



The Anglican Consultative Council

(A Charitable Company limited by guarantee)

Report and Financial Statements

for the year to

31 December 2018

Registered Charity No. 1137273
Company No. 7311767

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**The Anglican Consultative Council
Report and Financial Statements
for the year to 31 December 2018**

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The Anglican Consultative Council

Reference and Administrative Details of the Charity, its Trustees and Advisors

Constitution

The Anglican Consultative Council (ACC) is a charity registered in England and Wales, registration number 1137273 and a company limited by guarantee, registration number 7311767. It was established by constitution subscribed to by the member churches of the Anglican Communion on 12 July 2010. The activities of the new charitable company started on 1 January 2011 upon transfer of the net assets and liabilities from the old unincorporated charity, registration number 27659.

Trustees

The Trustees, who are the members of the Standing Committee of the ACC, are incorporated under the Charitable Trustees Incorporation Act 1872. Those acting as Trustees during the year to 31 December 2018 and at the date of signing this report were the following:

The Rt Revd Jane Alexander	
The Rt Revd Eraste Bigirimana	(resigned 4 May 2019)
The Most Revd Dr Richard Clarke	
The Most Revd Suheil Dawani	(appointed 20 February 2019)
Mr Alistair Dinnie	
The Most Revd Dr Philip Freier	
The Most Revd and The Hon Dr John Holder	(resigned 28 February 2018)
The Most Revd Dr Paul Kwong	
Mrs Joyce Haji Liundi	(appointed 4 May 2019)
Ms Basetsana Makena	(appointed 4 May 2019)
The Most Revd Dr Thabo Makgoba	
Mr Jeroham Melendez	
Ms Louisa Mojela	(resigned 4 May 2019)
The Rt Revd Joel Waweru Mwangi	
The Very Revd Hosam Naoum	(appointed 4 May 2019)
The Revd Nigel Pope	(resigned 21 May 2018)
Canon Margaret Swinson	
The Most Revd Julio Murray Thompson	(appointed 28 November 2018)
The Most Revd and Rt Hon Justin Welby	

Officers of the Anglican Consultative Council

President

The Most Revd and Rt Hon Justin Welby, Archbishop of Canterbury

Chairman

The Most Revd Dr Paul Kwong

Vice Chairman

Canon Margaret Swinson

Chairman of Inter-Anglican Finance and Administration Committee

Canon Margaret Swinson

Secretary General

The Most Revd Dr Josiah Idowu-Fearon

Chief Operating Officer

Mr David White

Registered Office

St Andrew's House
16 Tavistock Crescent
London
W11 1AP

Auditors

Mazars LLP Chartered Accountants & Statutory Auditors
Times House
Throwley Way
Sutton
SM1 4JQ

Solicitors

Winckworth Sherwood
16 Beaumont Street
Oxford
OX1 2LX

Bankers

The Royal Bank of Scotland Plc
49 Charing Cross
London
SW1A 2DX

Investment Managers

CCLA Investment Management Ltd
85 Queen Victoria Street
London
EC4V 4ET

Annual Report of the Trustees

The Trustees are pleased to present their Report and Financial Statements for the year to 31 December 2018.

The Anglican Communion is a family of churches that are found in 165 countries around the world. As the word “Anglican” suggests (from the Latin *anglicana* meaning “English”), the roots of this communion of churches were profoundly shaped by the history of the Church of England from the earliest centuries of Christianity, through the English Reformation of the sixteenth century, and beyond.

This particular experience of the life and faith of the Church was variously received first in other parts of the British Isles, represented today by the Church of Ireland, the Church in Wales, and the Scottish Episcopal Church. Through colonization and the missionary movements, Anglicanism spread around the world. As the new churches developed and matured, gained local leadership and became dioceses and national or regional churches in their own right, they remained joined to one another, and to the Church of England, through common faith, common patterns of ministry (bishops, priests, and deacons), and common liturgical, spiritual, theological and pastoral traditions. Practically, this meant mutual recognition of one another as belonging to the same family; Anglicans knew they were at home in one another’s churches.

Beyond these deep family bonds of resemblance and affection, the Churches of the Anglican Communion have developed distinctive structures or “instruments” to enable, reflect, and deepen their communion with one another. The first Instrument is the Archbishop of Canterbury. Every diocese across the Anglican Communion is in full communion with the See of Canterbury and its archbishop is the sacramental and pastoral focus of unity for Anglicans. Every active Anglican bishop is invited by the Archbishop of Canterbury to participate in the Lambeth Conference, the second Instrument of Communion, which meets about every ten years. The Primates of the provincial churches (currently 40) regularly meet as a body with the Archbishop of Canterbury; the Primates Meeting is the third Instrument of Communion. The programmatic work of the Anglican Communion is set by the fourth Instrument of Communion, the Anglican Consultative Council (ACC), which includes primates, bishops, priests and deacons, and significantly, lay people. It is by formal recognition by the ACC and Primates, and by being in communion with the Archbishop of Canterbury, that a provincial church is deemed to belong to the Anglican Communion.

