



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 2022

Aid to the Church in Need (United Kingdom) Information

Trustees Mr Graham Hutton (Chairman) – resigned w.e.f. 01/10/22
Mr Timothy Church (Chairman) – appointed w.e.f. 01/10/22
Archduke Philipp Habsburg
Mr Justin Maciejewski
Mr John Paul Marsden
Ms Pauline Stuart
Mr Patrick Heren

Bankers Nat West PLC
5 East Street
Chichester
West Sussex
PO19 1HH

Solicitors Stone King LLP
13 Queen Square
Bath
Avon
BA1 2HJ

Auditors Moore Kingston Smith LLP
9 Appold Street
London
EC2A 2AP

**National Director and
Company Secretary** Caroline Hull – appointed w.e.f. 26/04/22
Neville Kyrke-Smith – retired w.e.f. 26/04/22
remained National Director Emeritus until 30/06/22

Registered Office Benhill House
12-14 Benhill Avenue
Sutton
Surrey
SM1 4DA

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

Highlights of Aid to the Church in Need (United Kingdom) 2022 Annual Report

- Having led the charity for over 30 years, Neville Kyrke-Smith retired and Dr Caroline Hull was appointed as National Director of Aid to the Church in Need (United Kingdom) ('ACN (UK)') in April 2022.
- Thanks to the compassion of benefactors, ACN (UK) provided £7,855,751 in aid through 268 project payments in 68 countries.
- Priorities for aid during the period included: £1,167,814 to support the Church in Ukraine; funding of £2,684,088 to Christian communities in Africa, many of whom experience continued violence; help to Church communities in Asia totalling £1,703,691; and £1,201,715 for the Middle East where we provided vital aid to communities suffering in Lebanon, Syria and Iraq.
- The charity's audited income in 2022 was £12,149,467 which was up 18.6% on 2021. Donations and grants of £8,075,198 were up by 0.6%. Legacies received of £1,393,867 were up by 38%; legacy income receivable (due, but not yet received) of £2,326,888 was up by 190%. Total audited legacy income equated to 30.6% of total income.
- Total charity cash received, excluding booked accrued legacies where no cash was received and excluding ACN Trading Ltd income, was £11,022,486 (2021 £11,571,903), a decrease of £549,417 (-4.75%).
- The reserves of ACN (UK) increased by £1,442,794 due to increased accrued legacy debtors.
- Online activity was strong and major donor and regular giving income grew. Community Outreach income was relatively low as the new team of Community Fundraisers settled in. Growth in this area is expected from 2023 onwards.
- ACN (UK) invited project partners Sister Annie Demerjian from Syria and Archbishop Bashar Warda from Iraq to participate in the London 2022 Ministerial Conference on Religious Freedom. The charity lobbied Home Secretaries Priti Patel and Suella Braverman on behalf of Maira Shahbaz, a Christian in hiding in Pakistan.
- The charity produced *Persecuted and Forgotten? A Report on Christians oppressed for their Faith*, which was launched in Parliament in November; guest speaker Nigerian Bishop Arogundade also promoted the charity's petition, calling for justice for those massacred at a packed church in Nigeria on 5th June 2022.
- ACN (UK) further strengthened all policies, including governance and risk management. The trustees continued to ensure the implementation of robust 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 £1,057,114 which equates to 9.6p in the pound (2021 7.3p). The main reason for this was the increase in salaries as 2022 was the first full year for paying Community Fundraisers' salaries.
- In the period, 79.5% (2021 88.5%) of total charity cash received was expended on the charitable purpose, excluding support services; 71.3% (2021 82.9%) of charity cash received was spent on the Grants programme in aid to persecuted and suffering Christians.

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

The trustees and directors of Aid to the Church in Need (United Kingdom) ('ACN (UK)') present this report for the year ended 31st December 2022 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 fulfils legal and statutory requirements, but also sets out the activities and future plans of the 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 small office in Lancaster serving as a hub for internal support services.

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, Caroline Hull, who oversees the running of the UK operation and its staff, on behalf of the trustees.

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

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 is 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.

The average number of employees during 2022 was 37 (up from 34 in 2021), with 36.5 FTE (compared to 32.8 in 2021). In 2022 ACN (UK) welcomed 11 new starters, seven who took on new roles and four who filled existing roles. The same period saw eight leavers: two due to retirement and two who held short fixed-term roles, leaving four staff members who left unexpectedly. In 2022, there were 203 ACN volunteers across England, Scotland and Wales.

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 new trustees to the Board, the trustees ensure that they have the necessary level of competence and are 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 whom 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.

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 in a regularly updated Risk Management Register. 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.

**Trustees' & Directors' Annual Report for
Aid to the Church in Need (United Kingdom)
31 December 2022 Accounts**

The continued risk of terrorist attacks in the UK means that all ACN (UK) public events are previewed with a risk assessment and, when necessary, 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. Security risks for project trips are taken fully into account and a thorough discussion and review of trips takes 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.

ACN (UK) is alert to the probability that the integrity of its IT infrastructure is threatened by malicious actors daily. To mitigate this, ACN (UK) undertakes regular cyber security risk assessments, penetration tests and vulnerability scans. ACN (UK) keeps its IT infrastructure as secure as is practicable by ensuring that the fundamentals of cyber security are in place, for example, by enforcing effective patch management, by using appropriate and properly configured firewalls and ‘best of breed’ anti-malware software and controlling access by following the Principle of Least Privilege and the use of Multi-Factor Authentication (MFA).

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, as well as 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, who helps ACN (UK) review and strengthen policies concerning all benefactor data and other data 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.

Regarding safeguarding, ACN (UK) and ACN International have appropriate policies in place. ACN deploys or employs a small number of staff or volunteers in several countries where we support 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 must 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, and mandatory staff training is provided on an annual basis.

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

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

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.

Throughout 2022 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. Trading income from events and appeals restarted, though income remained significantly below pre-Covid levels. (-56% or -£24.1k compared to 2019). As the new Community Outreach team settles in, we expect trading sales to rise and even exceed pre-pandemic income totals.

The trading subsidiary made a gross profit of £92,979, a 22.1% decrease on 2021. The gross turnover was £322,070, a 15.7% decrease on 2021. Trading-related donations received alongside purchases totalled £245,931.27, a decrease of 15.9% on 2021, mirroring the decrease in product turnover. This amount was, as in previous years, transferred to the charity.

