



ANGELICAN ALLIANCE

Development · Relief · Advocacy

Anglican Alliance

(A Charitable Company limited by guarantee)

Report and Financial Statements

for the year to

31st December 2022

Registered Charity No. 1151992
Company No. 08345096

Anglican Alliance

Report and Financial Statements

for the year to 31st December 2022

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Anglican Alliance

Reference and administrative details of the charity, its trustees and advisors

Constitution

The Anglican Alliance is a charity registered in England and Wales, registration number 1151992 and a company limited by guarantee, registration number 08345096. It was established by constitution subscribed to on 21 December 2012. The charitable company started its activities on 1 April 2013 upon transfer of the net liabilities from The Anglican Consultative Council (The ACC).

Trustees

Those acting as Trustees during the year to 31 December 2022 and to the date of signing this report were the following:

The Most Revd Albert Chama	(Chair)
The Rt Revd Alastair Redfern	(Vice Chair) (resigned 9 August 2022)
The Rt Revd Dr Michael Beasley	(Vice Chair) (appointed 9 August 2022)
The Rt Revd Andrew Chan	
The Ven Joseph William Kofi Degraft-Johnson	
The Rt Revd Hemen Halder	
Mr Michael Hart	
The Revd Gillian Hoyer	
The Most Revd Dr Josiah Idowu-Fearon	(resigned 31 August 2022)
Ms Bev Jullien	
Canon Andrew Khoo	
Ms Lina Magallanes	
The Most Revd Julio Murray	
Ms Abigail Nelson	
The Rt Revd Anthony Poggo	(appointed 1 September 2022)
Revd Canon Flora Winfield	(resigned 9 August 2022)

Officers of the Anglican Alliance

Chair	The Most Revd Albert Chama
Vice Chair	The Rt Revd Alastair Redfern (Until 9 August 2022) The Rt Revd Dr Michael Beasley (From 9 August 2022)
Chair of the Finance and General Purposes Committee	The Rt Revd Alastair Redfern (Until 9 August 2022) The Rt Revd Dr Michael Beasley (From 9 August 2022)
Treasurer	Mr Michael Hart
Executive Director	The Revd Canon Rachel Carnegie
Registered Office	St Andrew's House 16 Tavistock Crescent Westbourne Park London W11 1AP, UK
Auditors	Moore Kingston Smith 9 Appold Street London EX2A 2AP, UK
Solicitors	Winkworth Sherwood 16 Beaumont Street Oxford OX1 2LX, UK
Bankers	The Royal Bank of Scotland Plc 49 Charing Cross London, SW1A 2DX, UK

Annual Report of the Trustees

The Trustees are pleased to present their Report and Financial Statements for the year to 31 December 2022.

Structure, Governance and Management

The Anglican Alliance is based at St Andrew's House, London. The Executive Director reports on progress to a Board of Trustees (who are also Directors for the purposes of Company Law) that meets at least three times per year. The Board delegates some responsibilities to a Finance and General Purposes Committee that also meets at least three times per year. The Audit and Risk Committee also meets annually.

Procedures have been put in place to ensure that the Trustees are made aware of their responsibilities at their first meeting. The Trustees consider the Board of Trustees and the Executive Director comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis.

Public Benefit

The object of the Charity is to benefit the public by bringing together the development, relief and advocacy work of the churches of the Anglican Communion worldwide and the agencies associated with them, grounded in Christian faith to support the poor and oppressed people of the world. In preparing this report the Trustees have complied with their duty to have due regard to the public benefit guidance published by the Charity Commission.

Risk Management

During the year the Board of Trustees reviewed the risk register. Procedures have been introduced to manage and reduce the risks identified, and further reviews take place regularly. An Audit and Risk Subcommittee meets once per year and on an ad hoc basis as required.

The charity concluded the 2021 year with a modest surplus in unrestricted funds. The 2022 year end saw a modest decline in the balance of unrestricted funds. The Trustees maintain the commitment to continue to grow and maintain a surplus to build a working reserve, with a target of 25% of annual turnover achieved.

The Executive Director and Board continue to focus on establishing a viable set of funding streams through 2023 and beyond. The main exposure relates to foreign exchange movements, as some income and costs, including overseas salaries, consultancies and activities are denominated in US Dollars. This risk is managed with prudent expenditure plans to allow for currency fluctuations, and regular reviews to ensure action is taken to reduce expenditure in the event of unforeseen cost increases or income reduction. The potential pressures of global and national financial challenges in the current global financial context continue to be monitored, with conservative budgeting moving forward to build financial resilience.