Structure, Governance and Management

The churches of the Anglican Communion are held together by bonds of affection and common loyalty, expressed through links with the Archbishop of Canterbury as the Focus for Unity, and the Instruments of Communion: The Lambeth Conference; The Primates’ Meeting; The Anglican Consultative Council.

- **The Archbishop of Canterbury:** The Churches are all in communion with the See of Canterbury in the Church of England, and thus the Archbishop of Canterbury in his person and ministry is the unique focus of Anglican unity. He calls the Lambeth Conference and Primates’ Meeting, and is President of the Anglican Consultative Council.
- **The Lambeth Conference:** Every ten years or so, the Archbishop of Canterbury invites the bishops of the Anglican Communion to join with him in prayer, study and discernment, normally at Canterbury Cathedral and the campus of the University of Kent. The next Conference has been called for July/August 2020.
- **The Primates’ Meeting:** Since 1979 the Archbishop of Canterbury has invited the primates (ie the presiding bishop, archbishop or moderator) of the Anglican provinces to join him in regular meetings for consultation, prayer and reflection on theological, social and international matters.
- **The Anglican Consultative Council:** In 1968 the bishops of the Lambeth Conference requested the establishment of a body representative of all sections of the churches (bishops, clergy and laity) to co-ordinate international Anglican ecumenical and mission work.

The governing document of the ACC is the Constitution to which the member churches of the Anglican Communion subscribe. As the only Instrument of Communion with a constitution, the ACC exercises functions on behalf of the other Instruments as well as on its own behalf, mainly the employment of staff at the Anglican Communion Office and the holding of funds.

Both the ACC and the Primates' Meeting elect a standing committee. In an effort to draw the instruments closer together and strengthen the common life of the Communion, the members of the primates' Standing Committee were made *ex officio* members of ACC and of its Standing Committee. This Standing Committee meets annually face-to-face and on at least two further occasions each year via conference call.

Standing Committee members for the time being are the trustees of the ACC. Procedures have been put in place to ensure that the Trustees are made aware of their responsibilities at their first meeting and receive a further briefing at the start of the annual face-to-face meeting.

The Trustees are aware of the complexity of the relationships with other organisations within the Anglican Communion. Of particular significance is the common interest in pursuit of its charitable objectives that the ACC shares with the Lambeth Conference Company because the Lambeth Conference is one of the Instruments of Communion.

The Trustees consider that the Secretary General, supported by the Chief Operating Officer, 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.

The Anglican Communion Office, based in London, is the permanent secretariat for the Instruments of Communion. The secretariat is responsible for organising all meetings of the conciliar Instruments of Communion, as well as organising and supporting the Commissions, working parties and Networks of the Communion as appropriate. Funding comes from the Inter-Anglican budget to which all member churches are invited to contribute according to their means. Member churches are also invited to contribute to special projects, such as the Personal Emergencies Fund and various other projects and emergencies that arise.

Public Benefit

The Trustees believe that the Christian faith is of benefit to individuals and to society since it works towards a holistic vision of a transformed and peace-filled community and the flourishing of humankind and all creation. The stated objective of the ACC is 'to advance the Christian religion and in particular to promote the unity and purposes of the Churches of the Anglican Communion in mission and evangelism, ecumenical relations, communication, administration and finance'. In pursuing this objective the ACC serves the Anglican Communion's life and work within God's mission. The Communion has set out its understanding of this life and work in its *Five Marks of Mission*:

- to proclaim the Good News of the Kingdom;
- to teach, baptise and nurture new believers;
- to respond to human need by loving service;
- to seek to transform unjust structures of society, to challenge violence of every kind and to pursue peace and reconciliation;
- and to safeguard the integrity of creation and sustain and renew the life of the earth.

These *Five Marks of Mission* serve as a guide and help the churches within the Communion to live out mission in their local contexts and in a variety of ways.

In preparing this report the Trustees have complied with their duty to have due regard to the public benefit guidance published by the Charity Commission.

