
FAITHINVEST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Trustees	David Henry Zellner Shaunaka Rishi Das Susan Smith Makos (resigned 21 March 2022) Hayu Prabowo Julie Robinson Hammerman
Company registered number	11862410
Charity registered number	1187015
Registered office	c/o Stone King Llp Boundary House 91-95 Charterhouse Street London EC1M 6HR
Accountants	Grant Thornton UK LLP 300 Pavilion Drive Northampton Business Park Northampton NN4 7YE
Independent auditors	Richardson Swift Audit Limited 11 Laura Place Bath BA2 4BL
Solicitors	Stone King Llp Boundary House 91 Charterhouse Street London EC1M 6HR

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 December 2021.

Trustees

David Henry Zellner
Shaunaka Rishi Das
Susan Smith Makos (resigned 21 March 2022)
Hayu Prabowo
Julie Robinson Hammerman

Please refer to page 1 for the registration numbers, address of the principal office and the names of the Trustees who served during the year.

Objectives and activities

a. Objectives and aims

The principal object of the charity is:

1. To promote the efficiency and effectiveness of charities, in particular but not exclusively faith charities, through the provision of advice, information and training on the subject of making ethical investments, which for the purpose of these objects is defined as a financial investment that takes into account those charities' values and ethos;
2. To further such other purposes which may be charitable according to the law of England and Wales.

This is done by:

- Promoting values-driven investing among both faith and secular groups.
- Establishing a membership association for faith asset owners.
- Supporting faiths to develop their own faith-consistent investment guidelines.
- Supporting members in improving their capacity to carry out values-driven investing.
- Holding events bringing faiths and investment professionals together to share best practice and discuss investment challenges.
- Developing opportunities for faiths to share, create and access potentially investable projects.
- Supporting research into faiths and investments.
- Publishing and promoting materials which explore the links between religions and ethical investing and further the aims of FaithInvest.
- Raising and granting funds for the above activities

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Grant making policies

The policy of the charity is to make grants to institutions for the purpose of supporting faith consistent investment activities and principles, and in accordance with the aims and objectives of the charity as set out above.

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TRUSTEES' REPORT (CONTINUED)
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Achievements and performance

The mission of FaithInvest (FI) is to support faiths to invest according to their beliefs and values. The grants received provided essential additional core funding to support the expansion of FI work programme across the full scope of our work in 2021.

A major outcome of the grants received so far has been the establishment of two core areas of our work – the member portal and the Faith Plans (FP). Both programmes work in tandem to engage the faith world in asset management (FP) and to generate and co-create investment solutions. Through ongoing conversations with our grant funders, we received additional multi-annual funding to support the further scale up of key elements of this work. This support has been invaluable in providing additional resourcing to the teams.

Central to all this has been realising that the faith investor ecosystem needs to engage with existing faith movements to build a strong momentum towards Faith Consistent Investing (FCI). This has involved movement building with top down and bottom-up process to engage and encourage faith leaders and operational staff in FCI. Over the course of the year, we laid solid foundations for this to happen, through engaging a wide number of faith communities in the Faith Plans and starting to work with them towards investment solutions.

1. Thought leadership on faith-consistent investing within the faiths is increased.

Throughout 2021 we focused on building key partnerships with a broad range of actors in the FCI ecosystem and developing individual relationships with faith leaders. This was done via our FCI specific work, as outlined below, and through the broader movement building programme, especially the establishment of the FaithPlans.

During the year we held a range of online and in-person events for faith leaders and investment specialists designed to increase understanding and awareness of the need for greater faith-consistent use of assets, especially financial investment. Other key online events included webinars on 'From Engagement to Investment', co-hosted with ICCR; 'Divestment and Investment in a Just and Green Recovery' event at COP26 co-hosted with LSM, Operation Noah and others; 'Rooting your Investment Guidelines in Faith-Principles' webinar; and our first Latin American focused event in partnership with the CREAS network in Argentina. A major highlight of our in-person events (which was still very seriously curtailed by the pandemic) was the joint programme of events held in Glasgow during the COP with GEFI, particularly the event at Glasgow University. This is highlighted below in the story section.

