

**Company Number: 4210929**  
**Registered Charity No: 1089276 (England & Wales)**  
**SC042147 (Scotland)**

**A ROCHA UK**

**TRUSTEES' REPORT  
AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 DECEMBER 2019**

# A ROCHA UK

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**A ROCHA UK**  
**Year Ended 31 December 2019**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Trustees</b>	IJ McKay, Chair J R Eames-Petersen, Treasurer (F) H M Oldfield (previously Baker) (F) D F Chandler Dr A G Gosler Dr H F Marlow (resigned 17th June 2019) Dr J Pearce-Higgins J A Stuart  (F) - member of Finance Committee
<b>Company number</b>	4210929
<b>Charity Numbers</b>	1089276 (England & Wales) SC042147 (Scotland)
<b>Registered Office</b>	18/19 Avenue Road Southall Middlesex UB1 3BL
<b>Chief Executive Officer</b>	Andy Atkins
<b>Independent Auditors</b>	Price Bailey LLP 7 <sup>th</sup> Floor, Dashwood House 69 Old Broad Street London EC2M 1QS
<b>Principal Bankers</b>	CAF Bank Limited Kings Hill West Malling Kent ME19 4TA

# A ROCHA UK

## Year Ended 31 December 2019

### DIRECTORS' AND TRUSTEES' REPORT

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#### Introduction

The trustees (who are also directors of the company for the purposes of the Companies Act) present their report and the audited financial statements of A Rocha UK ("ARUK") for the year ended 31 December 2019. The Reference and Administrative information on page 1 forms part of this report.

The trustees confirm that the report and financial statements of the charity comply with the current statutory requirements, the requirements of the company's governing document, and the provisions of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) (Charities SORP (FRS 102)).

#### Thank you

We, the trustees are grateful to all those who support the work in action, giving, and prayer.

*Staff:* Progress has primarily been because of the dedicated work and commitment of the team. Without them, the work simply would not happen. During the year the number of staff (full and part time) oscillated around 18, with a couple of prolonged vacancies due to illness. This was compensated for by extremely hard work by other staff and bringing in temporary cover roles. We are most grateful to permanent and temporary staff for their commitment and adaptability.

*Volunteers* - During the year our volunteers continued to provide a vital contribution to the work of the charity giving of their time, passion and energy. These volunteers, numbering around 40, include both regular and occasional volunteers who help with speaking engagements, on our reserves and administrative tasks. A wider group of volunteer speakers help us to engage with churches. The trustees are grateful to all ARUK volunteers for the invaluable contribution they make to our work.

*Supporters* - Those individuals and churches who support us and partner with us and contribute financially, in prayer, and in practical action, to support and sustain the work. Not only do they support the work of ARUK but many give to, and a number volunteer for, A Rocha organisations in other countries.

*Partners* - ARUK's work in Southall and Hayes depends entirely on good relationships with local partners. At Foxearth we have some excellent relationships with neighbouring organisations. In addition, our growing Partners in Action network of Christian land-managers and community nature projects provides a means of increasing our collective impact and learning together, in a way that we greatly appreciate.

*Grant funders* – We are deeply grateful for the partnership of grant funders who provide both critical financial backing and collaborative insight, which makes so much of our work possible. More detail on individual grants received is in the accounts.

Above all, the trustees would like to record their gratitude to God for bringing about far more than we have often believed possible, and for blessing the charity with people, financial resources and many other benefits when they have been needed. The trustees also affirm their total dependence on God for future guidance as to the development of the charity.

#### 2. Objectives and Activities

The charity's objectives are:

- the advancement of the Christian faith and understanding of its relevance to the environment;
- to promote education and study of ecology and the environment; and
- to enable and encourage conservation of natural resources and habitats for the benefit of the public.

# A ROCHA UK

## Year Ended 31 December 2019

### DIRECTORS' AND TRUSTEES' REPORT (continued)

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The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

#### 2.1 How our charitable activities fulfil our objectives

Our main mission or aim, which requires the objectives stated above, can be summarised as:

*To mobilise Christians and Churches to care for the natural environment – for people (the wider public), nature and God.*

The issues we address: We seek to tackle key environmental issues such as biodiversity and habitat loss, climate change, resource overuse and waste, and the drivers of those in human behaviour and economic and cultural systems

The difference we want to make: In mid-2016, when we brought in a new strategy, the Trustees defined medium-term goals towards our aim. Our aim was to get as far towards these as we could by the end of 2018, learn from the experience of this more focused approach, and then review. At the end of 2017, the Trustees judged the goals still very appropriate but that some (especially the conservation goals) would need more time not just to complete but to learn from, before we set new goals. The strategy and goal period was thus extended to the end of 2019. The agreed goals, and their status at the end of 2019 are:

- Increase a local population of at least 10 declining species in the UK (through ARUK and partner-managed land). Not yet achieved; significant progress in establishing work to achieve.
- Establish a high-quality conservation demonstration site in every UK region (through ARUK and partners) Not yet achieved; significant growth in numbers and activity of demonstration sights in our Partners in Action Network
- Increase by 10% the number of people which we and our partners are enabling to engage directly with nature. Achieved.
- Treble the number of UK churches taking action on the environment (Eco Church) Achieved.
- Double the number of Christians acting on the environment with us (Supporters) Achieved.
- Establish the internal culture, financial management, systems, skills, structure and premises required to achieve our external goals and achieve organisational sustainability Significant progress

How our activities deliver on our charitable objectives: We fulfil our charitable objectives through activities organised in two broad areas: Engagement and Conservation and Demonstration. Each area contributes to all three objectives, but they do so in different ways.

Engagement encompasses our work with broad national audiences – churches, families and individual supporters. Key components of this work are developing and running programmes for these subsections of our broad audience of Churches and Christians. Key programmes are: Eco Church, for grass-roots churches; Wild Christian - for individuals and families; Convening - for Christians in environmental leadership; Publications and events, serving all audiences, including our flagship magazine, Root and Branch, the monthly eNews bulletin, the website etc.

Our Engagement department also oversees our fundraising work – the costs of this work are reported separately under Expenditure on Raising Funds in the financial statements that follow.

Our Conservation and Demonstration work encompasses the practical conservation work we do ourselves on our reserves, and the support we give to our conservation partners, alongside the place-specific education work we and they do on or around those conservation sites.

Key components of this work are our development and maintenance of the Wolf Fields and FoxEarth Meadows reserves, the Education programme in Southall (carried out largely at Wolf Fields and Minet Country Park), the development and support of our Conservation Partners in Action network for Christian centres with land, and the development and implementation of our Target Ten project (shared by us and our partners) to help deliver on our first multi-year goal (reversing the decline of ten species locally).

**DIRECTORS' AND TRUSTEES' REPORT (continued)**

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Through all of our programmes, we encourage an understanding of the relevance of the Christian faith to the environment, we provide information and analysis to educate people of the ecology and the environment, and we provide ideas and 'tools' to enable these audiences to take practical action themselves.