Risk Management

During the year the Trustees reviewed the risks to which the charity is exposed and took steps within their powers to mitigate these. Management undertook a thorough review of all risks and presented an updated and amended risk register which was adopted at the 21 May 2018 Trustees' Meeting. The Trustees policy is to have a thorough review of risk at least annually and to make changes to the risk register as required. A thorough review of the risk register was received and adopted by Trustees in January 2019.

The most significant risks are related to potential division within the Anglican Communion over issues of polity and doctrine and action is being taken to address these through the Instruments of Communion. A further significant risk is the potential for lack of direction, strategy and forward planning which is being addressed through a new strategic planning process implemented in 2018 and leading to adoption of a Strategic Plan by the Anglican Consultative Council in May 2019. Income diversification is being addressed through investment in professional fundraising and a new formula for the calculation of member church contributions to the Inter Anglican Budget. A further risk of ACC ambition exceeding resources has been addressed through the strategic planning process.

Consideration has been given to any specific issues arising from the potential exit of the United Kingdom from the European Union. Whilst there are operational and policy matters arising predominantly for two member churches, the Church of England and the Church of Ireland, there are no specific risks for the Anglican Consultative Council. Exchange rate volatility related to the potential exit is a potential risk, being mitigated within normal currency and treasury management.

Objectives, Achievements and Activities

The ACC has been constituted to facilitate 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 inter faith work at an international level.

Anglican Communion Office

The Anglican Communion Office comprises a relatively small but highly committed team of individuals striving to support the Communion and fulfils the work mandated through the ACC. There is a constant tension between the amount of work to be undertaken and the resources available, almost always leading to compromise.

In order to best serve the aims of the ACC as set out in its Constitution, and all the Instruments of Communion, the work of the Anglican Communion Office is divided into operational departments:

- The Secretary General's Office
- Mission
- Women in Church and Society
- Anglican Communion Office at the United Nations
- Unity, Faith and Order
- Theological Education
- Communications
- Finance and Resources

The activities of the Anglican Alliance, whose finances are incorporated into the Financial Report of the ACC, are described in this report.

The Anglican Communion has authorised Networks which are supported by ACO staff. Their activities are also described in this report, as is the work of the Anglican Safe Church Commission.

The Secretary General's Office

The Instruments of Communion

The Secretary General's Office is responsible for the leadership and management of the work of the Anglican Communion Office and for carrying forward the meetings and programmatic work of the ACC, the Standing Committee, the Primates' Meeting and the Lambeth Conference. A key role of the Anglican Communion Office and the Secretary General's office in particular, is to facilitate the Instruments of Communion.

During 2018 the office was involved in follow up activity to the ACC meeting held in Lusaka in 2016 and also in initial preparations for the next ACC meeting to be held in 2019 in Hong Kong.

Following a full Primates' Meeting held in Canterbury in October 2017, the ACO has supported regional meetings of Primates held in six locations during 2018 (and 2019) to share fellowship and discuss issues affecting the whole Communion. The Archbishops' Task Group established at the Primates' Meeting held in January 2016 continued its work and met again during 2018 to pursue strategies for those holding disparate views within the Communion to walk together.

Standing Committee met by conference call in January and May 2018 and face to face in London in September 2018. Subsequent conference call meetings were held in January and March 2019, and face to face in Hong Kong in April and May 2019 (immediately before and after ACC17).

Servicing and supporting all of these meetings is a major component of the work of the ACO and it is a privilege for the Secretary General and all ACO staff to meet colleagues from around the Communion through these meetings.

During 2018 further preparation was made for the next Lambeth Conference to be held in Canterbury in July/August 2020, led by a Chief Executive Officer for the Lambeth Conference Company and a small staff based at the Anglican Communion Office. The Lambeth Conference Company is an independent charity set up for the purpose of delivering Lambeth Conferences.

Lambeth Conference planning is assisted by a management group consisting of representatives of the Archbishop of Canterbury's staff and senior staff of the Anglican Communion Office. This group met ten times in 2018. The Lambeth Conference Design Group has been established to advise on the content and format of the Conference and is chaired by the Most Reverend Thabo Makgoba, Archbishop of Cape Town and Primate of Southern Africa. The group met twice in 2018. The programme planning is going well with some invitations to keynote speakers having already been sent.

Invitations to bishops and spouses were sent during November 2018, and online registrations other than a very small number in December 2018 started to be made during 2019. As at 13 August 2019 there were 600 Bishops and 459 spouses who have registered (and mostly paid in full) which is 84% of the anticipated (and budgeted) numbers. Fundraising is going strongly with over more than 90% of the target fundraising either received by or committed to the Lambeth Conference Company.

A strong relationship with the University of Kent is held and plans and preparations continue as forecasted. Finalising the programme, resources for attendees, bursaries and travel arrangements will be focussed on during this next phase along with the many other event related tasks.