Throughout 2022 the Board reviewed the resilience of the Anglican Alliance operationally and financially in relation to the risks and consequences relating to the Covid pandemic, which impacted especially on the first half of 2022. The most significant risks lay in two areas. The first related to the operational challenges, with lockdowns and travel restrictions making international visits, in-person training and consultations impossible at this time. These challenges were largely mitigated by moving the Alliance's global operations online, which continues to work successfully and has indeed added to the global connectedness and operational value of the organisation. The second risk related to potential pressures on income streams from 2023 onwards, with ongoing global financial pressures. This has been mitigated

in part by the reduced costs resulting from the new online operating model, which remained significantly in place as the world emerged from the pandemic, although some travel and in-person events resumed later in 2022.

The Board will continue to review closely the financial projections to make the necessary budgetary provisions for 2023 onwards.

Objectives, Achievements and Activities

The Anglican Alliance brings together the Anglican family of churches and agencies to work for a world free of poverty, inequality and injustice, to raise the voices of the vulnerable, to reconcile those in conflict, and to safeguard the earth.

The role of the Anglican Alliance is to connect and share capacity, skills, learning and resources across the worldwide Anglican Communion, present in 165 countries, to support its work in development, relief and advocacy. This global reach gives the Anglican Alliance work significant scale and potential.

Its three pillars of work support the Communion within the context of the Anglican Marks of Mission in:

- **Development** – identifying examples of good practice; sharing expertise and building capacity for holistic mission and sustainable development; building theological foundations & biblical resources.
- **Relief** – strengthening capacity in disaster resilience and preparedness; providing a convening platform at times of humanitarian crisis for the local church to connect with agencies and churches across the Communion for prayer and practical support.
- **Advocacy** – connecting, equipping and resourcing Anglican leadership along with affected communities to speak out on issues of justice, including with wider ecumenical partnerships.

The work is all grounded in an asset-based approach, whether at community level, or in gathering the assets of the Communion as a whole. Based on regional consultations and resolutions from the Instruments of Communion, with guidance from the Board and ACC Standing Committee, the Alliance currently has three strategic global priorities in which it works to support Anglican churches and agencies worldwide.:

- **Responding to the most vulnerable** – tackling modern slavery & human trafficking; responding to refugees and migrants; supporting people affected by disasters and conflict, including the Covid-19 pandemic.
- **Promoting equality** – transforming unjust structures and tackling inequalities in different forms; supporting the empowerment of women and youth, including sustainable livelihoods.
- **Building a just and sustainable world** – advocating for environmental & climate justice, sharing skills and capacity to build resilience and to mitigate/adapt to climate change and promote food security.

The Anglican Alliance is able to leverage outcomes beyond its modest resources as it brings together the human capacities, church assets and financial means of Anglican churches and agencies across the world, sharing resources and expertise in collaborative effort. In 2022 the organisation's income sustained the planned programme of activities and supported the increasing demand for the Anglican Alliance's services in the final stages of the pandemic and into the recovery phase. The Lambeth Conference in mid-2022 was a significant moment, having been conceived at the previous Lambeth Conference. The Anglican Alliance was very significantly involved in the planning and delivery of the Conference and supported many programmatic areas which related to its thematic priorities and expertise. 2022 was a year of enhanced activity and expenditure. The Lambeth Conference was a key opportunity for the Anglican Alliance and the return to travel post-pandemic allowed for the disbursement of restricted funds carried over through the Covid years. This report highlights the most significant activities and outcomes in 2022 and is structured around the three pillars of the Anglican Alliance's work: Relief & Resilience; Development; and Advocacy. Thematically these three pillars all interconnect.

Relief and Resilience:

The Anglican Alliance adds value by building disaster resilience and coordinating humanitarian support to Anglican provinces and dioceses responding to humanitarian crises. It works closely with a group of agencies and churches to connect for joint support so that the local church can have a simplified process for applications, communications and reporting. In 2022, the Alliance continued with its pandemic response, while increasingly resuming work in its other priority areas.

