

Charity registration number 1173195

Company registration number 09923116 (England and Wales)

**ADF INTERNATIONAL (UK)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2023**

# **ADF INTERNATIONAL (UK)**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Mr P Coleman Mr A K Moore Mr R Clarke Mr L Wilkinson Mr N Daley
<b>Charity number</b>	1173195
<b>Company number</b>	09923116
<b>Registered office</b>	16 Old Queen Street London SW1H 9HP
<b>Auditor</b>	Harbinson Mulholland Centrepont 24 Ormeau Avenue Belfast Co. Antrim Northern Ireland BT2 8HS
<b>Bankers</b>	Barclays Bank 1 Churchill Place London E14 5HP
<b>Accountants</b>	Crtichleys Audit LLP 23 - 38 Hythe Bridge Street Oxford OX1 2EP

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# **ADF INTERNATIONAL (UK)**

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# ADF INTERNATIONAL (UK)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 30 JUNE 2023

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The trustees present their annual report and financial statements for the year ended 30 June 2023.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's Memorandum & Articles of Association, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

The charitable objects of the Charity are to advance Christianity for the public benefit both generally and in particular by promoting Christian principles and ethics by supporting and enabling Christians to live and worship in accordance with Christian principles and ethics. In shaping the Charity's objectives and planning its activities, the Trustees have considered and had regard to the Charity Commission's guidance on public benefit and have complied with the duty in Section 17(5) of the Charities Act 2011.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### Achievements and performance

To further the above objects and vision, the Charity engaged in several different activities in the year. To these ends, ADF International (UK) (hereafter ADF UK) engaged in public commentary and the production of resources, public speaking and training, as well as targeted assistance for those who may be prevented from living and worshipping in accordance with Christian principles and ethics whether by, for example, engaging at a local level or with significant decision-makers.

ADF UK has continued to advocate for the right of Christians and others to freely associate and share their faith in public, to that end ADF UK has highlighted the ongoing prosecution of Christians under Public Spaces Protection Orders (PSPOs) introduced by the Anti-Social Behaviour, Crime and Policing Act 2014. Various local authorities have introduced PSPOs which prohibit certain activities in the vicinity of abortion clinics. These PSPOs have resulted in police and local authority prosecution of Christians who pray or offer support to women in the area covered by the orders. ADF UK has highlighted the negative impact of PSPOs on the right of Christians to associate, pray, and be present in PSPO zones across the country.

In particular ADF UK has supported individuals such as Isabel Vaughan Spruce, Adam Smith Connor and Livia Tossici-Bolt, among others, who have been subject to criminal prosecutions for allegedly breaching PSPO zones by silently praying or holding a sign offering assistance. ADF UK staff members have written, spoken publicly, and met with members of Parliament and senior government officials regarding these cases, with a view to safeguarding the right of Christians to engage in prayer.

ADF UK staff members provided briefing material and legal analysis to several members of Parliament during the passage of the Public Order Act 2023 highlighting implications for the right to freedom of expression and freedom of religion which could impact people of faith and the wider public. After the adoption of the legislation, ADF UK staff members were invited by the Home Office to engage in a consultation on public order and freedom of speech

ADF UK staff members have been invited to speak to various faith and student groups during this period. Such lectures have included topics such as the rule of law, the proposed introduction of 'censorship zones', the importance of protecting freedom of religion and belief and freedom of speech for all.

ADF UK staff have continued to carefully monitor relevant cases before the courts of the United Kingdom and highlight cases which have a particular bearing on Christian principles and ethics. For example, ADF UK has prepared case summary notes in cases such as *In re, Abortion Services (Safe Access Zones) (Northern Ireland) Bill* [2022 UKSC 32], and *Attorney General for Bermuda (Appellant) v. Ferguson and others (Respondents) (Bermuda)* [2022 UKPC 5]. Additionally, ADF UK staff have prepared analysis of relevant legislative developments such as the Public Order Act 2023.

## ADF INTERNATIONAL (UK)

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

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At the international level, ADF UK intervened as a Third Party Intervenor (together with ADF International) in the case of *Ferguson v. United Kingdom* before the European Court of Human Rights regarding the law on marriage in Bermuda. ADF UK has joined with ADF International and the pro-life organisation 'Care Not Killing' to seek the permission of the European Court of Human Rights to intervene in the forthcoming case of *Kasai v. Hungary* concerning assisted suicide.

