

# **A Rocha International**

## **Annual Report and Financial Statements**

31 December 2021

Company registration number  
06852417(England and Wales)

Charity Registration number  
1136041

1990-1991

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2015-2016

2016-2017

2017-2018

2018-2019

2019-2020

2020-2021

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## Reference and administrative information

### President Emeritus

Rev Peter Harris

### Trustees

Soohwan Park (Chair)

Geoffrey Cowper

Dr Hilary Marlow

Dr Florence Muindi

Graham Wright

### Regionally nominated trustees

(Appointed 1 January 2021)

Prof Rodel Lasco

Prof Alfred Oteng-Yeboah

Prof Jan van der Stoep

Steve Tanner

Rev Dr Benjamin Lowe (resigned 1 August 2021)

Christine Warner (Appointed 22 September 2021)

### Company Secretary

Ken Brown (appointed 11 August 2021)

David McKay (resigned 11 August 2021)

### Management team

Executive Director

Deputy Executive Director

Dr Simon Stuart

Rev Dr Benjamin Lowe (appointed 14 February 2022)

Chief Operating Officer

Ken Brown (appointed 1 July 2021)

Director of Finance and Administration

David McKay (resigned 31 October 2021)

Director of Science and Conservation

Dr Jeremy Lindsell

Director of International Operations

Sarah French

Director of Theology

Rev Dr David Bookless

Director of Communications

Joanna Swinney

### Registered office

180 Piccadilly

London

W1J 9HF

### Charity registration number

1136041

### Company registration number

06852417

### Auditor

Buzzacott LLP

130 Wood Street

London

EC2V 6DL



## Reference and administrative information

### Investment managers

CCLA Investment Management Limited  
One Angel Lane  
London  
EC4R 3AB

### Bankers

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent  
ME19 4JQ

HSBC  
31 The Pyramids  
Grange Road  
Birkenhead  
Wirral  
CH41 2ZL

The trustees present their report together with the financial statements of A Rocha International (the "charity" or "ARI") for the year ended 31 December 2021.

The report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purposes of company legislation.

The financial statements have been prepared in accordance with the accounting policies set out on pages 27 to 31 of the attached financial statements and comply with the charitable company's memorandum and articles of association, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

### **Introduction**

A Rocha International (ARI) is an international environmental conservation organisation working to show God's love for all creation.

ARI was incorporated as a company limited by guarantee on 19 March 2009 and became a UK registered charity (number 1136041) on 20 May 2010. The Memorandum and articles of association were amended by special resolutions dated 3 May 2013 and 31 October 2020. On 1 July 2010, the activities of The A Rocha Trust (charity number 288634 and formerly known as A Rocha International) were transferred to A Rocha International. Prior to 1 July 2010, A Rocha International had been dormant.

## **GOVERNANCE, STRUCTURE AND MANAGEMENT**

### **Method of appointment or election of trustees**

On 24 October 2020 ARI and 20 A Rocha Organisations (AROs) signed a Covenant which replaced existing bi-lateral memoranda of association (between ARI and each ARO) with effect from 1 January 2021. The Covenant allocates AROs into 5 regions and each region can make a recommendation for a trustee of ARI. A further 5 trustees are appointed by the existing trustees with due consideration for the skills and experience required to assist the growth and development of ARI, being careful to ensure a breadth of diversity. Trustees can serve for up to two terms of four years. All trustees are required to sign the statement of A Rocha's Mission and Beliefs.

### **Policies adopted for the induction and training of trustees**

New trustees follow an established induction procedure, which includes an introduction to the work of ARI and receipt of a copy of the governing documents. The new trustee is also briefed on the current aims and objectives and fully advised on the financial position of the charity.

### **Organisational structure and decision making**

The trustees of ARI govern the charity in accordance with its memorandum and articles of association.

## **GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)**

### **Organisational structure and decision making (continued)**

The Family of A Rocha Organisations (AROs) include ARI, A Rocha National Organisations (ARNOs), A Rocha Associated Projects (ARAPs) and A Rocha Thematic Organisations (ARTOs). Each ARO is a separate, independent legal entity from ARI whose activities are not controlled by the charity, although it is mutually supportive through the global Covenant. The results of each ARO are therefore not consolidated within these financial statements.

The trustees agree the strategic policy to be implemented by the management team to whom all other team members report.

Traditionally, as the trustees resided in six countries, they met twice a year to save costs. Each meeting was residential and held over two days and at least one of the meetings was at an ARO, enabling trustees to visit projects. This pattern allowed time for discussion of substantive issues and facilitated the strengthening of the relationship between the trustees. The business of trustees' meetings includes receiving a set of financial statements and a review of operational issues from the management team, discussions on strategic priorities and relations between the A Rocha family of organisations, and considering the implications for A Rocha's resource needs, policies and priorities. In 2020 and 2021, it was not possible to meet physically due to the COVID-19 pandemic. During 2021, 7 trustees' meetings took place by Zoom. Following the implementation of the Covenant from 1 January 2021, the new trustees now reside in eight countries. It is planned that in 2022 there will be four trustee meetings, two held virtually and two in person.

The Board is supported by two sub-committees that report to all trustees:

- ◆ The Finance and Compliance Committee comprises four trustees. It met twice during 2021, and conducted some business virtually.
- ◆ An Executive Trustee Committee which, if required, meets with the management team between full trustee meetings to review operational issues. The Executive Committee comprises four trustees. The Executive Committee met three times during 2021, and oversaw the recruitment of the Deputy Executive Director.

### **Risk management**

Trustees identify potential risks to the charity by carrying out regular detailed reviews of the activities and future strategy of the charity. These risks are kept under regular review. A full risk register has been prepared and the trustees have asked the management team to monitor risks under the headings below. The following specific measures have been put in place to mitigate each of the risk areas.



## GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

### Risk management (continued)

Identified risk	Action Taken
Dependence upon a few donors making large donations	<p>The ED assists the Founder with fundraising with major donors.</p> <p>A Fundraising Working Group (FRWG) has been set up and continues to meet regularly to review fundraising opportunities and progress.</p> <p>The fundraising strategy was updated in 2021.</p> <p>An A Rocha Development Fund, recently renamed the Global Conservation Fund has been created to help, among other things, to increase charitable giving.</p> <p>The 2022 budget included the appointment of 2 new positions to focus on increasing the supporter base in North America.</p>
Financial Reserves	<p>Reserves are above the target of £772,000 which represents approximately 6 months expenditure. Please refer to page 16 for further details on the reserves policy.</p>
Capacity of ARI Staff	<p>Additional part time appointments were made and staff hours increased in 2021. These roles were made permanent in 2022.</p> <p>In addition an international operations consultant and deputy executive director were appointed in early 2022.</p>
Governance and Reporting by AROs	<p>A new Covenant between ARI and 20 AROs was signed on 24 October 2020 to replace bi-lateral memoranda of understandings.</p> <p>The Director of International Operations is supporting AROs with reporting and is implementing stricter project monitoring and evaluation processes.</p> <p>Training of staff in project management cycle and project risk assessment has been undertaken.</p> <p>Governance and Finance checklists have been undertaken with ARO staff and trustees.</p> <p>The development of a Learning Organisation ethos is being developed to share experience and good practice.</p>
Theological or Mission Drift	<p>An international forum involving representatives from each ARO are held every 3 years and are seen as key in avoiding theological and mission drift.</p> <p>Resources have been made available in other languages.</p> <p>At Your Service website has been created which brings together sermons and talks on Creation Care. This will be updated in 2022.</p> <p>The Director of Theology has been significantly involved in a number of Lausanne conferences and has involved members from a number of AROs.</p> <p>The Basis of Faith (which is signed by senior staff and trustees of ARI and AROs) is being reviewed in 2022.</p>

## GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

### Risk management (continued)

Reputational risk	<p>A Branding Exercise was completed, and compliance is constantly being monitored.</p> <p>A further brand refresh commenced in 2021 and consultation on it is ongoing.</p> <p>An Intranet has been created which contains best practice material for all AROs.</p> <p>The Director of Communications has started a Communications Collective. These zoom meetings links communications staff from AROs so that communications updates and best practice can be shared.</p> <p>A new ARI website was designed and launched in 2021.</p> <p>Potential reputational risks arising from discussions with groups wishing to become AROs are assessed.</p> <p>A Code of Conduct for trustees, staff, volunteers, interns and seconded staff has been prepared and adopted.</p>
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The management team monitors the effectiveness of the actions annually and presents its evaluation to trustees. In addition to the above specific actions taken during the year, potential risks are mitigated on an on-going basis by the following actions:

- ◆ The trustees provide an appropriate variety of professional skills and experience;
- ◆ The maintenance of a prudent level of reserves;
- ◆ The employment of professionally qualified staff in key areas;
- ◆ A comprehensive and adequate suite of insurance policies;
- ◆ Effective internal communications and controls; and
- ◆ A comprehensive range of written policies and procedures covering all areas of the charity's activities.

All staff are required to complete a Comprehensive Safety in Travel review of their international travel arrangements prior to departure and their completed review is filed with the Director of International Operations. All staff and volunteers are covered by a travel insurance policy. ARI's International Travel Policy and Risk Register has been amended to limit the number of staff members, ARI directors or board members who are allowed to travel together on the same flight, vehicle, train or boat.

## **GOVERNANCE, STRUCTURE AND MANAGEMENT** (continued)

### **Risk management** (continued)

The management team will keep under close and constant review the impact of COVID-19. In particular, the impact of the virus on the health of the A Rocha International team members as well as their ability to perform and control project activities in a number of countries with differing lockdown restrictions will be closely monitored. In addition, the economic impact of the virus on the value of investments will be monitored to consider if there is likely to be any implications for future activities.

In addition, further risks are still being monitored from previous years. These are:

- ◆ Kidnap and Terrorism threats;
- ◆ The health of key ARI staff; and
- ◆ The outcome of the A Rocha global consultation.

### **Key management personnel**

The management team is led by Dr Simon Stuart and is responsible for implementing policy as well as overseeing the operations of ARI.

Employees of the charity are remunerated in accordance with the charity's pay scales as set by the Board. Subject to funds being available, it is the charity's policy to increase salary bands each year in line with the UK consumer prices index.

All trustees give their time freely. No trustees were remunerated during the year (2020 - no remuneration). Details of trustee expenses are disclosed in note 11.

### **Statement of trustees' responsibilities**

The trustees (who are also directors of ARI for the purposes of company law) are responsible for preparing the trustees' report and 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 charity and of the income and expenditure, of the charity for that period. In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;



## **GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)**

### **Statement of trustees' responsibilities (continued)**

- ♦ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ♦ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- ♦ so far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ♦ the trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from other jurisdictions.

## **OBJECTIVES AND ACTIVITIES**

### **Policies and objectives**

ARI is an international environmental conservation organisation working to show God's love for all creation.

The objects of the charity are:

- ♦ The advancement of the Christian faith and the understanding of its relevance to environmental issues.
- ♦ Education of the public by promotion of conservation and the study of ecology and the environment.
- ♦ Promotion of the conservation, protection and improvement of the physical and natural environment in a community context.

## **OBJECTIVES AND ACTIVITIES** (continued)

### **♦ Policies and objectives** (continued)

In setting objectives and planning the charity's activities, the trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit.

### **Strategies for achieving objectives**

ARI currently global biodiversity conservation programmes to protect and restore forests in Kenya, Uganda, Nigeria and Ghana, and to address challenges facing the marine environment in many other countries including Portugal, New Zealand, Netherlands and the US. ARI team members support many AROs including visiting to review their conservation programmes, to train local staff and their partners, and to teach at locally organised events in schools, colleges, universities and churches.

ARI also coordinates and supports the conservation and environmental education activities of nationally registered AROs around the world. At the end of 2021 ARNOs were active in 17 countries – Australia, Canada, Czech Republic, France, Ghana, India, Kenya, Lebanon, Netherlands, New Zealand, Peru, Portugal, South Africa, Switzerland, Uganda, UK and USA. During 2021, ARAPs were active in Nigeria, the Philippines and Sweden. Climate Stewards was an ARTO member of the A Rocha Family operating globally. ARI receives many requests from organisations wishing to become an ARO; where such organisations have existing national reach, they may become ARNOs, but where not, they are encouraged to apply instead for ARAP status. It is anticipated that some ARAPs will remain local and therefore will remain ARAPs without progressing to become an ARNO.

ARI is the body that supports AROs around the world as detailed above. Each ARO is a separate, independent legal entity from ARI whose activities are not controlled by the charity, although it is mutually supportive through the global Covenant. The results of each ARO are therefore not consolidated within these financial statements.

This dispersed structure avoids the overhead expenses of maintaining an office while allowing team members to be in touch and involved with the environmental conservation work and associated activities of the various national teams. In addition, staff were seconded to ARI by A Rocha USA, A Rocha Canada, A Rocha France and A Rocha Switzerland. These costs are included in ARI's financial statements.



