government to renew the right to stay in the country.

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ACN UK agreed the payment in 2021 of the first of three equal instalments of USD 103,333 for this continuing programme.



Archbishop John Darwish assists in the preparation of nourishing meals of rice, lentils, beans, pasta, cheese, etc.

Achievements and performance

ACN UK saw total audited income in 2021 of £10,246,817 (2020 £11,304,101), but cash received, including cash from previously accrued legacies, increased. Donations and grants of £8,026,383 were up by 2.1%. Legacies received of £1,006,821 were up but legacy income receivable (due but not yet received) of £802,131 was down by £1,508,800; total audited legacy income equated to 17.7% of total income. The great kindness of departed benefactors is reported within the Consolidated Statement of Financial Activities under Legacies Received and Receivable (see notes 3 and 9).

National campaigns focusing on selected countries or regions produced good income, supported by regular income associated with the *Mirror* newsletter. The acquisition of new benefactors was restricted in the period as various usual channels, such as face-to-face parish appeals, were not open to be used at the same level as in previous years. However, the retention of loyal benefactors over recent years has helped the charity to maintain a steady level of donations. During the period under review, the trustees and staff were deeply encouraged by the benefactors' loyal and compassionate support for those in such need.

Expenditure on raising funds, excluding trading, for charity cash received was £843,515 which equates to 7.3p in the pound (2020 8.9p). Expenditure on charitable activities, including the grants programme, education, communication and support, was £10,881,239; total consolidated expenditure was £12,017,300.

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Further points to note:

- Legacies Received amounted to £1,006,821 and Legacies Receivable booked were £802,131 totalling £1,808,952 (see note 3).
- The overall audited charity income shows a 9.3% downturn against the previous year, due to the reduced booking of legacies, whilst cash received increased, due to cash received from legacies booked in the prior year, to enable an increase in grants paid out.
- Regular giving including Direct Debits and Standing Orders was on a level with the previous year at £1,080,342 and tax recovered on Gift Aid donations was at £971,975.
- A second year of COVID-related restrictions meant that no parish appeals were conducted in 2021. Despite the loss of this important vehicle for new name acquisition, donations and trading income, our work in the community continued via printed, virtual and digital channels. This resulted in renewed, though understandably limited, support from parishes, alongside increases in income from schools and the number of schools accessing our classroom resources. The first half of 2021 saw intensive research and planning for the implementation of our new team of full-time Community Fundraisers, three of whom were in post by the end of the year. Monday.com, a virtual platform to track the performance of the Community Outreach team, and GiveStar devices to allow card payments at events were implemented across the Community Outreach Team.
- Overall, Direct Marketing activities realised £3,661,498 with further donations carried under the categories of Web and Major Donors. Special reports and press articles were produced after research, in-country interviews and feedback from project partners. Our 'Hear Her Cries' Report, focusing on the forced marriage and conversion of Christian girls and women worldwide, received wide media and parliamentary attention. In addition to highly successful Syria and Iraq campaigns, other campaigns included Lebanon, India, Brazil, Pakistan, Nigeria and Mozambique as well as our annual Gifts of Faith mailing. The e-newsletter engaged more benefactors on a regular basis and social media coverage and followers increased. Facebook income increased, despite issues with their blocking our Advocacy adverts for our #RedWednesday Campaign.
- Advocacy for Pakistan Christian girl Maira Shahbaz to receive UK asylum resulted in three meetings with Home Secretary Priti Patel and repeated lobbying of the FCDO and the UK High Commission to Pakistan. Questions were raised in the Westminster Parliament. A report on Christian women and girls suffering forced conversion, forced marriage and sexual victimisation was launched on #RedWednesday 2021. A petition calling for action from the UN and UK garnered 3,200 signatures, despite the Facebook advertising restrictions. Social media activity expanded.
- No ACN pilgrimage was able to take place during the course of the year, due to COVID-related travel restrictions.
- Mass stipend offerings grew by 21.6% to £887,729 as more benefactors requested Masses to be celebrated, partly due to the fact that local parish churches continued to be closed or to allow restricted numbers for periods of time. By this means, with Masses offered for the donor's intentions, benefactors gave support to needy priests, whose

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funds for pastoral ministry were hit by COVID restrictions and helped them to care for the poor.

- Expenditure on raising funds, excluding trading, for charity cash received was £843,515 which equates to 7.3p in the pound (2020 8.9%).
- In the period, 88.5% (2020 82.9%) of total charity cash received was expended on the charitable purpose, excluding support services; 82.9% (2020 75.3%) of charity cash received was spent on the Grants programme in aid to persecuted and needy Christians.
- As highlighted above, through the Grants programme the UK charity was able to provide £9,589,069 in aid, through 334 project payments in 76 countries during the period to the end of December 2021.