Covid-19 Response

- Connecting, equipping and encouraging the Anglican Communion's churches and agencies in their responses in the final stages of the pandemic.
- Continuing to convene the global Covid-19 task force meeting in early 2022 to provide a global overview of the pandemic, define emerging issues and guide the Alliance's response.
- Liaising with the World Health Organisation, advising on guidance to faith-based organisations and on vaccine hesitancy issues.
- Maintaining the online Covid-19 resource hub in four languages with facts on the pandemic and guidance on how the churches can respond, including in providing key information to tackle concerns and misinformation about Covid vaccines.
- Convening national conversations between church leadership and scientist to build vaccine confidence.
- Continuing support to the Anglican Health and Community Network, to leverage further health expertise in the Communion.

Other Humanitarian Responses:

- Convening Communion-wide calls and accompanying churches in Mozambique, South Sudan, DRC, Malawi, Madagascar, Pakistan, Brazil, and elsewhere, facing conflict, climate disasters and other crises concurrent with the pandemic. Seeking to broker support and convening roundtables with global partners.

Building Disaster Resilience

- Completing the online Resilience Course in collaboration with Episcopal Relief & Development, supporting churches to develop capacity in disaster preparedness and resilience. The 12-month course had over 140 participants from 42 countries and ran in 6 languages.
- Establishing a network of trained responders – Partners in Resilience and Response – to provide expertise to local churches at times of humanitarian crisis.

Development:

Here the Anglican Alliance adds value by connecting and equipping churches and agencies across the Communion for sharing learning and skills and building joint strategic initiatives. The Anglican Alliance does not fund projects, but works to link, leverage joint assets and build coalitions. Highlights in 2022 included:

Environmental and Climate Justice

- Maintaining communications, with in-depth website reflections and development of our online resource hub. Supporting wider engagement with the theological and environmental work of Indigenous Anglicans.

- Leading the Environmental strand through the Lambeth Conference, in a series of seminars and key events, including co-convening the editorial group to draft the Lambeth Call on the Environment and Sustainable Development.
- Launching the Communion Forest, along with the Anglican Communion Environment Network. This initiative will help equip the provinces in ecosystem protection, conservation and restoration. This was a major focus of the Anglican Alliance's work in 2022, requiring significant investment of time and resources. A dedicated website has been launched, facilitators recruited and a series of webinars held and national church and external partner relationships established since the Lambeth Conference.
- Co-Leading the Anglican Communion's engagement with the United Nations Climate COP27, including supporting the Anglican delegation in Egypt and updating the Anglican policy submission, which focused on the issue of just finance for loss and damage due to climate change, and on the importance of building resilience. It was positive to see COP27 resolve to establish a Loss and Damage Finance Facility.

Safe Migration and Human Trafficking

- Designing and hosting the Freedom Fridays in February online course, with tailored material for two cohorts Africa and in Asia-Pacific.
- Maintaining online meetings of the regional communities of practice in Asia, the Middle East and Africa, with a special focus on the situation of human trafficking during the pandemic. Joint planning and collaborative work with churches in Africa and the Middle East to develop strategies on promoting safe migration and preventing human trafficking.
- Supporting the Communion online learning group on migration issues, with particular focus on the routes in Central America and between Africa and the Middle East.
- Leading the Lambeth Conference seminar on this issue.

Asset-Based Church and Community Transformation

- Convening regular online trainings with the Asia Community of Practice.
- Supporting adaptation of the approach into the Middle East context.
- Integrating asset-based principles into all areas of the Anglican Alliance's work.
- Finalising a resource on Contextual Bible Studies, reflecting on the Anglican Marks of Mission and the UN 2030 Sustainable Development Goals, for launching at the Lambeth Conference in four languages.
- Leading the Lambeth Conference seminar on this topic.
- Supporting the relaunch of the Anglican Communion Youth Network, especially with a focus on youth livelihoods and rolling out the Agents of Change course.

Advocacy:

Here the Anglican Alliance adds value by helping to equip, connect and catalyse advocacy initiatives in the Communion, supporting Anglican leaders to speak out alongside people from affected communities. It also helps to broker and build coalitions with ecumenical and other partners for joint advocacy at global levels. Highlights in 2022 included:

- Researching and producing the Communion policy statement to support the Anglican delegation at COP27, in collaboration with the Anglican UN Office.
- Conducting a series of meetings to monitor the food security situation in different regions and distil learning on practical responses in response to the severe challenges caused by climate change and the global financial downturn, connected with the pandemic, the war in Ukraine and fuel prices. Shaping into advocacy messaging, including into COP27.
- On-going advocacy on Covid vaccine equity.