The Secretary General maintains a close working relationship with the Archbishop of Canterbury as the fourth instrument of Communion and a focus for unity with the Communion. Staff from the ACO work closely with Lambeth Palace staff on issues relating to the Anglican Communion.

The diplomatic and representational role of the Secretary General

An important part of the role of the Secretary General is to visit widely within the Provinces of the Communion with a mission of encouragement, learning, prayer and fellowship. During 2018 Archbishop Josiah made visits to every continent, several on many occasions. As the differences and divisions in the Communion create

challenges, visiting and engaging with those holding the widest variety of views is highly important. This personal mission has driven the allocation of the Secretary General's time and led to his developing a unique understanding and perspective on the state of Anglican churches throughout the Communion.

Mission

The Mission Department continues to support churches of the Anglican Communion in prioritising holistic mission and develop strategic action plans for holistic intentional discipleship.

The Coordinating Group for the Season of Intentional Discipleship (SID) met in Malaysia to review its work and begin prepare the report to the ACC17 in 2019. SID initiatives have continued to take place around the Communion including strategic consultations and synod events in Malawi, Rwanda, and Portugal. The Director for Mission presented a keynote address, participated and facilitated a workshop at the World Council of Churches World Mission and Evangelism Conference held in Arusha, Tanzania, whose theme was, *"Moving in the Spirit: called to Transforming Discipleship."* The Conference issued a very important document, *"Arusha Call to Discipleship."* With increasing take up around the Communion the SID team has been strengthened through the appointment of the Revd Jolyon Trickey as Coordinator.

The Mission Department continues to encourage and facilitate companion diocesan links. Several activities took place to mark anniversaries in partnerships including between Oxford Diocese (England) and Kimberly & Kruman Diocese (Southern Africa), Lichfield Diocese (England) and the Province of South East Asia, Bath and Wells Diocese (England) and the Anglican Church in Zambia (Central Africa). All these are signs of bonds of affection that exist among Companion Links. Many bishops are looking to the Lambeth Conference for possible opportunity develop new links.

Women in Church and Society

Women in Church and Society works internationally with Anglicans, ecumenical partners and occasionally staff with a similar role in other faith traditions, to promote gender justice and challenge social and cultural norms which create obstacles to just relationship between women and men, girls and boys. This work unfolds with Anglican structures, at grassroots level, and in broader governmental and non-governmental forums. It includes promoting the role of church leaders in promoting gender justice, ending and preventing gender-based violence, and caring for survivors of abuse. Work has also been undertaken with Anglican theologians and Bible scholars to promote and encourage rigorous hermeneutics and redemptive exegeses of Scripture, and ministerial formation which takes these into account. ACC resolution 16.02 on 'Women and Men in Church and Society' provides an important framework for how our churches might pursue their work to "empower girls and boys, women and men to live and work in relationships that reflect Christian values of love, dignity, and justice".

In collaboration with the steering group of the International Anglican Women's Network and, since his appointment in 2018, with the Director for Theological Education in the Anglican Communion, Canon Stephen Spencer, the Director for Women in Church and Society worked with a group of academic theologians from six continents who developed a biblical/theological programme of study on 'God's justice: Just relationships between women and men, boys and girls'. This resource will be offered to theological colleges, seminaries and training programmes as a component or module which can 'stand alone' or be incorporated into existing curricula and training schemes for women and men who are preparing for ministry, lay or ordained, or who are continuing to develop their ministerial education.

The Director for Women in Church and Society continued to serve as co-chair of the steering group for the international Side by Side faith movement for gender justice. This is a growing movement of faith leaders, faith-based organisations and individuals who share the vision of a world where everybody, women and men, boys and girls, are valued equally; are able to share equitably in the distribution of power, knowledge and resources; and are free from cultural and interpersonal systems of privilege and oppression, and from violence and repression, based on gender. We partnered with the World Council of Churches, ecumenical partners and Christian organisations in promoting the Thursdays in Black campaign. Thursdays in Black draws attention to

the realities of sexual, gender-based and domestic violence, and encourages resilience and peaceful resistance. At its simplest level the campaign involves wearing black on Thursdays and the Thursdays in Black badge. At a deeper level it involves interrogating our cultural and religious belief systems, practices and teachings that have been misused as justification to perpetuate violence, stigma, intimidation and exclusion, and to compound negative masculinities and femininities.

