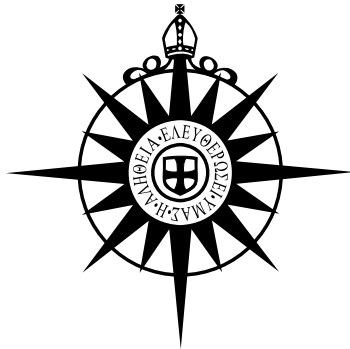


ANGLICAN CONSULTATIVE COUNCIL

REPORT AND FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 DECEMBER 2007**

Registered Charity No. 276591



**Auditors:
MAZARS LLP
Chartered Accountants & Registered Auditors
Times House
Throwley Way
Sutton SM1 4JQ**

**ANGLICAN CONSULTATIVE COUNCIL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2007**

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ANGLICAN CONSULTATIVE COUNCIL

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS

CONSTITUTION

The Anglican Consultative Council is established by constitution subscribed to by the member churches of the Anglican Communion and is a charity registered in England and Wales, number 276591.

TRUSTEES

The Trustees, who are the members of the Standing Committee of the Council, are incorporated under the Charitable Trustees Incorporation Act 1872.

Those acting as Trustees during the financial year ending 31 December 2007 were the following:

Holding office throughout the year were:

The Most Revd. and Rt. Honourable the Archbishop of Canterbury
The Rt. Revd. John Paterson
Professor George Koshy
Mrs Philippa Amable
Mrs Jolly Babirukamu
Mr Robert Fordham
The Rt. Revd. Kumara Illangasinghe
Canon Elizabeth Paver
The Rt. Revd. James Tengatenga
Ms Nomfundo Walaza

ANGLICAN CONSULTATIVE COUNCIL

PRESIDENT: The Most Revd. & Rt. Hon the Archbishop of
Canterbury

CHAIRMAN: The Rt. Revd John Paterson

VICE CHAIRMAN: Professor George Koshy

**CHAIRMAN OF INTER-ANGLICAN
FINANCE COMMITTEE:** The Rt. Revd John Paterson

SECRETARY GENERAL: The Revd. Canon Kenneth Kearon

REGISTERED OFFICE: St Andrew's House
Westbourne Park
16 Tavistock Crescent
LONDON W11 1AP

AUDITORS: Mazars LLP
Chartered Accountants
Times House
Throwley Way
SUTTON SM1 4JQ

SOLICITORS: Winckworth Sherwood
16 Beaumont Street
OXFORD OX1 2LX

BANKERS: The Royal Bank of Scotland Plc, LONDON
BankersTrust Private Banking, NEW YORK

ANNUAL REPORT OF THE TRUSTEES

The Trustees are pleased to present this report and Financial Statements for the year ended 31st December 2007.

Structure, Governance and Management

The governing document of the Anglican Consultative Council is the constitution subscribed to by the member churches of the Anglican Communion.

The Focus of Unity for the Anglican Communion of Churches is the Archbishop of Canterbury, in his international role as the primus inter pares amongst Anglican bishops. There are three recognised Instruments of Communion that serve the worldwide family of Anglican and Episcopal churches, which represent roughly 85 million adherents. They are the Lambeth Conference (called by the Archbishop of Canterbury for Anglican bishops, and which meets every 10 years), the Primates Meeting (regular meetings for the senior Archbishops, presiding bishops or moderators of the 38 Provinces of the Communion), and the Anglican Consultative Council (which meets every three years, and includes in its membership, lay persons, clergy and bishops).

The Trustees are appointed by the delegates to the Anglican Consultative Council and hold office until the last session of the Anglican Consultative Council which they would be entitled to attend as delegates (delegates are entitled to serve for three successive Council meetings).

The Trustees, who should be persons duly qualified by relevant skills and experience, are known as the Standing Committee. The Archbishop of Canterbury shall always be the President of the Council ex officio. The Council elect a Chairman and Vice Chairman and seven other Trustees. The Trustees meet at least once every year.

The Trustees, with the consent of the delegates of the Council and in conjunction with the Primates Meeting, appoint a finance committee of five member to be called the Inter Anglican Finance and Administration Committee which is responsible for co-ordinating the finances required by Council and the Primates Meeting. The Committee, made up of two members appointed by the Primates Meeting and three delegates appointed by Anglican Consultative Council, usually meet prior to Standing Committee meetings and report to that meeting.

The Trustees are aware of the Guidance recently promulgated by the Charity Commission under the Charities Act 2006 in relation to Public Benefit and are mindful of their obligations to have regards thereto. While confident of their activities in pursuit of their objects are delivering Public Benefit, the Trustees are considering the implications of the Guidance and will have regard to the presaged reporting requirements in due course.

Risk Management

The Board of Trustees has reviewed during the year an assessment of the risks to which the charity is exposed, particularly business, operational and financial risks. Procedures will be introduced to manage and reduce the identified risks.

The Trustees are aware that the Council is insufficiently resourced by the member churches at present for the programmes of work it is charged with carrying out. Financial viability is essential and insufficient income generation and the fact that over half of the member contributions come from two provinces are significant risks, especially when relationships within the Communion are strained.