2022 was a challenging year for ACN Trading Ltd with several factors coming together to have a significant impact:

- February saw a considerable cash donation spike due to the war in Ukraine; from then onward ACN Trading, in parallel with the charity, saw a decline in income.
- Royal Mail had 15 days of strikes in 2022 which generally impacted online sales in the lead-up to Christmas (traditionally our busiest time), with some customers opting to go to physical shops instead of shopping online due to the uncertainty.
- The rise in the cost of product buying led to decreased profit margins. A significant drop in Christmas Cards sales contributed to this; as a high-profit line with fewer sales, this brought the overall profit percentage down.
- Reduction in income from the charity's community fundraising efforts before the pandemic remained a factor, but sales at parish appeals and events are expected to rise as numbers of ACN (UK) appeals and events increase.

Stock held at the end of the year was £94,008. Due to the poor Christmas performance noted above, this included approximately £25k of unsold Christmas-related products, predominantly Christmas cards and Advent products. This remaining inventory will, however, reduce Christmas product orders in 2023 as these lines will be repeated.

As in previous years, Christmas cards made up the majority of the best-selling products; with the Child's Bible, Rosary Booklet with Blessed Rosary and Guardian Angel Ukrainian Icon completing the top ten. Top fifty sellers included 16 cards, 13 items made in our Project Countries (Ukraine, the Holy Land and Syria), seven Christmas-related gifts, eight mixed-category gifts and six books.

Products associated with ACN projects and Christian communities supported by the charity continued to feature in ACN Trading's range and were outperformed only by sales of cards.

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

With the continued support of ACN Project Partner Sister Annie Demerjian, Christian workers in Aleppo continued to produce handcrafted items such as crocheted bookmarks and other decorations. Iconographers in Ukraine reproduced traditional icons which, after the start of the war in Ukraine, increased in popularity; the Guardian Angel icon, Our Lady of Perpetual Help and various pocket icons featured in the top fifty selling items.

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:

ACN (UK) emerged from COVID restrictions with the full team successfully managing a hybrid working pattern and continuing to focus on and produce material to raise awareness about the extremely difficult situation facing many Christian communities. This included our annual programme of mailings and a wide range of fundraising and other activities: publications, articles, radio interviews, website, e-newsletters, talks, on-line events, school resources and presentations. We continued to place an emphasis on digital activities and further increased our social media presence. Our e-news brought in a good level of support. Physical events were reintroduced, and we were able to deliver our full in-person programme, as well as maintaining a degree of digital activity for presentations and in schools. Community Fundraisers renewed contact with clergy and others as the year progressed. Even though ACN (UK) came out of the pandemic well and benefactor engagement remained high, levels of support were impacted by widespread nervousness about the cost of living crisis and later in the year by postal strikes, which particularly affected our Christmas campaigns.

The charity continued to produce material to raise awareness about the extremely difficult situation facing Christian communities in India, Syria, Pakistan, Nigeria, and Lebanon, as well as featuring our annual Christmas Gifts of Faith mailing. A main focus of the year was the war in Ukraine with ACN covering the developing Ukraine emergency in February, with further updates throughout the year. 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. ACN (UK) also benefited from digital content, material and projects information shared by ACN International.

Throughout 2022, ACN (UK) registered increasing development and change in benefactor methods of payment, with many opting to make their donations via the website or by phone, notably resulting in a high level of income from our website.

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

Advocacy:

ACN (UK) partnered with Open Doors to mark World Women's Day (8th March 2022) with a virtual event on forced conversion and forced marriage of religious minority women and girls in Nigeria and Pakistan. In July 2022 the charity invited Archbishop Bashar Warda from Iraq and Sister Annie Demerjian from Syria as advocates for persecuted Christians participating in the International Ministerial on Freedom of Religion or Belief in London.

For #RedWednesday 2022 ACN (UK) developed a programme integrating research, fundraising and advocacy centring on the June 2022 massacre at St Francis Xavier's Catholic Church, Owo, Nigeria. In October 2022 ACN (UK) teamed up with Baroness Caroline Cox to launch a petition calling for justice for victims of the massacre. The next month, the charity invited Bishop Jude Arogundade from Nigeria to speak in Parliament about the atrocity. He and Baroness Cox helped launch ACN (UK)'s 2022 *Persecuted and Forgotten? A Report on Christians oppressed for their Faith*. Bishop Arogundade also spoke at the national #RedWednesday event at the Ukrainian Catholic Cathedral, London. While in the UK, Dr Arogundade briefed Parliamentarians at a meeting led by Lord Alton, and gave media interviews including to BBC Radio 4.

Over the year, the charity advocated for asylum for Pakistan Christian teenager Maira Shahbaz, threatened with death for alleged blasphemy. There were meetings with Home Secretaries Priti Patel and Suella Braverman and questions in Parliament.

Public Benefit – aid provided:

The charity's Grant Programme provided aid of £7,855,757 through 268 project payments in 68 countries; these grants are summarised in notes 12 and 13 of the Accounts. ACN (UK) rose to the challenge of the war in Ukraine by sending £1,167,814 in grants to support the Church in Ukraine. Other priorities for aid included a range of countries in Africa which received a total of £2,684,088 in aid payments, including vital payments to Christian communities experiencing violence in the DRC and Chad. Help to Asia totalling £1,703,691 included help to poor and oppressed Christians in India. Despite challenges, ACN (UK) was still able to provide vital aid of £1,201,715 to communities in the Middle East, in Lebanon, Iraq and Syria.

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 ACN funds some educational and developmental projects in areas where the future presence of the Church may be at risk. 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,

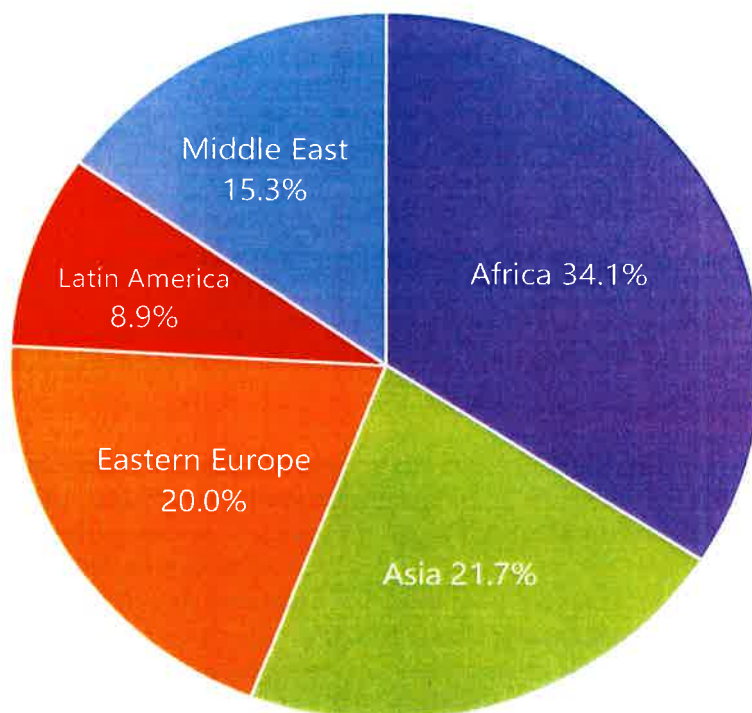
Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