The FaithPlans programme has been key to growing the network of faith leaders committed to aligning their assets to people and planet. From what started as a little more than an idea has now grown from its infancy in 2021 to a thriving programme. With additional support of GHR, the programme was able to recruit a project manager to lead on the conceptual development and roll out, as well as manage the 27 major faith-based and secular partnerships that have evolved and the website as a primary means of engagement. As of November 2021, we had signed MoU's with ICCR, RfP, China Biodiversity Council Green Development Fund (CBCGDF,) working with Daoists, Buddhist and Confucians, EcoSikh, Stop Ecocide, Baha'i International Community, WWF, Hazon, Bhumi Global, and the Ethiopian Council for Gospel Believers' Churches. The major partnerships have been key to growing the outreach of FaithInvest and provided a broad base through which to engage faith leadership on asset management. Internal management of the programme, such as data management, has been properly established over the year. To date, we have held over 11 dedicated online webinars for the FaithPlan with 269 unique attendees, many of whom attended more than one event. These webinars are helping to build up a bank of resources on the FaithPlans website on different asset related topics. Collaboration with the Laudato Si Action Platform is ongoing, with a view to ensuring that both initiative help build a broad movement of faith institutions that wish to use their assets for people and planet.

Through strategic engagements with the Vatican and UK government, FaithInvest was uniquely positioned to help behind the scenes to guide the Vatican/UK embassy to Holy See initiative ahead of COP26. Our engagement is highly confidential but involved working discretely to ensure that the final outcome document contained new text committing the 40 faith representative signatories to the production of 'bold plans' and

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'aligning investments' – essentially the two key programmatic objectives of FaithInvest. Our funding was crucial in allowing us the time and space to take on this important piece of work.

2. Faith and investments in public debate globally shifts.

Our Faith Plans programme is supported by a coalition of nearly 30 partners. A major part of the work with partners is around the amplification of messaging at key moments. Each of the FaithPlan partners has an extensive media outreach and tremendous capacity for coordinated collective impact. We saw this come to fruition when FaithInvest coordinated messaging around the 4th October joint declaration of faith leaders, and again during COP26. As the FaithPlans programme develops further, we plan to nurture this capacity to engage broad alliances and act in a coordinated fashion to engage the media.

We have placed and have been asked to contribute stories about FaithInvest's activities in several publications, and online outlets, in particular capitalising on two key media opportunities (the launch of our Faith Plans programme in Oct 2021 and our presence at the UN COP26 climate conference in Nov 2021). We also placed thought-leadership pieces on our papers on faith-consistent investing and sustainable banking in Impact Alpha and Pioneers Post. These included:

- June 2021 – The Tablet (UK-based Catholic publication read by 70,000 adults a week, with more than 184,000 monthly unique browsers of its website) – aligning faith and finance;
- Nov 2021 – Impact Alpha (digital business journalism platform whose daily newsletter is seen by 70,000 professionals and influencers globally) – Sustainable banking (showcasing FaithInvest thought leadership);
- Nov 2021 – Devex (which reaches 730,000 international professionals a month via its newsletters, and has more than 1.5 million page views per month of its website) – Faith, finance and climate change;
- Nov 2021 – Focolare Online – video interview with Martin Palmer and Lorna Gold on the role of faiths and the climate.
- Dec 2021 – Interview with Martin Palmer featured in three Focolare magazines globally (Italy, UK and US)
- Dec 2021 – National Catholic Reporter (most read Catholic news site in the world with more than 1 million unique visitors each month – Mobilising faith assets for climate action
- Dec 2021 – Faith Initiatives magazine (UK based magazine with an interfaith focus) – reprinted Lorna Gold's Tale of Two Cops article from our newsletter
- Pioneers Post (digital media platform for social enterprise and impact investing professionals, with 200,000 website visitors a year) – Faith-based investing

In addition, social media posts about the launch of our Faith Plans programme in October 2021 were seen 8.5 million times across social media (Twitter and Facebook). An interview with FaithInvest CEO Martin Palmer was broadcast repeatedly (every hour from 11am onwards) on October 4 on BBC World TV, which is available in more than 454 million households and three million hotel rooms in more than 200 countries worldwide. An interview with Dr Rajwant Singh, President of EcoSikh, one of the Faith Plans partners, was also broadcast by BBC World TV from St Peter's Square, Rome. This was an extraordinary level of publicity globally.

We have also conducted video interviews and long reads on case studies for our Member Portal such as: How the Cabrini Sisters developed an impact investing portfolio; Why Michael Lustig wrote the Green Book Guide to Jewish impact investing; The Methodist Church's approach to capitalising on its real estate.

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The policy of the charity is to make grants to institutions for the purpose of supporting faith consistent investment activities and principles, and in accordance with the aims and objectives of the charity as set out above.