Objectives Achievements and Activities

The Anglican Consultative Council has been constituted to facilitate, *inter alia*, the co-operative work of the member churches of the Anglican Communion, to consult about developments in the Provinces, to develop agreed Anglican policies in the world mission of the Church and to encourage and guide Anglican participation in ecumenical dialogue and interfaith work at an international level.

The secretariat of the Anglican Consultative Council, known generally as the Anglican Communion Office, is headed by the Secretary General, the Revd Canon Kenneth Kearon, and serves the Instruments of Communion.

In order to achieve the aims of the Consultative Council as set out in its constitution, the work of the Anglican Communion Office, under the direction of the Secretary General, is divided into seven major departments to implement different aspects of the Council's work. The departments are:

- Secretary General's Office
- Communication and Telecommunications
- Ecumenical Affairs and Studies
- Finance and Administration
- Mission and Evangelism
- Theological Studies
- UN Observer's Office

The **Secretary General's Department** is responsible for the management of the work of the Anglican Communion Office and for carrying forward the programme and meetings of the Anglican Consultative Council and the other Instruments of Communion.

The Joint Standing Committee met twice during 2007. In February 2007 they met in Dar es Salaam, Tanzania to coincide with the Primates Meeting and met face to face with the Primates for one day. Following the Communique from the Primates Meeting, the Presiding Bishop of the Episcopal Church invited the Archbishop of Canterbury together with the Joint Standing Committee to join with the House of Bishops of the Episcopal Church at their meeting in New Orleans in September 2007 to converse with them about the current tensions encountered in the Anglican Communion.

At the request of the Joint Standing Committee, the Archbishop of Canterbury, in conjunction with the Secretary General, appointed the Covenant Design Group and they met in January 2007. The Group have been set the task of drawing up the text of a possible Covenant and to look at how it might be implemented in the Communion.

The **Communication Department** is responsible for all media and press relations for the conciliar Instruments of Communion, and works in co-operation with the Provincial Press Offices, and the Press Officer of the Archbishop of Canterbury. It also facilitates communication and telecommunication work across the Communion, including the production of the Anglican Communion's official quarterly magazine 'Anglican Episcopal World', the maintenance of the official Anglican Communion website and the electronic Anglican Communion News Service. The production of the Anglican & Episcopal World magazine has been suspended following the December issue due to the difficult financial situation and the small number of paid subscribers.

The work on **Telecommunications** continues to develop with the launch of the new design of the Anglican Communion website and a web portal that will enable the Churches in the Communion to share their news. The department is indebted to Trinity Church Wall Street Grants Programme and the Compass Rose Society for their continuing support of Communication work.

The **Ecumenical Affairs Department** is responsible for the main international dialogues with other Christian churches and traditions, and for the representative work of the Communion in the ecumenical sphere. There are currently five bilateral conversations: with the Oriental Orthodox, the Eastern Orthodox, the Roman Catholic Church, the Old Catholics and the Lutheran World Federation. In addition, the department continues its work with the Inter-Anglican Standing Commission for Ecumenical Relations (IASCER) and the Inter-Anglican Theological and Doctrinal Commission (IATDC), and the Director maintains a busy schedule of representation of the Communion in both bilateral and multilateral work. The Agreed Statement of the International Anglican – Roman Catholic Commission for Unity and Mission (IARCCUM), *Growing Together in Unity and Mission* was published and will play a significant role in the Ecumenical agenda at the Lambeth Conference. So too will the report of the Anglican – Eastern Orthodox dialogue, *The Church of the Triune God*, which was published by the Anglican Communion Office at the end of January.

Two Commissions are currently active and working steadily towards the completion of their mandate. The Anglican – Lutheran International Commission met in July and the Anglican-Old Catholic International Co-ordinating Council met in March.

The **Finance and Administration Department** carries out the work of maintaining and furthering the work of the Office, including financial responsibilities, staff issues and ACO services such as provision for travel, and the upkeep and maintenance of Saint Andrew's House.

A questionnaire seeking to establish the profile of **Mission and Evangelism** within the Anglican Communion was distributed in April. Many responses were received from all parts of the Anglican Communion, and the conclusions and insights from the survey will be published as a short report in time for the Lambeth Conference. The TEAM conference (Towards Effective Anglican Mission) attracted over 350 participants from over 56 countries to South Africa in March.

The chief responsibilities of the **Department of Theological Studies** relate to the working party for Theological Education for the Anglican Communion (TEAC) which has been established by the Anglican Primates to make recommendations and practical proposals for the reinvigoration of theological education within the life of the Anglican Communion, and the Network for Inter-Faith Concerns. TEAC met in Singapore in May and produced a keynote document *The Anglican Way: Signposts on a Common Journey* which seeks to set out the essentials of the Anglican Way, particularly in terms of the needs of theological education. TEAC appointed three regional associates from around the Communion on a one day per week basis to further share its important work in the regions and to gain their insight into needs. Grateful thanks are due to Trinity Church, Wall Street, and the St Augustine's Foundation, without whose financial support this ministry would not happen. Thanks are also due to the Compass Rose Society who had enabled books from the Anglican Way booklist to be purchased and sent to 20 theological colleges across the globe.

The Inter Anglican Theological and Doctrinal Commission met in Malaysia in September and successfully completed its report on the nature of Communion which lay at the heart of the mandate with which the Commission was established. The report *Communion, Conflict and Hope* will be published shortly.