## OBJECTIVES AND ACTIVITIES (continued)

### Specific objectives for the year

Our objectives for 2021 and progress in meeting them is set out below:

What we said we would do	What we did
The multi-year African Forest Programme in Ghana and Kenya will continue and funding will be sought for forests in Nigeria and Uganda	The African Forest Programme expanded partnerships and received funding from multiple major foundations and conservation donors. A key milestone was achieved in Ghana by having Atewa Forest listed for protection under the most stringent Key Biodiversity Area criteria. The area of protected woodland in Kenya has been expanded to 1,500 hectares, which now makes it the largest fully protected area within the Dakatcha landscape. Recruitment is underway for the new post of African Forest Programme Coordinator, and progress continues in mobilising biodiversity data for conservation of African forests through the Global Biodiversity Information Facility.
ARI will continue to present and promote the underlying Christian basis of A Rocha's care for creation both with AROs and also in churches, theological colleges as well as international conferences online and in person as COVID-19 travel restrictions allow	We promoted A Rocha's underlying Christian basis of faith by giving talks on Creation Care in churches, theological colleges, universities, and at international conferences during 2021.
Establishing a new modus operandi for our international trustee board	In 2021, the international trustees welcomed six new trustees, including five regionally nominated trustees under the new Covenant-led governance model. The Board has held regular meetings via video conference and will have its first in-person meeting since the COVID-19 pandemic in France in June 2022.
Reviewing A Rocha's basis of faith, 5 Commitments, Vision and Mission	Representative working groups have been formed from across the A Rocha Worldwide Family of organizations that have solicited input on these core statements and have been meeting regularly with the goal of proposing revised statements for consideration at the June 2022 forum in France.

**OBJECTIVES AND ACTIVITIES** (continued)

**Specific objectives for the year** (continued)

What we said we would do	What we did
An A Rocha Environmental Education conference will be held. The format of this will depend on COVID-19 travel restrictions	A virtual Environmental Education conference was held by ARI in November that included representatives from seven A Rocha organizations and focused on nature-based solutions and UN high-level events.
Global programmes for Theology and Churches and Marine will continue	These global programmes continued to expand across the worldwide Family. ARI held consultations with all AROs and other key stakeholders on the development of a Family-wide Theology and Churches Strategy that is currently being drafted. The marine programme continues its work on plastics pollution as well as projects in marine/fisheries governance and shark/ray surveys on the coast of Kenya. Additionally, a multiple year grant was obtained to build capacity for marine work in Florida, USA.
A Rocha will contribute to the Convention on Biodiversity (COP15) in Kunming, China and the UN Climate Change Conference (COP26) in Glasgow.	<p>Representatives from the A Rocha Worldwide Family met together ahead of the UNFCCC COP26 in Glasgow to develop our first-ever joint position paper on a technical subject: "Nature-based Solutions to Climate Change" A Rocha was given official observer status at the COP for the first time and coordinated a delegation to the conference that included members from UK, Canada, France, Ghana, and Climate Stewards, as well as ARI. Our presence attracted good press coverage, including on BBC World Service and in numerous Christian media outlets as well.</p> <p>The CBD COP15 was postponed again due to the pandemic. ARI continues to plan to have representation at this conference and is coordinating the development of a major Family-wide policy statement on the CBD Post-2020 Global Biodiversity Framework.</p>

**OBJECTIVES AND ACTIVITIES** (continued)

**Specific objectives for the year** (continued)

What we said we would do	What we did
Work will continue to establish ARAPs in Sweden, Singapore and Germany	We welcomed Kristna för naturvård i Sverige as our new AR Associated Project in Sweden, and continue to work with the Friends of A Rocha in Singapore and Germany to support the growing work there.
Establishing a "Friends of A Rocha" category and bringing new groups into it as a possible entry point to becoming an ARO	The A Rocha Friends Network was launched in 2021 and four new Friends of A Rocha groups were accepted in early 2022 – in Brazil, Croatia, Nepal and Spain.
A new Chief Operating Officer will be appointed	An extensive recruitment process took place in early 2021 to recruit a new Chief Operating Officer for ARI, in part due to the retirement of long-serving Director of Finance and Administration, David McKay. As a result of this process, Ken Brown was appointed and started part-time in July, and full-time from September. He rapidly grew into the job and is helping us move forward on a number of fronts to manage and improve our internal systems.
The tri-annual forum which brings together delegates from all AROs together for training and teaching will be held online in June	Due to the pandemic, we held the first ever virtual A Rocha Forum Festival in June featuring Katharine Hayhoe as a keynote speaker. The virtual format enabled so many more participants to join from around the world. A follow up forum is being planned in person at A Rocha France's Les Courmettes centre for June 2022.



**OBJECTIVES AND ACTIVITIES** (continued)

**Specific objectives for the year** (continued)

What we said we would do	What we did
Funding will be sought for an A Rocha Development Fund to provide strategic funding for ARI and AROs	After consulting with experts in the fundraising sector, the A Rocha Global Conservation Fund (formerly 'Development Fund') was established in 2021 with an initial donation of US\$200,000. Subsequently, this has nearly quadrupled to US\$750,000, with some additional fundraising approaches. We hope to grow this to at least USD 3 million by 2024 through a major gifts approach, with a view to increasing the capacity and effectiveness of the A Rocha Worldwide Family.
The raising of unrestricted income to ensure that ARI remains financially sustainable with a balanced budget will continue to be a focus of the management team and trustees in 2021	The Trustees approved a deficit budget for 2022 to invest in fundraising to increase the level of unrestricted reserves.
Agreeing new fundraising protocols between AROs	Draft fundraising protocols were prepared for the A Rocha Worldwide Family but time has not allowed them to be discussed more thoroughly in the Family due to all the other work ongoing. We will return to them once some of our other consultations are complete.
Communications materials and resources will be produced to make the work of ARI more accessible by more diverse and younger age groups	A new ARI website was built for ARI and work is ongoing to build new sites for any of the AROs who would like. The Field Notes podcast was launched and has featured twenty episodes with guests from over twelve countries. Two print newsletters and ten electronic news updates were sent out and three films were produced, along with regular posts on social media channels. The first John Stott Memorial Birding Day was held in May and work is ongoing on a family-wide brand refresh process.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Review of the year**

It has been another very busy year for the A Rocha Worldwide Family across the world despite the prolonged challenges with the COVID-19 pandemic. Highlights include:

- ◆ Revamping ARI's leadership with Dr. Simon Stuart as Executive Director and Ken Brown as Chief Operation Officer, and the promotion of Jo Swinny to Director of Communications.
- ◆ Over 26,000 people reached through environmental education activities and theological speaking engagements (about half of the 2019 number, prior to COVID).
- ◆ Over 221,000 hectares under A Rocha's management or advice.
- ◆ Just over 1 million hectares benefiting from A Rocha's research and conservation activities.
- ◆ 215 globally threatened species (listed on the IUCN Red List of Threatened Species) monitored, studied or protected by AROs.
- ◆ 214 nationally threatened species monitored, studied or protected by AROs.
- ◆ Welcoming Kristna för naturvård i Sverige as our new A Rocha Associated Project in Sweden.
- ◆ Launching the process to develop a new Family-wide Statement of Belief and Purpose.
- ◆ Similarly launching the process to review our Commitments, Vision and Mission, and to develop the first ever high-level strategic direction for the Family.
- ◆ Hosting the first ever virtual A Rocha Forum/Festival which enabled so many more participants from around the world to participate.
- ◆ Initiating the family-wide work to refresh our brand.
- ◆ Agreeing a new process for establishing "Friends of A Rocha" (Friends Network).
- ◆ Sending A Rocha delegations from across the Family to the IUCN World Conservation Congress in September, and the UN Climate Change Convention COP26 in November.
- ◆ Launching the new website for A Rocha International and beginning work on new websites for other AROs.
- ◆ Completing the first year of Covenant-led governance – we welcomed six new trustees, including five nominated from the regions.
- ◆ Reducing our travel footprint by increasing the usage of virtual meetings and continuing to offset carbon from remaining travel.