Office in Scotland

ACN UK has an office in Motherwell, Scotland (registered with the Office of the Scottish Charity Regulator, SCO40748). During the period under review the office continued to develop new support whilst nurturing existing benefactors, schools and parishes by keeping them informed and engaged with the Charity's ongoing work around the world. The Scottish Office is overseen by the Head of Operations in Scotland, Lorraine McMahon, who is assisted by the Events Manager in Scotland, a Community Support Officer, an Administrative Officer and a Community Fundraiser. The second Community Fundraiser will start 1st February 2022. The Head of Operations reports to the National Director.

The Scottish Advisory Group works effectively, offering advice and exchanging ideas, and had eight members in 2021: Bishop John Keenan, ACN's liaison bishop for the Scottish Bishops' Conference, a Youth Chaplain, a human rights lawyer, an employee of Scottish Catholic media, the Director of the Catholic Parliamentary Office, a broadcaster, an Events Company CEO and a retired teacher. The Charity also has 10 registered volunteers in Scotland, whose total time assisting in the office and for events normally equates to approximately 3 hours per week. Scotland has an additional 32 volunteers still designated as Parish Representatives and 5 school groups as Youth Ambassadors.

In the period under review, direct income from benefactors in Scotland amounted to £766,929 including legacies received totalling £34,650. In addition, Gift Aid of £104,804 was reclaimed on qualifying donations from individual taxpayers in Scotland. Therefore the total ACN Scottish income in 2021 including Gift Aid reclaimed is £871,733 which is a decrease of 8.8% on the previous year.

The Scottish Office continued to raise awareness of the plight of Christians around the world and particularly in the Middle East and Nigeria. Much of the work was within schools and parish communities through participating in or organising virtual events. ACN in Scotland produced new resources that work virtually to suit the current lockdown situation as well as developing the 'Maisy Milk' initiative, which has now been elevated to a national initiative for the first time in 2020 and became a UK-wide success in 2021 with many new schools engaging for the first time. The Maisy Milk Club is currently being further developed to include newsletters, updates and activities to engage primary school children. ACN in

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Scotland participated in Red Wednesday with its annual Event in the Scottish Parliament that was sponsored by John Mason MSP. The event was used to promote the 'Hear Her Cries' Report 2021 and gain support for the Maira Shahbaz case. The Scottish Team has worked closely with Bishops, clergy, schools, benefactors, RE Advisors through a range of events throughout Scotland including Masses, talks, appeals, assemblies, workshops, conferences, most of which were virtual for 2021. Scotland's Red Wednesday Parliamentary event and Advisory Group meetings also took place virtually. These virtual events had a wide reach and engaged with people across Scotland and beyond.

ACN's largest event, The Youth Rally was again cancelled in 2021 but is planned to run in September 2022.

In recognition of ACN's work in Scottish schools, Clair Sweeney, the Events Manager in Scotland, continues to be part of the Scottish Catholic Education Service's Executive Board. This has propelled ACN to the forefront in being a Catholic Charity considered and included by SCES and the Scottish Catholic Bishops' Conference. ACN has continued to be a member of the Cross Party Group for Religious Freedom and has continued to build relationships with MSPs, MPs and Scottish Ministers.

Lorraine McMahon Head of Operations in Scotland has been invited by the Scottish Parliament to carry out the 'Time for Reflection' the first item of business for the week.

Reserves policy

The accounts highlight the satisfactory financial position of the charity as a going concern. At all times, the trustees are concerned to see the maximum available amount being paid out in aid. It is the policy of the trustees not to accumulate unnecessary assets whilst allowing for a contingency sum. After discussion and review, especially in the light of COVID, noting that the charity benefits from regular giving, substantial voluntary donations from a wide variety of sources, and owns the office building in Sutton outright, the trustees have adopted a reserves policy to hold a small reserve to provide for the unexpected. The charity is also able to control expenditure in the distribution of funds for aid in the light of the level of incoming funds. Therefore, the trustees agreed that a sum of at least £200,000 be held in the bank. The Balance Sheet to the accounts and Note 14 Total Funds show that free reserves, excluding legacies receivable, at the end of the period were £349,908 which represents 8 weeks of running costs. Aid payments totalling £139,525 for projects in Africa and for Masses (note 12) are due to be paid out early in 2022.

FRS 102 has been used when preparing these financial statements. The allocation to all cost centres has been agreed with the auditors, based on agreed accounting policies set by the charity. In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Plans for Future Periods

Regular updating of the Strategic Plan for 2020-24 was undertaken throughout 2021; changes in COVID-related restrictions and the impact of the pandemic both here in the UK and on our project partners around the world largely determined our decisions about staffing levels, national campaigns and engagement channels. No doubt COVID will continue to drive these

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and other strategic concerns into 2022 (and possibly beyond), though the on-going high levels of support from our benefactor base and what appear to be the beginnings of a return to something resembling pre-pandemic life, allow room for a growing optimism about the coming year.