The Office of the **Anglican Observer at the United Nations** is based in New York and forms a direct link to the world's only truly international forum. The Observer's office has a Category II Consultative status with the UN Economic and Social Council, which permits consultation with the UN Secretariat on matters of mutual concern, attendance at the Council's meetings and the submission of oral and written interventions relevant to the Council's work.

Hellen Akwii-Wangusa was installed as the new UN Observer in February at a ceremony at Trinity Church Wall Street. The Office strives to voice the concerns of the Communion to the

appropriate UN bodies, NGO's and governments with special focus on environmental and health issues. An office was established in Geneva in 2007.

Finance for the Observer is provided jointly by the Advisory Council to the UN Observer's office, the Inter-Anglican Budget, Trinity Church Wall Street, the Archbishop of Canterbury, the Archbishop of Canterbury's Anglican Communion Fund and the Anglican Investment Agency. The Observer's office space continues to be provided by The Episcopal Church in the United States of America.

Further detailed information of all the Council activities may be obtained from the website www.anglicancommunion.org

Donations in kind

Reference has been made at different stages in this report to contributions from various quarters to the work of the Council. Some have been financial, others in the form of the provision of personnel or facilities. Among these 'contributions in kind' are office space for the Anglican Observer at the United Nations provided by the Episcopal Church of the United States of America. The Trustees would also wish to acknowledge the generosity of the Trustees of the Community of St Andrew in enabling them to lease St Andrew's House for a peppercorn rent.

Grant Making Policies

The Council administers grants in accordance with the restricted purposes for which the Funds were originally donated. Grants are paid as soon as the applications have been received and approved.

Financial Report for the Year Ended 31 December 2007.

The Trustees have considered the appropriateness of the preparation of these financial statements on the basis of a going concern. In so doing, the Trustees have had regard to the fund balances at 31 December 2007, and the forecast income and expenditure for the year ending 31 December 2008. In the light of this, the Trustees are of the opinion that the going concern basis remains appropriate and have prepared these statements on that basis.

The accounts have been produced in a format designed to comply with the Statement of Recommended Practice (SORP) 2005 and the Charities Act 1993 with which all charities in England and Wales have to comply.

The Balance Sheet sets out the overall financial position of the Council at the end of December 2007. A separate charitable company, The Lambeth Conference was registered at the very end of 2006 and therefore these statements show the transfer of Lambeth Conference Funds away from ACC. Separate Accounts for The Lambeth Conference will be prepared and audited.

It will be noted that each fund category is dealt with in a separate column, which is referenced to notes in the accounts. The total fund balances at the end of 2007 (Reserves) were £2,851,192.

Note 7 to the account gives the details of the Council's investments, which were held in the COIF Charities and CBF Church of England Investment Funds.

Cash reduced from £854,272 to £454,815 as set out in the Cash Flow Statement which accompany these financial statements (Note 9). This reflected the transfer out of Lambeth Conference funds.

The main summary of financial transactions through the year is the 'Statement of Financial Activities' or 'SOFA'. This statement includes income and expenditure, transfers between the different funds and gains or losses on the values of investments. Separate subsidiary

statements, set out in the same 'SOFA' format, show in more detail 'General Fund' transactions related to the Core Budget, 'Designated Funds', 'Special Project Funds', 'Endowment', the 'Property Reserve' and 'Funds held for Others'. Supplementary information is included in the notes to the accounts.

The General Fund Statement of Financial Activities show a surplus of £18,950 for the year which increases Reserves to £113,391 of which £41,216 are free reserves.

The provinces were asked by a resolution at ACC13 to increase their budget contributions by 4% to resource the extra work they had asked to be carried out. Inter Anglican Budget Contributions remained flat in 2007, not helped by the continuing weakness of the US dollar against the Sterling pound. It was encouraging to note that Compass Rose Society donations increased.

In the difficult circumstances, a surplus was not expected but due to tight control of expenses this was achieved. The Trustees were able to make a grant of £3,000 to the Anglican Centre in Rome, which has just celebrated its 40th anniversary.

The Designated Fund Statement of Financial Activities shows funds that are still unrestricted and should form part of overall unrestricted reserves. The Council designates these funds by transfer from General Funds for meetings which do not take place every year. Funds of £179,442 have been designated for meetings to be held in future years, including ACC14 in 2009.

The Restricted Funds still fund vital parts of the Council's work but because the Council is so under resourced, the Trustees are grateful to the generous grants and donations which fund specific aspects of the work which the contributions of the member provinces do not cover. (Theological Education, UN Observer, NIFCON, Family Network, Liturgical).

The Restricted Fund Balance at the end of the year was £425,375 of which the major constituent was the Personal Emergencies Fund £232,809 which uniquely assists clergy and members of their families facing personal medical emergencies. Claims of nearly £47,000 were paid out of the Personal Emergencies Fund in the year.

The Endowment Fund now stands at £622,750 and it has been set up to support the work of the United Nations Observer's office. The Property Reserve (which is classified as a Restricted Fund) has been used to fund the St Andrew's House refurbishment costs and stands at £1,510,234. There remains a gap in the value of the Fund and the value of the depreciating Fixed Asset, Leasehold Property, in the Balance Sheet (£1,550,291) of £40,057.