Current situation of the Alliance

The Anglican Alliance has now been operating for over twelve years. During this time, it has established a strong reputation for connecting and equipping the worldwide churches and agencies to bring about transformational change in the lives of the poor and vulnerable. This reputation was cemented by the Anglican Alliance's key role in supporting the Communion's response to the Covid pandemic.

The Anglican Alliance also has an important convening function within the Anglican Communion. The experienced Executive Director has been in post since 2014 leading a small secretariat in the UK and a team of regional and project facilitators around the world, with a Senior Adviser based in Africa. The staff numbers are small, but the range of active participants in the Anglican Alliance's activities, from churches and agencies around the worldwide Communion, is significant and ever growing. Its regional facilitators play a key role, along with the UK based Secretariat, in gathering forums to guide and support collaborative learning and action.

As a platform for the development, relief and advocacy initiatives of the worldwide Anglican Communion, the Anglican Alliance serves to connect this work at a global level with a range of external partners, including other faith based agencies and UN bodies. This adds value by building relationships and trust which help to broker partnerships for churches at the country level.

Donations in Kind

Reference has been made in this report to contributions from various quarters to the work of the Anglican Alliance. Some contributions have been financial, others in the form of the provision of personnel or facilities, as Anglican churches, charities and agencies around the world participate in Anglican Alliance activities. Among these donations in kind is office space for the Anglican Alliance at the Anglican Communion Office, and donated staff time from employees of the Anglican Consultative Council.

Grant-making Policies

The Anglican Alliance administers grants in accordance with the restricted purposes for which the funds were originally donated. Grants are paid as soon as the applications have been received and approved. However, the Anglican Alliance is not primarily a grant-making body and makes very few grants.

Financial Report for the year to 31 December 2022

The activities of the Anglican Alliance began as a restricted fund of The Anglican Consultative Council (charity number 1137273) in 2011. The Anglican Alliance was incorporated as a company limited by guarantee on 2 January 2013 and registered as a charity on 10 May 2013. The first Report and Financial Statements of the new charitable company were for the period ended 31 January 2014. This Report and Financial Statements are for the year ended 31 December 2022.

The financial statements comply with the Charities Act 2011 the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS102) (effective 1 January 2019).

The Balance Sheet sets out the overall financial position of the Anglican Alliance at 31 December 2022. It should be noted that each fund category is dealt with in a separate column, which is referenced to

notes in the accounts. The total fund balances at the end of 2022 (Reserves) were £137,607 (2021: £225,749).

Cash balances were £228,478 (2021: £236,232) as set out in the Statement of Cash Flows which accompanies these financial statements (Note 9). This reflected the fact that income exceeded expenditure during the year.

The main summary of financial transactions through the year is the Statement of Financial Activities or SOFA. This statement includes income and expenditure, transfers between the different funds and gains or losses on the values of investments. Separate supporting statements, set out in the same SOFA format, show in more detail General Fund transactions.

The General Fund generated net expenditure of £19,307, and had a balance at 31 December 2022 of £82,841 (2021: £102,148).

The Restricted Fund Balance at 31 December 2022 was £54,766 (2021: £123,601) of which the major constituents were the Resilience Course, Human Trafficking, and Church and Communities Transformation.

Reserves Policy and Going Concern

At the end of December 2022, the balance on General Fund was £82,841 (2021: £102,148) and the balance on Restricted Reserves was £54,766 (2021: £123,601). The balance of free reserves as at 31 December 2022 were £82,290 (2021: £100,805).

While the Trustees note the net deficit for the year, careful cost control and negotiation with donors to permit restricted grants to contribute towards core costs has allowed for the buildup of reserves in recent years which are able to cushion the deficit. The Board is confident that the Anglican Alliance is a going concern in view of these facts.

Core budget costs (including any staff costs which are paid from Restricted Funds) are of the order of £300,000 per year and over 90% of these costs are associated with employment of staff. The Trustees' policy is to establish unrestricted reserves sufficient to cover three months of operating costs of around £75,000, as it is risky for Trustees and staff to enter into obligations and contracts where the obligations are not currently covered by free reserves.

Trustees' Responsibilities in relation to the Financial Statements

The law applicable to charities in England and Wales requires the Trustees to prepare the annual report and financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

select suitable accounting policies and then apply them consistently;

make judgments and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity, and which enable them to ascertain the financial position of the charity and ensure that the financial statements comply with the Companies Act 2006. The Trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are not aware of any relevant audit information that has not been disclosed to the charity's auditors. The Trustees have taken all the steps that ought to have been taken in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

These financial statements have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime.