3. FaithInvest's work on faith-consistent investing is driven by solid, evidence-based research.

The unrestricted nature of our grants have enabled us to expand the capacity of the investment solutions teams and prepare several pieces of research. These 'white papers' are aimed at providing knowledge and frameworks for implementing faith consistent investment practises. Practical resources have been created for Membership (now known as Investment Solutions) Working groups to build the technical capacity of asset owners, including:

- Values to Guidelines: the "How" of Faith Consistent Investing, created through research the approaches used by members and other FBOs and written by FaithInves.
- Faith Consistent Investment Policy detailed guide, work in progress created in collaboration with the Impact Management Project
- Faith Consistent Impact Investing: published the first in the series of three reports in collaboration with the Cabrini Sisters
- FCI primary research and scoring - how faith consistent are FBAOs, where are the examples of best practise, what can we learn
- Sustainable Banking: The State of Sustainable Banking - a topic of key interest to our members

4. There are more faith-consistent investment opportunities for faith-based investors (and scope out FI our role in providing those opportunities)

Over the course of 2021, FaithInvest focused on the groundwork required to build a cohort of faith-based asset owners who are first and foremost engaged with FCI as an idea. We recognised that engaging asset owners was crucial to the second stage of increasing Investment Opportunities and understanding our role in doing so. Building the core infrastructure to this internally, such as good CRM processes and data management systems, was an essential first step. Throughout 2021 we worked on the hypothesis that relationship-driven matching remains key, with who are active in impact investing pointing to their investor circles as the best source of deals and the most trusted partners in terms of joint due diligence and co-investing. In other words, before building the Opportunities we need to build the relationships.

That said, in 2021 we already started to scope out what additional role FaithInvest can play in driving new investment opportunities aligned to faith values. At this stage, we already support investment opportunities in two specific ways: 1) Fund level opportunities are available on the FaithInvest Manager and Strategies database which is housed on the Member Portal. This is currently member populated with 30+ managers and will be enhanced with additional information from selected commercial partners (diligenced and vetted faith-sympathetic asset managers and intermediaries); 2) Deal level opportunities – work in progress. We received a number of incoming requests, and the diligence partnership discussion are work in progress. One specific initiative FaithInvest has been working on is with the World Bank Climate Investment Fund (at their request) on creating a Just Transition Fund for the faiths which would mobilise capital in large scale low risk impact, giving access to >400 projects with sizes starting from a few million USD. Essentially, this will involve FaithInvest and CIF working together to co-create a fund for the faiths, with the faiths. The focus is on Just Transition structures, built on Faith Consistent Investing principles. These principles fully integrate positive environmental and social outcomes at acceptable risk-adjusted return levels, as a significant and relevant way to mobilize capital to address environmental and related

We regard the development of this area as a Year 2 – 3 focus. Exploratory talks have taken place with several potential partners e.g., Convergence, Faith Driven Investor, CREO, CIIC and potentially WEF, and as we have developed a better understanding of faith-based asset owners needs during Year 1 we are returning to these conversations to make plans and commitments in relevant partnerships.

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Other significant opportunities for collaboration around Investment Opportunities continue to emerge and warrant further exploration and further capacity:

- New partnerships include CREAS and RFI, supporting reach into Latin America and Islamic Finance reach
- Growing partnership with TBN Asia on pipeline of projects and outreach to Buddhist, Hindus, Christian and Muslim finance networks with faith basis
- The Laudato Si Action Platform provides significant opportunity to work with LSM to share the approach with a broad and engaged audience - two of the four focus areas are areas in which FaithInvest has built an extensive library of resources and engaged working group of FBAOs, and there is an opportunity to engage with these- as well as the overarching concept of Faith Consistent Investing – with this wider audience
- Specific expertise is also being provided into the membership including Sustainable Banking customer advocacy expertise with Bank fwd, and Impact Investing practitioner expertise - Michael Lustig at the Jewish Federation of North America

5. A well-equipped and engaged community of practice amongst faith investors is established

As outlined above, building the infrastructure for engagement with faith-based asset owners was a priority in 2021. Besides one-to-one outreach and engagement, the key mechanism to do this remotely (given the slow start of building in person connections due to Covid-19) was via a new member portal. This portal has been established now and we are reviewing how successful it has been in the first six months. As well as written interviews and case studies, the member portal also hosts Thought and Insight Pieces such as those of the Church Commissioners, Church of England – how they measure their impact. Special member only events were also regularly hosted in 2021. These included a Panel with Asset Owner, Asset Managers, Investee Companies – Christian Super, ResponsAbility; Panel with gurus of impact (Mark Campanale, John Goldstein); MMBB Financial Services – implementing faith consistent investment guidelines and supporting this working group at the event.