**3 Achievements and Performance in 2019**

Each year we define organisational priorities - where we will focus our attention to best advance towards our multi-year goals in the light of the current external and internal context. These are drawn from across the charity. Below we report on our performance against the priorities we set for 2019.

**3.1 Significantly improve fundraising.**

Stabilise our income and supporter base, achieve net growth in each. In 2019 we exceeded our income budget considerably. A key reason for this was a generous legacy. However, we also achieved improvements in other aspects of fundraising, where the organisation has more control, including individual giving where we achieved both the target for income and an increase in the number of givers. Churches giving was also up considerably on the previous year as were the number of churches giving to us.

We put this improvement in underlying fundraising performance (ex of the legacy) down to a combination of factors, some within our control, some contextual, which we have simply attempted to harness. Clearly there is a growing awareness of the environmental crisis among the general public and this reflected among Churches and Christians who are increasingly turning to us for assistance. In addition our programmes are proving popular: our Eco Church programme is achieving notable momentum and profile among Churches and this is leading to more donations for the Eco Church programme and for A Rocha more generally. In the autumn we relaunched our simple pilot Wild Christian scheme as a more comprehensive programme, and this has doubled in numbers of participants. The above is not accidental, as we have put considerable effort over the last three years into developing our 'offer' to the public, in the form of clear and content-rich programmes, each with their own sub-brands, for different sectors of our audience. In 2019 we built on this, particularly taking a number of steps to better communicate and increase the visibility of our offer. This has also clearly paid dividends. For example, the new Eco Church web app allows visitor to sign up to a range of publications, including eNews and the Wild Christian programme, and new church registrations for Eco Church are, in the majority of cases, accompanied by the church contact also opting to receive other information about A Rocha's wider work.

The growth in nominal supporters and donors is particularly significant when set against the background of the GDPR exercise in 2018, where we like many charities, shed a significant proportion of contacts on our database. In 2019 we saw a net growth again, rapidly returning to or exceeding the pre GDPR position on a number of metrics. This is encouraging. For example, subscriptions to our free monthly eNews grew from 2248 at the end of 2018 (after we lost more than 1,000 in the GDPR exercise) to 4,531 at the end of 2019; subscriptions to our Wild Christian bulletin grew from 498 to 1,096 in the same period. And the number of individuals who had given in the last three years increased from 1,606 to 1,764 in the same period.

**3.2 Maintain core programmes delivery at a time of change.**

Maintain and if possible, improve the current level of customer service on key remaining programmes, aiming for growth in each: Eco Church; Conservation and demonstration/Target Ten; Wild Christian Partners in Action; Convening and influence

This was probably the biggest achievement of 2020: to keep our core programmes going and growing at a time of some unavoidable internal disruption due to a restructure, as well as other challenges such as long-term illness among of two staff members during some critical periods. For this we have to thank staff, core volunteers and board members, who have shown extraordinary dedication to delivering our main commitments to our supporter 'come what may' in 2019.

Demand for Eco Church has surged in 2019. Eco Church has grown from 1,251 registered churches as the end of 2018 to an incredible 2,343 at the end of 2019. This far exceeded the growth target we had set for the year. In addition, during 2019 we developed a new 'web app' (the programme which lies behind the website, and contains the survey, resources etc.) for Eco Church to allow greater efficiency of administration

# A ROCHA UK

## Year Ended 31 December 2019

### DIRECTORS' AND TRUSTEES' REPORT (continued)

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for A Rocha and greater functionality for participating churches. It will for example, allow us to update resources much more easily - and therefore to provide a more useful resources bank; to provide churches with a link to relevant campaigns run by other organisations; and to link more easily to each other for mutual learning and assistance. This was a very major project which had to be undertaken in the background while simultaneously maintaining the normal service for Eco Churches on the original platform. The new platform went live in November 2019.

As mentioned above, participation in our Wild Christian programme, aimed at individuals and families, more than doubled between the end of 2018 and 2019. This followed a fall in participation following the initial flurry of interest after the launch of the pilot in mid-2018. In summer 2019, as planned, we carried out a review of the pilot, including surveying users. Combining our observations with user feedback, we were able to rapidly improve the design of the scheme, making it more informative and participative. For example, we have sought and recruited a number of younger volunteer contributors.

In 2020 we will move to establish a staff and volunteers Steering Group to generate ideas and content, and edit, the monthly ebulletins, as well as coordinate off-line events, the first of which will take place in February 2020.

In 2019 the Partners in Action programme, for Christian Land managers, deepened in many respects. Though we did not reach our expansion target in-year, this was reached in the first quarter of 2020 as a result of much work in 2019.

Progress made during 2019 included more partners carrying out more action around the Target Ten list of species where we are making common efforts to stop the decline in numbers local to PIAs, our first multi-year goal. A Rocha supported partners to develop by carrying out 'bio blitzes' to identify and survey species on their land, as an essential input to forming a management plan. We also supported them with conservation education training, to assist them in engaging staff, volunteers and clients of the partner centres. At the end of the year we put on the best-attended partner gathering so far, at Scargill House, Yorkshire (one of the PIAs). At this gathering current and potential partners who were there as observers, exchanged much learning and worked to strengthen a statement of common vision and collaboration to bring Christian managed land in the UK into play for nature and addressing climate change.

Despite considerable efforts by the Conservation Team, the year began and ended with 10 members, meaning we missed the growth target we had set ourselves. However, behind the scenes, the foundations were being laid for greater strength and growth. During the year one partner where work had not developed as fast as they had expected, dropped out (we believe temporarily). Another very strong new partner, Scargill House in Yorkshire joined, so the total remained at 10. We undertook an exercise to identify suitable partners in the NE and NW but concluded that there were none close to preparedness to join. However discussions with two other potential partners - our first in Northern Ireland, and another in the South of England, concluded positively. Both - the Drumalis community, in Larne, Northern Ireland, and Ashburnham Place in Sussex, have formally joined the scheme in early 2020.

A financial appeal launched in Autumn 2019 to raise money for a full time PIA coordinator (which will double our capacity to develop and service the programme), has performed well. We will continue the appeal into 2020. It is likely that we will be able to increase the hours of the Coordinator post to full time from mid-2020, to facilitate further growth and strengthening of this unique network.

#### **3.3 Deepen conservation and demonstration:**

Develop Wolf Fields as a unique urban conservation site, benefitting nature and vulnerable people; Advance the Target Ten project on our own reserves by improving relevant habitat and data collection; Launch a pilot demonstration programme for each reserve, with a focus on demonstrating to churches and church-linked projects Recruit one new PIA in NE, NW, or NI

Work has proceeded steadily at our two reserves, both in developing the habitat for nature and in engaging people with nature through the reserves. Dozens of events were held across the two reserves, engaging more schools, churches and community groups than in 2018 - which itself saw growth in the previous year.