The major internal change in 2022 will result from the retirement of our current National Director after 31 years in post. The new National Director will be in place for Easter 2022 and will resume full responsibility for leading the charity at the end of June. The arrival of a new National Director will no doubt act as a catalyst for change, building on the legacy of the current National Director while introducing new strategies for staffing and working practices in a post-pandemic environment, for reintroducing in-person engagement with our benefactors through schools and parishes, for raising awareness and generating more income across all our existing marketing channels and for developing our advocacy programme. The charity will further undertake a root and branch examination of all its activities, procedures and protocols to ensure that everything we do is productive, efficient and fit for purpose.

The new team of Community Fundraisers should be in place by Summer 2022, and we are already seeing signs that parishes, schools, major donors and special interest groups are once again open to face-to-face engagements and the developing of on-going, more meaningful relationships with the charity. The Community Fundraisers, with the support of the Schools and Resources Team, are perfectly placed to take this on for us. Requests for appeals and school visits are beginning to come in, along with increasing interest in our work abroad and our school and prayer resources, and we anticipate that 2022 will see the return of significant levels of in-person engagement across the Catholic, ecumenical and broader communities. The results of parish appeals, in particular, will be closely monitored to determine that this method of engagement—historically so successful for us—continues to remain optimally productive in a world of streamed Masses and smaller congregations.

Alongside our increased front-facing presence within each diocese, our direct marketing programme, e-news and digital marketing plans will continue to keep our benefactors informed of the plight of suffering and persecuted Christians around the world, but also of all that we at ACN are doing to help. In the coming year we will work with our colleagues at ACN International to ensure that the impact of our projects on local communities is highlighted through our reports, campaign and other engagement channels. Our advocacy work will continue to develop as we strengthen our relationships with Parliament, Freedom of Religion or Belief forums, other like-minded charities, the Catholic Bishops' Conferences and other relevant statutory bodies. Particular attention will be paid to developing new media channels of raising awareness of our mission and of the plight of those we work to support; we hope to launch regular ACN podcasts and short video updates during the second half of 2022.

The arrival of the new National Director will likely result in some organisational change, as would the departure of any key members of staff. We shall continue to think carefully about all new appointments given the relative fragility of the current economy, but the reactivation of our work in the community and the growth of our advocacy programme will no doubt result in greater demands on the time and skillsets across our team. We shall monitor this carefully and adapt staffing plans accordingly. We anticipate a permanent shift to more flexible working patterns for all staff.

We will involve trustees, staff and advisers in ensuring data legislation is fulfilled and that appropriate safeguarding policies continue to be implemented by project partners. In 2022 we shall implement People, a fully automated HR system, as well as a full set of mandatory training modules for all new staff and refresher modules for existing staff. The work of the ACN office

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in Scotland will continue to be fully supported. Volunteers will be recruited throughout the United Kingdom, both to offer support in the three offices and to generate prayers and raise funds in parishes, schools, universities and ethnic chaplaincies. Greater cooperation with ecumenical groups will be sought wherever possible. ACN Trading Limited will continue to link products to projects and the mission of the charity and further develop its on-line shop. We shall strive to improve communications between our various teams to ensure a unified approach for each national campaign across all channels of engagement. 2022 will see the transfer of call handling from RightSort, our fulfilment warehouse, to our own in-house team; this will improve direct telecommunication with our benefactors, and result in improved integration of our accounting, trading, thanking and customer care systems.

We will continue to offer a full slate of events throughout the UK. These will include in-person and virtual events and national, large-scale events as well as smaller regional events and sponsored fundraising challenges. This year's Maisy Milk Rosary for Peace will be taken on in May by Catholic primary schools all over the UK. In June we shall hold a series of events focused on thanking our many loyal benefactors and celebrating all that we, working together, have achieved over the past 75 years. September will see the launch of our reworked "Go2Mass for Someone who Can't" campaign, a full suite of resources for use in parishes and schools which will offer them the opportunity to work together to raise awareness and funds for our work while reinventing their parish communities after two years of little or no interaction. After a lapse of two years, our Youth Rally in Scotland will once again take place in September. Our advocacy programme will serve as the main focus for this year's Red Wednesday events in late November.

We anticipate the reintroduction of fact-finding trips for staff at ACN UK and ACN International in 2022, and we plan to make full use of the first-hand information gleaned from such visits after two years of enforced COVID-related travel restrictions.

As the pandemic begins to ease, the trustees again wish to express their thanks to all benefactors, staff and volunteers for their wonderful compassion and commitment to the work of ACN UK. A truly exceptional level of donations from our benefactors coupled with another year of outstanding effort and achievement from our staff made 2021 one of our most successful years ever. The charity continues to rely solely on the generosity of its benefactors, receiving no government or statutory funding. Together, in 2021, we have helped millions of Christians around the world. Through our prayers, hard work and financial support, we have given hope for a brighter future to those whose need is so much greater than our own.