Our assessment is that this portal has been moderately successful and is very useful in terms of a space for collecting resources and insights. The protected database which connects to the portal represented a categorised list of c200 groups, disclosed AuM total to c\$240bn. However, it has really highlighted the need (as will be discussed below) to continue to build individual, personalised relationship building with key players – and to deepen engagement on faith insights into investments and financial issues. Whilst an online platform can be a useful organising tool for an engaged community, it cannot build community or foster engagement. It has also highlighted to us how hard it is to get something like this started from zero in a crowded marketplace.

Impact of FaithInvest Projects and Programs

A key objective for FaithInvest bridging the world of faiths and investments, so faiths can play a fuller role as stakeholders in a sustainable future. In the course of 2021, we went from a team of 6 people to 13. The funding provided for this work helped us lay the foundations and additional funding made has helped sustain the work. In particular we undertook a Strategic Review in spring 2021 which enabled us to create a clear leadership team and team networks and lines of responsibility which have streamlined the running of FaithInvest.

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During this year, we have played a key role in laying the foundations for significant progress towards this goal. Firstly, through our key role in enabling the formation of a unique coalition of faith and secular groups involved in faith, environment and assets. Rather than simply develop FaithPlans as a FaithInvest framework for faith institutions and communities, we used the idea of long-term plans for sustainability to engage a vast array of partners in auditing their assets and stakeholder role. This has been a major breakthrough as it has brought together key individuals in the multi-faith world (who largely have not collaborated well in the past) to think about the urgency of collaboration and joint action. The impact of that joint action was clearly visible at COP26 both on the streets, in the negotiating rooms and in the informal spaces of collaboration with the private sector.

FaithInvest has also played a key role in enabling the new platform of faith leaders who have signed up to faith consistent investing.

And finally, having spent time to deeply understand the challenges which have limited faith groups abilities to play their wider stakeholder role, we have engaged with the wider ecosystem supporting faith-based asset owners specific financial needs, and have attracted thoughtful consideration, conversation and partnership proposals from a number of institutions involved in the investments industry, from niche multi-manager funds to the World Bank Climate Investment Funds, beginning at our June Global Members event and growing from that base. Given our focus on supporting asset owners to find faith-based solutions to support their investment ambitions, this level and range of interest is an important outcome for the charity.

Aims and key objectives for the future

The key objectives remain:

- to develop the infrastructure for engagement; growing the range and number of faith institutions who engage with and benefit from our charitable purposes
- assist the movement of institutions making commitments to faith consistent investing
- aid the development of a pipeline of investable projects and opportunities for our target beneficiaries
- faith-based asset-owning institutions

FaithInvest is structuring and scaling itself for growth as each of these areas will see significant increase in activity over the next year and strengthening the core teams in the Membership and Movement Building pillars and ensuring capacity in Communications.

FaithInvest will continue to drive Member numbers and engagement through its online Portal, 5 initial topic specific Working Groups for collaboration to solve specific challenges (e.g. creating Faith Consistent Investment Policies and Guidelines) and Member Events.

FaithInvest will continue to build the Movement through the FaithPlans programme in partnership with the WWF Belief and Values programme, and with 27 other core partners, and with activities spanning across the full scope a faith based institutional activities, with a focus on assets and investments so that participants and enables to benefit from our work focused on our charitable purpose.

FaithInvest will build on the existing database of investment opportunities (as contributed by its Membership), to develop ways to showcase other Impact investment related investment opportunities (building on the entrepreneurship courses created jointly with UNDP) and FaithInvest will work in partnership with other faith-based and secular partners and multilateral agencies to develop opportunities for our target beneficiaries.

The CEO continues to prioritise the pursuit of new funding opportunities to support growth.

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Structure, governance and management

Nature of governing document

FaithInvest is a company limited by guarantee, governed by its Memorandum and Articles of Association and was incorporated on 5th March 2019. The company registered with the Charity Commission on 18th December 2019.

New directors are appointed by serving directors and are provided with information regarding the company, its constitution, aims and objectives on appointment.

Decisions regarding the strategy and aims of the charity are taken by the trustees. The Honorary President, Martin Palmer, oversees the day to day management of the charity.