ADF UK staff have made several radio and television appearances to give expert opinion and analysis on stories, laws and policies that affect Christians and others in the UK and around the world. Topics covered by ADF UK staff have included freedom of religion abroad as well as the effect of public order laws on Christian preaching and gatherings and the right to freedom of expression.

In Summer 2023, ADF UK prepared for a visit by Dr. Päivi Räsänen MP to the UK at which she will address Members of the Commons and Lords at a gathering in Parliament concerning her free speech case and the implications for speech in the UK.

ADF UK staff have continued to contribute opinion pieces to a variety of media outlets on topics concerning the fundamental rights and freedoms guaranteed by the European Convention of Human Rights, and the ability of Christians to live and worship in accordance with Christian principles and ethics. These media outlets have included The Times, The Critic, and Spiked Online.

ADF UK staff have participated in and, in some cases, spoken at conferences in the United Kingdom and Europe that concerned the promotion of Christian principles and ethics, such as Hate Speech legislation roundtable at the Irish Parliament, the Genspect conference, the Battle of Ideas 2023 and the UK National Catholic Voices Conference, allowing audiences both in the UK and abroad to hear about the work of ADF UK and the developments in the UK and further afield affecting Christians, as well as affording networking opportunities with key individuals and organisations.

ADF UK staff members worked to defend the rights of Christians living abroad to enjoy freedom of religion or belief. For example, ADF UK participated in the Notre Dame University Conference on Freedom of Religion and Belief 2022 alongside colleagues from ADF International, and ADF UK staff helped organize a briefing event for the Council of Experts of the International Religious Freedom or Belief Alliance on the situation faced by religious minorities in Manipur, India. ADF UK continues to be a part of the UK Freedom of Religion or Belief Forum and to engage with the members of the All-Party Parliamentary Group on Freedom of Religion or Belief.

In measuring success, the Trustees reviewed the number of areas in which the Charity engaged and the outcome in each case. Where the objective was to inform and equip, the reach of the event or materials was evaluated. Where the objective was to promote and protect the practice of Christianity, the Trustees reviewed the type of assistance provided and the impact that had on the final resolution of the matter.

#### Financial review

During the year income increased by £514,729, to £1,068,552 (2022: £553,823), and expenditure also increased by £220,751, to £993,118 (2022: £772,367). As a result, surplus for the year was £75,434 (2022: Deficit of £218,544).

The Trustees are endeavoring to ensure the financial sustainability and the continued success of the Charity with a combination of measures by focusing on the development of our donor base, financial management, as well as broadening the Charity's sources of income. The Trustees hope in the medium term to move into a position where they can retain cash reserves in the region of 3 to 6 months' running costs, which would be in the region of £250,000 to £500,000. The Charity had £242,793 (2022: £174,162) of unrestricted cash reserves at the year end, as increased donations have allowed us to continue to bolster our free reserves.

During the year, the Charity has received financial support in the form of unrestricted donations from Alliance Defending Freedom, a linked Charity in the US which operates under the same principles as ADF International (UK). The companies are not related organisations for 'group' purposes due to a different control structure. The donations do not require repayment and Alliance Defending Freedom has confirmed that it will continue to support ADF International (UK) to meet its day-to-day liabilities as they fall due.

#### Investment policy

ADF International (UK) does not hold investments, maintaining its funds as cash balances. As such, there is no policy which could be commonly understood as an "investment policy", related objectives or assessment against those objectives.

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# ADF INTERNATIONAL (UK)

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

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#### Principle risks and uncertainties

The trustees have assessed the major risks – including discussing the risks of social media – to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Trustees are mindful of the key risks that may face the Charity, in particular in connection with reputational risk and adverse publicity arising out of the kinds of issues on which the Charity may choose to engage in advancing Christian principles and ethics. The Trustees keep these key risks under review, and adopt mitigation strategies as appropriate. The Charity already has in place a risk analysis policy specifically relating to decisions regarding whether or not the Charity should engage (in any way) with litigation in furtherance of the Charity's charitable purposes.

#### Next 12 months

In the next 12 months, ADF UK will continue to raise awareness of the right of Christians to speak freely about their faith and Christian ethics, and to challenge restrictions on this fundamental freedom where not justified as required by law. ADF UK will finalize a resource on the rights of parents in the educational context and continue to work with parliamentarians, and the media to raise awareness of situations of severe persecution. ADF UK will also begin preparations for a training event to be held in the UK in 2024.