Auditors

The Auditors, Moore Kingston Smith, have signified their willingness to continue in office.

Approved by the Trustees and signed on their behalf by:

+ Michael Beasley

The Rt Revd Dr Michael Beasley
Vice Chair

Date: 14 September 2023

Independent auditor's report to the members of Anglican Alliance

Opinion

We have audited the financial statements of Anglican Alliance ('the charitable company') for the year ended 31 December 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the Corporation 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 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 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 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.

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.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, UK financial reporting standards as issued by the Financial Reporting Council and UK taxation legislation.
- 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. Our audit work has been undertaken so that we might state to the 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Moore Kingston Smith LLP".

James Cross (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

9 Appold Street
London
EC2A 2AP

Date: 28 September 2023

Anglican Alliance

Statement of Financial Activities for the year ended 31 December

2022

	Notes	Unrestricted	Restricted	Total 2022	Unrestricted	Restricted	Total 2021
		£	£	£	£	£	£
Income							
<i>Donations</i>							
Anglican Agencies & Charities		116,310	133,511	249,821	111,492	176,242	287,734
Anglican Consultative Council		86,394	3,257	89,651	58,762	-	58,762
Compass Rose Society*		-	27,463	27,463	-	35,192	35,192
Donations		1,649	-	1,649	-	-	-
Total Income		204,353	164,231	368,584	170,254	211,434	381,688
Expenditure							
<i>Expenditure on charitable activities</i>							
Development		84,844	134,223	219,067	39,443	1,374	40,817
Relief		65,571	18,046	83,617	52,592	97,439	150,031
Advocacy		21,487	63,381	84,868	13,148	47,123	60,271
Capacity building		43,015	18,157	61,172	27,466	64,010	91,476
Regional meetings		8,002	-	8,002	3,502	-	3,502
Total Expenditure	3	222,919	233,807	456,726	136,151	209,946	346,097
Net Income/(expenditure)		(18,566)	(69,576)	(88,142)	34,103	1,488	35,591
Transfers between funds		(741)	741	-	(3,517)	3,517	-
Reconciliation of funds							
Total funds brought forward		102,148	123,601	225,749	71,562	118,596	190,158
Total funds carried forward		82,841	54,766	137,607	102,148	123,601	225,749

The Statement of Financial Activities also complied with the requirements for an income and expenditure account under the Companies Act 2006.

All activities relate to ongoing operations. The charity has no recognised gains or losses other than the net movement in funds for the year shown above.

* Donations from Compass Rose were granted to the Anglican Consultative Council by the Canadian Compass Rose Society as restricted funds for the benefit of the Anglican Alliance. The amounts were then granted to the Anglican Alliance by the Anglican Consultative Council in accordance with the restriction.

Anglican Alliance (Company No. 08345096)
Balance Sheet as at 31 December 2022

	Notes	Unrestricted £	Restricted £	Total 2022 £	Unrestricted £	Restricted £	Total 2021 £
Fixed Assets							
Office equipment	6	551	-	551	1,343	-	1,343
Current Assets							
Debtors	7	327	22,500	22,827	3,894	20,000	23,894
Cash at bank and in hand		117,029	111,449	228,478	130,766	105,466	236,232
Total Current Assets		117,356	133,949	251,305	134,660	125,466	260,126
Current Liabilities							
Creditors amounts falling due within one year	8	35,066	79,183	114,249	33,855	1,865	35,720
Net Current Assets		82,290	54,766	137,056	100,805	123,601	224,406
Total Assets less Current Liabilities		82,841	54,766	137,607	102,148	123,601	225,749
Net Assets		82,841	54,766	137,607	102,148	123,601	225,749
Funds of the Charity	10	82,841	54,766	137,607	102,148	123,601	225,749

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Trustees and signed on their behalf by;

+ Michael Beasley

The Rt Revd Dr Michael Beasley
Vice Chair

Date: 14 September 2023

Anglican Alliance
Notes to the Financial Statements
for the year 31 December 2022

Note 1 Accounting Policies

Accounting Conventions

- (a) The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is a public benefit entity as defined by FRS 102 (PBE 3.3a)
- (b) The financial statements have been prepared under the historic cost convention.
- (c) **Income** The Anglican Alliance is funded substantially through grants from other Anglican Agencies and Charities and the Anglican Consultative Council. Income is accounted for on a cash received basis except that an accrual is made where certain substantial donations are received after year end but are supporting expenditure for the prior year.
- (d) **Expenditure** All expenditure is accounted for on an accruals basis and has been listed under the headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with the use of the resources.