Major risks and management of those risks

Country risk

FaithInvest gives grants out to support registered faith-based organisations which its team has longstanding relationships within countries including Uganda, Kenya, Zimbabwe, Bhutan, Ethiopia and Tanzania, and FaithInvest is aware of the need to take an enhanced due diligence approach.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Financial Review

Income

FaithInvest's income is solely grant funded with almost 100% classified as unrestricted to generally fund our charitable purposes.

During the reporting period, the charity received grants from 3 funders: GHR, Porticus (Benevolent Stitching) and The Rufford Foundation. The GHR grant received is \$500k (£419k). Following an initial grant of \$200k (£153k) in 2020, we were awarded a 3-year grant agreement of \$1.5m in total with the first tranche of the three-year grant commencing in 2021.

The charity received another tranche of grant funding from Porticus of €1m (£842k). This is the third and final tranche of the 2019 grant award. The Rufford grant of £20k is the only restricted fund received in 2021. This grant was given for the development of the Movement pillar of the charity.

Finally, a one-off donation of £5k was received from the Golden Bottle Trust. Therefore, the total funds received in 2021 was £1,288k.

Of the funds received in 2021, £954k has been deferred for use in 2022. Overall we should have been in a break even position, however we ended the year with a small deficit of £30k. Therefore, the total funds carried forward into 2022 is £316k.

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The charity's operating costs were kept to a minimum and costs incurred during the year were in direct relation to the ongoing running of the charity. Direct and support costs related to charitable activities is £1.09m (2020: £921k) in based on the projected average run rate of £91k per month, with the year-on-year increase largely driven by an increase in staff, whilst there were fewer in person events and less travel in 2021 compared to 2020.

Giving the strong balance sheet position, (£316k reserves, £1,288k cash), the Leadership Team is working towards a sustainable business model that will focus on scalability and future growth.

Funds

As at the end of the financial period, the surplus funds carried forward of £315,750 are designated to costs of the project to be carried out in the next financial period. This is made up of £8,333 of restricted funds and £307,417 of unrestricted funds.

Policy on reserves

The Trustees have established a reserves policy in line with the strategic and corporate plan of the charity to ensure it has adequate reserves to meet its current and future needs and ensuring they comply with the Charities SORP and the Companies Act 2006.

The purpose of this policy is to balance the aims and objectives of being efficient as a not-for-profit organisation with the goal of sustainability. Decisions on the appropriate, sustainable levels of reserves will be informed by a combination of short-term working capital requirements, projected levels of operating costs, estimates of contract exit costs and availability of funds for new programme delivery. The reserves are to be held in cash or cash equivalent securities.

FaithInvest's reserves policy stipulates that the cash and reserves position is to be sufficient to cover a minimum of 3 months operating costs and to enable the charity to develop new initiatives in support of its charitable objects. With 3 months future operating costs estimated at £300k, the Trustees have agreed a target reserves of £350k. At the end of the year, the Charity's free reserves stood at £314k.

The policy is reviewed annually.

Other points of note

The FaithInvest team has expanded and has brought in PAYE staff and consultants from Ireland and the US. This has required FaithInvest to register as a non-trading entity in Ireland along with the need for legal counsel to assess the agreements with the US based consultant.

Methods of appointment or election of Trustees

The management of the Company is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

Pay policy for key management personnel

Leadership team remuneration is decided by the Board and set at the appropriate levels to recruit and retain the skillset and expertise required.

The Board believes that the pay levels set in comparison with national charities is competitive.

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The Board reviews the remuneration policy on an annual basis and preapproves all contracts of employment prior to appointment.

Financial Instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

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Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

The auditors, Richardson Swift Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:



David Henry Zellner

Trustee

Date: 16/9/2022

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAITHINVEST

Opinion

We have audited the financial statements of Faithinvest (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 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 Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAITHINVEST (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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' 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.

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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.

FAITHINVEST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAITHINVEST (CONTINUED)

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

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

Our approach was as follows:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity by discussion with key personnel and consideration of our experience of clients in similar sectors.

We determined that the most significant laws and regulations which have a direct impact on the form and content of the financial statements of the entity are the Companies Act and UK GAAP, specifically the Charities SORP.

We determined that the most significant operational laws and regulations for the entity are those governing the charitable sector and financial advice.

Based on the results of our risk assessment we designed our audit procedures to identify non-compliance with such laws and regulations identified above, with no issues arising.