Statement of Trustees' Responsibilities

The trustees, (who are also the directors of Aid to the Church in Need (United Kingdom) for the purpose of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

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- state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are 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 Companies Act 2006. 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.

None of the trustees had any beneficial interest in any contract to which the Organisation was party during the year.

Statement of disclosure to auditors

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

Approved by the Trustees and Directors of Aid to the Church in Need (United Kingdom) and signed on their behalf by



Graham Hutton
National President and Chairman of the Board of Trustees
26th April 2022

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF AID TO THE CHURCH IN NEED (UNITED KINGDOM)

Opinion

We have audited the financial statements of Aid to the Church in Need (United Kingdom) for the year ended 31 December 2021 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2021 and of the group's 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended) and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 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 charitable 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 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.

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF AID TO THE CHURCH IN NEED (UNITED KINGDOM)

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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 or the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; 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, 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 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 group and parent 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 trustees either intend to liquidate the group or parent charitable company 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 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report to you in accordance with regulations made under those Acts.

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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF AID TO THE CHURCH IN NEED (UNITED KINGDOM)

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 (as amended), regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended), the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management.
- 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.
- We inquired of management 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 obtaining additional corroborative evidence as required.

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 group and parent charitable company'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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF AID TO THE CHURCH IN NEED (UNITED KINGDOM)

events or conditions that may cast significant doubt on the group and parent charitable company'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 group or parent charitable company 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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 control that we identify during our audit.

Use of our 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 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 charitable company's members and trustees those matters which we are required to state to them in an auditor's report addressed to them 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 charitable company and charitable company's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Neil Finlayson (Senior Statutory Auditor)

for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Devonshire House
60 Goswell Road
London
EC1M 7AD

5/5/2022

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

Aid to the Church in Need (United Kingdom)
Consolidated Statement of Financial Activities
For the year ended 31 December 2021

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income and Expenditure					
Income					
Donations and Grants	2	5,806,602	2,219,781	8,026,383	7,856,601
Legacies received	3	1,006,821	-	1,006,821	766,787
Legacies receivable	3	802,131	-	802,131	2,310,931
Other trading activities	4	411,482	-	411,482	369,782
Total Income		8,027,036	2,219,781	10,246,817	11,304,101
Expenditure					
Expenditure on raising funds					
Raising funds		843,515	-	843,515	866,875
ACN Trading Ltd costs	8	292,546	-	292,546	265,925
Charitable activities					
Grants programme	12	7,160,446	2,437,623	9,598,069	7,328,686
Education and communication		639,913	-	639,913	746,676
Support services		643,257	-	643,257	558,144
Total Expenditure	5	9,579,677	2,437,623	12,017,300	9,766,306
Net Income / (Expenditure)		(1,552,641)	(217,842)	(1,770,483)	1,537,795
Other recognised gains/(losses)					
Net gains/(losses) on investments		7,503	-	7,503	2,292
Net Movement in Funds		(1,545,138)	(217,842)	(1,762,980)	1,540,087
Fund balances bfwd at 1 January		4,445,402	357,367	4,802,769	3,262,682
Fund balances cfwd at 31 December	13	2,900,264	139,525	3,039,789	4,802,769

There were no recognised gains and losses other than those included in the statement of financial activities.

Aid to the Church in Need (United Kingdom)
Balance Sheet at 31 December 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed Assets					
Tangible Fixed Assets	7	1,050,816	1,058,733	1,050,816	1,058,733
Investments	8	30,896	23,394	30,996	23,494
		<u>1,081,713</u>	<u>1,082,127</u>	<u>1,081,813</u>	<u>1,082,227</u>
Current Assets					
Stock and work in progress		67,164	72,477	-	-
Debtors	9	1,754,387	3,467,908	1,884,975	3,710,081
Cash at bank and in hand		338,856	378,966	196,389	152,207
		<u>2,160,408</u>	<u>3,919,351</u>	<u>2,081,364</u>	<u>3,862,288</u>
Creditors: Amounts falling due within one year	10	202,331	198,709	133,433	151,772
Net Current Assets		<u>1,958,077</u>	<u>3,720,642</u>	<u>1,947,931</u>	<u>3,710,516</u>
Net Assets	13	<u>3,039,789</u>	<u>4,802,769</u>	<u>3,029,744</u>	<u>4,792,743</u>
Funds					
Unrestricted		2,900,264	4,445,402	2,890,219	4,435,376
Restricted	11	139,525	357,367	139,525	357,367
		<u>3,039,789</u>	<u>4,802,769.46</u>	<u>3,029,744</u>	<u>4,792,743</u>

Approved and authorised for issue by the Board of Trustees on 26 April 2022
and signed on its behalf by



Graham Hutton, Chairman of the Board of Trustees

No separate SOFA has been presented for the charity alone, as permitted by Section 408 of the Companies Act 2006.
The Charity's income for the year was £ 9,954,253 (2020 £11,038,272)
and the deficit for the year was (1,762,999) (surplus in 2020: £1,460,684)

The notes on pages 29 to 37 form part of these accounts.