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 she 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 much of the period remained somewhat limited due to continuing COVID travel restrictions. Reports were regularly received concerning the situation on the ground and the impact and effectiveness of aid provided. In light of the complexity 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 £7,855,757 in aid provided during 2022, through 268 project payments in 68 countries:

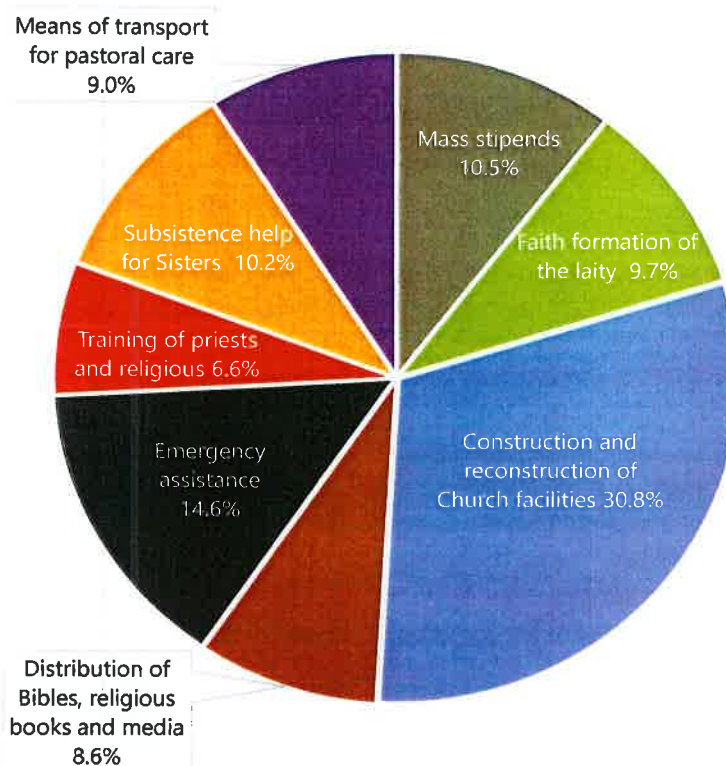
AID PAYMENTS 2022 BY REGION



Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

The following pie chart provides a representation of the distribution of £7,855,757 in aid payments during 2022 by funding type, following the categories used by ACN International.

AID PAYMENTS 2022 BY FUNDING TYPE



Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

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

CONSTRUCTION AND RECONSTRUCTION OF CHURCH FACILITIES	
Kyrgyzstan	Construction of a cathedral and a pastoral centre in Bishkek
Philippines	Construction of a chapel for the Brothers of St John as part of their new Mission House in Cebu City
Albania	Refurbishment of the church and pastoral halls, parish of Korçe
Cameroon	Construction of the convent of the Salesian Missionaries of Mary Immaculate community in Ndjock Nkong
TRAINING OF PRIESTS AND RELIGIOUS	
Madagascar	Training of 51 seminarians from the diocese of Fénérive-Est
Vietnam	Formation of 132 Seminarians – Congregation of Sacred Heart of Jesus, Hue
DR Congo	Training of 69 seminarians - Major Seminary of Philosophy Saint André Kaggwa
MASS STIPENDS	
India	2,200 Ordinary Masses and 100 Novenas for Priests in Archdiocese of Delhi
Romania	3,165 Ordinary Masses for 211 Priests in the Diocese of Oradea-Rum
Myanmar	3,750 Ordinary Masses for 109 Priests in the Diocese of Patheingyi
SUBSISTENCE HELP FOR SISTERS	
Burkina Faso	Living expenses for the communities of the Sisters of the Immaculate Conception
Latvia	Living expenses for 5 Sisters of the Eucharistic Jesus in Rezekne-Aglona
Sri Lanka	Living expenses for Religious Sisters and Brothers and Catechists in the Diocese of Jaffna
MEANS OF TRANSPORT FOR PASTORAL CARE	
Congo	Vehicle for the parish of Jesus the Good Shepherd in Vindoulou
Brazil	Ford Ranger SLS 4x4 vehicle for the Sisters of Recursolândia do Tocantins
Ukraine	Car for the Chancellor of the Eparchy of Buchach
FAITH FORMATION OF THE LAITY	
Bangladesh	Youth Formation Activities of the Catholic Bishops' Conference of Bangladesh Commission for Youth for 3 years
Israel	Five summer camps for children and weekly Youth meetings of Saint James Vicariate for Hebrew-speaking Catholics
EMERGENCY ASSISTANCE	
Mali	Living expenses for refugees and displaced persons because of their Christian faith in the Diocese of Mopti
Syria	Emergency food aid for under-served Christian population in Al-Hassake, Horan, Homs and poor neighbourhoods of Damascus
Ukraine	Emergency aid for 222 priests of the Archdiocese of Lviv during the war
DISTRIBUTION OF BIBLES, RELIGIOUS BOOKS AND MEDIA	
Zimbabwe	Supply of 15,000 copies of Child's Bible, 'God Speaks To His Children' in TjiKalanga language
Lithuania	Support for the Catholic Radio "Mazoji Studija" in Vilnius
Mexico	Purchase of 10,008 adult Bibles for the ecclesiastical province of Bajío (Dioceses of Leon, Irapuato, Celaya and Queretaro)

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

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 2022.

Construction of a cathedral and a pastoral centre in Bishkek, Kyrgyzstan

Kyrgyzstan is 90% Muslim. Bishkek is the capital of Kyrgyzstan and the current cathedral is a small church inconveniently situated in one of the suburbs. The Church has acquired a central site and has the necessary government permissions. There will be an adjacent pastoral centre on four floors which will hold cultural events and make the project more acceptable to the authorities. There are seven priests and five Religious Sisters. The project has a very significant pastoral value for the Church in Kyrgyzstan; religious radicalisation may not allow a future opportunity to have a Catholic complex in the city centre. The project will be spread over 3-5 years. About ten funding organisations are involved, including Jesuit Provinces, Missio and Propaganda Fide. ACN (UK) contributed EUR 250,000.