## **FUTURE PLANS**

ARI's plans for 2022 are based in our four purposes as defined in the A Rocha Worldwide Covenant:

1. Giving operational, scientific and theological support for A Rocha Organizations
  - a. The African Forest and Marine programmes will continue across the A Rocha Worldwide Family, a coordinator will be hired for the African Forest Programme, and additional funding will be sought to support and expand both Programmes.
  - b. An ARI Theology and Churches Strategy will be developed with consultation from A Rocha Organizations.
  - c. An A Rocha Environmental Education conference will be held in April in Uganda.
  - d. The tri-annual forum which brings together delegates from all AROs for training and teaching will be hosted by A Rocha France in June at the Les Courmettes Centre.
2. Representing the A Rocha Worldwide Family in a collective context
  - a. ARI will continue to present the underlying Christian basis of A Rocha's care for creation both with AROs and also in churches, theological colleges as well as international conferences online and in person.
  - b. ARI will develop a Family-wide policy statement and coordinate representation based on this at the Convention on Biological Diversity (COP15) being held in Kunming, China.
  - c. Communications materials and resources will be produced to make the work of ARI more accessible by more diverse and younger age groups.
  - d. A Rocha will continue its collaborations with key partners and networks including the Lausanne Movement, World Evangelical Alliance, Micah Global, Renew Our World, the John Stott London Lecture, and more.
3. Assisting the strategic development of new A Rocha initiatives
  - a. Work will continue to establish additional AROs.
  - b. Work will continue to expand the A Rocha Friends Network with a focus on key biodiversity areas around the world.
  - c. The A Rocha Global Conservation Fund will be publicly launched to provide strategic funding for ARI and the A Rocha Worldwide Family. The initial fundraising focus will be on North America, with seed funding from multiple sources and staff capacity from two new roles that will be recruited: a director of development and a communications manager.



**FUTURE PLANS** (continued)

4. Ensuring that the A Rocha Worldwide Family strives to comply with standards agreed through the decision-making processes outlined in this Covenant
  - a. Revisions to A Rocha's basis of faith, 5 Commitments, Vision and Mission will be developed for consideration at the A Rocha Worldwide Family Forum in June 2022.
  - b. Work will commence on the development of a first ever high-level strategic direction for the A Rocha Worldwide Family.
  - c. A brand refresh will be developed and implemented in multiple stages through a Family-wide consultation process.

**FINANCIAL REVIEW**

**Financial position**

A summary of the year's results can be found on page 24 of this report and financial statements

During 2021, total income amounted to £1,396,813 (2020 - £1,187,933). Of the income, a total of £1,272,612 (2020 - £1,075,339) related to donations and legacies.

Expenditure totalled £1,543,969 compared to £1,028,895 in 2020. Expenditure incurred on charitable activities amounted to £1,530,663 (2020 - £1,018,008). This included staff costs of £705,054 (2020 - £522,159). Charitable grants and donations made amounted to £655,201 (2020 - £356,309).

Net expenditure for the year before investment gains was £147,156 (2020 – net income of £159,038). Investment gains of £179,958 (2020 - £95,530) resulted in a net increase in funds for the year of £32,802 (2020 – net increase of £254,568).

The charity's net assets at 31 December 2021 were £2,374,307 (2020 - £2,341,505). Of this £204,772 (2020 - £193,930) related to restricted funds; £789,518 (2020 - £455,405) had been designated by the trustees; leaving the general funds balance of £1,380,017 (2020 - £1,692,170).

**Reserves policy**

The charity's reserves are held in support of the organisation's ongoing activities, recognising its commitment to the employment of staff, the lack of substantial regular income from grants, and the fluctuation of income in relation to appeals, seasonal donations and legacies and the need to ensure funds are available for planned developments.

For the purposes outlined above, the trustees aim to maintain free reserves at around 50% of annual expenditure, which equates to approximately £772,000. The Board have defined reserves for the purpose of this policy as unrestricted funds, excluding designated funds. Liquid reserves, i.e. those reserves held in cash or easily converted to cash, should normally not be less than 25% of the annual expenditure budget. The reserves policy was reviewed in 2022 and will be reviewed again in 2023 prior to the signing of those accounts.

## **FINANCIAL REVIEW** (continued)

### **Reserves policy** (continued)

The annual work plan and budget includes a forecast for income, expenditure and reserves for the next three years to illustrate how this target is expected to be met.

The level of free reserves held at 31 December 2021 was £1,380,017 comprising of the unrestricted general funds balance. This level of free reserves is greater than the target of £772,000.

During 2013, a trust which had previously made a quarterly gift to ARI to support its activities was wound up and a capital sum of over US\$3,000,000 was made to the charity. The trustees have to manage this income in such a way as best assists the charity's financial challenges over the next few years. The management team and trustees are committed to grow its regular donor base but recognise that this will take a number of years to achieve. The Trustees have decided to use some of these reserves to invest in additional fundraising, marketing and development staffing with the aim of increasing both the level of unrestricted income for ARI and to bring in additional funds for the Worldwide A Rocha Family. Based on the planned expenditure of the charity, the level of free reserves will, in the medium term, be in line with the level set by the trustees.

### **Going concern assessment**

There is a reasonable expectation that ARI has adequate resources to continue in operational existence for the foreseeable future. The trustees believe that there are no material uncertainties that call into doubt the charity's ability to continue operating as a going concern. In making this decision, the trustees have taken into consideration the risks and uncertainties arising from the Coronavirus pandemic and conclude that the charity can sustain its operations for a period of at least twelve months from date of signing these financial statements. Consequently, the financial statements have therefore been prepared on the basis that the charity remains a going concern.

### **Transactions with related parties**

David McKay, who was ARI's Finance Director and Company Secretary until the summer/autumn of 2021, is Company Secretary and Treasurer of Climate Stewards (company registration number 7442207 (England and Wales), charity registration number 1141108). The activities of Climate Stewards were previously carried out as a project within ARI. On 1 June 2011, the activities and reserves of Climate Stewards (the project) were transferred to the separate legal entity.