**DIRECTORS' AND TRUSTEES' REPORT (continued)**

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Among the great variety of activities hosted by the reserves were: school nature classes; therapeutic visits by disabled adults; research visits by scientists, community service groups of young offenders, open air services for churches. We were delighted that Wolf Fields was officially designated as a site where local GPs could prescribe 'nature therapy' for those with certain mental or physical health needs. Thus we have seen both reserves providing an increasing, and increasingly recognised, service to the local community as well as to nature. This reinforces our mission: to mobilise Churches and Christians to care for the environment - for God, nature and people.

To scale up the impact of this work we are developing a programme to use both reserves as demonstration sites - to showcase what is possible on small pieces of land in urban and rural areas - for churches and other organisations from the region. We planned to hold two pilot events during 2019, one at each reserve. In the event, capacity constraints meant we could only do one, at Wolf Fields. However, this pilot event proved successful, both in the number of churches it attracted (representatives from 13 churches), and in the feedback we have had. On this basis we are proceeding to expand the demonstration programme at both reserves and with our Partners in Action in 2020.

**3.4 Significantly improve the internal efficiency of the organisation**

Due to scarce resources over the years, much of the internal infrastructure - whether of technology or systems and processes - is out of date and in urgent need of updating. This has included everything from computers, broadband and telephone systems to some HR policies and office processes. We began 2019 with a very extensive 'Finance and Administration Task List, bringing together in one place and prioritising for resolving, a gamut of systems, process and policy issues.

We made reasonable progress in resolving these in 2019, given unexpectedly high capacity constraints, we faced, but we did not progress as far and fast as we wished. Impediments included staff on long term sick leave and unpredicted high demands of readying the new Eco Church platform for launch, and of post-launch development. Both necessitated staff key to delivery of the F and A Task list, diverting to reception and supporter relations duties and to Eco Church work over a period of many months.

Nevertheless, steps forward included: Installing G-Suite for emails and document sharing for all staff; installing much faster broadband and better Wi-Fi coverage throughout the office; providing more laptops for mobile staff; achieving much more automated linkage between our Supporter Relations (CRM) and Finance (Accounts) programmes; greater automation of Gift Aid claims between our CRM and HMRC; greater data analysis (which has fed into this report); and many improvements in our customer service. We were also able to update most contracts that required it, and update a number of systems and policies from expenses claiming to absence policy. In the autumn we also launched a new rolling staff and volunteer training programme, designed to facilitate the team learning from each other and drawing on external expertise where necessary to upgrade skills.

Both the training programme and the F&A Task List will be rolling programmes. We expect the progress on the latter to be much faster in 2020. And both programmes of work will increase our internal efficiency.

**3.5 Modernise teamwork, staff care and conditions.**

Focus on modernising platforms to grow programmes and increase efficiency and planning effective and sustainable premises for a national organisation. We have made some progress in this area too, but it has also been affected by capacity constraints. As mentioned above, key platforms that we have modernised include: the email system, document sharing and the telephone systems - all of which are facilitating easier and more creative team work, particularly between office and remote staff. We also undertook a light refresh of the interior decoration and lay out of the office, as well as a major clear out of accumulated files, outdated equipment etc. This has greatly improved the attractiveness and amenity of the office, brightening work and rest areas, and creating a greater variety of work environments (from private meeting or phoning room to informal team/project spaces). This has improved morale as well as work efficiency, and allowed us to accommodate more people working from the office on an average day. This in turn has further contributed to a growth in creative team working, improving relationships and breaking down silos.



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## Year Ended 31 December 2019

### DIRECTORS' AND TRUSTEES' REPORT (continued)

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An essential contribution to our drive to care for the team and reinforce a trusting and professional team culture, was holding a two-day away 'Time Out' retreat for staff and core volunteers. Held in September, this was the first such occasion for 18 months and allowed new and older staff and volunteers, office and remote based, to build relationships and common vision. This involved everything from common prayer and worship, through formal but relaxed visioning and problem-solving sessions, to private reflection and group engagement with nature. It was very well received and much of the thinking from formal and informal sessions fed into our plans for 2020.

Very importantly, during the year, we began the process of considering our long-term office needs. The Trustees have concluded that our current premises, which have served us well over 18 years, will not be best for our future needs. Despite changes made during the year, we are unable to accommodate any more staff in the office without causing severe and unpleasant over-crowding, and as the organisation has an increasingly national reach, the location of the national office in Southall will increasingly impede ready access to multiple partners with whom we need to work on our national programmes. Thus we ended the year with a decision to move office in 2020 and a project plan to do so. This will enable us to have a national office fit for purpose - in location, functionality and working environment - for the next stage of our development as an organisation. This will include allowing us to offer staff and volunteers a more pleasant and flexible working environment, to enhance teamwork, creativity and morale further.

#### 4 Plans and Priorities for 2020

In formulating our budget and activity plans for 2020, our aim is to take the organisation and our external programmes forward in line with agreed strategic directions, making the most of key opportunities we have identified, while mitigating some obvious threats and vulnerabilities.

##### 4.1 Opportunities and threats

Key external and internal opportunities are:

- Heightened public and churches' perception of environmental emergency - an opportunity to mobilise more people to effective action and recruit more supporters to A Rocha
- The rapid growth in interest, in 2019, in Eco Church, and the opportunities this affords to further our mission and engagement with A Rocha.
- Both the 2020 UN Climate Conference and the decadal Lambeth Conference (with a focus on the environment) taking place in the UK - a major opportunity for A Rocha to use its convening power to influence churches action, make the link for churches between climate and nature, and recruit churches to long term action with A Rocha.
- Premises move - to use the premises move to drive internal culture change, organisational efficiency, and greater external impact

At the same time we have to contend with some significant threats and weakness:

- While we are increasingly good at recruiting people, our evidence suggests that we are poor at retaining them. We urgently need to improve our supporter care and development, to make lasting use of the 'recruitment' opportunities of 2020, and ultimately for our survival.
- Staff commitment is unquestionable. But there are notable skill gaps, weaknesses in systems and processes, and in some aspects of culture/work practices. These needed consistent effort to improve, strengthen organisational efficiency and reduce chronic staff overload.
- Chronic staff overload in some areas, particularly in Eco Church, supporter relations and Finance and Admin

Therefore for the year ahead we have identified the following priorities.

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## Year Ended 31 December 2019

### DIRECTORS' AND TRUSTEES' REPORT (continued)

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#### 4.2 Priorities for 2020

**4.2.1 To have the biggest external impact we can by aligning, coordinating and, where possible, expanding our programmes to address the year's opportunities and need for urgent and scale action on the environment crisis.**

- Conservation: scale up demonstration events for churches at our reserves and PIAs; engage PIAs, Reserves and land contact in wider activities around COP26; deliver the Southall Project (see below)
- Churches: fully develop the functionality and resources available on the new Eco Church platform; scale up speaker training and recruitment; engage Eco Churches in wider churches activities around COP26
- Individuals and Families: Grow the Wild Christian community; recruit a volunteer editorial team for sustainability of, and participant engagement; engage participants in wider activities around COP26;
- Convening: make a significant contribution to coalition project to harness COP26 to accelerate transformation of UK churches engagement on the environment

**4.2.2 To attempt a step change in financial sustainability and working efficiency:**

- Upgrade our supporter relations function to recruit, retain and develop supporters much more effectively, to grow organisational influence and funds
- Relocate our national office to a premises and location fit for purpose for a national organisation
- Repay all loans on Avenue Road
- Upgrade our financial and admin procedures
- Upgrade our internal procedures and working culture for increased internal efficiency and external impact as an increasingly national organisation.