Aid to the Church in Need (United Kingdom)
Consolidated Statement of Cash Flows
for the year ended 31 December 2021

	2021 £	2020 £
Cash flow from operating activities		
Net cash provided by operating activities	(3,246)	268,319
Cash flows from investing activities		
Investment income and interest received	403	857
Proceeds from disposal of fixed asset investments		0
Payments to acquire tangible fixed assets	<u>(37,266)</u>	<u>(55,659)</u>
	(40,110)	213,517
Net increase/decrease in cash and cash equivalents	(40,110)	213,517
Opening cash balance at the beginning of the year	<u>378,966</u>	<u>165,449</u>
Closing cash balance at the end of the year	<u><u>338,856</u></u>	<u><u>378,966</u></u>

**Reconciliation of net income
to net cash flow from operating activities**

	2021 £	2020 £
Net Movement in Funds	(1,762,980)	1,540,087
Adjustments for:		
Depreciation	45,183	42,693
Net (gains) /losses on investments	(7,503)	(2,292)
Investment income	(403)	(857)
Decrease / (Increase) in stock	5,313	19,535
(Increase)/decrease in debtors	1,713,521	(1,290,053)
Increase/ (decrease) in creditors	3,622	(40,796)
	<u>(3,246)</u>	<u>268,319</u>

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021.

1 Accounting Policies

Basis of preparation

These financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charity and its subsidiary are a public benefit group for the purposes of FRS 102 and therefore have also prepared the financial statements in accordance with the 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 (The FRS 102 Charities SORP) and the Companies Act 2006.

Going concern

The trustees have considered possible events or conditions that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made their 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 charitable company's forecasts and projections and have considered the potential impact of the coronavirus outbreak on the viability of the charitable group. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Basis of consolidation

The group financial statements consolidate the financial statements of ACN Trading Limited. No Statement of Financial Activity is prepared for the charity as permitted by section 408 of the Companies Act 2006.

Company status

The charity is registered with the Charity Commission in England and Wales number 1097984. The charity is registered with the Office of the Scottish Charity Regulator number SCO400748. The Charity is registered with Companies House in England and Wales number 4747666. The registered office is Benhill House, 12-14 Benhill Avenue, Sutton, Surrey, SM1 4DA, England. The charity is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

Incoming resources

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Legacies are recognised following probate once evidence is received that the receipt is probable and the amount of the legacy receivable can be measured reliably.

Details of any legacies to which the charity is entitled, for which the amount receivable or timing of receipt is uncertain are disclosed as a contingent asset until the criteria for income recognition are met.

The charity has been notified of legacies estimated to produce £500,000 (2020: £500,000) which have not been included in the consolidated Statement of Financial Activities, because the conditions for recognition have not been met.

Fund accounting

Restricted funds are those which are to be used for the specified purposes as laid down by the donor. Expenditure which meets these criteria is allocated to the appropriate fund.

Unrestricted funds are donations and other income received or generated for the furtherance of the objects of the charity without specified purposes, and therefore are available as general funds.

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021 (continued)

1 Accounting Policies (continued)

Government grant policy

Income from government or other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grant have been met, it is probable the income will be received and the amount can be reliably measured.

Lessor accounting

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

Fixed Assets and Depreciation

All fixed assets are used in direct furtherance of the charity's objectives. Fixed assets are included in these financial statements at their original cost less depreciation and accumulated impairment losses provided to date.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the costs less estimated residual value of each asset, by equal annual instalments, over their expected useful lives which are considered to be:

Freehold property	-	1% straight line
Office fixtures and equipment	-	25% straight line
Computer equipment	-	33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the profit and loss account.

Grant-making policies

The trustees allocate grants in accordance with the objects set out in the Memorandum and Articles of Association of the charitable company, which are summarised in the Trustees' Annual Report.

Resources expended

Staff costs and overhead expenses are allocated to activities on the basis of time spent on those activities. Resources expended are included in the Statement of Activities on an accruals basis. Any accrued holiday pay entitlement would be included in the Statement of Activities.

Critical accounting estimates and areas of judgement

In preparing accounts, it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the accounts. In the view of the trustees, no judgements were required that have a significant effect on the amounts recognised in the accounts, nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

Foreign currency transactions

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the time of the transaction. Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange on the balance sheet date. All exchange differences are dealt with in the Statement of Financial Activities.

Pension costs

The charity operates a defined contribution pension scheme. The premiums are charged to the Statement of Financial Activities as they arise. At year-end there were no unpaid pension contributions (2020: also £Nil).

Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Operating leases

Rentals payable under operating leases are charged on a straight line basis over the lease term.