Details of related party transactions during the year are included within note 18.

### **Investment policy**

The charity holds funds with CAF Bank Limited and HSBC plc in addition to holding accumulated units in the COIF Charities Ethical Investment Fund with CCLA.

The charity's investment policy is to give priority to banks or other institutions that have an ethical policy. The trustees benchmark and review interest rates regularly to ensure the investments deliver a suitable return.



## FINANCIAL REVIEW

### Investment policy (continued)

At 31 December 2021, the market value of listed investments was £1,253,473 (2020 - £1,073,515). Details of movements in investments during 2021 are included within note 13.

### Fundraising policy

All fundraising is carried out by the charity's own staff and volunteers. ARI does not employ external fundraisers. When supporters contact ARI asking to be removed from its database this is done without undue delay. A thorough review of all donors and supporters was undertaken in 2018 as part of ARI's preparation for GDPR and a further check of permissions is undertaken on a biannual basis. As such, all donors and supporters have been contacted to confirm that they wish to remain on ARI's database and to ascertain how they would like us to contact them in respect of the various marketing and fundraising publications. Trustees were fully involved in the preparation for GDPR and have approved a Privacy policy and a Data Breach policy which are displayed on ARI's website.

During 2021, ARI did not receive any complaints relating to its fundraising approach.

A Code of Conduct has been prepared to further protect vulnerable people and other members of the public from behaviour which could be seen as an unreasonable intrusion on a person's privacy.

Approved by the trustees:



Graham Wright  
Trustee and Treasurer

Approved on: 5/8/22

**Independent auditor's report to the members of A Rocha International**

**Opinion**

We have audited the financial statements of A Rocha International (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. 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 charitable company's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

**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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- ◆ the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report has 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept,
- ◆ the 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; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.



### **Responsibilities of trustees**

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

In preparing the financial statements, the trustees are responsible for assessing the 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 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**

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

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

#### *How the audit was considered capable of detecting irregularities including fraud*

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ♦ The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ♦ We identified the laws and regulations applicable to the charity through discussions with key management and from our knowledge and experience of the charity sector;
- ♦ We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019); and

**Auditor's responsibilities for the audit of the financial statements** (continued)

- ◆ We assessed the extent of compliance with the laws and regulations identified above through making enquiries of key management and review of minutes of Trustees' meetings.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ Making enquiries of key management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ Performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ Tested and reviewed journal entries to identify unusual transactions;
- ◆ Tested the authorisation of expenditure;
- ◆ Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- ◆ Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ Agreeing financial statement disclosures to underlying supporting documentation;
- ◆ Reading the minutes of meetings of trustees; and
- ◆ Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of key management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

## Independent auditor's report Year to 31 December 2021

### 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shachi Blakemore (Senior Statutory Auditor)

For and on behalf of Buzzacott LLP, Statutory Auditor

130 Wood Street

London

EC2V 6DL

Date: 14 September 2022



# Statement of financial activities Year ended 31 December 2021

	Notes	Restricted funds £	Unrestricted funds £	Total funds 2021 £	Restricted funds £	Unrestricted funds £	Total funds 2020 £
<b>Income from:</b>							
Donations and legacies	1	453,271	819,341	1,272,612	448,608	626,731	1,075,339
Charitable activities	2	50	98,710	98,760	—	76,245	76,245
Other: gain on disposal of property	12	—	—	—	—	10,152	10,152
Other: sundry		402	25,039	25,441	70	26,127	26,197
<b>Total income</b>		<b>453,723</b>	<b>943,090</b>	<b>1,396,813</b>	<b>448,678</b>	<b>739,255</b>	<b>1,187,933</b>
<b>Expenditure on:</b>							
Raising funds	3	276	13,030	13,306	—	10,887	10,887
Charitable activities	4, 8	442,605	1,088,058	1,530,663	377,757	640,251	1,018,008
<b>Total expenditure</b>		<b>442,881</b>	<b>1,101,088</b>	<b>1,543,969</b>	<b>377,757</b>	<b>651,138</b>	<b>1,028,895</b>
<b>Net income (expenditure) before gains on investments</b>	9	10,842	(157,998)	(147,156)	70,921	88,117	159,038
Gains on investments							
. Unrealised gains	13	—	179,958	179,958	—	95,530	95,530
<b>Net income and net movement in funds for the year</b>		<b>10,842</b>	<b>21,960</b>	<b>32,802</b>	<b>70,921</b>	<b>183,647</b>	<b>254,568</b>
Total funds brought forward at 1 January		193,930	2,147,575	2,341,505	123,009	1,963,928	2,086,937
<b>Total funds carried forward at 31 December</b>		<b>204,772</b>	<b>2,169,535</b>	<b>2,374,307</b>	<b>193,930</b>	<b>2,147,575</b>	<b>2,341,505</b>

All of the charity's activities derived from continuing operations during the above two financial periods.

All recognised gains and losses are included in the above statement of financial activities.

The notes on pages 27 to 40 form part of these financial statements.

# **Balance sheet as at 31 December 2021**

		2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	12		325,686		331,255
Investments	13		1,253,473		1,073,515
			<u>1,579,159</u>		<u>1,404,770</u>
<b>Current assets</b>					
Debtors	14	569,324		342,017	
Cash at bank		343,768		692,904	
		<u>913,092</u>		<u>1,034,921</u>	
<b>Creditors:</b> amounts falling due within one year	15	(117,944)		(98,186)	
<b>Net current assets</b>			<u>795,148</u>		<u>936,735</u>
<b>Total net assets</b>			<u>2,374,307</u>		<u>2,341,505</u>
<b>The funds of the charity</b>					
Restricted funds	16		204,772		193,930
Unrestricted funds					
· Tangible fixed assets	16		325,686		331,255
· Other designated	16		463,832		124,150
· General	16		1,380,017		1,692,170
<b>Total funds</b>			<u>2,374,307</u>		<u>2,341,505</u>

Approved by the trustees and signed on their behalf by:

Graham Wright  
Trustee and Treasurer

Approved on: 5/8/22

A Rocha International  
Company Registration Number 06852417 (England and Wales)



# **Statement of cash flows** Year ended 31 December 2021

	Notes	2021 £	2020 £
<b>Cash outflow from operating activities:</b>			
Net cash (used in) provided by operating activities	A	(349,136)	139,329
<b>Change in cash and cash equivalents in the year</b>		<b>(349,136)</b>	<b>139,329</b>
<b>Cash and cash equivalents at 1 January</b>	B	<b>692,904</b>	<b>553,575</b>
<b>Cash and cash equivalents at 31 December</b>	B	<b>343,768</b>	<b>692,904</b>

## **Notes to the statement of cash flows for the year to 31 December:**

### **A Reconciliation of net movement in funds to net cash flow from operating activities**

	2021 £	2020 £
<b>Net movement in funds (as per the statement of financial activities)</b>	<b>32,802</b>	<b>254,568</b>
<b>Adjustments for:</b>		
Depreciation charge	5,569	5,569
Gains on investments	(179,958)	(95,530)
Increase in debtors	(227,307)	(6,610)
Increase (decrease) in creditors	19,758	(18,668)
<b>Net cash (used in) provided by operating activities</b>	<b>(349,136)</b>	<b>139,329</b>

### **B Analysis of cash, cash equivalents, and net debt**

	2021 £	2020 £
Cash at bank and in hand	343,768	692,904
<b>Total cash and cash equivalents</b>	<b>343,768</b>	<b>692,904</b>

## Principal accounting policies Year to 31 December 2021

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are laid out below.