**4.2.3 To establish the next phase of the Southall conservation Project (without a national office in Southall) to achieve a scalable model**

- Ensure availability of suitable local accommodation for Southall conservation staff and interns
- Ensure access to equipment storage locally
- Ensure access to suitably located convening space for staff, vols and visiting national staff
- Ensure robust management arrangements for local staff taking into account that the national office may well not be in Southall but in another location in greater - including central - London.
- Further develop and communicate A Rocha's vision for urban conservation in Southall, to Southall partners and premises donors as a priority, as well as wider supporter base
- Engage local churches in supporting, sustaining and using the next phase of the project

## 5 Financial Review

### Statement of Financial Activities

Total income for the year was £679,604, compared to £433,027 in 2018 and was £147,604 above budget. As noted in note 2, all income streams increased compared to 2018. Grants income was £112,708, compared to £86,808 reflecting more robust and more timely applications.

Included in other donations were Churches donations of £63,963, which was £1,037 below budget, and an increase of £8,489 on 2018. We believe this positive outcome is a reflection of a number of factors (commented on above in 3.1)

There were a no exceptional items in 2019.

Expenditure at £618,124 was £32,302 over budget. The surplus for 2019 is £61,480 (2018: deficit £176,146), which is £115,302 better than budget.

# **A ROCHA UK**

## **Year Ended 31 December 2019**

### **DIRECTORS' AND TRUSTEES' REPORT (continued)**

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#### **Balance Sheet**

The largest items in the balance sheet comprise freehold property, cash at bank and the long-term creditor of supporter loans for the freehold property.

Following the favourable variances attained in the 2019 financial year the trustees consider the Charity to be in a strong financial position for the future.

#### **Principal risks and uncertainties**

The Board of Trustees is responsible for overseeing the charity's risk management activities. Detailed consideration of risk is delegated to the Finance Committee, which is assisted by the charity's management in continually reviewing this matter and reporting thereon to the Board. Trustees review the risks to which the organisation is exposed throughout the year, both at the Finance Committee and again at full Board meetings.

A risk register is regularly reviewed by management and trustees and updated as appropriate. The risks cover all potential threats to the charity including, financial, legal, operational, governance and reputational. Mitigating strategies and/or contingency plans, controls and actions are in place for these and other risks identified.

Through the risk management process established for the charity, the trustees are satisfied that the major risks have been identified and processes for addressing them have been implemented.

The major risk ARUK faces is income shortfall: The charity obtains the majority of its income from non-statutory sources and this can fluctuate year by year. The charity mitigates this risk by developing and maintaining a wide range of income sources and is always seeking new potential income streams to support its charitable activities. The charity maintains a level of reserves that enables it to handle these fluctuations in income without impacting service delivery in the short term.

#### **Reserves Policy**

Reason for holding reserves: ARUK's reserves are held in support of the charity's ongoing activities, recognising its commitment to employed staff, the lack of substantial regular income from grants, and the uncertainty and fluctuation of income in relation to appeals, seasonal donations and legacies.  
Level of reserves needed: The formula adopted for calculating reserves compares the amount of unrestricted general funds with the total budget for the forthcoming year. The optimum level acceptable for this purpose is regarded in the range of 3 - 6 months of annual expenditure to ensure that funds are available for planned activities.

Monitoring and reviewing reserves policy: This policy shall be monitored and reviewed by the trustees regularly when the draft Annual Report and Financial Statements are presented for approval. The level of reserves to be held at the accounting date is to be disclosed in the financial statements.

#### **Reserves at 31 December 2019**

Free unrestricted reserves (that is, unrestricted reserves excluding tangible fixed assets and loans secured thereon) at 31 December 2019 totalled £81,713 (2018: £57,285). Using this figure these represented 1.4 months of the £720,000 budgeted expenditure for 2020. In 2018, the figure represented 1.2 months of the budgeted expenditure.

Restricted funds, representing restricted income received but not yet spent, were £54,995 (2018: £17,398).

#### **Fundraising**

A Rocha UK understands its duty to protect the public, including vulnerable people, from unreasonably

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## Year Ended 31 December 2019

### DIRECTORS' AND TRUSTEES' REPORT (continued)

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intrusive or persistent fundraising approaches and undue pressure to donate. The charity does not currently use external fundraising agencies for either telephone or face-to-face campaigns and received no fundraising complaints during the year.

#### COVID-19 consideration

The trustees' policy, shown above is to maintain cash reserves sufficient to cover at least three months gross expenditure. The Finance Committee has asked for future cash flows based on expected income and expenditure. These show reduced income only partly covered by reduced costs. Should COVID-19 restrictions continue throughout 2020, the trustees are prepared to use the value of Avenue Road to maintain the activities of the charity. The COP26 annual conference which was due to be held in 2020 has now been postponed until 2021.

#### Structure and Governance

##### Nature of the Charity

ARUK is a charitable company limited by guarantee, incorporated on 3 May 2001 and registered as a charity on 9 November 2001. In the event of the company being wound up the liability of 7 members (2018: 8) is limited to £1.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, trustees are elected at the AGM with one third retiring by rotation at each AGM. Trustees may also appoint new trustees by ordinary resolution to hold office until the following AGM.

There is currently no legal membership scheme as may be established under the Memorandum and Articles of Association. Until February 2006, there was a non-voting membership scheme which was developed into a 'Friends scheme' and is now known as a 'Supporters scheme', which for new supporters has a suggested minimum contribution.

ARUK is completely independent in its governance and finances but shares a common vision and has a close association with A Rocha International ("ARI", formerly 'The A Rocha Trust'). The two charities have agreed and signed an appropriate Memorandum of Understanding. During 2019, ARI continued to consolidate its work coordinating and resourcing the existing eighteen affiliated organisations (in Australia, Brazil, Canada, Czech Republic, Finland, France, Ghana, India, Kenya, Lebanon, Netherlands, New Zealand, Peru, Portugal, South Africa, Uganda, United Kingdom, and USA).

ARUK acts as the agent for ARI regarding the receipt and banking of funds from UK donors intended for the support of ARI and other A Rocha organisations. In 2019, income receivable by ARUK under this agreement (including Gift Aid tax repayment claims) was £26,721 (2018: £20,675) for ARI and £11,449 (2018: £5,831) for other A Rocha organisations. These funds are accounted for carefully and are paid over on a regular basis, usually quarterly. They do not form part of the financial statements of ARUK.