#### Structure, governance and management

The charity is a company limited by guarantee and is incorporated in the United Kingdom. The company's registered number and registered office address can be found on the reference and administrative details page.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P Coleman  
Mr A K Moore  
Mr R Clarke  
Mr L Wilkinson  
Mr N Daley

Any new Trustees are appointed by the existing Trustees in accordance with the Memorandum and Articles. The current Trustees decide upon the procedures necessary for the induction and training of new Trustees. This will be tailored according to the experience of the new Trustee.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

#### Organisational structure and decision making

Responsibility for setting policy and for making operating decisions rests with the Trustees who meet regularly to monitor the activities of the Charity. The Trustees are in the process of considering a scheme of delegation in relation to the operational management of the Company.

New Trustees are recruited by recommendations from existing Trustees, through the Charity's networks and the wider community of Christians working in the field of religious freedom, or through advertising. When appointing new Trustees, the existing Trustees take into account the requirement of specialist skills needed. New Trustees are appointed at Board meetings following recommendation of the existing Trustees, and provided no objection has been raised by Alliance Defending Freedom (a registered s501(c)(3) non-profit entity in the US). Every new Trustee must affirm their acceptance of the Charity's statement of faith. Apart from the initial Trustees, whose terms of office are staged as set out in the Articles, each Trustee is appointed for a term of three years. A Trustee whose term of office has expired may, if willing and eligible to act, be reappointed.

## **ADF INTERNATIONAL (UK)**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2023**

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All new Trustees are presented with a copy of the Articles, The Charity Commission guidance "The Essential Trustee", recent financial statements, key strategy, and business planning documents as well as the Charity's policies and previous minutes of recent Trustees' meetings.

The Trustees have reviewed and adopted pay scales for staff common to other ADF International entities. These are based on the skills required, experience obtained, market conditions and cost of living.

ADF UK is governed by its Trustees who are bound to act in its best interest. Where it provides for greater effectiveness, cost savings, or for other reasons, ADF UK will co-operate with other ADF International entities around the world.

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

The trustees, who are also the directors of ADF International (UK) for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate 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.

#### **Auditor**

In accordance with the company's articles, a resolution proposing that Harbinson Mulholland be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.



**Mr P Coleman**

Trustee

Dated: 28 March 2024.

# ADF INTERNATIONAL (UK)

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF ADF INTERNATIONAL (UK)

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#### Opinion

We have audited the financial statements of ADF International (UK) (the 'charity') for the year ended 30 June 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2023 and of its incoming resources and application of resources, 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 charity 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

# **ADF INTERNATIONAL (UK)**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ADF INTERNATIONAL (UK)**

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### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## **ADF INTERNATIONAL (UK)**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE TRUSTEES OF ADF INTERNATIONAL (UK)**

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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 company through discussions with trustees and/or senior management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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 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 journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 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 those charged with governance; and
- enquiring of management 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 the directors and other 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.

## ADF INTERNATIONAL (UK)

### INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF ADF INTERNATIONAL (UK)

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#### Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Angela Craigan (Senior Statutory Auditor)  
for and on behalf of Harbinson Mulholland  
Chartered Accountants  
Statutory Auditor

28/03/2024

Centrepont  
24 Ormeau Avenue  
Belfast  
Co. Antrim  
Northern Ireland  
BT2 8HS

Harbinson Mulholland is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

## ADF INTERNATIONAL (UK)

### STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 30 JUNE 2023**

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
<b>Income from:</b>			
Donations and legacies	3	998,704	483,598
Other trading activities	4	69,848	70,225
<b>Total income</b>		<u>1,068,552</u>	<u>553,823</u>
<b>Expenditure on:</b>			
Raising funds	5	12,394	17,479
Charitable activities	6	980,724	754,888
<b>Total expenditure</b>		<u>993,118</u>	<u>772,367</u>
<b>Net income/(expenditure) and movement in funds</b>		<u>75,434</u>	<u>(218,544)</u>
<b>Reconciliation of funds:</b>			
Fund balances at 1 July 2022		<u>298,998</u>	<u>517,542</u>
<b>Fund balances at 30 June 2023</b>		<u><u>374,432</u></u>	<u><u>298,998</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# ADF INTERNATIONAL (UK)