### Basis of preparation

These financial statements have been prepared for the year to 31 December 2021 and have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements are presented in sterling and are rounded to the nearest pound.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

ARI is the body that supports AROs around the world as detailed in the trustees' report. Each ARO is a separate independent legal entity to ARI whose activities are not controlled by the charity although it is mutually supportive through a Memorandum of Understanding and Statement of Faith. The results of each ARO are therefore not consolidated within these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102.

### Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ♦ estimating the useful economic life of tangible fixed assets;
- ♦ estimating the value of gifts in kind; and
- ♦ determining the basis for allocating support costs across expenditure categories.

In addition to the above, the full impact of the continuing global coronavirus pandemic is still unknown. It is therefore not currently possible to evaluate all the potential implications for the charity's activities, suppliers, beneficiaries and the wider economy.

### Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements and have considered the impact of the coronavirus pandemic on the charity's operations.

**Assessment of going concern (continued)**

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The trustees monitor cash flow throughout the year including future sources of income via a system which tracks fundraising expectations month by month.

The most significant areas of judgement that affect items in the financial statements are detailed above. With regard to the next accounting period, the year ending 31 December 2022, the most significant areas that affect the carrying value of the assets held by the charity are the level of investment return and the performance of the investment markets.

**Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations and grants, legacies, investment income and other income for charitable activities.

Donations and grants are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations and grants pledged but not received, the amount is accrued for where the receipt is considered probable, unless there are implied time-related conditions which limit entitlement to a grant. In the event that a donation or grant is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Donated services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain facilities or services of equivalent economic benefit on the open market.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.



**Income recognition** (continued)

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes costs associated with fundraising.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect to the co-ordination of global activities and conservation programmes.
- ◆ Charitable grants and donations are made where the trustees consider there is real, need following a review of the details of each particular case, and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved.

All expenditure is stated inclusive of irrecoverable VAT.

**Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity, it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

## Principal accounting policies Year to 31 December 2021

### Allocation of support and governance costs (continued)

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs are apportioned between charitable activities in proportion to the direct costs incurred in relation to each activity.

### Tangible fixed assets

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Assets are retired at the end of their useful economic life.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold or leasehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

- |                                       |   |   |
|---------------------------------------|---|---|
| ◆ Leasehold property and improvements | – | the shorter of 70 years or the remaining lease term |
| ◆ Freehold property                   | – | 70 years  |
| ◆ Office equipment                    | – | 25% on cost   |

### Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

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

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value is acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

### Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

### Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.



## **Principal accounting policies Year to 31 December 2021**

### **Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

### **Pension contributions**

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 10. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

### **Funds structure**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## Notes to the financial statements Year to 31 December 2021

### 1 Donations and legacies

	Restricted funds £	Unrestricted funds £	2021 Total funds £	Restricted funds £	Unrestricted funds £	2020 Total funds £
Donations	218,018	704,863	922,881	213,038	491,510	704,548
Legacies	—	8,475	8,475	—	62,250	62,250
Grants	235,253	106,003	341,256	235,570	72,971	308,541
Total funds	453,271	819,341	1,272,612	448,608	626,731	1,075,339

Donations in kind amounting to £nil (2020 — £2,680) are included above within donations. There is a corresponding increase in salary costs under expenditure.

### 2 Income from charitable activities

	Restricted funds £	Unrestricted funds £	2021 Total funds £	Restricted funds £	Unrestricted funds £	2020 Total funds £
Co-ordination of global events	50	98,710	98,760	—	76,245	76,245

### 3 Cost of raising funds

	Restricted funds £	Unrestricted funds £	2021 Total funds £	Restricted funds £	Unrestricted funds £	2020 Total funds £
Promotional costs	276	13,030	13,306	—	10,887	10,887

### 4 Charitable activities

	Direct costs (note 5) £	Grant funding of activities (note 6) £	Support costs (note 7) £	2021 Total funds £
Co-ordination of global activities	777,564	525,747	57,259	1,360,570
Protection of threatened habitats and species	33,481	129,454	7,158	170,093
2021 total funds	811,045	655,201	64,417	1,530,663

	Direct costs (note 5) £	Grant funding of activities (note 6) £	Support costs (note 7) £	2020 Total funds £
Co-ordination of global activities	566,950	256,604	39,129	862,683
Protection of threatened habitats and species	48,576	99,705	7,044	155,325
2020 total funds	615,526	356,309	46,173	1,018,008

## Notes to the financial statements Year to 31 December 2021

### 5 Direct costs

	Co-ordination of global activities £	Protection of threatened habitats and species £	2021 Total funds £
Premises costs	6,718	—	6,718
Travel	12,339	—	12,339
Donations	—	33,302	33,302
Other project costs	23,734	179	23,913
Web site development costs	2,954	—	2,954
Other administration costs	44,132	—	44,132
Meetings and conferences	5,671	—	5,671
Staff costs	676,447	—	676,447
Depreciation (note 12)	5,569	—	5,569
2021 total funds	777,564	33,481	811,045

	Co-ordination of global activities £	Protection of threatened habitats and species £	2020 Total funds £
Premises costs	6,449	—	6,449
Travel	8,564	—	8,564
Donations	—	48,216	48,216
Other project costs	12,846	360	13,206
Web site development costs	9,795	—	9,795
Other administration costs	19,649	—	19,649
Meetings and conferences	1,158	—	1,158
Staff costs	502,920	—	502,920
Depreciation (note 12)	5,569	—	5,569
2020 total funds	566,950	48,576	615,526

### 6 Grant funding of activities

	Restricted funds £	Unrestricted funds £	2021 Total funds £	Restricted funds £	Unrestricted funds £	2020 Total funds £
Grants to A Rocha National Projects	307,716	347,485	655,201	311,916	44,393	356,309
2021 total funds	307,716	347,485	655,201	311,916	44,393	356,309