#### Common A Rocha family values

ARUK seeks to express its charitable objects through five 'core commitments' which are value statements agreed by, and shared across, the international family of A Rocha organisations. These are:

- Christian: Underlying all we do is our biblical faith in the living God, who made the world, loves it and entrusts it to the care of human society.
- Conservation: We carry out research for the conservation and restoration of the natural world and run environmental education programmes for people of all ages.
- Community: Through our commitment to God, each other and the wider creation, we aim to develop good relationships both within the A Rocha family and in our local communities.
- Cross-cultural: We draw on the insights and skills of people from diverse cultures, both locally and

**DIRECTORS' AND TRUSTEES' REPORT (continued)**

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around the world.

- Co-operation: We have a willingness to work cooperatively with other organisations in the field and to press the case for action within this co-operative framework.

Each of ARUK's charitable objects can be seen as having an international, national and local dimension to them – all of which also express the five core commitments.

**Organisation structure and personnel**

The Board meets four times a year, and those listed below as observers to the Board are invited to attend. A Finance Committee of the Board, chaired by the Treasurer, meets shortly before each Board meeting to advise and where appropriate make detailed decisions within authority delegated by the Board; its members are indicated by (F) in the list of trustees on page 1.

ARUK has an open recruitment process for the appointment of new trustees. The skill set and experience of the Board of Trustees is reviewed against the needs of the charity and where appropriate new trustees are recruited to meet these needs. Trustees serve an initial term of three years and are then eligible for re-election. When new trustees are appointed, they are provided with an induction including governance, the charitable objects, strategy and plans.

ARUK trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee received remuneration in the year.

Pay levels for senior staff, including the CEO, are reviewed annually by the Finance Committee in accordance with the staff pay framework and policy. A plan is in place to establish a formal salary policy in 2020; previously salaries were set by CEO or department directors with the exception of the CEO which is set by the Board. They take into account inflationary factors, benchmarking against voluntary sector pay levels with due consideration of the charity's financial position. Salary levels are approximately in line or below those of comparable charities with national programmes.

Day to day management is delegated to the Chief Executive Officer. The premises in Avenue Road, Southall contain the offices and the staff responsible for the charity and the local Southall project, and also provide limited living accommodation for paid staff, volunteers and visitors.

The list of trustees holding office during 2019 is given on page 1.

Observers:

Revd M Hodson – nominated by the John Ray Initiative (JRI)  
João Martinez da Cruz – nominated by A Rocha International (ARI)

Council of Reference (advisory):

Revd Steve Chalke  
Mr Ram Gidoomal, CBE  
Professor Sir John Houghton, FRS  
Rt Rev Dr James Jones  
Professor Sir Ghillelan Prance, FRS  
Dr Elaine Storkey

**Leadership**

Andy Atkins was Chief Executive Officer. His senior staff were:

- Rich Bee, Engagement Director
- Andy Lester, Head of Conservation
- George Kulasingham, Head of Finance and Administration

**DIRECTORS' AND TRUSTEES' REPORT (continued)**

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**Trustees' responsibilities**

The trustees (who are also directors of the charity 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 that 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each Trustee is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board of Trustees on ..... 5TH JUNE ..... 2020 and signed on its behalf by:

.....  
I J McKay  
Chairman

# A ROCHA UK

## Year Ended 31 December 2019

### DIRECTORS' AND TRUSTEES' REPORT

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#### Opinion

We have audited the financial statements of A Rocha UK (the 'charitable company') for the year ended 31 December 2019 which comprise the Statement of Financial Activities (including income & expenditure account), the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures in note 1.3 to the financial statements concerning the Company's ability to continue as a going concern. Although a surplus was attained for the year ended 31 December 2019, the Company are in a net deficit position when extracting the property. These conditions, along with the matters in relation to the Coronavirus Pandemic explained in note 1.3 to the financial statements indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. As noted in accounting policy note 1.3, future cash flows indicate that reduced income is only partly covered by reduced costs, the Trustees are prepared to take sufficient mitigating action to ensure that available funds will be sufficient for the Company's needs, including if necessary the use of value of the owned property. The Trustees' report also confirms that the trustees are prepared to use the value of the property to ensure the activities of the Company are maintained, and to ensure the Company can settle its liabilities as they fall due, which would require the property to therefore be sold. The trustees have assessed that the going concern basis of preparation is appropriate for the year ended 31 December 2019. The financial statements do not include any adjustments that would result if the Company was unable to continue as a going concern. In view of the significance of this matter, we consider it should be drawn to your attention, but our opinion is not modified in this respect.

# A ROCHA UK

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019**

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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.

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

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

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

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement (set out on pages 11 and 12), 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



# A ROCHA UK

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019**

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.

### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Companies Act 2006 and report in accordance with the Acts 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.

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

### **Use of report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Helena Wilkinson (Senior Statutory Auditor)  
**For and on behalf of Price Bailey LLP**  
7<sup>th</sup> Floor, Dashwood House  
69 Old Broad Street  
London  
EC2M 1QS

Date: 6 July 2020

# A ROCHA UK

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	455,801	89,825	545,626	335,115
Charitable activities	3	24,008	88,700	112,708	86,808
Other trading activities	4	20,626	-	20,626	10,877
Investments	4	644	-	644	227
<b>Total income</b>		<b>501,079</b>	<b>178,525</b>	<b>679,604</b>	<b>433,027</b>
<b>EXPENDITURE ON</b>					
Raising Funds	5	38,759	-	38,759	46,325
Charitable activities	6	438,437	140,928	579,365	562,848
<b>Total expenditure</b>		<b>477,196</b>	<b>140,928</b>	<b>618,124</b>	<b>609,173</b>
Net income/(expenditure) for the year		23,883	37,597	61,480	(176,146)
Transfer between funds		-	-	-	-
<b>Net movement in funds</b>		<b>29,071</b>	<b>32,409</b>	<b>61,480</b>	<b>(176,146)</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		467,221	17,398	484,619	660,765
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>15</b>	<b>491,104</b>	<b>54,995</b>	<b>546,099</b>	<b>484,619</b>

All income and expenditure has arisen from continuing activities.

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

The notes to the accounts are shown on pages 20 to 31 and form an integral part of these financial statements

**A ROCHA UK**  
**(Company number: 4210929)**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	£	2019 £	£	2018 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	10		856,854		862,935
<b>CURRENT ASSETS</b>					
Stocks	12	323		1,074	
Debtors	11	10,823		92,659	
Cash at bank and in hand		198,707		89,327	
<b>TOTAL CURRENT ASSETS</b>		<b>209,853</b>		<b>183,060</b>	
<b>LIABILITIES</b>					
Creditors: amounts falling due within one year	13	(73,145)		(108,377)	
<b>NET CURRENT ASSETS</b>			<b>136,708</b>		<b>74,683</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>993,562</b>		<b>937,618</b>
Creditors: amounts falling due after more than one year	14		(447,463)		(452,999)
<b>Total net assets</b>			<b>546,099</b>		<b>484,619</b>
<b>The funds of the charity</b>					
Unrestricted funds:					
Revaluation reserve			205,731		205,731
Other funds			285,373		261,490
			491,104		467,221
Restricted funds			54,995		17,398
<b>TOTAL FUNDS</b>	15		<b>546,099</b>		<b>484,619</b>

The attached notes on pages 20 to 31 form part of these financial statements.