We gained an understanding of the entity's policy and procedures by discussion with key personnel and substantive audit work.

We assessed the risk of material misstatement in respect of fraud through our planning processes, and no significant risks were identified.

We considered the risk of fraud through management override and, in response, we incorporated testing of manual journal entries into our audit approach.

Based on the results of our risk assessment we designed our audit procedures to identify and to address material misstatements in relation to fraud.

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

FAITHINVEST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FAITHINVEST (CONTINUED)

Use of our report

This report is made solely to the charitable company'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 charitable company's trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Richardson Swift Audit

Richardson Swift Audit Limited

11 Laura Place

Bath

BA2 4BL

Date: 16/9/2022

Richardson Swift Audit Limited are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

FAITHINVEST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>As restated Total funds 2020 £</i>
	Note				
Income from:					
Donations and legacies	3	1,056,794	11,667	1,068,461	1,022,820
Investment income	4	74	-	74	202
Total income		<u>1,056,868</u>	<u>11,667</u>	<u>1,068,535</u>	<u>1,023,022</u>
Expenditure on:					
Charitable activities		1,087,019	11,667	1,098,686	921,552
Total expenditure		<u>1,087,019</u>	<u>11,667</u>	<u>1,098,686</u>	<u>921,552</u>
Net movement in funds		<u>(30,151)</u>	<u>-</u>	<u>(30,151)</u>	<u>101,470</u>
Reconciliation of funds:					
Total funds brought forward		345,901	-	345,901	244,431
Net movement in funds		(30,151)	-	(30,151)	101,470
Total funds carried forward		<u>315,750</u>	<u>-</u>	<u>315,750</u>	<u>345,901</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 32 form part of these financial statements.

FAITHINVEST
(A company limited by guarantee)
REGISTERED NUMBER: 11862410

BALANCE SHEET
AS AT 31 DECEMBER 2021

		2021 £	As restated 2020 £
Fixed assets			
Tangible assets	10	5,377	10,302
		<u>5,377</u>	<u>10,302</u>
Current assets			
Debtors	11	12,687	7,173
Cash at bank and in hand	17	1,287,891	1,073,965
		<u>1,300,578</u>	<u>1,081,138</u>
Creditors: amounts falling due within one year	12	(990,205)	(745,539)
Net current assets		<u>310,373</u>	<u>335,599</u>
Total assets less current liabilities		<u>315,750</u>	<u>345,901</u>
Net assets excluding pension asset		<u>315,750</u>	<u>345,901</u>
Total net assets		<u><u>315,750</u></u>	<u><u>345,901</u></u>
Charity funds			
Restricted funds	14	-	-
Unrestricted funds	14	315,750	345,901
Total funds		<u><u>315,750</u></u>	<u><u>345,901</u></u>

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



David Henry Zellner
Trustee
Date: 16/9/2022

The notes on pages 19 to 32 form part of these financial statements.

FAITHINVEST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	<i>As restated</i>
	£	2020
		£
Cash flows from operating activities		
Net cash used in operating activities	217,774	840,999
Cash flows from investing activities		
Dividends, interests and rents from investments	74	202
Proceeds from the sale of tangible fixed assets	745	-
Purchase of tangible fixed assets	(3,095)	(5,138)
Net cash used in investing activities	(2,276)	(4,936)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	215,498	836,063
Cash and cash equivalents at the beginning of the year	1,073,965	237,902
Change in cash and cash equivalents due to exchange rate movements	(1,572)	-
Cash and cash equivalents at the end of the year	1,287,891	1,073,965

The notes on pages 19 to 32 form part of these financial statements

FAITHINVEST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:
c/o Stone King Llp
Boundary House
91-95 Charterhouse Street
London
EC1M 6HR

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Faithinvest meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment Income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.4 Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Grant Provisions

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

FAITHINVEST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.4 Expenditure (continued)

Support Costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

2.5 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key judgement and area of estimation uncertainty in preparing these financial statements is in determining the recognition of grant income, and specifically the policy of deferring income received based on fulfilment of performance related criteria and the estimation of the appropriate deferral amount.

2.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of financial activities.

2.7 Taxation

The Company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Office equipment	-	33%
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2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of financial activities as a finance cost.