## BALANCE SHEET

AS AT 30 JUNE 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	12		94,160		98,152
<b>Current assets</b>					
Debtors	13	104,251		94,804	
Cash at bank and in hand		242,793		174,162	
		347,044		268,966	
<b>Creditors: amounts falling due within one year</b>	14	66,772		68,120	
Net current assets			280,272		200,846
<b>Total assets less current liabilities</b>			374,432		298,998
<b>The funds of the charity</b>					
Unrestricted funds			374,432		298,998
			374,432		298,998

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 28 March 2024



Mr P Coleman  
Trustee

Company registration number 09923116 (England and Wales)

## ADF INTERNATIONAL (UK)

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

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	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	20		84,726		(211,321)
<b>Investing activities</b>					
Purchase of tangible fixed assets		(16,095)		(1,886)	
<b>Net cash used in investing activities</b>			(16,095)		(1,886)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			68,631		(213,207)
Cash and cash equivalents at beginning of year			174,162		387,369
<b>Cash and cash equivalents at end of year</b>			242,793		174,162

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# ADF INTERNATIONAL (UK)

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 30 JUNE 2023

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#### 1 Accounting policies

##### Charity information

ADF International (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is 16 Old Queen Street, London, SW1H 9HP.

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum & Articles of Association, the Companies Act 2006 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 UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

All funds for the year ended 30 June 2023 and 2022 are unrestricted. It has not been deemed necessary to prepare a full funds note because of this.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from other trading activities represents income receivable from activities undertaken to generate funds for the charity. It includes income from the rental of property.

The charity has taken the view that it has only one charitable activity, namely the advancement of the Christian faith, and all income from donations, legacies and charitable activities is in respect of this one activity.

# ADF INTERNATIONAL (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2023

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure, including irrecoverable VAT, is recognised when it is incurred or, if earlier, when a legal or constructive obligation for a payment arises provided that it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on raising funds comprises the costs predominantly incurred on fundraising activities.

The Charities SORP requires charities with income over £500,000 to allocate costs to the various activities undertaken by the charity. The nature of the work of the charity is considered to be so integrated that the core charitable activity costs are considered to be for the one activity.

Governance costs, which are included in expenditure on charitable activities but are identified separately in the notes to the accounts, includes costs associated with the independent examination of the financial statements, compliance with constitutional and statutory requirements and any other expenditure incurred on the strategic management of the charity.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Straight line over 8 years
Fixtures and fittings	Straight line over 8 years
Computers	Straight line over 3 years

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

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# ADF INTERNATIONAL (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

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#### 1 Accounting policies

(Continued)

##### 1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

##### 1.9 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

# ADF INTERNATIONAL (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees consider the most significant areas of estimate to be the depreciation charged on tangible fixed assets. The accounting policies detailed in the notes to the accounts describe the policies adopted for calculating depreciation. These have been based on the assessed useful economic lives of the assets capitalised and charged accordingly.

#### 3 Donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	998,704	483,598
<b>Donations and gifts</b>		
Donations of cash and similar	199,571	78,020
ADF support	789,863	398,000
Income tax recoverable	9,270	7,578
	998,704	483,598

#### 4 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Office sublet and deposits	69,848	70,225

#### 5 Raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Mailing costs and other support liaison	12,394	17,479
	12,394	17,479

# ADF INTERNATIONAL (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 6 Expenditure on charitable activities

	2023 £	2022 £
<b>Direct costs</b>		
Staff costs	575,860	376,564
Depreciation and impairment	20,087	17,047
Rent, rates and office utilities	149,149	137,790
Communications	38,582	44,184
Events and training	40,297	24,381
Advertising	51,674	112,557
Direct costs	1,100	-
Travel	43,238	18,877
Advocacy costs	25,142	-
	<u>945,129</u>	<u>731,400</u>
<b>Share of support and governance costs (see note 7)</b>		
Support	33,075	21,448
Governance	2,520	2,040
	<u>980,724</u>	<u>754,888</u>
<b>Analysis by fund</b>		
Unrestricted funds	<u>980,724</u>	<u>754,888</u>

#### 7 Support costs allocated to activities

	2023 £	2022 £
Office equipment and website	8,600	4,246
Sundry expenses	13,557	8,135
Legal fees	5,116	1,957
Accounting costs	5,802	6,835
Insurance	-	275
Governance costs	2,520	2,040
	<u>35,595</u>	<u>23,488</u>
<b>Analysed between:</b>		
Charitable Activities	<u>35,595</u>	<u>23,488</u>

Governance costs includes payments to the auditors of £6,000 for audit fees. (2022- £2,520 in IE fees to the independent examiner)

#### 8 Trustees

During the year the charity paid expenses totalling £Nil (2022: £414 to 2 Trustees) whilst carrying out duties associated with being trustees.