The financial statements were approved by the Board of Trustees on 5 JUNE 2020 and signed on their behalf by:

  
 I J McKay  
 Chairman

  
 J R Eames-Petersen  
 Treasurer

# A ROCHA UK

## STATEMENT OF CASH FLOWS AS AT 31 DECEMBER 2019

	2019 £	2018 £
<b>Reconciliation of net income / (expenditure) to net cash flow from operating activities</b>		
Net income / (expenditure) for the reporting period ( <i>as per the Statement of Financial Activities</i> )	61,480	(176,146)
Adjustments for:		
Depreciation charges	10,749	9,360
Interest receivable	(644)	(227)
Interest payable	5,964	5,964
Decrease in stock	751	-
Decrease in debtors	81,836	(20,061)
Decrease in creditors	(29,268)	60,295
<b>Net cash provided by / (used in) operating activities</b>	<b>130,868</b>	<b>(120,815)</b>
<b>Cash flows from investing activities:</b>		
Net cash provided by / (used in) investing activities:		
Interest received	644	227
Acquisition of tangible fixed assets	(4,668)	(11,500)
<b>Net cash (used in) investing activities</b>	<b>(4,024)</b>	<b>(11,273)</b>
<b>Cash flows from financing activities:</b>		
Net cash (used in) operating activities:		
Repayments of loans	(11,500)	(21,000)
Interest payable	(5,964)	(5,964)
<b>Net cash (used in) financing activities</b>	<b>(17,464)</b>	<b>(26,964)</b>
<b>Change in cash and cash equivalents during the period:</b>	<b>109,380</b>	<b>(159,052)</b>
Cash and cash equivalents at the beginning of the period:		
Cash at bank and in hand	89,327	248,379
Cash and cash equivalents at the end of the period:		
Cash at bank and in hand	<b>198,707</b>	<b>89,327</b>

The notes to the accounts are shown on pages 20 to 31 and form part of these financial statements.

## A ROCHA UK

### NET DEBT RECONCILIATION AS AT 31 DECEMBER 2019

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	As at 1 January 2019 £	Cash flows £	As at 31 December 2019 £
Cash	89,327	109,380	198,707
Loans falling due after more than one year	<u>(452,999)</u>	<u>5,536</u>	<u>(447,463)</u>
Total	<u><u>(363,672)</u></u>	<u><u>114,916</u></u>	<u><u>(248,756)</u></u>

The notes on pages 20 to 31 form part of these financial statements.

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1. ACCOUNTING POLICIES

#### 1.1 General information

A Rocha UK is a charitable company limited by guarantee incorporated in England, Wales and Scotland. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is 18/19 Avenue Road, Southall, Middlesex UB1 3BL. The principal activity of the charity is environmental conservation and education run with Christian values.

#### 1.2 Basis of preparation

The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

A Rocha UK 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 note(s). The financial statements are presented in pounds sterling and rounded to the nearest pound.

#### 1.3 Going Concern

At the balance sheet date the Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Post the balance sheet date, the Trustees consider that the Covid-19 pandemic in the Spring of 2020 has impacted the organisation's activities to the extent that events have had to be postponed to 2021. Future cash flows indicate that reduced income is only partly covered by reduced costs, the Trustees are prepared to take sufficient mitigating action to ensure that available funds will be sufficient for the company's needs, including if necessary the use of value of the owned property.

#### 1.4 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 for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no material judgements or key sources of estimation uncertainty in these financial accounts.

#### 1.5 Income

Income from donations and grants is recognised when the charity is entitled to the funds, the receipt is probable and the amount can be measured reliably. For donations, this is usually on receipt. For grants, this is usually when a formal offer is made in writing, unless the grant contains terms and conditions which must be met before the charity is entitled to the funds. Other income and income from fundraising activities are recognised when receivable on the basis of when the services are provided or the events take place.

For legacies, entitlement is taken on a case by case basis as the earlier of the date on which: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and there is an expectation that a distribution will be made. If the legacy is in the form

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

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of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### 1.6 Expenditure

Expenditure is recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be measured or estimated reliably.

Expenditure is stated gross of irrecoverable VAT and has been classified under headings that aggregate all costs related to the category.

Expenditure on raising funds includes the costs associated with attracting donations and grants and the cost of purchases for resale.

Expenditure on charitable activities includes expenditure on Churches and theology. Community conservation and education, and Outreach work as described in the Trustees' Report.

All costs are allocated between expenditure activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Direct staff costs are allocated based on an estimate of staff time. Support costs are allocated on the basis of the proportion of direct costs.

### 1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation on transition less depreciation. Assets costing less than £1,000 are not capitalised. Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Freehold property	100 years straight line
Freehold land	Not depreciated
Property improvements	20 years straight line
Office equipment	4 years straight line

### 1.8 Financial instruments

The charity 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. Fixed assets are recorded at depreciated historical cost and investments are recorded at fair value, being the closing market value rate, with unrealised gains and losses recognised in the SOFA. All other assets and liabilities are recorded at cost, which is their fair value.

### 1.9 Concessionary loans

The Charity has opted to recognise concessionary loans at the amount received, with adjustments in subsequent periods for repayments made.

### 1.10 Pensions

A Rocha UK operates defined contribution schemes for the benefit of its employees. The assets of the scheme are held separately from those of A Rocha UK, in an independently administered fund. The

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

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pension cost in the financial statements represents the contributions payable by the charity during the year.

### 1.11 Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for the particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

### 1.12 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchases on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Financial Activities.

### 1.13 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income is included at the best estimate of the amounts receivable at the balance sheet date.

### 1.14 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, opening of the deposit or similar account.

### 1.15 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due. Accrued expenditure is included at the best estimate of the amounts payable at the balance sheet date, after allowing for any trade discounts due.

### 1.16 Taxation

A Rocha UK 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 II of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income and gains are applied exclusively for charitable purposes.



# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 2. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted 2019 £	Restricted 2019 £	Total 2019 £
Gift aid donations including tax recoverable	179,423	10,623	190,046
Legacies receivable	129,263	-	129,263
Other donations	147,115	79,202	226,317
<b>Total</b>	<b>455,801</b>	<b>89,825</b>	<b>545,626</b>

Prior Year	Unrestricted 2018 £	Restricted 2018 £	Total 2018 £
Gift aid donations including tax recoverable	160,640	7,000	167,640
Legacies receivable	17,000	-	17,000
Equity based loans gifted	7,250	-	7,250
Other donations	143,225	-	143,225
<b>Total</b>	<b>328,115</b>	<b>7,000</b>	<b>335,115</b>

### 3. ANALYSIS OF GRANTS RECEIVABLE

	Unrestricted 2019 £	Restricted 2019 £	Unrestricted 2018 £	Restricted 2018 £
Archbishop's Council	-	2,500	2,500	-
Chapman Charitable Trust	6,000	-	6,000	-
Christian Aid	-	-	-	10,000
Church Mission Society, Oxford	-	5,000	-	8,000
Essex Community Foundation	-	-	-	750
Groundwork UK	-	3,000	-	2,000
Anonymous donor	-	15,000	-	-
Leonard Stocks Trust	-	-	1,000	-
Marsh Christian Trust	-	-	-	550
Matthew 25:35 Trust	-	-	-	5,000
Methodist Church & Methodist Conference	-	15,000	-	-
R B M Quayle Trust	-	-	500	-
Rievalux (Devon) Fund	1,200	-	-	-
Sir Halley Stewart Trust	-	-	-	10,000
Society of the Holy Child Jesus	-	17,000	-	-
Suffolk County Council	-	-	-	750
Tearfund	-	7,500	-	7,500
The Banister Charitable Trust	-	-	-	5,000
The Beaumont Charitable Trust	750	-	-	-
The Britland Charitable Trust	10,000	-	-	-
The Dorema Charitable Trust	1,000	-	1,000	-
The Inlight Trust	-	-	-	10,000
The Jerusalem Trust	-	20,000	-	-
The Monkswold Trust	600	-	-	-

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### ANALYSIS OF GRANTS RECEIVABLE (continued)

	Unrestricted 2019 £	Restricted 2019 £	Unrestricted 2018 £	Restricted 2018 £
The Tedworth Charitable Trust	-	-	-	5,000
The Torrs Charitable Trust	-	-	1,000	-
The Truemark Trust	-	-	-	3,000
The United Reformed Church	-	2,000	-	2,000
Tisbury Telegraph Trust	1,000	-	1,000	-
Tufton Charitable Trust	-	1,000	-	1,000
Other grants less than £400 each	3,458	700	4,518	3,758
<b>Total</b>	<b>24,008</b>	<b>88,700</b>	<b>15,918</b>	<b>70,890</b>

### 4. OTHER INCOME

	Total 2019 £	Total 2018 £
Sales & Royalties	11,087	6,136
Service income	1,719	704
Other income	7,820	4,037
Interest Income	644	227
<b>Total</b>	<b>21,270</b>	<b>11,104</b>

### 5. EXPENDITURE ON RAISING FUNDS

	Direct 2019 £	Support 2019 £	Total 2019 £
Staff costs	29,008	-	29,008
Other costs	9,751	-	9,751
<b>Total costs</b>	<b>38,759</b>	<b>-</b>	<b>38,759</b>
<b>Prior Year</b>	<b>Direct 2018 £</b>	<b>Support 2018 £</b>	<b>Total 2018 £</b>
Staff costs	35,748	-	35,748
Other costs	10,577	-	10,577
<b>Total costs</b>	<b>46,325</b>	<b>-</b>	<b>46,325</b>

The above included £38,759 (2018: £46,325) of unrestricted expenditure and £NIL (2018: £NIL) of restricted expenditure.

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 6. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct 2019 £	Support 2019 £	Total 2019 £
Engagement including Eco-Church	119,028	214,713	333,741
Conservation and Education	177,298	68,326	245,624
<b>Total</b>	<b>296,326</b>	<b>283,039</b>	<b>579,365</b>
<b>Prior year</b>	<b>Direct 2018 £</b>	<b>Support 2018 £</b>	<b>Total 2018 £</b>
Conservation and Education	159,997	159,069	319,066
Engagement including Eco-Church	108,131	135,651	243,782
<b>Total</b>	<b>268,128</b>	<b>294,720</b>	<b>562,848</b>

The above included £477,196 (2018: £415,836) of unrestricted expenditure and £40,928 (2018: £147,012) of restricted expenditure. Restricted expenditure is limited to the value of grants received in the year which are allocated to the salary costs of particular roles; the remainder is allocated to unrestricted.

### 7. SUPPORT COSTS

	Total 2019 £	Total 2018 £
Staff costs	138,607	154,523
Staff recruitment and development	2,562	14,932
Volunteer support	2,817	2,415
Events, marketing and communications	28,479	25,121
Equipment and materials	-	395
Alliances and affiliations	11,748	11,852
Telephone, stationery and IT	27,474	19,619
Bookkeeping and payroll	2,569	2,170
Equipment leasing	1,356	2,001
Travel and subsistence	13,245	16,470
Premises costs	16,331	13,333
Other costs	4,672	4,734
Depreciation	10,396	9,360
Loan interest	5,964	5,964
Governance costs:		
Legal and professional fees	6,489	5,599
Audit fees	5,460	4,000
Other fees to auditors	4,830	2,000
Trustees' expenses	40	232
<b>Total</b>	<b>283,039</b>	<b>294,720</b>

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 8. NET INCOME / (EXPENDITURE)

	2019 £	2018 £
This is stated after charging:		
Depreciation	10,749	9,360
Auditors' remuneration – tax assistance	4,830	2,000
Interest expense on concessionary loans	5,964	5,964
Operating lease expense – Plant and equipment	1,195	598
	<u>10,749</u>	<u>9,360</u>

The above Auditors' remuneration non-audit fees are tax services provided. This excludes the audit fee £5,460 (2018: £4,000).

### 9. STAFF COSTS

	2019 £	2018 £
Wages and salaries	380,805	363,919
National Insurance	29,943	37,539
Pension contributions	32,235	28,046
	<u>442,983</u>	<u>429,504</u>
Sabbatical costs	-	3,329
<b>Total</b>	<u><b>442,983</b></u>	<u><b>432,833</b></u>

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

	2019 £	2018 £
Charity directors	2	3
Direct	7	6
Fundraiser	1	2
Administration	6	4
<b>Total</b>	<u><b>16</b></u>	<u><b>15</b></u>

One (2018 – 1) employee received remuneration during the year amounting to more than £60,000 but less than £70,000 (excluding employer pension contributions).

The key management personnel are considered to be the trustees and the four members of the senior management team. The total employee benefits relating to key management personnel were £207,192 (2018: £170,518).

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 10. TANGIBLE FIXED ASSETS

	Freehold property £	Property improvements £	Office equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2019	896,288	62,142	19,135	977,565
Additions	-	-	5,029	5,029
Disposals	-	(363)	-	(363)
At 31 December 2019	<u>896,288</u>	<u>61,779</u>	<u>24,164</u>	<u>982,231</u>
<b>Depreciation</b>				
At 1 January 2019	67,367	31,765	15,498	114,630
Charge for the year	5,049	2,819	2,888	10,756
Disposals	-	(9)	-	(9)
At 31 December 2019	<u>72,416</u>	<u>34,575</u>	<u>18,386</u>	<u>125,377</u>
<b>Net book value</b>				
At 31 December 2019	<u>823,872</u>	<u>27,204</u>	<u>5,778</u>	<u>856,854</u>
At 31 December 2018	<u>828,921</u>	<u>30,377</u>	<u>3,637</u>	<u>862,935</u>

The charity has applied the transitional arrangements of Section 35 of FRS 102 and measured its freehold property at The Avenue, Southall at a valuation of £850,000 and used that valuation as its deemed cost at the date of transition, being 1 January 2014. The property was valued by an independent valuer using market based evidence for similar properties sold in the local area. The original cost was £644,269. The charity's land at Foxearth continues to be held at its historic cost of £46,288.