Direct costs including directly attributable salaries are allocated on an actual basis to the key strategic areas of activity.

Support staff costs are allocated on the basis of time spent.

Governance costs are included in Support costs; they include audit and professional fees and trustees' expenses in attending meetings.

- (e) **Donations in Kind** Staff costs and offsetting donations in kind income represents staff time donated by employees of the Anglican Consultative Council to the Anglican Alliance. This has been calculated based on the estimated staff time used, and the gross cost of those staff.
- (f) **Restricted funds** are funds subject to specific restrictions imposed by donors or funds provided from external sources for specific projects. The purposes of Restricted Funds are set out in note 10.
- (g) **Fixed Assets** The historic cost convention applies to the treatment of Tangible Fixed Assets. Expenditure above £800 is capitalised. Tangible fixed assets are depreciated on a straight-line basis over their estimated useful life. The period used for Information Technology Equipment is 4 years.
- (h) **Going concern** In the trustees' report there is a review of financial performance and of the charity's reserves position. At the end of December 2022, the balance on General Fund was £ 82,841 surplus (2021: £102,148 surplus) and the balance on Restricted Reserves was £54,766 (2021: £123,601). Even after a net deficit for 2022 the surplus in general funds remains at the target level. The Trustees believe the charity is well placed to manage business risks and it is a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. There are no known material uncertainties that call into doubt the charity's ability to continue. The accounts have therefore been prepared on the basis that the charity is a going concern.

Anglican Alliance
Notes to the Financial Statements
for the year 31 December 2022

Note 2 Constitution

The Anglican Alliance is established by constitution subscribed to by its members, the Trustees of The Anglican Consultative Council, a charity registered in England and Wales. The Anglican Consultative Council is the parent charity of the Anglican Alliance.

The Anglican Consultative Council is a charity registered in England and Wales, registration number 1137273 and a company limited by guarantee, registration number 7311767. It was established by constitution subscribed to by the member churches of the Anglican Communion on 12 July 2010. Its principal address is St Andrew's House, 16 Tavistock Crescent, Westbourne Park, London W11 1AP.

Note 3 Analysis of Expenditure

	Staff Costs	Other Direct Costs	Support Costs	Total 2022	Total 2021
Unrestricted Funds (General)					
<i>Charitable Activities</i>	£	£	£	£	£
Development	70,408	3,324	11,112	84,844	39,443
Relief	52,806	4,432	8,333	65,571	52,592
Advocacy	17,602	1,108	2,777	21,487	13,148
Capacity Building	35,204	2,255	5,556	43,015	27,466
Regional Meetings	-	8,002	-	8,002	3,502
Total Unrestricted Expenditure	176,020	19,121	27,778	222,919	136,151
Restricted Funds					
<i>Charitable Activities</i>					
Development	99,946	25,667	8,610	134,223	1,374
Relief	11,133	2,042	4,871	18,046	97,439
Advocacy	58,628	4,142	611	63,381	47,123
Capacity Building	4,100	13,658	399	18,157	64,010
Regional Meetings	-	-	-	-	-
Total Restricted Expenditure	173,807	45,509	14,491	233,807	209,946
Total Expenditure	349,827	64,630	42,269	456,726	346,097

Analysis of Support Costs	Development £	Relief £	Advocacy £	Capacity Building £	Regional Meetings £	Total 2022 £	Total 2021 £
Office Expenses	4,862	5,127	1,410	1,973	-	13,372	10,577
Governance	7,021	5,266	1,755	3,511	-	17,553	6,393
Website	1,317	1,769	(74)	(149)	-	2,863	-
Publicity	6,522	1,042	297	620	-	8,481	1,070
	19,722	13,204	3,388	5,955	-	42,269	18,040

Anglican Alliance
Notes to the Financial Statements
for the year 31 December 2022

Note 4 Net Movement in Funds is after charging:	Total 2022	Total 2021
	£	£
Audit Fees	7,140	5,700
Audit Fees- Previous year	103	342
Accountancy & Advisory Fees	1,754	1,954
Depreciation	792	792