## Notes to the financial statements Year to 31 December 2021

### 7 Support costs

	Co-ordination of global activities £	Protection of threatened habitats and species £	2021 Total funds £	Co-ordination of global activities £	Protection of threatened habitats and species £	2020 Total funds £
Premises costs	1,329	166	1,495	1,223	220	1,443
Office administration	7,892	987	8,879	3,953	712	4,665
Legal and professional fees	3,352	419	3,771	2,502	450	2,952
Exchange rate loss	10,672	1,333	12,005	—	—	—
Staff costs	25,428	3,179	28,607	16,304	2,935	19,239
Governance costs:						
· Auditor's remuneration	8,325	1,041	9,366	7,474	1,346	8,820
· Trustees' meetings and expenses	261	33	294	7,673	1,381	9,054
	<b>57,259</b>	<b>7,158</b>	<b>64,417</b>	<b>39,129</b>	<b>7,044</b>	<b>46,173</b>

### 8 Expenditure by charitable activity

#### Summary by fund type

	Restricted funds £	Unrestricted funds £	2021 £	Restricted funds £	Unrestricted funds £	2020 £
Co-ordination of global activities	279,670	1,080,900	1,360,570	229,837	632,846	862,683
Protection of threatened habitats and species	162,935	7,158	170,093	147,920	7,405	155,325
<b>2020 total funds</b>	<b>442,605</b>	<b>1,088,058</b>	<b>1,530,663</b>	<b>377,757</b>	<b>640,251</b>	<b>1,018,008</b>

#### Summary by expenditure type

	Staff costs (note 10) £	Depreciation £	Other costs £	Total 2021 £
Co-ordination of global activities	701,875	5,569	653,126	1,360,570
Protection of threatened habitats and species	3,179	—	166,914	170,093
	<b>705,054</b>	<b>5,569</b>	<b>820,040</b>	<b>1,530,663</b>

	Staff costs (note 10) £	Depreciation £	Other costs £	Total 2020 £
Co-ordination of global activities	519,224	5,569	337,890	862,683
Protection of threatened habitats and species	2,935	—	152,390	155,325
	<b>522,159</b>	<b>5,569</b>	<b>490,280</b>	<b>1,018,008</b>

## Notes to the financial statements Year to 31 December 2021

### 9 Net income (expenditure) before gains on investments

This is stated after charging the following:

	2021 £	2020 £
Depreciation (note 12)	5,569	5,569
Auditors' remuneration		
Current year	9,366	8,820

### 10 Staff costs

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	598,408	443,466
Social security costs	78,039	59,454
Pension cost	28,607	19,239
	705,054	522,159

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

	2021 No	2020 No
Direct programme staff (including staff seconded to national projects)	15	9
Administrative staff	1	2
	16	11

The number of higher paid employees was:

	2021 No	2020 No
£60,001 - £70,000	1	1
£70,001 - £80,000	2	1

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and the senior management team of the charity. The total remuneration (including taxable benefits and employer's national insurance and pension contributions) of the key management personnel for the year was £435,829 (2020: £298,302). The number of key management personnel increased to 8 in 2021 (2020: 6).

In 2020 Peter Harris, the co-founder of the charity, was remunerated £38,215 for his services to the charity until his retirement on 31 May 2020. Since that time he has become a volunteer for the charity.

### 11 Trustees' expenses and remuneration

No trustee received any emoluments during the year in connection with his or her duties as trustee to the charity (2020 - £nil).

During the year, no trustees (2020: three) were reimbursed travel expenses (2020: £1,714). During the year, trustees made unrestricted donations to the charity totalling £61,531 (2020: £51,622).

**12 Tangible fixed assets**

	Leasehold property and improvements £	Freehold property £	Total £
<b>Cost</b>			
At 1 January 2021	309,844	119,520	<b>429,364</b>
Disposals	—	—	—
At 31 December 2021	<u>309,844</u>	<u>119,520</u>	<u><b>429,364</b></u>
<b>Depreciation</b>			
At 1 January 2021	68,121	29,988	<b>98,109</b>
Charge for the year	4,141	1,428	<b>5,569</b>
Disposals	—	—	—
At 31 December 2021	<u>72,262</u>	<u>31,416</u>	<u><b>103,678</b></u>
<b>Net book values</b>			
At 31 December 2021	<u>237,582</u>	<u>88,104</u>	<u><b>325,686</b></u>
At 31 December 2020	<u>241,723</u>	<u>89,532</u>	<u><b>331,255</b></u>

Included within freehold and leasehold property is land with value of £39,545 which is not depreciated (2020: £39,545). The freehold property comprises of the field study centre 'Cruzinha' in Mexilhoeira Grande, Portugal, which is used exclusively by the A Rocha Associação Cristã de Estudo e Defesa Ambiente. The Trustees have recently become aware of a potential liability for three years of unpaid property taxes on the property. Enquiries are ongoing in respect of this potential liability but it is believed to be below €10,000. Leasehold property comprises 'Karara' in Nairobi, Kenya, used exclusively by A Rocha Kenya. Although the charity was left the freehold title to the property, under local legislation introduced in 2010, freehold titles held by foreign bodies were revoked in favour of long leasehold arrangements. Legal title of the properties is held by A Rocha Limited, a company registered in the UK and limited by guarantee. Beneficial ownership has been assigned to A Rocha International. The land and buildings are shown at cost, or estimated cost at the point of donation.

**13 Investments – listed securities**

	2021 £	2020 £
<b>Market value</b>		
At 1 January	<b>1,073,515</b>	977,985
Unrealised gains in the year	<b>179,958</b>	95,530
<b>At 31 December</b>	<u><b>1,253,473</b></u>	<u>1,073,515</u>
<b>Historic cost of investments</b>	<u><b>579,319</b></u>	<u>579,319</u>
Listed investments at the year end comprised of the following:		
COIF Charities Ethical Investment fund	<u><b>1,253,473</b></u>	<u>1,073,515</u>



## Notes to the financial statements Year to 31 December 2021

### 14 Debtors

	2021 £	2020 £
Amounts due from other A Rocha organisations	510,309	74,297
Gift aid receivable	45,089	19,801
Other debtors	13,926	247,919
	<b>569,324</b>	<b>342,017</b>

### 15 Creditors: amounts falling due within one year

	2021 £	2020 £
Taxation and social security	11,017	65,965
Accruals	42,504	4,566
Other creditors	64,423	27,655
	<b>117,944</b>	<b>98,186</b>

### 16 Funds

	1 January 2021 £	Income £	Expenditure £	Gains, transfers and designations £	31 December 2021 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset funds	331,255	—	(5,569)	—	325,686
Global Conservation Fund	—	341,049	(6,110)	—	334,939
Other funds	124,150	10,069	(5,326)	—	128,893
	455,405	351,118	(17,005)	—	789,518
<b>General funds</b>					
General Funds - all funds	1,692,170	591,972	(1,084,083)	179,958	1,380,017
<b>Total Unrestricted funds</b>	<b>2,147,575</b>	<b>943,090</b>	<b>(1,101,088)</b>	<b>179,958</b>	<b>2,169,535</b>