### 11. DEBTORS

	2019 £	2018 £
Trade debtors	630	2,850
Prepayments and accrued income	10,193	89,809
<b>Total</b>	<u>10,823</u>	<u>92,659</u>

### 12. STOCKS

	2019 £	2018 £
Items held for resale	<u>323</u>	<u>1,074</u>

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	10,002	17,191
Taxation and social security	7,997	7,142
Other creditors	12,366	9,410
Accruals	42,780	51,634
Deferred income	-	23,000
<b>Total</b>	<b>73,145</b>	<b>108,377</b>

During the year, the charity collected donations and associated Gift Aid as agent for A Rocha International and other international A Rocha organisations, and passed these on net of a service charge. The total received as agent during the year was £26,721 (2018: £20,675) and £11,449 (2018: £5,831) respectively.

Total deferred income received prior year, £23,000 relates to a time related donated.

### 14. CREDITORS: FALLING DUE AFTER MORE THAN ONE YEAR

	2019 £	2018 £
Supporter loans	<b>447,463</b>	<b>452,999</b>

The supporter loans are all repayable on 1 June 2022, together with any accrued interest. Of the £432,000 loan capital (2018 - £443,500), £134,000 (2018 - £145,500) is interest-free and £298,000 (2018 - £298,000) bears interest at 2% per annum. All of the loans are considered to be concessionary.

### 15. MOVEMENT ON FUNDS

Current year:	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	At 31 Dec 2019 £
<b>Unrestricted funds:</b>					
General funds:	261,490	501,079	(477,196)	-	285,373
Revaluation reserve	205,731	-	-	-	205,731
	<b>467,221</b>	<b>501,079</b>	<b>(477,196)</b>	-	<b>491,104</b>
<b>Restricted funds:</b>					
Engagement	5,588	-	(5,588)	-	-
Conservation and Education	-	35,510	(30,067)	-	5,443
Eco Church	-	129,418	(93,463)	-	35,955
Partners in Action	-	13,597	-	-	13,597
Premises fund	11,810	-	(11,810)	-	-
	<b>17,398</b>	<b>178,525</b>	<b>(140,928)</b>	-	<b>54,995</b>
<b>Total funds</b>	<b>484,619</b>	<b>679,604</b>	<b>(618,124)</b>	-	<b>546,099</b>

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

Prior year	At 1 Jan 2018 £	Income £	Expenditure £	Transfers £	At 31 Dec 2018 £
<b>Unrestricted funds:</b>					
General fund	393,855	355,137	(462,161)	(25,341)	261,490
Revaluation reserve	205,731	-	-	-	205,731
	<b>599,586</b>	<b>355,137</b>	<b>(462,161)</b>	<b>(25,341)</b>	<b>467,221</b>
<b>Restricted funds:</b>					
Engagement	7,020	46,050	(47,482)	-	5,588
Conservation and Education	25,316	31,840	(82,497)	25,341	-
Premises fund	28,843	-	(17,033)	-	11,810
	<b>61,179</b>	<b>77,890</b>	<b>(147,012)</b>	<b>25,341</b>	<b>17,398</b>
<b>Total funds</b>	<b>660,765</b>	<b>433,027</b>	<b>(609,173)</b>	<b>-</b>	<b>484,619</b>

### Revaluation reserve

The revaluation reserve was recognised on the revaluation of the freehold property.

### Engagement

Work in this focuses on promotion of the Eco Church scheme which is an online toolkit to help churches care for creation. This programme was phased out in 2019 and remaining balance have been transferred to Eco Church which is part of the Engagement programme.

### Conservation and education

The core of this strand of work is developing our two reserves for the enjoyment and education of local communities and also as sites that demonstrate models of high quality, scientifically based conservation. In addition, a growing focus is the Partners in Action programme, whereby A Rocha is convening and advising Christian land managers on the management of their land for nature, and the environmental education of visitors to their organisations.

The fund transfers line represents unrestricted funds used to cover the expenditure, net of the purchase of fixed assets from restricted income.

### Premises fund

The premises fund was set up in 2017 to enable the charity to retain and develop its premises in Southall. The fund transfer relates to the repayment of the previous equity-based loan net of funds received by the issuing of the new loans redeemable in 2022. The trustees used the balance on this fund to develop the premises.

# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

### 16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year:	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	856,854	-	856,854
Net current assets	81,173	54,995	136,708
Creditors due after more than one year	(447,463)	-	(447,463)
<b>Total</b>	<b>491,104</b>	<b>54,995</b>	<b>546,099</b>
Prior year:	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	862,935	-	862,935
Net current assets	57,285	17,398	74,683
Creditors due after more than one year	(452,999)	-	(452,999)
<b>Total</b>	<b>467,221</b>	<b>17,398</b>	<b>484,619</b>

### 17. OPERATING LEASES

As at the balance sheet date, the charity was committed under non-cancellable operating leases to make the following annual minimum payments:

Other	2019 £	2018 £
Less than 1 year	1,195	1,195
2 to 5 years	2,988	4,183
Greater than 5 years	-	-
<b>Total</b>	<b>4,183</b>	<b>5,378</b>

### 18. PENSION COSTS

The charitable company operates a defined contribution pension scheme. Pension costs for the year have been charged at £32,235 (2018: £28,046) as outlined above. At the year end, £nil was owed to the scheme (2018: £3,115).

### 19. RELATED PARTY TRANSACTIONS

During the year, no trustees received any remuneration nor benefits (2018: £NIL).

Trustee D F Chandler received reimbursement of travel and meeting expenses amounting to £40 (2018: 1; £286). These amounts include reimbursements of costs on occasions where the trustee was acting only as a volunteer.

Eight trustees made donations without conditions attached totalling £4,042 (2018: £9,105). Additionally, £nil (2018 £4,113) was donated by one trustee with restrictions to be spent on conservation projects.



# A ROCHA UK

## NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2019

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Throughout the year, the Charity continued its affiliation with A Rocha International, another UK based charity. The Charity was charged £10,000 (2018: £10,000) in affiliation fees and there was no other related party transactions made in the year.

During the year, J. Peterson provided a 6 month interest-free loan to ARUK totalling £20,000. This was repaid in full in the year.

There were no further related parties in the year (2018: none).

### 20. POST BALANCE SHEET EVENTS

The Coronavirus Pandemic is a non-adjusting post balance sheet event and therefore no adjustments have been made to these financial statements for the economic impact that may arise.

It is recognised that the effects on the Company as a result of the Coronavirus Pandemic are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effect unknown. This could lead to future material adverse impacts on the activities of the business due to factors outside the control of the directors.

The Company directors have considered a range of financial outcomes and conclude that the Company has sufficient cash resources to continue its activities. As events evolve the directors will take all necessary measures to minimise where possible negative impacts on the business.