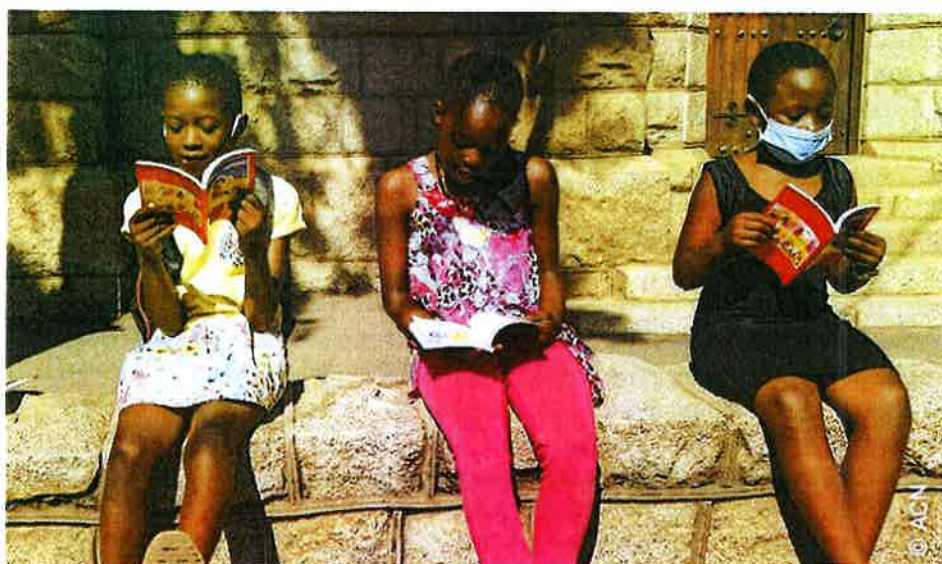


An artist's impression of the completed cathedral and pastoral centre

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

Supply of 15,000 copies of Child's Bible, 'God Speaks To His Children', in TjiKalanga language, spoken in western Zimbabwe

Although there are nearly 200,000 mother tongue speakers of TjiKalanga in Zimbabwe, there are very few printed books, mainly school textbooks, printed by the government. Teachers are eager to have additional materials in their language. The Archdiocese of Bulawayo is arranging for Child's Bibles to be distributed to parishes where TjiKalanga is the family language, for use in catechetical programmes. The Kalanga Language & Cultural Development Association will supply 188 primary schools with copies for use in classes. The books were printed by Verbo Divino in Spain and shipped direct to the Zimbabwe Catholic Bishops' Conference in Harare, at a cost to ACN (UK) of EUR 9,775.



Children appreciate reading God's Word in their own language

Construction of a chapel for the Brothers of St John as part of their new Mission House in Cebu City, Philippines

Cebu City is home to nearly a million people and is the Philippines' main domestic shipping port. The Brothers of St John are working in a particularly poor area of the city, where there is violence and drug abuse, and they try to combat the lack of Christian orientation and education, especially among the young people. The Mission House is being financed by other funding bodies, while ACN concentrates on the chapel, co-financed by eight partners, including the Archdiocese of Cologne, Missio Austria and Missio Aachen. The Head of Section in ACN's Project Department commented: 'This project is convincing because it has a clear apostolic direction, the backing of the Archbishop of Cebu, and is obviously well prepared and financially soundly planned.' ACN (UK) contributed EUR 40,000.

**Trustees' & Directors' Annual Report for
Aid to the Church in Need (United Kingdom)
31 December 2022 Accounts**



Auxiliary Bishop Midyphil Billones leads the groundbreaking ceremony



What the Mission House and Chapel will look like

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

Achievements and performance

ACN (UK) saw total audited income in 2022 of £12,149,467 (2021 £10,246,817). Donations and grants of £8,075,198 were up by 0.6%. Legacies received of £1,393,867 was up, and legacy income receivable (due, but not yet received) of £2,326,888 was up very substantially; total audited legacy income equated to 30.6% 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, limited in 2021 due to residual effects of the pandemic, gradually increased during 2022 as parishes and schools began to open to the public and the various usual channels, such as face-to-face parish appeals, once again became accessible to ACN (UK). It should be noted in this context that the steady level of donations received from long-time benefactors has helped the charity to maintain substantial levels of project support throughout the Covid crisis; the trustees and staff of ACN (UK) remain deeply committed to the careful stewardship of our loyal and compassionate benefactors.

Expenditure on raising funds, excluding trading, for charity cash received was £1,057,114 which equates to 9.6p in the pound (2020 7.3p). The main reason for this was the increase in salaries as 2022 was the first full year for paying Community Fundraisers' salaries. Expenditure on charitable activities, including the grants programme, education, communication and support, was £9,403,262; total consolidated expenditure was £10,712,465 (down from £12,017,300 in 2021).

Further points to note:

- Legacies Received amounted to £1,393,867 and Legacies Receivable booked were £2,326,888 totalling £3,720,755 - an increase of 105% (see note 3).
- The overall audited charity income shows an 18.6% increase against the previous year, due to the increased booking of legacies, whilst cash received decreased, due to cash received from legacies booked in the prior year, resulting in a reduction of grants paid out.
- Regular giving including Direct Debits and Standing Orders was 3.7% higher than the previous year at £1,141,847 and tax recovered on Gift Aid donations was £917,504.
- By January 2022, churches and schools were once again open to the public. Unfortunately, a developing UK economic crisis led some dioceses to continue pandemic-imposed restrictions on charity appeals in parishes. Similarly, some school meetings/assemblies, group talks and events across the country remained virtual, thereby delaying the return to face-to-face fundraising practices. ACN (UK) learned from the shift to digital platforms and embraced both virtual and in-person engagement throughout 2022. This approach resulted in continued support from parishes, alongside increases in income from schools and the number of schools accessing our classroom resources. 2022 saw the introduction of 5 full-time Community Fundraisers replacing the part time Area Secretaries previously

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

employed; as this team settles in, the charity's community-based income will hopefully increase rapidly in 2023 and beyond.