The Director for Women in Church and Society's work has taken her to many different parts of the Communion. In December 2018 she joined a retreat for women clergy in Nippon Sei Ko Kai (the Anglican Church in Japan) and to preach during a Eucharist at St Andrew's Cathedral, Tokyo, to celebrate the 20th anniversary of the ordination of women to the priesthood. Since 2016 she has provided staff support to the Anglican Communion Safe Church Commission as it develops guidelines and other resources for the implementation of the Charter for the Safety of People within the Churches of the Anglican Communion and the Protocol for the disclosure of ministry suitability information. This included organising three in person meetings of the Commission in London, South Africa and Malaysia. The support by the Director for Women in Church and Society of the Networks of the Anglican Communion has focussed on the International Anglican Women's Network, the International Family Network and the Anglican Communion Environmental Network.

The Anglican Communion Office at the United Nations

The Anglican Communion Office at the United Nations (ACOUN) is based in Geneva and New York and on behalf of the Anglican Communion facilitates its interface with the United Nations institutions in both locations. The ACC has Category II (Special) status with the United Nations Economic and Social Council (ECOSOC), which permits consultation with the UN Secretariat on matters of mutual concern, attendance at ECOSOC meetings, and the submission of oral and written interventions relevant to ECOSOC's work.

2018 saw significant and positive changes in the structure, staffing and strategy of the ACOUN. Operating as one team across multiple locations, the new team structure was agreed and recruitment into two of the three planned positions was completed in 2018 - UN Advocacy Office and Head of New York Office (Jillian Abballe) and a part-time Administration and Research Assistant in London (Rachael Fraser), supporting the work of the Permanent Representative (Jack Palmer-White). The work of the team centred on a Strategic Plan with a goal to see the UN partner more effectively and enthusiastically with local churches around the Anglican Communion, so that they are acknowledged as vital, credible, durable, sustainable, equitable and locally committed partners. The core component of this strategy is a 'Provincial Engagement Plan', which puts provinces of the Anglican Communion at the heart of ACOUN's work, recognising the importance of connecting global activity with the local, grassroots ministry of provinces, dioceses and agencies of the Anglican Communion.

There has been continuity in areas of thematic focus, which include migration, refugees and displacement, birth registration and statelessness, global health, women's rights and gender justice, environmental and climate justice and indigenous rights. Work around issues of peace and security, human rights accountability and sustainable development have become a part of the team's remit. Much of the team's work focuses on raising up and representing Anglican voices that are active on the issues listed above. This has included providing support – financial, logistical and technical – to Anglicans to participate in the annual UN Refugee Agency dialogue, the UN Commission on the Status of Women's 62nd Session, the UN Permanent Forum on Indigenous Issues, the UN Human Rights Council and other strategically important meetings.

The Permanent Representative also acts as Personal Representative to the Archbishop of Canterbury, particularly supporting the Archbishop's role as a member of the UN Secretary-General's High-Level Advisory Board on Mediation. In August 2018, the Archbishop was invited to address the UN Security Council on peace and security issues, with the Personal Representative facilitating high-level meetings for the Archbishop and leading on the drafting of the Archbishop's speech.

2018 also saw the continued strengthening of relationships with key stakeholders, including national Missions to the UN, the Holy See Representative, World Council of Churches, ACT Alliance, World Evangelical Alliance, Caritas Internationalis, Lutheran World Federation, World Vision International, UNAIDS and UNHCR (UN

Refugee Agency), International Federation of the Red Cross, International Organisation on Migration, and relevant Networks of the Anglican Communion.

Unity, Faith and Order

Unity, Faith and Order serves the Anglican Communion's commitment to the visible unity of the Church, together with the intra-Anglican conversations about life in communion. Both stem from the same source: the prayer of our Lord Jesus Christ that his disciples may be one, so that the world may believe (John 17.21).

Unity, Faith and Order supports the relationships and bilateral theological dialogues of the Anglican Communion with the Roman Catholic Church, the Orthodox Church, the Oriental Orthodox Churches, the Lutheran World Federation, the World Communion of Reformed Churches, and the World Methodist Conference. It supports the work of overseeing the full communion relationship between the Anglican Communion and the Old Catholic Churches of the Union of Utrecht. Unity, Faith and Order supports the relationship of the Anglican Communion with two global multilateral bodies, the World Council of Churches and the Global Christian Forum.

Within the Anglican Communion, Unity, Faith and Order supports the intra-Anglican and ecumenical theological work of the Inter-Anglican Standing Commission on Unity, Faith and Order (IASCUFO). Unity, Faith and Order supports the work of the International Anglican Liturgical Consultation and the Anglican Communion Legal Advisors Network.