	1 January 2020 £	Income £	Expenditure £	Gains, transfers and designations £	31 December 2020 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Fixed asset funds	336,824	—	(5,569)	—	331,255
Other funds	62,592	61,946	(388)	—	124,150
	399,416	61,946	(5,957)	—	455,405
<b>General funds</b>					
General Funds - all funds	1,564,512	677,309	(645,181)	95,530	1,692,170
<b>Total Unrestricted funds</b>	<b>1,963,928</b>	<b>739,255</b>	<b>(651,138)</b>	<b>95,530</b>	<b>2,147,575</b>

**16 Funds (continued)**

The fixed assets fund represents the net book value of the charity's fixed assets. A decision was made to separate this fund from the general fund of the charity in recognition of the fact that the tangible fixed assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

The Global Conservation fund is to provide strategic funding for ARI and the A Rocha Worldwide Family. Given the wider strategic purpose of this fund the trustees deem this fund to be a designated fund.

Other funds include funds designated to the John Stott memorial lectures.

**Restricted funds**

	1 January 2021 £	Income £	Expenditure £	Transfers £	31 December 2021 £
A Rocha Australia	1,625	3,437	(1,958)	—	3,104
A Rocha Brazil	3,635	593	(3,322)	—	906
A Rocha Canada	750	441	(40)	—	1,151
A Rocha Czech Republic	2,260	13,048	(8,723)	—	6,585
A Rocha France	386	5,655	(6,004)	—	37
A Rocha Germany	75	—	—	—	75
A Rocha Ghana	3,922	5,320	(3,043)	—	6,199
A Rocha India	401	44,218	(35,155)	—	9,464
A Rocha Kenya	10,034	43,850	(31,368)	—	22,516
A Rocha Lebanon	31,315	23,218	(21,915)	—	32,618
A Rocha Netherlands	271	162	(181)	—	252
A Rocha New Zealand	(4)	—	—	—	(4)
A Rocha Peru	1,593	17,797	(4,279)	—	15,111
A Rocha Portugal	14,065	13,226	(27,319)	—	(28)
A Rocha South Africa	837	2,236	(2,015)	—	1,058
A Rocha Switzerland	43	—	—	—	43
A Rocha Uganda	3,055	25,144	(20,501)	—	7,698
A Rocha UK	4,401	7,912	(14,018)	—	(1,705)
A Rocha USA	220	—	—	—	220
Eden Creation Care (Nigeria)	493	—	—	—	493
Climate Stewards	—	1,467	(897)	—	570
Projects	114,553	245,999	(262,143)	—	98,409
	193,930	453,723	(442,881)	—	204,772

The income funds listed for each of the AROs represent donations and grants for A Rocha's work, including specific projects in that country and for running the respective field study centres.

## 16 Funds (continued)

### Restricted funds (continued)

	1 January 2020 £	Income £	Expenditure £	Transfers £	31 December 2020 £
A Rocha Australia	2,334	3,003	(3,712)	—	1,625
A Rocha Brazil	2,708	994	(67)	—	3,635
A Rocha Canada	485	295	(30)	—	750
A Rocha Czech Republic	3,609	21,871	(23,220)	—	2,260
A Rocha France	14,313	19,953	(33,880)	—	386
A Rocha Germany	75	—	—	—	75
A Rocha Ghana	2,852	6,666	(5,596)	—	3,922
A Rocha India	6,563	13,114	(19,276)	—	401
A Rocha Kenya	19,443	51,809	(61,218)	—	10,034
A Rocha Lebanon	18,263	23,357	(10,305)	—	31,315
A Rocha Netherlands	271	—	—	—	271
A Rocha New Zealand	94	—	(98)	—	(4)
A Rocha Peru	1,765	17,048	(17,220)	—	1,593
A Rocha Portugal	5,811	32,092	(23,838)	—	14,065
A Rocha South Africa	388	1,430	(981)	—	837
A Rocha Switzerland	43	—	—	—	43
A Rocha Uganda	949	9,736	(7,630)	—	3,055
A Rocha UK	4,052	5,437	(5,088)	—	4,401
A Rocha USA	220	—	—	—	220
Eden Creation Care (Nigeria)	206	308	(21)	—	493
Climate Stewards	—	(244)	244	—	—
Projects	38,565	241,809	(165,821)	—	114,553
	123,009	448,678	(377,757)	—	193,930

## 17 Analysis of net assets between funds

	Unrestricted funds			2021 Total funds £
	Restricted funds £	General funds £	Designated funds £	
Tangible fixed assets	—	—	325,686	325,686
Investments	—	1,253,474	—	1,253,474
Current assets	204,772	244,486	463,832	913,091
Creditors due within one year	—	(117,944)	—	(117,944)
	204,772	1,380,017	789,518	2,374,307

	Unrestricted funds			2020 Total funds £
	Restricted funds £	General funds £	Designated funds £	
Tangible fixed assets	—	—	331,255	331,255
Investments	—	1,073,515	—	1,073,515
Current assets	193,930	716,841	124,150	1,034,921
Creditors due within one year	—	(98,186)	—	(98,186)
	193,930	1,692,170	455,405	2,341,505



**17 Analysis of net assets between funds (continued)**

	2021 £	2020 £
Unrealised gains included above on investments	<b>674,154</b>	494,196
<b>Reconciliation of movement in unrealised gains</b>		
Unrealised gains at 1 January	<b>494,196</b>	398,666
Unrealised gains released on disposal	—	—
Net gains arising on revaluation	<b>179,958</b>	95,530
Total unrealised gains at 31 December	<b>674,154</b>	494,196

**18 Transactions with related parties**

A Rocha UK acted as the agent of A Rocha International regarding the receipt and banking of funds from UK donors intended for the support of A Rocha International and other national A Rocha organisations outside the UK. In the year to 31 December 2021, A Rocha International received £20,154 (2020: £23,113) via A Rocha UK under this arrangement (including Gift Aid tax reclaims). This included £8,678 (2020: £14,263) income and gains for A Rocha International and £11,471 (2020: £8,850) for other A Rocha national organisations.

During 2021 two trustees (2020: five trustees) donated £61,531 (2020: £51,621) and seven members of staff (2020: six staff) donated a total of £179,022 (2020: £558) to A Rocha International.

In 2020 Peter Harris, the co-founder of the charity, was remunerated £38,215 for his services to the charity until his retirement on 31 May 2020. Since that time he has become a volunteer for the charity.

**19 Liability of members**

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up the members are required to contribute an amount not exceeding £10.