- Overall, Direct Marketing activities realised £3,086,383 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. In addition to the highly successful Ukraine campaigns, other campaigns included India, Syria, Pakistan, Nigeria and Lebanon, 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.
- ACN (UK) initiated advocacy for the victims of the 5th June 2022 massacre at St Francis Xavier's Church, Owo, Nigeria. A petition was launched in Parliament in October 2022 and was followed up with parliamentary meetings involving Bishop Jude Arogundade of Ondo, Nigeria, whom ACN (UK) invited to the UK to launch the 2022 edition of the *Persecuted and Forgotten?* report and as keynote speaker for #RedWednesday. In support of ACN (UK)'s advocacy campaign, Fiona Bruce MP continues to advocate for Pakistan Christian girl Maira Shahbaz with Home Secretary Suella Braverman and others at the highest levels of Government both in the UK and Hungary.
- Mass stipend offerings reduced by 19% to £718,815, due at least in part to the delayed reopening of local parish churches following pandemic-related closures.
- Expenditure on raising funds, excluding trading, for charity cash received was £1,057,114 which equates to 9.6p in the pound (2021 7.3p).
- In the period under review, 79% (2021 88.5%) of total charity cash received was expended on the charitable purpose, excluding support services; 71.3% (2021 82.9%) of charity cash received was spent on the Grants programme in aid to persecuted and suffering Christians. This was due to delays in expected applications from project partners in Ukraine and unforeseen staffing issues in Konigstein which have since been rectified.

Office in Scotland

ACN (UK) has an office in Motherwell, Scotland (registered with the Office of the Scottish Charity Regulator, SCO40748). Throughout 2022, the office continued to develop new support whilst keeping existing benefactors, schools, and parishes informed and engaged with the charity's ongoing work around the world. The Scottish Office is overseen by the Head of Community Outreach for England, Scotland and Wales. ACN (UK)'s team in Scotland consists of an Events Manager, one Community Fundraiser and two administrative staff. The Head of Community Outreach, England, Scotland, and Wales reports to the National Director. The Scottish Advisory Group which offers advice and ideas, had eight members in 2022: ACN (UK)'s liaison bishop for the Scottish Bishops' Conference, a Youth Chaplain, a human rights lawyer, a High School Head Teacher, the Director of the Catholic Parliamentary Office, an RE Advisor, a retired teacher, and a student to represent the youth. The total number of ACN volunteers in Scotland is 45. ACN in Scotland created new types of events as well as running the annual Youth Rally and Parliamentary Event that returned in 2022. ACN in Scotland is recognized within the community and within public office; the charity has a seat on the Scottish Catholic Education in Scotland Executive Board and on the Cross Party Group

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

for Religious Freedom Abroad. In the period under review, direct income from benefactors in Scotland amounted to £719,839 including legacies received totalling £215,875. In addition, Gift Aid of £97,460 was reclaimed on qualifying donations from individual taxpayers in Scotland. Therefore, the total ACN Scottish income in 2022 including Gift Aid reclaimed is £1,033,174, an increase of £161,441 over 2021.

Whilst the office in Scotland continued to serve our benefactors in Scotland, in 2022 it also became the support centre for the Community Outreach team across the UK.

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, 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 £481,497 which represents 9 weeks of running costs. Aid payments totalling £613,591 for projects in Ukraine and for Masses (note 12) were due to be paid out early in 2023. A further £880 for projects in Russia and Belarus are being held due to UK sanctions.

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

Changes introduced by the new National Director throughout 2022 should begin to bear fruit as we move into 2023 and beyond. With staff input and the support of the trustees, the Senior Management Team has devised a 10-Year Vision for the charity; headlines include increasing our commitment to the suffering Church through income generation and growth, the pastoral support of the ACN (UK) community, awareness raising and advocacy, charting the impact of the international projects we fund and our work culture. Over the next decade, all activity undertaken by the charity will aim to move us towards one or more of the goals set out in this vision document.

The ongoing legacy of COVID-19 alongside the political upheavals and financial uncertainty of late 2022 make it difficult to forecast for the coming year, but our continued careful stewardship of our benefactors and the donor loyalty exhibited throughout the pandemic leave us cautiously optimistic for 2023. Christians who struggle to live out their Faith, continue to turn to ACN for help. Our staff remains committed to ACN's mission to support the suffering and persecuted Church through stewarding our current donor base, welcoming those who are new to us and educating people of all ages and backgrounds who might choose to support us in future.

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

ACN (UK)'s Community Outreach team will be a major driver of growth in 2023. Despite many parishes still struggling with falling numbers and the current cost of living crisis, our Community Fundraisers are delivering growing numbers of parish appeals (which raise charity and trading income and serve as our main vehicle for audience growth). The increase in their work with schools and universities will educate tomorrow's benefactors, and their recruitment of Volunteers will ensure on-going support for the work of ACN following a parish appeal. Increased emphasis on pastoral support, both for our audience and our staff, will be implemented by our two new Lay Chaplains who will develop devotional resources and work with our National Ecclesiastical Assistant to steward staff and benefactors, notably by deepening our relationship with regular donors through personal contact.

The arrival of a new Trading Manager in 2022 brought with it many ideas to grow our trading arm, which not only helps to steward our benefactors, but also serves as an important vehicle for charity donations and the acquisition of new names. 2023 will see the addition of more project-related product lines, several new commercial outlets, a simplified on-line purchasing process and the introduction of a strategic business plan to grow sales in line with our 10-Year Vision.

Bringing our telephone operators back in-house in 2022 has worked well for the charity. Our Benefactor Support Advisors offer personalised stewardship, with a deep commitment to our charitable aims and understanding of how we work; they answer queries and offer advice and support to our benefactors, while at the same time directly inputting into our CRM (Customer Relation Management) and accounting package details of donations and trading sales. We are currently bedding in a new VOIP (Voice over Internet Protocol) system and will carefully monitor levels of incoming calls with an eye towards expanding this team in line with the growth of our donor base.

In 2023 we will review our existing suite of fundraising and marketing campaigns and materials to ensure that these are delivering as expected (or better). Poor performers will be refreshed or jettisoned; new ideas for donor acquisition and retention will be explored. We intend to implement a new fully integrated marketing automation platform and to trial an AI-powered donor segmentation system to improve targeted communication with specific types of donor. We will continue to improve our current website, especially facilities of mixed baskets (containing purchases and donations), while exploring options for introducing a new website in the next few years.

Beginning in 2023 we intend to improve our stewardship of High Value Donors and to increase our work with grant-giving trusts and foundations. We now have designated members of staff to oversee this and have initiated external training to develop our pastoral and fundraising skills in these areas.

The coming year will see the completion of a widescale workflow review which will feed into a complete overhaul of all procedures and protocols across our organisation. This will improve efficiency and productivity, while freeing up staff time for strategic thinking and creative development.

We will move forward with our Hybrid Working Policy, a much-needed refurbishment of our office in Sutton and plans for increased emphasis on learning and development as well as the introduction of competency matrices to accompany our new career progression programme.