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021 (continued)

2 Donations and Grants

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Direct Marketing	1,566,988	730,013	2,297,001
Web	694,744	235,904	930,648
Major Donors	337,349	96,500	433,849
Community Outreach	128,845	64,635	193,480
Scotland	112,482	12,255	124,737
Other	347,640	112,530	460,170
Regular Giving	1,078,782	1,560	1,080,342
Gift Aid	971,975	-	971,975
Masses	-	887,729	887,729
Trust Income	237,412	78,655	316,067
Gifts of Faith	315,200	-	315,200
Red Wednesday and Events	10,014	-	10,014
Furlough Grant	5,171	-	5,171
	5,806,602	2,219,781	8,026,383

	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Direct Marketing	1,847,518	614,261	2,461,779
Web	723,382	353,406	1,076,788
Major Donors	237,110	35,138	272,248
Community Outreach	237,458	45,658	283,116
Scotland	42,134	24,061	66,195
Other	274,021	28,398	302,419
Regular Giving	998,291	12,647	1,010,938
Gift Aid	983,562	-	983,562
Masses	-	730,221	730,221
Trust Income	175,569	79,267	254,836
Gifts of Faith	333,988	-	333,988
Red Wednesday and Events	1,225	-	1,225
Furlough Grant	79,286	-	79,286
	5,933,544	1,923,057	7,856,601

3 Legacies Received and Receivable

	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£
Legacies Received	1,006,821	-	1,006,821
Legacies Receivable See note 9	802,131	-	802,131
	1,808,952	-	1,808,952

	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£
Legacies Received	766,787	-	766,787
Legacies Receivable See note 9	2,310,931	-	2,310,931
	3,077,718	-	3,077,718

4 Activities for Generating Funds

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Merchandising income See note 8	382,079	-	382,079	339,925
Bank Interest	403	-	403	857
Rent receivable	29,000	-	29,000	29,000
	411,482	-	411,482	369,782

There were no Restricted Funds in the prior year.

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021 (continued)

5 Total Resources Expended

	Notes	Staff Costs £	Other £	Depreciation £	Total 2021 £
Grants programme	12		9,598,069		9,598,069
Education and Communication		349,086	290,827		639,913
Support services		222,699	375,375	45,183	643,257
Cost of raising funds		738,644	104,871		843,515
ACN Trading Ltd costs	8		292,546		292,546
		<u>1,310,429</u>	<u>10,661,687</u>	<u>45,183</u>	<u>12,017,300</u>

	Notes	Staff Costs £	Other £	Depreciation £	Total 2020 £
Grants programme	12	-	7,328,686	-	7,328,686
Education and Communication		450,341	296,335	-	746,676
Support services		224,429	291,022	42,693	558,144
Cost of raising funds		745,729	121,146	-	866,875
Fundraising trading		-	265,925	-	265,925
		<u>1,420,499</u>	<u>8,303,114</u>	<u>42,693</u>	<u>9,766,306</u>

	Group 2021 £	Group 2020 £
Expenditure of £34,512 shown as governance costs in previous years (2020 : £39,840) is included in Support services and detailed below:		
Share of Salaries	7,657	7,764
Statutory Audit - Charity	18,275	18,000
Statutory Audit - ACN Trading Ltd	3,150	2,800
Legal and professional	5,430	10,882
Board meetings	-	394
	<u>34,512</u>	<u>39,840</u>

Support Services includes

	Group 2021 £	Group 2020 £
Staff Costs	222,699	224,429
Office Rent and Rates	39,147	28,454
Insurance	8,937	6,866
Cleaning	10,375	8,970
Office Repairs and Maintenance	32,390	25,965
IT support	74,881	48,001
Other Office costs	39,675	49,546
Phone	14,072	10,266
Bank Charges	53,187	41,411
Audit and Accountancy	23,230	18,000
Legal and Consultancy	12,924	53,543
Recruitment	66,556	
Depreciation	<u>45,183</u>	<u>42,693</u>
	<u>643,257</u>	<u>558,144</u>

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021 (continued)

6 Staff Costs

	Group and Charity	
	2021	2020
Staff Costs consist of:		£
Salaries	1126481	1,226,619
Social security costs	113651	116,955
Pension Costs	55849	64,738
Health insurance	14448	12,187
	<u>1,310,429</u>	<u>1,420,499</u>

The average number of employees during the year was 33 (2020 - 46)

The average number of employees during the year on an FTE basis was 30 (2020 - 29).

The number of employees whose emoluments were between £60,000 and £70,000 was 1 (2020 - 1).

The number of employees whose emoluments were between £110,000 and £120,000 was 1 (2020 - 1).

Included in salaries is £nil (2020 £42,784) in relation to termination payments in the year.

No trustee received remuneration during the year. During the year, no expenses related to travel were paid to the trustees (2020 - £nil).

Remuneration for the senior staff team was £425,554 (2020 £451,221).