Note 5 Trustees & Employee Information	Total 2022	Total 2021
Average monthly head count	9	9
Average number of full-time equivalent staff (including part-time staff)		
Based in London	3	3
Based overseas	3	3
Total	6	6
	£	£
Salaries	284,819	230,576
Social Security Costs	15,834	14,299
Pension Contributions	13,557	13,010
Donation in Kind staff time received	35,616	33,954
	<u>349,826</u>	<u>291,839</u>

Number of employees whose emoluments were in excess of £60,000

£60,000 - £69,999	1	Nil
	£	£
Expenses reimbursed to 0 (2021: 0) trustees as meeting expenses:	-	-

No remuneration was paid to Trustees during the year (2021: Nil)

The key management personnel of the Anglican Alliance comprise the trustees and the executive director. The total employee benefits of the key management personnel of the Anglican Alliance were £75,449 (2021: £72,871).

The donation in kind staff time cost represents staff time donated by employees of the Anglican Consultative Council to the Anglican Alliance. The value is recognised as income, and as an offsetting cost. Donated staff time includes support in the areas of accountancy and governance.

Anglican Alliance
Notes to the Financial Statements
for the year 31 December 2022

Note 6 Fixed Assets

	Information Technology Equipment £	2022 £
Fixed Assets		
Cost		
At 1 Jan 2022	3,166	3,166
Additions	-	-
At 31 December 2022	<u>3,166</u>	<u>3,166</u>
Accumulated Depreciation		
At 1 Jan 2022	1,823	1,823
Charge for period	792	792
At 31 December 2022	<u>2,615</u>	<u>2,615</u>
Net Book Value		
At 31 December 2022	<u>551</u>	<u>551</u>
At 31 December 2021	<u>1,343</u>	<u>1,343</u>

Note 7 Debtors

	2022 £	2021 £
Grant Receivable	22,500	20,000
Prepayments	-	3,407
Other Amounts Receivable	327	487
	<u>22,827</u>	<u>23,894</u>

Note 8 Creditors amounts falling due within one year

	2022 £	2021 £
Taxation & Social Security	3,016	3,246
Accrued Expenses	11,432	7,425
Anglican Consultative Council	12,022	852
Other Creditors	8,596	19,519
Pension Contributions Payable	-	4,678
Deferred Income	79,183	-
	<u>114,249</u>	<u>35,720</u>

Anglican Alliance
Notes to the Financial Statements
for the year 31 December 2022

Note 9 Statement of Cash Flows

Reconciliation of net income to net cash flow from Operating Activities

	General £	Restricted £	Total 2022 £	Total 2021 £
Changes in resources before revaluations and transfers	(18,566)	(69,576)	(88,142)	35,591
Transfers between funds	(741)	741	-	-
Depreciation	792	-	792	792
Increase in Creditors	1,211	77,318	78,529	4,402
Increase / (Decrease) in Debtors	3,567	(2,500)	1,067	467
Net cash provided by Operating Activities	(13,737)	5,983	(7,754)	41,252
Investing Activities				
Purchase of Fixed Assets	-	-	-	-
Net outflow from Investing Activities	-	-	-	-
Decrease / (Increase) in cash and cash equivalents	(13,737)	5,983	(7,754)	41,252
Cash and cash equivalents at 1 January 2022	130,766	105,466	236,232	194,980
Total cash and cash equivalents at 31 December 2022	117,029	111,449	228,478	236,232

Note 10 Total Funds Movement

	Opening Balance £	Income £	Expenditure £	Transfers £	Closing Balances £
Unrestricted Funds – General	102,148	204,353	222,919	(741)	82,841
Restricted Funds					
Covid 19 Response Compass Rose	4,683	-	4,683	-	-
Compass Rose Communion Forest	-	27,463	30,000	-	(2,537)
Communion Forest		63,257	48,517		14,740
Human Trafficking	68,671	-	63,381	-	5,290
Church and Community					
Transformation	31,769	20,000	36,631	-	15,138
Resilience Course	-	36,311	14,057	-	22,254
Agents of Change	4,100	-	4,100	-	-
Trinity Wall Street	12,480	-	12,800	-	(320)
Other restricted funds	1,898	17,200	19,638	741	201
Total Restricted Funds	123,601	164,231	233,807	741	54,766
Total Funds	225,749	368,584	456,726	-	137,607

Anglican Alliance
Notes to the Financial Statements
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Note 10 Total Funds Movement (continued)

Restricted Funds are described below:

Human Trafficking – a project that responds to the issues of modern slavery and human trafficking by bringing together international, interfaith and ecumenical actors to recommend national and international strategies and provides a platform for initiatives from the local to the global to share experiences and best practices.