Trustees' & Directors' Annual Report for Aid to the Church in Need (United Kingdom) 31 December 2022 Accounts

We will continue to involve trustees, staff and advisers to ensure data legislation is fulfilled and that appropriate safeguarding policies continue to be implemented by project partners. In 2023 we will continue to ensure regulatory compliance in our workplace through mandatory training modules for all new staff and refresher modules for existing staff.

We are able once again to offer a full slate of in-person and virtual events throughout the UK, including national, large-scale events as well as smaller regional events and sponsored fundraising challenges. #RedWednesday, ACN Benefactors' Day and One Million Children Praying the Rosary will no doubt continue to be among the most popular ACN events in 2023. Information and Project trips to Pakistan and South Sudan are under discussion for 2023, and unrestricted travel now means that we can enhance our news and advocacy campaigns with on-site visits.

Despite the cost of living crisis, ACN (UK) benefactors, staff and volunteers have continued to show their dedication to the suffering Church through their support of the work of the charity, and the trustees wish to express their gratitude to all. Our benefactors have once again shown amazing levels of support, allowing ACN (UK) to continue its work without government or statutory funding. ACN staff have come together under new leadership with an even greater commitment and dedication to those we support and to those who support ACN. 2022 saw ACN (UK) helping millions of Christians in Ukraine, Lebanon, Syria, Nigeria and elsewhere. Our prayers and generosity here at home have offered love and mercy to those around the world whose faith is tested every day in so many ways.

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;
- 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.

**Trustees' & Directors' Annual Report for
Aid to the Church in Need (United Kingdom)
31 December 2022 Accounts**

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



Timothy Church
National President and Chairman of the Board of Trustees
3rd May 2023

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) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement] and notes to the financial statements, including 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 2022 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 group's and parent 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 contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

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

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 their environment obtained in the course of the audit, we have not identified material misstatements in [the strategic report or] 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 set out on page [x], 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)

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 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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

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 and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the 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

Date: 30 May 2023

9 Appold Street
London
EC2A 2AP

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
(incorporating the income and expenditure account)
For the year ended 31 December 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income and Expenditure					
Income					
Donations and Grants	2	5,288,775	2,786,422	8,075,197	8,026,383
Legacies received	3	1,365,467	28,400	1,393,867	1,006,821
Legacies receivable	3	2,326,888	-	2,326,888	802,131
Other trading activities	4	353,515	-	353,515	411,482
Total Income	12	<u>9,334,645</u>	<u>2,814,822</u>	<u>12,149,467</u>	<u>10,246,817</u>
Expenditure					
Expenditure on raising funds					
Raising funds		1,057,114	-	1,057,114	843,515
Fundraising trading: cost of goods sold		252,099	-	252,099	292,546
Charitable activities					
Grants programme	13	5,515,881	2,339,876	7,855,757	9,598,069
Education and communication		857,908	-	857,908	639,913
Support services		689,596	-	689,596	643,257
Total Expenditure	5	<u>8,372,598</u>	<u>2,339,876</u>	<u>10,712,474</u>	<u>12,017,300</u>
Net Income / (Expenditure)		962,047	474,946	1,436,993	(1,770,483)
Other recognised gains/(losses)					
Net gains/(losses) on investments		5,801	-	5,801	7,503
Net Movement in Funds		<u>967,848</u>	<u>474,946</u>	<u>1,442,794</u>	<u>(1,762,980)</u>
Fund balances bfwd at 1 January		<u>2,900,264</u>	<u>139,525</u>	<u>3,039,789</u>	<u>4,802,769</u>
Fund balances cfwd at 31 December	14	<u>3,868,112</u>	<u>614,471</u>	<u>4,482,583</u>	<u>3,039,789</u>

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 2022

	Notes	Group 2022 £	2021 £	Charity 2022 £	2021 £
Fixed Assets					
Tangible Fixed Assets	7	1,028,607	1,050,816	1,028,607	1,050,816
Investments	8	36,698	30,896	36,798	30,996
		<u>1,065,305</u>	<u>1,081,713</u>	<u>1,065,405</u>	<u>1,081,813</u>
Current Assets					
Stock and work in progress		94,008	67,164	-	-
Debtors	9	2,456,746	1,754,387	2,694,403	1,884,975
Cash at bank and in hand		1,119,204	338,856	894,209	196,389
		<u>3,669,958</u>	<u>2,160,408</u>	<u>3,588,612</u>	<u>2,081,364</u>
Creditors: Amounts falling due within one year	10	252,681	202,331	173,395	133,433
Net Current Assets		<u>3,417,278</u>	<u>1,958,077</u>	<u>3,415,217</u>	<u>1,947,931</u>
Net Assets	14	<u>4,482,583</u>	<u>3,039,789</u>	<u>4,480,622</u>	<u>3,029,744</u>
Funds					
Unrestricted		3,783,112	2,900,264	3,781,151	2,890,219
Designated	14	85,000	-	85,000	-
Restricted	12	614,471	139,525	614,471	139,525
		<u>4,482,583</u>	<u>3,039,789</u>	<u>4,480,622</u>	<u>3,029,744</u>

Approved and authorised for issue by the Board of Trustees on 3 May 2023
and signed on its behalf by

Timothy Church, Chairman of the Board of Trustees



The notes on pages 28 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 2022

	2022 £	2021 £
Cash flow from operating activities		
Net cash provided by operating activities	803,818	(3,247)
Cash flows from investing activities		
Investment income and interest received	2,445	403
Proceeds from disposal of fixed asset investments	-	-
Payments to acquire tangible fixed assets	<u>(25,913)</u>	<u>(37,266)</u>
	780,348	(40,110)
Net increase/decrease in cash and cash equivalents	780,348	(40,110)
Opening cash balance at the beginning of the year	<u>338,856</u>	<u>378,966</u>
Closing cash balance at the end of the year	<u><u>1,119,204</u></u>	<u><u>338,856</u></u>

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

	2,022 £	2021 £
Net Movement in Funds	1,442,793	(1,762,980)
Adjustments for:		
Depreciation	48,122	45,183
Net (gains) /losses on investments	(5,801)	(7,503)
Investment income	(2,445)	(403)
Decrease / (Increase) in stock	(26,843)	5,313
(Increase)/decrease in debtors	(702,357)	1,713,521
Increase/ (decrease) in creditors	50,349	3,622
	<u>803,818</u>	<u>(3,247)</u>

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2022.