## ADF INTERNATIONAL (UK)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

#### 9 Employees

The average monthly number of employees during the year was:

2023 Number	2022 Number
8	6

#### Employment costs

	2023 £	2022 £
Wages and salaries	508,135	332,818
Social security costs	61,432	40,688
Other pension costs	6,293	3,058
	<u>575,860</u>	<u>376,564</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2023 Number	2022 Number
£60,000 - £70,000	1	2
£70,000 - £80,000	2	1
£80,000 - £90,000	-	1
£90,000 - £100,000	1	-

Contributions totaling £3,302 (2022: £2,641) were made to defined contribution pension schemes on behalf of employees whose emoluments exceed £60,000.

#### 10 Key management personnel

In aggregate key management received employment benefits totalling £158,606 (2022: £176,865)

#### 11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

# ADF INTERNATIONAL (UK)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 30 JUNE 2023

#### 12 Tangible fixed assets

	Leasehold improvements £	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>				
At 1 July 2022	118,158	9,553	3,985	131,696
Additions	-	8,737	7,358	16,095
At 30 June 2023	118,158	18,290	11,343	147,791
<b>Depreciation and impairment</b>				
At 1 July 2022	29,540	1,973	2,031	33,544
Depreciation charged in the year	14,769	1,740	3,578	20,087
At 30 June 2023	44,309	3,713	5,609	53,631
<b>Carrying amount</b>				
At 30 June 2023	73,849	14,577	5,734	94,160
At 30 June 2022	88,618	7,580	1,954	98,152

#### 13 Debtors

	2023 £	2022 £
<b>Amounts falling due within one year:</b>		
Trade debtors	19,126	15,852
Prepaid rent	42,616	42,616
Other debtors	11,365	19,178
Prepayments and accrued income	31,144	17,158
	104,251	94,804

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

	2023 £	2022 £
Other taxation and social security	23,117	13,640
Trade creditors	-	7,961
Other creditors	-	5,842
Accruals and deferred income	43,655	40,677
	66,772	68,120

Of the above, £35,160 (2022: £33,431) relates to deferred income for rent invoiced in advance. During the year, the brought forward balance of £33,431 was released in full and £35,160 charged to deferred income.

## ADF INTERNATIONAL (UK)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

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##### 15 Operating lease commitments

At the reporting end date the charity (until the next break clause and ignoring the potential effect of future rent reviews) had outstanding commitments for future minimum lease payments under a non-cancellable operating lease for rental buildings, which fall due as follows:

	2023 £	2022 £
Within one year	77,660	77,660
Between two and five years	82,341	-
	<u>160,001</u>	<u>77,660</u>

At the reporting end date the total future minimum sublease payments expected to be received under non-cancellable subleases was £159,633 (2022: £82,915).

During the year the charity was charged £77,660 (2022: £77,660) for its operating lease.

##### 16 Pension Contributions

During the year the charity paid pension contributions of £5,974 (2022: £2,346) for defined contribution personal pension schemes. At the balance sheet date pension contributions were owing totalling £2,065 (2022: £320)

##### 17 Related party transactions

There were no disclosable related party transactions other than stated in the note concerning Trustees during the year (2022 - none).

##### 18 Funds

During the year the charity received and spent no amounts of restricted funds (2022: £Nil). The opening and closing balance of restricted funds was £Nil and therefore at year end all assets and liabilities of the charity were in respect of the general funds. In 2022 the opening and closing balance of restricted funds was £Nil and therefore at 2022 year end all assets and liabilities of the charity were in respect of the general funds.

##### 19 Members

Each member of the company commits to contribute if the charity is wound up an amount of £1.

## ADF INTERNATIONAL (UK)

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 30 JUNE 2023

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20	Cash generated from operations	2023 £	2022 £
	Surplus/(deficit) for the year	75,434	(218,544)
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	20,087	17,047
	Movements in working capital:		
	(Increase) in debtors	(9,447)	(19,001)
	(Decrease)/increase in creditors	(1,348)	9,177
	<b>Cash generated from/(absorbed by) operations</b>	<b>84,726</b>	<b>(211,321)</b>

#### 21 Analysis of changes in net funds

The charity had no material debt during the year.