The senior staff team comprises the National Director, the Head of HR and Office Manager, the Head of Fundraising, the Head of Finance, the Community Fundraising Manager and the Head of Operations in Scotland.

The accounts include a charge of £nil (2020 £9,745) for accrued holiday entitlement.

7 Tangible Fixed Assets

Group and Charity	Freehold Property	Office Fixtures and Equipment	Computer Equipment	Total
	£	£	£	£
Cost				
At 1 January 2021	1,152,750	65,716	50,677	1,269,143
Additions	-		37,266	37,266
Write-offs				0
At 31 December 2021	<u>1,152,750</u>	<u>65,716</u>	<u>87,943</u>	<u>1,306,409</u>
Depreciation				
At 1 January 2021	162,803	32,437	15,170	210,410
Charge for period	11,528	15,868	17,787	45,183
Write-offs	-	0		0
At 31 December 2021	<u>174,330</u>	<u>48,305</u>	<u>32,957</u>	<u>255,592</u>
Net Book Value				
At 31 December 2021	<u>978,420</u>	<u>17,411</u>	<u>54,986</u>	<u>1,050,817</u>
At 31 December 2020	<u>989,947</u>	<u>33,279</u>	<u>35,507</u>	<u>1,058,733</u>

None of the tangible fixed assets held at 31 December 2021 forms part of restricted funds.

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021 (continued)

8 Investments

Group	2021	2020
	£	£
Disposals		
Market value as at 1 January	23,394	21,102
Disposal	-	0
Net Investment gain/(loss)	<u>7,503</u>	<u>2,292</u>
Market Value at 31 December 2019	30,896	23,394

Investments consist of the following shares:

Thomson Reuters Group	4,264	4,264
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The investment held by the charity also includes an additional £100 investment in the subsidiary company at cost.

Included within Investments are financial assets measured at fair value of £30,896 (2020: £23,394).

Investment in Trading Subsidiary

The charity holds 100% of the issued ordinary share capital of ACN Trading Limited, registered Company No. 3298216.

ACN Trading Limited offers Cards, Books, Music, Gifts and bespoke products related to the work of the charity. Purchases from ACN Trading Ltd enable benefactors to support ACN projects worldwide, while also nurturing their own faith.

Relevant financial information regarding ACN Trading Limited is as follows.

	2021	2020
	£	£
Turnover	382,059	339,925
Cost of Sales	<u>(262,730)</u>	<u>(235,073)</u>
Gross Profit	119,329	104,852
Other operating income	21	84
Administrative expenses	<u>(29,816)</u>	<u>(30,723)</u>
Net profit before taxation	89,534	74,213
Corporation Tax	-	-
Net (loss)/ profit after taxation	<u>89,534</u>	<u>74,213</u>
Transferred to Aid to the Church in Need (UK)		
Service Charge	(73,158)	(71,028)
Loan Interest	(1,357)	(1,568)
Gift Aid donation	<u>(15,000)</u>	<u>(1,500)</u>
Retained in subsidiary	<u>19</u>	<u>117</u>
Aggregate capital and reserves	<u>10,146</u>	<u>10,127</u>

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021 (continued)

9 Debtors

	Group			
	2021	2020	2021	2020
	£	£	£	£
Trade Debtors	55,720	15,471	33,797	11,850
Income Tax recoverable	177,563	200,719	177,563	200,719
Prepayments	21,564	15,609	20,525	13,890
Accrued Legacy	1,499,540	3,236,109	1,499,540	3,236,109
Loan to subsidiary undertaking	-	-	153,549	247,513
	<u>1,754,387</u>	<u>3,467,908</u>	<u>1,884,975</u>	<u>3,710,081</u>

Loan to trading subsidiary:

Interest is charged on the loan to the subsidiary at 2.5% over bank rate.

The loan is secured on the assets of the trading company.

The table below shows the relationship between Accrued Legacy (debtor) and Legacy Receivable (income)

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Accrued Legacy bfw	3,236,109	2,010,380	3,236,109	2,010,380
less: Cash received	(2,538,699)	(1,085,202)	(2,538,699)	(1,085,202)
Add: Legacy Receivable	802,131	2,310,931	802,131	2,310,931
Accrued Legacy cfw	<u>1,499,540</u>	<u>3,236,109</u>	<u>1,499,540</u>	<u>3,236,109</u>

Included within Group debtors are financial assets measured at amortised cost of £1,545,514 (2020 £3,251,581).

Included within Charity debtors are financial assets measured at amortised cost of £1,691,877 (2020 £3,495,472).

10 Creditors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	83,307	68,916	40,290	47,988
Other creditors	34,139	3,250	27,588	3,250
Other taxes and social security costs	59,885	59,989	40,555	42,357
Accruals	-	41,554	-	33,177
Loan from benefactor	25,000	25,000	25,000	25,000
	<u>202,331</u>	<u>198,709</u>	<u>133,433</u>	<u>151,772</u>

Included within Group creditors are financial liabilities measured at amortised cost of £89,202 (2020 £135,469).