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 current economic climate 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 £575,000 (2021: £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 2022 (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 2022 (continued)

2 Donations and Grants

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Direct Marketing	1,406,851	720,588	2,127,439
Web	568,524	607,905	1,176,429
Major Donors	275,400	234,076	509,476
Community Outreach	256,726	205,546	462,272
Scotland	41,705	46,310	88,015
Other	316,786	123,276	440,062
Regular Giving	1,140,297	1,550	1,141,847
Gift Aid	917,504	-	917,504
Masses	-	718,815	718,815
Trust Income	198,792	111,012	309,804
Gifts of Faith	151,704	17,344	169,048
Red Wednesday and Events	14,485	-	14,485
Furlough Grant	-	-	-
	5,288,775	2,786,422	8,075,197

	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

3 Legacies Received and Receivable

	Unrestricted Funds	Restricted Funds	Total 2022
	£	£	£
Legacies Received	1,365,467	28,400	1,393,867
Legacies Receivable	2,326,888	-	2,326,888
	3,692,355	28,400	3,720,755

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

4 Activities for Generating Funds

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Merchandising income	322,070	-	322,070	382,079
Bank Interest	2,445	-	2,445	403
Rent receivable	29,000	-	29,000	29,000
	353,515	-	353,515	411,482

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 2022 (continued)

5 Total Resources Expended

	Notes	Staff Costs £	Other £	Depr'n £	Total 2022 £
Grants programme	13	-	7,855,757	-	7,855,757
Education and Communication		498,779	359,129	-	857,908
Support services		214,769	426,705	48,122	689,596
Cost of raising funds		934,829	122,285	-	1,057,114
Fundraising trading		-	252,099	-	252,099
		<u>1,648,377</u>	<u>9,015,975</u>	<u>48,122</u>	<u>10,712,474</u>

	Notes	Staff Costs £	Other £	Depr'n £	Total 2021 £
Grants programme	13	-	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
Fundraising trading		-	292,546	-	292,546
		<u>1,310,429</u>	<u>10,661,687</u>	<u>45,183</u>	<u>12,017,300</u>

**Group
2022
£**

**Group
2021
£**

Expenditure of £39,838 shown as governance costs in previous years (2021 : £34,512) is included in Support services.

Governance costs comprise:-

Share of Staff Salaries	8,663	7,657
Statutory Audit - Charity	23,150	18,275
Statutory Audit - ACN Trading Ltd	3,150	3,150
Legal and professional	3,766	5,430
Strategic Planning	650	-
Board meetings	459	-
	<u>39,838</u>	<u>34,512</u>

Support Services includes

	Group 2022 £	Group 2021 £
Staff Costs	214,770	222,699
Office Rent and Rates	44,408	39,147
Insurance	9,179	8,937
Cleaning	17,827	10,375
Office Repairs and Maintenance	31,743	32,390
IT support	78,560	74,881
Other Office costs	42,151	39,675
Phone	23,084	14,072
Bank Charges	74,871	53,187
Audit	23,151	23,230
Legal and Consultancy	7,336	12,924
Recruitment	74,394	66,556
Depreciation	48,122	45,183
	<u>689,597</u>	<u>643,257</u>

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2022 (continued)

6 Staff Costs

	Group and Charity	
	2022	2021
Staff Costs consist of:		£
Salaries	1,410,237	1,126,481
Social security costs	149,042	113,651
Pension Costs	73,022	55,849
Health insurance	16,077	14,448
	<u>1,648,378</u>	<u>1,310,429</u>

The average number of employees during the year was 38 (2021 - 33)

The average number of employees during the year on an FTE basis was 35 (2021 - 30).

Employees whose emoluments were between £60,000 and £70,000 numbered 2 (2121 - 1)

Employees whose emoluments were between £90,000 and £100,000 numbered 1 (2121 - 0)

Employees whose emoluments were between £110,000 and £120,000 numbered 0 (2021 1)

No trustee received remuneration during the year. During the year, no expenses related to travel were paid to the trustees (2021 - £nil).

Remuneration for the senior staff team was £478,246 (2021 £425,554).

The senior staff team comprises the National Director, and the Heads of Fundraising and Marketing, Community Outreach, Operations in Scotland, Press and Advocacy, Support Services and Finance.

7 Tangible Fixed Assets

Group and Charity	Freehold Property	Office Fixtures and Equipment	Computer Equipment	Total
	£	£	£	£
Cost				
At 1 January 2022	1,152,750	65,716	87,943	1,306,409
Additions	-	22,175	3,738	25,913
Write-offs	-	(41,581)	(6,936)	(48,517)
At 31 December 2022	<u>1,152,750</u>	<u>46,310</u>	<u>84,745</u>	<u>1,283,805</u>
Depreciation				
At 1 January 2022	174,330	48,305	32,958	255,593
Charge for period	11,528	12,265	24,329	48,122
Write-offs	-	(41,581)	(6,936)	(48,517)
At 31 December 2022	<u>185,858</u>	<u>18,989</u>	<u>50,351</u>	<u>255,198</u>
Net Book Value				
At 31 December 2022	<u>966,892</u>	<u>27,321</u>	<u>34,394</u>	<u>1,028,607</u>
At 31 December 2021	<u>978,420</u>	<u>17,411</u>	<u>54,985</u>	<u>1,050,816</u>

None of the tangible fixed assets held at 31 December 2022 forms part of restricted funds.

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2022 (continued)

8 Investments

Group	2022	2021
	£	£
Disposals		
Market value as at 1 January	30,896	23,393
Disposal	-	-
Net Investment gain/(loss)	5,801	7,503
Market Value at 31 December 2019	36,698	30,896

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 £36,698 (2021: £30,896).

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 benefactors to support ACN projects worldwide, while also nurturing their own faith.

Relevant financial information regarding ACN Trading Limited is as follows.