2.12 Financial instruments

The Company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. defined contribution pension scheme and the pension charge represents the amounts payable by the Company to the fund in respect of the year.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.14 Fund accounting

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

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

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>As restated Total funds 2020 £</i>
Donations				
Donations	5,000	-	5,000	14,285
Grants				
Porticus / Benevolentia Stitching	747,940	-	747,940	744,589
WWF-UK	-	-	-	207,250
Vatican / Dicastery	-	-	-	35,416
GHR Alder Management	-	-	-	21,280
Rufford	-	11,667	11,667	-
GHR Foundation	302,354	-	302,354	-
	1,055,294	11,667	1,066,961	1,022,820
Other income	1,500	-	1,500	-
Subtotal	1,500	-	1,500	-
Total 2021	1,056,794	11,667	1,068,461	1,022,820
<i>Total 2020 as restated</i>	1,022,820	-	1,022,820	

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

4. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Interest receivable on bank deposits	74	74	202

5. Analysis of expenditure on charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Direct costs	713,892	10,622	724,514	765,173
Support costs	373,127	1,045	374,172	156,379
	1,087,019	11,667	1,098,686	921,552
<i>Total 2020</i>	921,552	-	921,552	

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Direct Costs				
Projects management and events	35,624	-	35,624	442,009
Grant funding activities	13,750	-	13,750	38,292
Staff costs	664,518	10,622	675,140	284,872
	713,892	10,622	724,514	765,173
<i>Total 2020</i>	765,173	-	765,173	

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Support costs				
Administration costs	1,669	-	1,669	7,582
Premises costs	3,272	-	3,272	29,989
Staff costs	-	-	-	78,310
Other support costs	50,184	-	50,184	31,994
Finance costs	41,524	-	41,524	(16)
Information technology	37,078	1,045	38,123	1,920
Consultancy costs	190,062	-	190,062	-
Governance costs	6,600	-	6,600	6,600
Advertising	16,095	-	16,095	-
HR, payroll and recruitment	26,643	-	26,643	-
	<u>373,127</u>	<u>1,045</u>	<u>374,172</u>	<u>156,379</u>
<i>Total 2020</i>	<u>156,379</u>	<u>-</u>	<u>156,379</u>	

Support costs have been incurred in relation to assist major religious investment funds to be more faith-consistent through investment in sustainable and environmental development. All support costs are allocated to the primary activity.

6. Analysis of grants

	Grants to Institutions 2021 £	Total funds 2021 £	Total funds 2020 £
Grants to institutions	<u>13,750</u>	<u>13,750</u>	<u>-</u>

The support costs associated with grant making activities are £nil (2020: £nil).

7. Auditors' remuneration

Fees totalling £6,600 (2020: £6,600) were incurred in relation to the audit.

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Staff costs

	2021 £	<i>2020</i> £
Wages and salaries	597,965	324,762
Social security costs	67,163	33,616
Operating costs of defined benefit pension schemes	10,012	4,804
	675,140	363,182

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No.	<i>2020</i> No.
Project management	8	2
Administration	-	3
	8	5

9 (2020 - 4) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for they year totalled £9,272 (2020 - £4,804).

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	<i>2020</i> No.
In the band £100,001 - £110,000	2	1
In the band £120,001 - £130,000	1	1

The total employee benefits of the key management personnel of the charity were £nil (2020: £257,782).

9. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2021	15,913
Additions	3,095
Disposals	(6,018)
At 31 December 2021	<u>12,990</u>
Depreciation	
At 1 January 2021	5,611
Charge for the year	3,864
On disposals	(1,862)
At 31 December 2021	<u>7,613</u>
Net book value	
At 31 December 2021	<u><u>5,377</u></u>
<i>At 31 December 2020</i>	<u><u>10,302</u></u>

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Debtors

	2021 £	2020 £
Due within one year		
Other debtors	5,700	7,173
Prepayments and accrued income	6,987	-
	<u>12,687</u>	<u>7,173</u>

12. Creditors: Amounts falling due within one year

	2021 £	<i>As restated</i> 2020 £
Other creditors	17,764	-
Accruals and deferred income	972,441	745,539
	<u>990,205</u>	<u>745,539</u>

Deferred income as at 31 December 2021 amounts to £954,291 (2020: £745,539) and relates to income received in relation to grant agreements where the related performance deliverables attached had not been met by the year end. Income released during the year totalled £218,952.

13. Prior year adjustments

During the year, an adjustment has been made to restate the prior year Statement of Financial Activities, Statement of Financial Position and Statement of Cash Flows. During the prior year, grant income totalling £735,339 had been recognised as income however on review it was identified that the grant income had performance related deliverables attached that had not been met as at 31 December 2020. Therefore, a prior year adjustment has been processed to defer the income.