Included within Charity creditors are financial liabilities measured at amortised cost of £ 47,865 (2020 £106,165).

Loan from benefactor:

The loan from the benefactor was interest free and repayable at one month's notice.

11 OPERATING LEASE COMMITMENTS - GROUP AND CHARTY

The Charity had the following commitments under non-cancellable operating leases:

Lessee

	Land & buildings	
	2021	2020
	£	£
Within 1 year	5,440	7,010
Within 2 - 5 years	9,187	-
Over 5 years	-	-
	<u>14,627</u>	<u>7,010</u>

Lessor

	Land & buildings	
	2021	2020
	£	£
Within 1 year	29,000	29,000
Within 2 - 5 years	58,000	87,000
Over 5 years	-	-
	<u>87,000</u>	<u>116,000</u>

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021 (continued)

12 Restricted Funds: Group and Charity	Opening Balance	Incoming Funds	Resources Outgoing	Closing Balance
Purpose of Donation - 2021	£	£	£	£
Africa		194,642	133,942	60,700
Asia		255,606	255,606	
Europe		3,196	3,196	
Latin America	7,883	126,565	134,447	
Middle East	349,484	647,511	996,995	
Mass Offerings		913,427	834,602	78,825
Construction		1,900	1,900	
Education, Media and Child Bibles		14,183	14,183	
Formation		5,525	5,525	
Refugees		27,981	27,981	
Seminarians		21,375	21,375	
Sisters		7,543	7,543	
Transport		329	329	
	<u>357,367</u>	<u>2,219,781</u>	<u>2,437,623</u>	<u>139,525</u>

	Opening Balance	Incoming Funds	Resources Outgoing	Closing Balance
Purpose of Donation - 2020	£	£	£	£
Africa	1,530	136,462	137,992	-
Asia	31,613	203,876	235,489	-
Europe	-	9,985	9,985	-
Latin America	-	11,160	3,277	7,883
Middle East	-	717,066	367,582	349,484
Mass Offerings	-	769,025	769,025	-
Construction	-	65	65	-
Education, Media and Child Bibles	-	6,410	6,410	-
Formation	-	10,019	10,019	-
Refugees	-	34,385	34,385	-
Seminarians	-	22,172	22,172	-
Sisters	-	2,182	2,182	-
Transport	-	250	250	-
	<u>33,143</u>	<u>1,923,057</u>	<u>1,598,833</u>	<u>357,367</u>

13 Aid Granted: Group and Charity

Grants made during the period were distributed as follows:

By Region

	2021	2020
	£	£
Africa	3,518,550	2,654,804
Asia	2,109,473	1,667,872
Eastern Europe	1,220,787	1,383,507
Latin America	918,788	1,241,206
Middle East	1,830,471	381,297
Total Aid Payments	<u>9,598,069</u>	<u>7,328,686</u>

By Funding Type

	2021	2020
	£	£
Mass Stipends	834,602	836,831
Catechetical and Formation	629,414	1,046,512
Construction	3,275,385	2,009,341
Education, Media and Child Bibles	303,899	319,619
Humanitarian Assistance	1,742,958	555,917
Seminarians	742,390	933,760
Sisters	1,112,793	791,198
Transport	956,629	835,508
Total Aid Payments	<u>9,598,069</u>	<u>7,328,686</u>

Aid payments include a voluntary contribution of 3% towards costs of the projects department in the ACN International Office.

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2021 (continued)

14 Total Funds

	Unrestricted Funds	Unrestricted Funds	Restricted Funds	Total Funds
	2021 £	2021 £	2021 £	2021 £
Tangible Fixed Assets		1,050,816		1,050,816
Investments	30,896			30,896
Cash	199,331		139,525	338,856
Legacies receivable	1,499,540			1,499,540
Other net current assets	(19,845)			(19,845)
Free reserves		1,849,448		
		<u>2,900,264</u>	<u>139,525</u>	<u>2,900,264</u>
Free reserves excluding legacies receivable		<u>349,908</u>		
	2020 £	2020 £	2020 £	2020 £
Tangible Fixed Assets		1,058,733		1,058,733
Investments	23,394			23,394
Cash	21,599		357,367	378,966
Legacies receivable	3,236,109			3,236,109
Other net current assets	105,567			105,567
Free reserves		3,386,669		
		<u>4,445,402</u>	<u>357,367</u>	<u>4,802,769</u>
Free reserves excluding legacies receivable		<u>150,560</u>		

Included in free reserves are £10,046 of assets belonging to ACN Trading Ltd (2020: £10,027).

15 Connected Charities

Aid to the Church in Need (United Kingdom) is a National Section of the Pontifical Foundation called 'Aiuto all Chiesa che soffre' which is registered in Vatican City under canon law.

16 Conditional Asset

There are no conditional assets to record in the 2021 accounts.