The Funds Held for Others do not form part of the aggregated Statements as these are merely held on behalf of others as if ACC were the banker.

Investment Policy

Presently ACC have invested in equities £0.8 million in respect of endowment funds and restricted funds. Investments of nearly £1 million were transferred to the new company, The Lambeth Conference.

These funds are invested in CBF Church of England Investment Fund Shares which met the Trustees' ethical concerns. There are sufficient funds presently to be invested in a pooled arrangement only.

The Trustees do not consider it prudent to invest General Funds for the longer term because reserves are scarce. Funds are therefore retained as cash and placed on bank deposit at the best rate obtainable.

Reserves Policy

The Trustees have examined ACC's requirements for free reserves in the light of the predominant risks to the organisation. The General Fund (core budget) costs are of the order of £1.3million per annum. Our present General Fund Reserves are insufficient and the Trustees policy is to plan an operating surplus to build up reserves to a level of at least three months operating costs before further review.

Looking Forward

The Anglican Covenant Design Group met again in January 2008 and examined responses to the draft Covenant from the provinces and prepared a subsequent text to move the process forward to the Lambeth Conference and beyond.

The Archbishop of Canterbury announced the formation of the Windsor Continuation Group as proposed in his Advent letter. The Group will address outstanding questions arising from the Windsor Report and the various formal responses from Provinces and instruments of the Anglican Communion. The Group will be working intensively in the period running up to the 2008 Lambeth Conference where its initial work will contribute to the shared discernment of the bishops in strengthening the life and identity of the Anglican Communion.

On the Ecumenical front preparatory work will continue towards the setting up of two new Commissions which are likely to meet early in 2009. These are the third phase of the Anglican – Roman Catholic International Commission and a new Anglican – Methodist International Commission for Unity in Mission.

The Trustees will continue their work to strengthen the structures of the Anglican Communion in order that they may better cope with the demands put on them.

The UN Observer's Office will continue its work of advocacy and diplomacy at the UN. In the areas of Women's Rights and Children's Rights, this office will focus on financing for gender equality and the situation of the Girl Child. The latter theme includes such important advocacy issues as prostitution and sex trade, exploitation, harmful traditional practices, but also access to primary education, and many more. The office will look to add a new dimension to the involvement of the Anglican women at the UN, working on an advocacy training project that would include women from most of the provinces of the Communion.

Advocacy for the Rights of Indigenous Peoples will be an important part of our activities. This field is closely related to the work on the environment and sustainable development. Corporate environmental ethics and responsibility will be the focus of work with NGOs and UN organizations.

Trustees' responsibilities in relation to the financial statements

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standard and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 1993, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. The trustees are responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The Auditors, Mazars LLP, have signified their willingness to continue in office.

Approved by the Trustees
and signed on their behalf by:

+ 
31/10/2008

Report of the Independent Auditors to the Trustees of The Anglican Consultative Council

We have audited the financial statements of Anglican Consultative Council for the year ended 31 December 2007 which comprise the Statement of Financial Activities, the Balance Sheet, and related notes. These financial statements have been prepared under and the accounting policies set out there in.

This report is made solely to the trustees in accordance with section 43 and 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an 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 charity and the charity's trustees for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The charity's trustees are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Charity's trustees are responsible for the preparation of financial statements for each financial period, which give a true and fair view of the charity's incoming resources and application of resources during the period and of its state of affairs at the end of the period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees' responsibilities include keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the charity's assets and hence for taking reasonable steps for the prevention and detection of fraud and breaches of laws and regulations.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to the trustees.

We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Basis of opinion

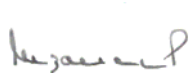
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming an opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom General Accepted Accounting Practice, of the state of the Charity's affairs as at 31 December 2007 and of its incoming resources and application of resources, including its income and expenditure in the year then ended; and
- the financial statements have been properly prepared in accordance with the Charities Act 1993; and
- the information given in the trustees' Report is consistent with the financial statements.


Mazars LLP
Chartered Accountants
And Registered Auditors

Times House
Throwley Way
SUTTON SM1 4JQ

Dated: *2 October, 2007*

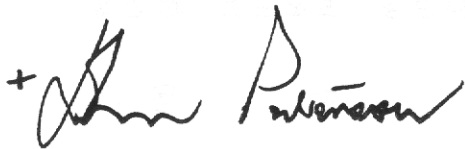
**Statement of Financial Activities
For the Year Ended 31st December 2007**