Church and Community Transformation - A project that addresses the challenges of poverty and inequality in local communities by bringing together practitioners and beginners to provide a platform for sharing experiences, best practices and strategies for effective church and community transformation that is based on the assets (the resources, skills and experiences) already present in the community.

Agents of Change - A programme developed by the Anglican Alliance to help Anglicans anywhere in the world tackle poverty and bring about transformation in their local communities, comprising an 8-module course delivered in different ways, including face-to-face delivery - in part or whole - and distance-learning.

Resilience Course – An online Resilience Course was launched in collaboration with Episcopal Relief and Development supporting churches to develop capacity in disaster preparedness and resilience.

Covid-19 Response Funds - A project to help connect, equip and encourage the Anglican Communion's churches and agencies in their response to the pandemic including the formation of a global Covid-19 task force and developing an online resource hub.

Communion Forest and Compass Rose Communion Forest – Launched at the 2022 Lambeth Conference the Communion Forest Project will help equip the provinces of the Anglican Communion in ecosystem protection, conservation and restoration.

Trinity Wall Street – Phase 2 of the Anglican Alliance Covid-19 pandemic response: including supporting vaccine roll out and equity issues, vaccine confidence education, and on-going support across the global Communion to strengthen church and community resilience through this crisis.

Note 11 Taxation

The Anglican Alliance is a registered charity and is obliged to comply with the HM Revenue & Customs Self-Assessment rules. However, its charitable activities are exempt from United Kingdom direct taxation.

Note 12 Capital Commitments

There were no outstanding capital commitments at the year end.

Anglican Alliance
Notes to the Financial Statements
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Note 13 Pension Commitments

The Anglican Alliance participates in the Pension Builder Scheme section of the Church Workers Pension Fund (CWPF) for lay staff. CWPF is administered by the Church of England Pensions Board, which holds the CWPF assets separately from those of the Employer and the other participating employers.

CWPF has two sections:

1. the Defined Benefits Scheme
2. the Pension Builder Scheme, which has two subsections;
 - a. a deferred annuity section known as Pension Builder Classic, and,
 - b. a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

Both sections of the Pension Builder Scheme are classed as defined benefit schemes.

Pension Builder Classic provides a pension, accumulated from contributions paid and converted into a deferred annuity during employment based on terms set and reviewed by the Church of England Pensions Board from time to time. Discretionary increases may also be added, depending on investment returns and other factors.

Pension Builder 2014 is a cash balance scheme that provides a lump sum which members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. Discretionary bonuses may be added before retirement, depending on investment returns and other factors. The account, plus any bonuses declared is payable, unreduced, from age 65.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are the contributions payable of £13,557 (2021: £13,010), of which a total of £0 (2021: £4,678) was outstanding at year end.

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent valuation was carried out as at 31 December 2019. The next valuation is due as at 31 December 2022.

For the Pension Builder Classic section, the valuation revealed a deficit of £4.8m on the ongoing assumptions used. At the most recent annual review, the Board chose to grant a discretionary bonus of 10.1% following improvements in the funding position over 2022. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £5.5m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, the Anglican Alliance could become responsible for paying a share of the failed employer's pension liabilities.

Anglican Alliance
Notes to the Financial Statements
for the year 31 December 2022

Note 14 Summary of transactions between the Anglican Alliance and the Anglican Consultative Council

	2022	2021
	£	£
Opening balance – owed (by) / to ACC	852	(800)
Expenses paid by ACC on behalf of Anglican Alliance	25,106	7,450
Expenses paid by Anglican Alliance on behalf of ACC	(2,927)	
Staff costs recharged by Anglican Alliance to ACC	(15,457)	
Grant made by ACC to Anglican Alliance	(74,194)	(58,762)
Grants made to Anglican Alliance but paid to ACC	(27,463)	(35,192)
Donation in Kind staff costs included in grant	35,616	33,954
Cash transfer	70,489	54,202
Ending balance – owed to / (by) ACC	12,022	852

Grants made to Anglican Alliance but paid to ACC includes a £27,463 grant from the Canadian Compass Rose Society.