Theological Education

In February the post of Director for Theological Education in the Anglican Communion was filled by the Rev Canon Dr Stephen Spencer previously Vice Principal of St Hild College, Mirfield and Link Officer of the Leeds-Tanzania diocesan link. He came into the post on a full time basis based at the Anglican Communion office in London.

Over the course of the year he completed Phase One of the Theological Education in the Anglican Communion project (TEAC), as previously agreed between ACO and St Augustine's Foundation (the funders of the project). This involved mapping theological education happening around the Communion, its places of strength and weakness, and proposing what might be the most useful way to support and improve delivery. This involved visits to Kenya, Rwanda, Geneva, US, Egypt, Sudan and South Sudan as well as some colleges in England. His report proposed three broad objectives for Phase 2 of the project (for Years 2-5).

The report and its proposals was accepted by Standing Committee at its meeting at ACO in September, and were also received by St Augustine's Foundation at its trustees meeting in October. The objective are to do with building up networks between theological colleges and seminaries, developing study materials on under-resourced areas of the curriculum (to be placed on the website), and encouraging theological education in general from education for discipleship through to ministerial education and formation.

During the year the project was invited to take over leadership of the Mission Theology in the Anglican Communion project, previously under CMS, USPG and Lambeth Palace. This was agreed by Standing Committee in April. This involves bringing to publication the papers delivered by global South theologians at two international conferences, and organising and publishing the third conference in 2019. The three conferences are on the Archbishop of Canterbury's three priorities. The project came with funding to support a project manager for one day a week. Dr Muthuraj Swamy was appointed to this post in June.

Communications

In 2018, work on revamping the anglicancommunion.org website stepped up and is now completed. Much of the content has been refreshed and updated, and this is now displayed with a fresh new look.

The Anglican Communion News Service continued to grow and during the year the communications team experimented with occasional television-news style video reports. Video reports were produced for a range of news stories, including an update from the mine clearance operation at *Qasr el-Yahud* – the Baptism Site on the west bank of the River Jordan – which is going ahead with the support of the Anglican Diocese of Jerusalem and the Archbishop of Canterbury.

Other reports included the installation of Archbishop Julio Murray as Primate of Central America, and Archbishop Justin Badi Arama as Primate of South Sudan, tributes on the death of Winnie Mandela, the Commonwealth Heads of Government Meeting, and the sermon by the Presiding Bishop of the US-based Episcopal Church at the wedding of the Duke and Duchess of Sussex.

Readership and engagement of ACNS on its website – anglicannews.org – and social media channels has risen. During 2018, ACNS saw a 15 per cent rise in the number of page views. Just under half a million users visited the site during the year.

ACNS launched a weekly news bulletin in Spanish and French in 2018 – this was extended to Portuguese in January 2019. Further work is being done to improve the service for non-English speakers.

The team also supported the 2020 Lambeth Conference with the preparation and launch of a new website for the opening of registrations for the 2020 Lambeth Conference – lambethconference.org – and a series of video vignettes from primates and bishops supporting the Lambeth Conference and setting out their hopes for it.

In early 2019, the experienced Anglican journalist Gavin Drake was appointed to serve as Communications Director following the resignation of Adrian Butcher. A new communications strategy is being prepared which will see the communications team continuing to provide support for the Instruments of the Communion while increasing its engagement with provincial communications staff.

Anglican Alliance

Conceived at the Lambeth Conference 2008, the Anglican Alliance serves to connect, equip and inspire the churches and agencies of the Anglican Communion in their relief, development and advocacy activities, responding to poverty and injustice throughout the world within the context of the Anglican Marks of Mission.

The Anglican Alliance was set up in 2011 following a Communion-wide consultation. In 2013 it was established as a charitable company by the ACC Standing Committee, whose members are the official Company Members of the Anglican Alliance. The Secretary General of the Anglican Communion is also on the Board of Trustees. The Alliance has a secretariat of three staff based at the ACO and six regional facilitators located around the Communion. It coordinates closely with other departments at the ACO as well as at Lambeth Palace in delivery of shared objectives.

The Anglican Alliance has three pillars of work to support the holistic mission of the Communion: development, relief and advocacy.

The **development** pillar identifies examples of good practice, sharing expertise and building capacity for holistic mission and sustainable development. Highlights in 2018 included:

- Regional consultations in Africa and East Asia on ending modern slavery, jointly held with the Salvation Army.
- Agents of Change skills course on community development – workshops in Vanuatu and Papua New Guinea, mentoring of students in Zambia and Zimbabwe.
- Church and Community Transformation – skills sharing in Africa and East Asia.
- Football for Peace and Development – workshop held in Rwanda for young church leaders from Rwanda, Burundi, DRC, Kenya, South Sudan and Uganda.