	Notes	Unrestricted £	Restricted £	Endowment £	Total 2007 £	Total 2006 £
Incoming Resources						
Incoming Resources from Charitable Activities						
Inter Anglican Budget Contributions		1,134,745	-	-	1,134,745	1,129,496
Compass Rose Donations		176,622	23,809	-	200,431	159,786
Donation from Hong Kong Sheng Kung Hui		-	-	-	-	500,000
Other Donations		19,822	392,921	-	412,743	480,688
Miscellaneous Income		64,341	-	-	64,341	39,320
Publications		10,464	1,221	-	11,685	26,924
Investment Income		8,156	7,589	630	16,375	59,658
		-	-	-	-	-
Total Incoming Resources		1,414,150	425,540	630	1,840,320	2,395,872
Resources Expended						
Charitable Activities						
Meetings & Networks		558,150	124,497	-	682,647	670,815
Ecumenical		261,526	22,132	-	283,658	330,254
Mission & Evangelism		59,083	55,636	-	114,719	121,333
Communications and Magazine		275,335	48,242	-	323,577	396,205
Theological Education		33,450	116,031	-	149,481	125,610
UN Observer's Office		24,080	164,646	-	188,726	209,189
Total Charitable Activities		1,211,624	531,184	-	1,742,808	1,853,406
Governance Costs		102,078	10,691	-	112,769	91,793
Total Resources Expended	3	1,313,702	541,875	-	1,855,577	1,945,199
Net Incoming/(Outgoing) pre transfers		100,448	(116,335)	630	(15,257)	450,673
Transfer to Lambeth Conference New Company		(595,709)	(800,772)	-	(1,396,481)	-
Inter-account Transfers		(30,424)	66,424	(36,000)	-	-
Unrealised Investment Gains/(Losses)		-	4,468	35,114	39,582	173,366
Net Movement in Funds	4	(525,685)	(846,215)	(256)	(1,372,156)	624,039
Opening Balance 1 January 2007		818,518	2,781,824	623,006	4,223,348	3,599,309
Closing Balance 31 December 2007		292,833	1,935,609	622,750	2,851,192	4,223,348

Baalance Sheet 31st December 2007

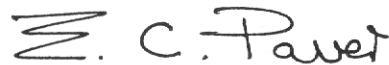
	Notes	Unrestricted		Restricted		Property	Endowment	Funds for Others	Total 2007	Total 2006
		General	Designated	Restricted						
		£	£	£		£	£	£	£	£
Fixed Assets										
Office Equipment	6	32,118	-	-	-	-	-	-	32,118	53,399
Leasehold Property	6	-	-	-	1,550,291	-	-	-	1,550,291	1,657,208
Investments	7	-	-	187,125	-	-	613,630	-	800,755	1,783,981
		<u>32,118</u>	<u>-</u>	<u>187,125</u>	<u>1,550,291</u>	<u>613,630</u>	<u>-</u>	<u>-</u>	<u>2,383,164</u>	<u>3,494,588</u>
Current Assets										
Amounts Receivable	8a	126,278	-	29,022	-	-	-	-	155,300	169,592
Cash at Bank and in Hand	9	79,716	179,442	209,228	-	40,057	9,120	17,366	454,815	854,272
		<u>205,994</u>	<u>179,442</u>	<u>238,250</u>	<u>-</u>	<u>40,057</u>	<u>9,120</u>	<u>17,366</u>	<u>610,115</u>	<u>1,023,864</u>
Current Liabilities										
Funds for Others		-	-	-	-	-	-	17,366	17,366	178,912
Creditors - less than one year	8b	124,721	-	-	-	-	-	-	124,721	116,192
		<u>124,721</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,366</u>	<u>142,087</u>	<u>295,104</u>
Net Current Assets/Liabilities										
		<u>81,273</u>	<u>179,442</u>	<u>238,250</u>	<u>-</u>	<u>40,057</u>	<u>9,120</u>	<u>-</u>	<u>468,028</u>	<u>728,760</u>
Total Assets less Liabilities										
		<u>113,391</u>	<u>179,442</u>	<u>425,375</u>	<u>1,510,234</u>	<u>622,750</u>	<u>-</u>	<u>-</u>	<u>2,851,192</u>	<u>4,223,348</u>
Fund Balances										
	10	<u>113,391</u>	<u>179,442</u>	<u>425,375</u>	<u>1,510,234</u>	<u>622,750</u>	<u>-</u>	<u>-</u>	<u>2,851,192</u>	<u>4,223,348</u>

Approved by the Trustees
and signed on their behalf by:

+ 

Chair

31/10/2008



Trustee

Anglican Consultative Council
Notes to the Financial Statements
For the year ended 31 December 2007

Note 1 - Accounting Policies

Accounting Conventions

- (a) The financial statements are prepared in accordance with applicable UK accounting standards, the Statement of Recommended Practice" (SORP) issued in 2005 and the Charities Act 1993.
- (b) The historic cost convention applies to the treatment of Tangible Fixed Assets, except for investments, which are included at market value. Expenditure above £500 is capitalised.
- (c) **Going Concern** The Trustees have considered the appropriateness of the preparation of these financial statements on the basis of a going concern. In so doing, the Trustees have had regard to the fund balances at 31 December 2007, and the forecast income and expenditure for the year ending 31 December 2008. In the light of this, the Trustees are of the opinion that the going concern basis remains appropriate and have prepared these statements on that basis.
- (d) **Income** The most substantial source of income for the Council is the contributions from the member churches of the Anglican Communion. These contributions are accounted for on a cash received basis except that accrual is made for late contributions received prior to the completion of the year's accounts. A similar principle is adopted in relation to certain substantial donations received late but supporting expenditure for the year. Subscriptions income for the magazine 'Anglican World' is dealt with on a receipts basis. Otherwise, the accounts are kept on an accruals basis.
- (e) **Expenditure** In relation to the SORP requirement to distinguish between 'Direct Charitable Expenditure' 'Fund Raising and Publicity' and 'Other Expenditure', the constitution (paragraph 2(a)) empowers the Council 'To facilitate the co-operative work of the member Churches of the Anglican Communion'.