As a result of this change, deferred income has increased for the year end 31 December 2020 has increased by £735,339 from £10,200 to £745,539. Grant income has also decreased by £735,339 from £1,758,159 to £1,022,820. The net movement in funds for the year has changed from £836,809 to £101,470 after restatement.

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

14. Statement of funds

Statement of funds - current year

	As restated Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Unrestricted funds				
General Funds - all funds	345,901	1,056,868	(1,087,019)	315,750
Restricted funds				
Restricted Funds - all funds	-	11,667	(11,667)	-
Total of funds	345,901	1,068,535	(1,098,686)	315,750

Statement of funds - prior year

	Balance at 1 January 2020 £	As restated Income £	Expenditure £	As restated Balance at 31 December 2020 £
Unrestricted funds				
General Funds - all funds	244,431	1,023,022	(921,552)	345,901

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	5,377	-	5,377
Current assets	1,292,245	8,333	1,300,578
Creditors due within one year	(981,872)	(8,333)	(990,205)
Total	315,750	-	315,750

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	10,302	10,302
Current assets	1,081,138	1,081,138
Creditors due within one year	(745,539)	(745,539)
Total	345,901	345,901

FAITHINVEST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	<i>As restated</i> 2020 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(30,151)	101,470
Adjustments for:		
Depreciation charges	3,864	4,492
Investment income	(74)	(202)
Loss on the sale of fixed assets	3,411	-
Increase in debtors	(5,514)	(6,988)
Increase in creditors	244,666	742,227
Exchange movement	1,572	-
Net cash provided by operating activities	217,774	840,999

17. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand	1,287,891	1,073,965
Total cash and cash equivalents	1,287,891	1,073,965

18. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	Changes in market value and exchange rate movements £	At 31 December 2021 £
Cash at bank and in hand	1,073,965	215,498	(1,572)	1,287,891
	1,073,965	215,498	(1,572)	1,287,891

FAITHINVEST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

19. Related party transactions

The Company has not entered into any related party transaction during the year, nor are there any outstanding balances owing between related parties and the Company at 31 December 2021.

FAITHINVEST
(A company limited by guarantee)

**INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2021 £	As restated 2020 £	As restated 2020 £
Income				
Donations	-		14,285	
Grants - Porticus / Benevolentia Stitching	747,940		744,589	
Grants - WWF-UK	-		207,250	
Grants - Vatican / Dicastery	-		35,416	
Grants - GHR Alder Management	302,354		21,280	
Grants - Rufford	11,667		-	
Donations - Golden Bottle Trust	5,000		-	
Other income - Baillie Gifford & Co	1,500		-	
Interest received	74		202	
Gross income in the reporting period		1,068,535		1,023,022
Less:				
Charitable activities				
Direct costs	252,411		383,020	
Wages and salaries - activity undertaken directly	597,965		254,667	
Staff NIC (Employers) - activity undertaken directly	67,903		27,089	
Staff pensions - activity undertaken directly	9,272		3,116	
Events	35,625		58,989	
Grants payable - institutions	13,750		38,292	
Wages and salaries - support costs	-		70,095	
Staff NIC (Employers) - support costs	-		6,527	
Staff pensions - support costs	-		1,688	
Rent	1,374		29,989	
Telephone and fax	250		672	
Office expenses	12,844		6,909	
Computer software and maintenance costs	37,733		1,920	
Travel and subsistence	19,444		5,666	
Promotional expenses	16,096		15,660	
Accountancy fees	4,170		3,600	
Legal and professional fees	13,459		2,577	
Bank charges	943		39	
Depreciation of office equipment	3,864		4,492	
Foreign currency (gains)/losses	1,572		(55)	
Audit fee	6,600		6,600	
Loss on disposal of fixed assets	3,411		-	

FAITHINVEST
(A company limited by guarantee)

INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2021	<i>As restated</i>	<i>As restated</i>
	£	£	<i>2020</i>	<i>2020</i>
			£	£
Total expenditure		1,098,686		921,552
Net (expenditure)/income for the reporting period		(30,151)		101,470
(Deficit)/Surplus for the reporting period		(30,151)		101,470
Surplus brought forward at 1 January		345,901		244,431
Surplus carried forward at 31 December 2021		315,750		345,901

The notes on pages 19 to 32 form part of these financial statements.