The **relief** pillar provides a convening platform at times of humanitarian crisis for the local church to connect with agencies and churches across the Communion for prayer and for coordinated joint support. The Anglican

Alliance works closely with Lambeth Palace to liaise with their reconciliation initiatives. Key responses in 2018 included:

- Convened Communion response in: South Sudan, DRC, Caribbean, Peru, Colombia, Vanuatu, Papua New Guinea, Madagascar, Europe and the Middle East.
- Promoted concept of community resilience/disaster preparedness and supported workshops in Zimbabwe and a global meeting in Sri Lanka.
- Developed concept for 'surge response' where Anglicans with expertise can be deployed to other provinces/dioceses to support local team at time of humanitarian crisis.
- Advocated for localisation of aid in line with the UN commitment.

The **advocacy** pillar connects and resources Anglican leadership along with affected communities to speak out on advocacy issues. Highlights in 2018 included:

- Spoke on a panel at a conference on migration, convened by the Holy See and Caritas Internationalis at the United Nations. Coordinated advocacy with Caritas Internationalis, WCC, ACT Alliance and Lutheran World Federation for joint policy inputs into the UN Global Compacts on Migration and Refugees.
- Serving on an ecumenical steering groups to promote and connect the Season of Creation and Renew Our World campaigns for climate justice – linking with the Anglican Environment Network and others.
- Preparing for a 2019 Communion consultation developing Bible studies to connect the UN Sustainable Development Goals to the Anglican Marks of Mission. Supported related theological initiatives in Asia and Africa.

Structure and funding

The Anglican Alliance survived the funding challenges in 2017, with support from existing and new partners. It has now achieved a more sustainable financial platform to carry it forward through to and beyond the Lambeth Conference 2020. Having been born out of Lambeth Conference 2008, the Anglican Alliance's mandate will be reviewed and refreshed through discussions at the Anglican Consultative Council in 2019 and the Lambeth Conference in 2020.

Networks of the Anglican Communion

The Anglican Communion has 11 international, themed authorised networks: Environmental; Women; Peace and Justice; Family; Francophone; Lusophone; Indigenous; Safe Church; Colleges and Universities of the Anglican Communion (CUAC); Legal Advisors; Liturgical.

Through a variety of means such as email listservs, social media, occasional regional and international gatherings, and the publication of on-line and printed newsletters, reports and resources, the Networks tell the stories of grassroots experience, share news, theological and liturgical material, and information about models of mission, ministry and good practice. They join together in the role of advocacy where there are common concerns, and provide briefings to the Instruments of Communion.

Anglican Communion Safe Church Commission

This Commission's remit is to promote the safety of people within churches of the Anglican Communion, with a particular focus on children, young people and vulnerable adults. It has been set up for three years and will present its work to ACC-17 in 2019. During this time, the Commission is identifying safeguarding policies and procedures already in place within the Anglican Communion, developing guidelines to assist provinces and dioceses to implement the 'Charter for the Safety of People within the Churches of the Anglican Communion', and gathering theological and liturgical resources.

Financial Report for the Year to 31 December 2018

The ACC was incorporated as a company limited by guarantee on 12 July 2010.

The activities of the Anglican Alliance began as a restricted fund of The Anglican Consultative Council in 2011. A new charitable company, Anglican Alliance was incorporated on 3 January 2013 company number 8345096 and registered as a charity, number 1151992. The Trustees of the Anglican Consultative Council are the members of the Anglican Alliance and having significant control, the financial results of the Anglican Alliance for the year to 31 December 2018 have been included in these accounts.

The Balance Sheet sets out the overall financial position of the ACC at the end of December 2018. It should be noted that each fund category is dealt with in a separate column, which is referenced to notes in the accounts. The total fund balances at the end of 2018 (Reserves) were £2,201,199 (2017 £2,217,580).

Note 7 to the account gives the details of the ACC's investments, which were held in the COIF Charities Deposit Fund and CBF Church of England Deposit Fund. Additions to investments of £600,000, and disposals withdrawn of £16,000 were made during the year. These transactions, together with a decrease in market value of £(16,867), brings the total to £1,593,850 (2017 £1,026,718).

Cash decreased to £737,673 from £1,252,156 as set out in the Statement of Cash Flows. The change reflects net investments during the year, purchase of fixed assets, and an excess of expenditure over income during the year.

The main summary of financial transactions through the year is the Statement of Financial Activities or SOFA. This statement includes income and expenditure, transfers between the different funds and gains or losses on the values of investments. Separate supporting statements, set out in the same SOFA format, show in more detail General Fund transactions related to the Unrestricted General Fund, Designated Funds, Other Restricted Funds, Endowment and the Property Reserve. Supplementary information is included in the notes to the accounts.