The facilitation role necessitates the maintenance of a Central Secretariat, the organisation of meetings, the dissemination of information and travel throughout the Anglican Communion and incurs the attendant administrative and other costs. It is considered, therefore, that the bulk of the expenditure of the Council falls into the 'Direct Charitable' category. Exceptions are costs incurred specifically in relation to fund raising and advertising, interest payable and audit and other professional fees, which are classified separately.

- (f) **Investments Gains and Losses** Investments are included at market value. Realised and unrealised gains and losses are calculated in relation to either, the market value at the end of the previous year, or, if purchase of the investments has been made in the same year as the sale, to cost.
- (g) **Grant Making Policy** The Council administers grants in accordance with the restricted purposes for which the Funds were originally donated. Grants are paid as soon as the applications have been received and approved.

**Anglican Consultative Council
Notes to the Financial Statements
For the year ended 31 December 2007**

- (h) Funds are set aside annually for specific purposes ('Designated Funds') and related expenses are charged to the appropriate fund. The balance on each fund is carried forward against expenses for future years and often includes an equalisation element for expenses incurred at irregular intervals. General and Designated Funds are classified as Unrestricted Funds available for use at the discretion of the Trustees in furtherance of the charitable objectives of ACC.
- (i) Restricted funds are funds subject to specific restrictions imposed by donors or funds provided from external sources for specific projects. The purpose of Restricted Funds are set out in the notes to the financial statements.
- (j) The general reserve, together with any other current funds not immediately required to meet expenditure, is invested on short term deposits and the income arising therefrom is credited to general funds. However, income arising from the deposit or investment of funds in accounts kept for specific projects accrues for the relevant funds.
- (k) The Council has an endowment fund for the work of the Anglican Observer at the United Nations Office. This year for the first time, some of the Endowment has been spent on this ministry.
- (l) The Property Reserve has funded the alterations to St Andrew's House. Income still needs to be raised to cover this expenditure.
- (m) The Council holds certain funds for other entities ('Funds held for Others'). On the basis that no administrative charge is made, interest generated on the funds falls to the benefit of the Council.
- (n) **Depreciation** Tangible fixed assets are depreciated on a straight line basis over their estimated useful life. The periods used are: Leasehold Property Improvements 18.5 years
Information Technology Equipment 4 years, Office Furniture and Equipment 5 years.
- (o) **Foreign Currencies** Assets, liabilities, revenues and costs expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date the transactions occur, except for:
- monetary assets and liabilities which are translated at the rate ruling at the balance sheet date.
 - transactions to be settled at a contract date and trading transactions covered by a related forward contract which are translated at those contracted rates.
 - transactions on accounts kept by overseas entities and incorporated in these accounts are generally converted at the average rate for the year.
- (p) **Pension Costs** Contributions to the Council's pension scheme in which the Council participates are charged to the Statement of Financial Activities in the period to which they relate. The Council participates in a Defined Contributions Scheme as well as a Defined Benefits Scheme.

Note 2 - Constitution

The Anglican Consultative Council is established by constitution subscribed to by all the member churches of the Anglican Communion and is a charity registered in England and Wales.

**Notes to the Financial Statements
For the Year Ended 31st December 2007
Statement of Financial Activities
Note 3**

	Staff Costs £	Other Direct Costs £	Grants £	Support Costs £	Total 2007 £	Total 2006 £		
Analysis of Resources Expended								
Unrestricted Funds (General and Designated)								
Charitable Activities								
Meetings & Networks	360,865	155,145	-	42,140	558,150	606,412		
Ecumenical	140,614	87,871	3,000	30,041	261,526	302,914		
Mission & Evangelism	45,892	3,368	-	9,823	59,083	77,674		
Communications and Magazine	165,040	47,994	-	62,301	275,335	307,692		
Theological Education	23,776	247	-	9,427	33,450	40,778		
UN Observer's Office	14,406	247	-	9,427	24,080	25,139		
Governance	71,632	343	-	30,103	102,078	91,793		
Total Unrestricted Resources Expended	822,225	295,215	3,000	193,262	1,313,702	1,452,402		
Restricted Funds								
Charitable Activities								
Meetings & Networks	16,937	76,486	-	31,074	124,497	64,403		
Ecumenical	-	-	-	22,132	22,132	27,340		
Mission & Evangelism	1,000	-	46,938	7,698	55,636	43,659		
Communications and Magazine	12,021	113	-	36,108	48,242	88,513		
Theological Education	43,841	59,931	-	12,259	116,031	84,832		
UN Observer's Office	90,348	11,846	41,769	20,683	164,646	184,050		
Governance	-	-	-	10,691	10,691	-		
Total Restricted Resources Expended	164,147	148,376	88,707	140,645	541,875	492,797		
Total Resources Expended	986,372	443,591	91,707	333,907	1,855,577	1,945,199		
Analysis of Support Costs								
	Meetings & Networks £	Ecumenical £	Mission & Evangelism £	Communications & Magazine £	Theological Education £	UN Observer £	Governance £	Total 2007 £
Office Expenses	23,344	14,014	4,249	60,250	8,414	12,973	5,351	128,595
Premises & Utilities	14,392	10,960	3,812	10,960	3,812	7,668	5,295	56,899
Depreciation	35,478	27,199	9,460	27,199	9,460	9,460	13,139	131,395
Audit Fees	-	-	-	-	-	-	11,867	11,867
Other Professional Fees	-	-	-	-	-	9	4,676	4,685
Exchange Losses	-	-	-	-	-	-	466	466
Total Analysis of Support Costs	73,214	52,173	17,521	98,409	21,686	30,110	40,794	333,907