	2022	2021
	£	£
Turnover	322,070	382,059
Cost of Sales	(229,091)	(262,730)
Gross Profit	92,979	119,329
Other operating income	400	21
Administrative expenses	(23,008)	(29,816)
Net profit before taxation	70,370	89,534
Corporation Tax	-	-
Net (loss)/ profit after taxation	70,370	89,534
Transferred to Aid to the Church in Need (UK)		
Service Charge	(75,353)	(73,158)
Loan Interest	(3,731)	(1,357)
Gift Aid donation	(46)	(15,000)
Retained in subsidiary	(8,760)	19
Aggregate capital and reserves	1,386	10,146

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2022 (continued)

9 Debtors

	Group			
	2022	2021	2022	2021
	£	£	£	£
Trade Debtors	41,318	55,720	34,456	33,797
Income Tax recoverable	126,068	177,563	126,068	177,563
Prepayments	16,353	21,564	14,725	20,526
Accrued Legacy	2,273,007	1,499,540	2,273,007	1,499,540
Loan to subsidiary undertaking	-	-	246,147	153,549
	<u>2,456,746</u>	<u>1,754,387</u>	<u>2,694,403</u>	<u>1,884,975</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	
	2022	2021	2022	2021
	£	£	£	£
Accrued Legacy bfwd	1,499,540	3,236,109	1,499,540	3,236,109
less: Cash received	(1,553,421)	(2,538,699)	(1,553,421)	(2,538,699)
Add: Legacy Receivable	2,326,888	802,130	2,326,888	802,130
Accrued Legacy cfwd	<u>2,273,007</u>	<u>1,499,540</u>	<u>2,273,007</u>	<u>1,499,540</u>

Included within Group debtors are financial assets measured at amortised cost of £2,314,324 (2021 £1,545,514).
Included within Charity debtors are financial assets measured at amortised cost of £2,307,463 (2021 £1,691,877).

10 Creditors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	97,249	83,307	40,619	40,290
Other creditors	-	34,139	-	27,588
Other taxes and social security costs	72,313	59,885	57,862	40,555
Accruals	55,619	-	47,414	-
Loan from benefactor	27,500	25,000	27,500	25,000
	<u>252,681</u>	<u>202,331</u>	<u>173,395</u>	<u>133,433</u>

Included within Group creditors are financial liabilities measured at amortised cost of £180,368 (2021 £89,202).
Included within Charity creditors are financial liabilities measured at amortised cost of £115,532 (2021 £ 47,865).

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

11 OPERATING LEASE COMMITMENTS - GROUP AND CHARTIY

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

Lessee

	Land and Buildings	
	2022	2021
	£	£
Within 1 year	5,770	5,440
Within 2 - 5 years	14,425	9,187
Over 5 years	-	-
	<u>20,195</u>	<u>14,627</u>

Lessor

	Land and Buildings	
	2022	2021
	£	£
Within 1 year	29,000	29,000
Within 2 - 5 years	29,000	58,000
Over 5 years	-	-
	<u>58,000</u>	<u>87,000</u>

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2022 (continued)

12 Restricted Funds: Group and Charity

	Opening Balance	Incoming Funds	Resources Outgoing	Closing Balance
	£	£	£	£
Purpose of Donation - 2022				
Africa	60,700	131,018	191,718	-
Asia	-	164,466	164,466	-
Europe	-	1,245,571	661,095	584,476
Latin America	-	2,589	2,589	-
Middle East	-	316,088	316,088	-
Mass Offerings	78,825	608,046	656,876	29,995
Construction	-	90	90	-
Education, Media and Child Bibles	-	13,307	13,307	-
Formation	-	1,076	1,076	-
Refugees	-	-	-	-
Seminarians	-	10,311	10,311	-
Sisters	-	2,060	2,060	-
Transport	-	254	254	-
	<u>139,525</u>	<u>2,494,876</u>	<u>2,019,930</u>	<u>614,471</u>
	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>

13 Aid Granted: Group and Charity

Grants made during the period were distributed as follows:

By Region

	2022	2021
	£	£
Africa	2,684,130	3,518,550
Asia	1,703,677	2,109,473
Eastern Europe	1,568,981	1,220,787
Latin America	697,264	918,788
Middle East	1,201,705	1,830,471
Total Aid Payments	<u>7,855,757</u>	<u>9,598,069</u>

By Funding Type

	2022	2021
	£	£
Mass Stipends	822,761	834,602
Catechetical and Formation	763,020	629,414
Construction	2,417,919	3,275,385
Education, Media and Child Bibles	675,433	303,899
Humanitarian Assistance	1,144,414	1,742,958
Seminarians	518,222	742,390
Sisters	804,387	1,112,793
Transport	709,601	956,629
Total Aid Payments	<u>7,855,757</u>	<u>9,598,069</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 2022 (continued)

14 Total Funds

	Unrestricted Funds	Unrestricted Funds	Restricted Funds	Total Funds
	2022 £	2022 £	2022 £	2022 £
Tangible Fixed Assets		1,028,607		1,028,607
Investments	36,698			36,698
Cash	504,733		614,471	1,119,204
Legacies receivable	2,273,007			2,273,007
Other net current assets	<u>25,067</u>			<u>25,066</u>
Unrestricted current assets		2,839,505		
Designated Fund		(85,000)		
Free reserves		<u>2,754,505</u>		
		<u>3,868,112</u>	<u>614,471</u>	<u>4,482,583</u>
Free reserves excluding legacies receivable		<u>481,497</u>		
	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	<u>119,680</u>			<u>119,680</u>
Free reserves		<u>1,849,448</u>		
		<u>2,900,264</u>	<u>139,525</u>	<u>3,039,789</u>
Free reserves excluding legacies receivable		<u>349,908</u>		

There are free reserves in ACN Trading Ltd of £1,386 (2021: £10,046).

A Designated Fund has been established for the refurbishment of the offices in Sutton. it is planned to refurbish the interior, including purchase of new carpets, painting of the walls, upgrading of the toilet facilities and acquisition of new furniture. This work is expected to be carried out in 2023 and 2024.

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 2022 accounts.

Aid to the Church in Need (United Kingdom)
Notes to the Accounts
For the year ended 31 December 2022 (continued)

17 Statement of Financial Activities (Entity) for the year ended 31 December 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Income and Expenditure					
Income					
Donations and Grants	2	5,288,775	2,786,422	8,075,197	8,026,383
Legacies received	3	1,365,467	28,400	1,393,867	1,006,821
Legacies receivable	3	2,326,888	-	2,326,888	802,131
Other trading activities	4	99,454	-	99,454	118,918
Total Income	12	9,080,585	2,814,822	11,895,407	9,954,253
Expenditure					
Expenditure on raising funds		1,057,114	-	1,057,114	843,515
Charitable activities					
Grants programme	13	5,515,881	2,339,876	7,855,757	9,598,069
Education and communication		857,908	-	857,908	639,913
Support services		689,596	-	689,596	643,257
Total Expenditure	5	8,120,499	2,339,876	10,460,375	11,724,754
Net Income / (Expenditure)		960,086	474,946	1,435,032	(1,770,501)
Other recognised gains/(losses)					
Net gains/(losses) on investments		5,801	-	5,801	7,503
Net Movement in Funds		965,887	474,946	1,440,833	(1,762,999)
Balances bfwd at 1 January		2,900,264	139,525	3,039,789	4,802,769
Balances cfwd at 31 December	14	3,866,151	614,471	4,480,622	3,039,771

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