**Notes to the Financial Statements
For the Year Ended 31st December 2007**

Note 4	2007	2006
Professional Fees	£	£
Audit Fees - current year	11,867	12,758
Accountancy & Advisory Fees	2,181	2,003
Others	2,504	10,217
	<u>16,552</u>	<u>24,978</u>

Note 5	2007	2006
Trustees & Employee Information		
Average number of full-time equivalent staff employed	20	23
	<u>£</u>	<u>£</u>
Salaries	823,514	865,639
Social Security Costs	51,806	63,591
Pension Contributions	111,052	124,661
	<u>986,372</u>	<u>1,053,891</u>

Number of employees whose emoluments were in excess of £60,000	<u>NIL</u>	<u>NIL</u>
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Expenses reimbursed to 9 Trustees (2006 : 9) in respect of travel and subsistence	<u>16,937</u>	<u>14,300</u>
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No remuneration was paid to Trustees.

**Notes to the Financial Statements
For the Year Ended 31st December 2007**

Note 6

Tangible Fixed Assets	Leasehold Property £	Information Technology Equipment £	Office Furniture & Equipment £	Total 2007 £
Cost				
At 31 December 2006	1,975,549	49,620	101,496	2,126,665
Additions	-	1,684	1,513	3,197
Disposals	-	-	13,524	-
		518		14,042
At 31 December 2007	1,975,549	37,780	102,491	2,115,820
Accumulated Depreciation				
At 31 December 2006	318,341	38,099	59,618	416,058
Charge for period	106,917	4,823	19,655	131,395
Disposals	-	-	13,524	-
		518		14,042
At 31 December 2007	425,258	29,398	78,755	533,411
Net Book Values				
At 31 December 2007	1,550,291	8,382	23,736	1,582,409
At 31 December 2006	1,657,208	11,521	41,878	1,710,607

Note 7

Investments	2007 Cost £	2007 Valuation £	2006 Cost £	2006 Valuation £
Designated Funds				
Lambeth Conference COIF Charities Investment Fund Accumulation Shares	-	-	100,000	123,689
Special Project Funds				
Personal Emergencies Fund COIF Charities Investment Fund Income Shares	119,678	187,125	132,322	202,657
Lambeth Fund COIF Charities Investment Fund Accumulation Shares	-	-	511,498	713,213
	119,678	187,125	643,820	915,870
Endowment Fund				
UN Observer CBF Investment Fund Accumulation Shares	524,066	613,630	550,000	608,516
Funds Held for Others				
Lambeth Spouses Fund COIF Charities Investment Fund Accumulation Shares	-	-	92,839	135,906
Total Investments	643,744	800,755	1,386,659	1,783,981

**Notes to the Financial Statements
For the Year Ended 31st December 2007**

Note 8

Accounts Receivable & Payable

Amounts Receivable	2007	2006
	£	£
Budget Contributions Due	34,900	71,828
Prepayments	17,222	35,342
Lambeth Conference Account	12,553	-
Other Amounts Receivable	90,625	62,422
	<u>155,300</u>	<u>169,592</u>

Creditors (less than one year)	2007	2006
	£	£
Taxation & Social Security	18,993	18,960
Accrued Expenses	29,800	9,485
Other Creditors	75,928	74,799
Prepaid Budget Contributions	-	12,948
	<u>124,721</u>	<u>116,192</u>

Notes to the Financial Statements
For the Year Ended 31st December 2007
Note 9

Cash Flow Statement	General	Designated	Restricted	Property	Endowment	Funds for Others	Total 2007	Total 2006
Calculation of Net Cash Inflow/(Outflow) from Operating Activities	£	£	£	£	£	£	£	£
Changes in resources before revaluations	18,950	51,074	24,717	(74,628)	(35,370)	-	(15,257)	450,673
Depreciation	24,478	-	-	106,917	-	-	131,395	134,774
Movement (excluding investment revaluation) in Funds held for Others	-	-	-	-	-	(161,546)	(161,546)	(24,075)
Transfer of Lambeth Conference Funds to New Company	-	(595,709)	(800,772)	-	-	-	(1,396,481)	-
Increase/(Reduction) in Creditors	8,529	-	-	-	-	-	8,529	(666,188)
(Increase)/Reduction in Debtors	21,611	13,879	(21,198)	-	-	-	14,292	(38,766)
						-	-	
Net Inflow/(Outflow) from Operating Activities	77,249	(530,756)	(797,253)	32,289	35,370	(161,546)	(1,419,068)	(143,582)
Investing Activities								
Purchase of Fixed Assets	(3,197)	-	-	-	-	-	(3,197)	(13,252)
(Purchase)/Sale of Investments	-	-	20,000	-	30,000	-	50,000	(605,000)
Investments transferred to Lambeth Conference New Company	-	123,689	713,213	-	-	135,906	972,808	-
Net Inflow/(Outflow) from Investing Activities	-	3,197	123,689	733,213	-	30,000	1,019,611	(618,252)
Increase/(Decrease) in Cash and Equivalents	70,371	(407,067)	(64,040)	32,289	(5,370)	(25,640)	(399,457)	(761,834)
Cash and Equivalents 31 December 2006	5,664	586,509	276,949	(72,346)	14,490	43,006	854,272	1,616,106
Cash and Equivalents 31 December 2007	76,035	179,442	212,909	(40,057)	9,120	17,366	454,815	854,272

Notes to the Financial Statements
For the Year Ended 31st December 2007

Note 10

Total Funds Movement	Opening Balances	Opening Balances to Lambeth Conference New Company	Incoming Resources	Resources Expended	Urealised Gains/(Losses) on Investments	Transfers	Closing Balances
	£	£	£	£	£	£	£
Unrestricted - General	94,441	-	1,395,416	1,105,249	-	(271,217)	113,391
Unrestricted - Designated	724,077	(595,709)	18,734	208,453	-	240,793	179,442
Restricted	1,196,962	(800,772)	393,251	434,958	4,468	66,424	425,375
Restricted - Property	1,584,862	-	32,289	106,917	-	-	1,510,234
Endowment	623,006	-	630	-	35,114	(36,000)	622,750
Total	4,223,348	(1,396,481)	1,840,320	1,855,577	39,582	-	2,851,192

Anglican Consultative Council
Notes to the Financial Statements
For the year ended 31 December 2007

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

12 Pension Commitments The Council participates in the Church of England Defined Benefits Scheme, part of the Church Workers Pension Fund.

At 31st December 2007 the ACC had 12 active members and 12 deferred pensioner members in the Fund.

The scheme has been closed to new members since October 2004. Staff who have joined since then are able to join the Church Workers Defined Contribution Scheme to which ACC contributes 10%.

The ACC is unable to identify its share of the underlying assets and liabilities, as each employer is exposed to actuarial risks associated with the current and former employees of other entities participating in the Defined Benefits Scheme. An actuarial valuation of the Fund was carried out as at 31st December 2007 and the ACC's contribution rate will be revised with effect from 1st January 2009.

The actuary recommended a new overall contribution percentage for future service of 28.4% of salaries. The previous rate was 29.1% of which the employees paid 5.5% in 2008. Additionally there is a deficit in a section of the scheme which will require a further payment of £4,550 per year for a period of 5 years to eliminate.

Following the actuarial recommendation in 2004, two changes were made to the scheme. The normal Retiring Age for a member in respect of service from 1st January 2006 was changed from 60 to 65. Each member contributed 3.5% from 1st January 2006 and an additional 1% per annum for the following two years which will stop when their contributions reach 6% from 1st January 2009.

13 There were no outstanding capital commitments at the year end.

**Anglican Consultative Council
Budget for year ended 31 December 2008**

	Unrestricted General 2008	Unrestricted Designated 2008	Restricted 2008	Endowment 2008	Property 2008	STG £ Total 2008	Actual 2007	Budget 2007
Incoming Resources								
Incoming Resources from charitable activities								
Inter Anglican Budget Contributions	1,174,100					1,174,100	1,134,745	1,183,100
Compass Rose Donations	150,000					150,000	200,431	150,000
Grants & Other Donations	8,400		320,000			328,400	412,743	190,100
Miscellaneous Income	54,000					54,000	68,648	43,000
Magazine						0	7,378	30,000
Investment Income	10,000					10,000	16,375	10,000
Total Incoming Resources	1,396,500		320,000	0		1,716,500	1,840,320	1,606,200
Resources expended								
Charitable Activities								
Secretary General Office ACC Primates ACR	411,746	28,700			32,075	472,521	617,007	508,162
Lambeth Conference	0					0		
Windsor Process	39,000	18,000				57,000	65,640	60,809
Ecumenical	188,767	102,000			24,590	315,357	283,658	307,833
Mission & Evangelism	78,464				8,554	87,018	66,781	96,899
Personal Emergencies Fund			50,000			50,000	47,938	
Communications	233,448		20,000		24,590	278,038	262,792	271,669
Magazine	10,000					10,000	60,785	86,800
Theological Issues	36,169		115,000		8,554	159,723	149,481	156,436
UN Observer's Office	27,606		160,000		8,554	196,160	188,726	140,161
Governance costs	103,900					103,900	112,769	98,925
Total Resources Expended	1,129,100	148,700	345,000		106,917	1,729,717	1,855,577	1,727,694
Net Incoming/(Outgoing) pre transfers	267,400	-148,700	-25,000	0	-106,917	-13,217	-15,257	-121,494
Transfer Designated Funds	-238,000	238,000	0					
Transfer Restricted	-25,000		25,000			0		
Investment Gains							39,582	
Transfer out to Lambeth Conference							-1,396,481	-1,396,481
Net Movement in Funds	4,400	89,300	0	0	-106,917	-13,217	-1,372,156	-1,517,975
Opening Balance 1st January 2008	95,890	179,442	427,476	622,751	1,510,235	2,851,192	4,223,348	4,223,348
Closing Balance 31st December 2008	100,290	268,742	427,476	622,751	1,403,318	2,837,975	2,851,192	2,705,373