Unrestricted General Funds generated net income of £316,107 before transfers, which was higher than 2017. General fund income increased by £57,507 to £2,116,669 during 2018 and general fund costs increased by £177,871 to £1,783,057. After making transfers to Designated and Restricted Funds, the General Fund Balance stood at £622,116 for the Charity and £649,217 for the Group.

The *Total Funds Movement* (See Note 9) shows designated funds that are unrestricted, but which have been set aside by Trustees for specific purposes. Designated funds form part of overall unrestricted reserves. The ACC designates funds by transfer from General Funds for Anglican Consultative Council meetings which do not take place every year. Designated Funds excluding the Pension deficit stand at £414,809 at 31 December 2018.

Following a triennial valuation on 2016, provision was made in 2017 for an increased actuarial loss on the Defined Benefit Pension Scheme (also see Note 13). The Trustees plan to eliminate the deficit by 2028 making a payment of £79,000 in 2018 and annual payments of £88,635 in subsequent years.

The Restricted Funds still fund vital parts of the ACC's work and the Trustees are grateful for the generous grants and donations which fund specific aspects of the work which the contributions of the member provinces do not cover (for example, UN Office in New York and Theological Education).

The Other Restricted Fund Balance at 31 December 2018 was £456,052 for the charity and £604,731 for the Group. The largest component of the Restricted Funds was the Personal Emergencies Fund at £210,834 which uniquely assists clergy and members of their families facing personal medical emergencies.

The Endowment Fund at 31 December 2018 was £800,603 and has been set up to support the work of the Anglican Communion Office at the United Nations. The Property Fund (which is classified as a Restricted Fund) has been used to fund the St Andrew's House 2004 refurbishment costs and stands at £374,204. These costs are fully funded and are being depreciated over the life of the lease.

Investment Policy

The market value of investments held by ACC at 31 December 2018 was £1,593,850 made up of £797,969 of endowment funds, £195,502 of restricted funds, and £600,379 of unrestricted funds.

The Endowment fund for the Anglican Communion Office at the UN are invested in Central Board of Finance (CBF) Church of England Investment Fund - Income Shares which meet the Trustees' ethical concerns and provide income. Up to 5% of the endowment can be drawn to fund ministry costs. During 2018 the income yield was 3.3% (2017 3.5%) and the market value of the units decreased by (1.5)% during 2018 (2017 increase 9.0%).

The restricted funds are for the Personal Emergencies Fund and there is an appetite for growth and a requirement for income to assist in meeting medical emergency costs. Funds have been invested in both the Charities Official Investment Fund (COIF) - Income Units, and Central Board of Finance (CBF) Church of England Investment Fund - Income Shares. Combined income yield during 2018 was 3.4% (2017 3.6%) and the market value of the units decreased by (2.4)% (2017 increase 8.8%).

During 2018 a new investment was made from unrestricted funds into the Central Board of Finance (CBF) Church of England Investment Fund - Income Shares. During the period since investment, the income yield was 3.2% (2017 n/a) and the market value of the units increased by 0.1% (2017 n/a).

Reserves Policy

During the year the Trustees have reviewed the 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 £2.1 million per annum (including the subsidiary, Anglican Alliance) and over 60% of these costs are associated with employment of staff.

The Trustees' policy is progressively to establish unrestricted reserves sufficient to cover three months of operating costs (around £520,000), as it is risky for Trustees and staff to enter into obligations and contracts which cannot currently be covered by free reserves. Unrestricted reserves, including General, Designated and Pension Funds, stood at £421,661 at 31 December 2018. Excluding the Pension Fund, which represents payments due from 2020 to 2027, Unrestricted reserves stood at £1,064,026.

Free reserves of the charity at 31 December 2018 were £551,938 (2017 £561,366). Free reserves are defined as the balance on the General Fund excluding the value of fixed assets.

Donations in Kind Received

Reference has been made in this report to contributions from various quarters to the work of the ACC. Some contributions have been financial, others in the form of the provision of personnel or facilities. Among these donations in kind is office space for the ACOUN provided in New York by The Episcopal Church.

The Trustees 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 ACC 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.

Trustees' Responsibilities Statement in Relation to the Financial Statements

The law applicable to charities in England and Wales requires the Trustees to prepare the annual report and financial statements for each financial year which give a true and fair view of the charity's financial activities

during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

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

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

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

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

Auditors

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

Approved by the Trustees and signed on their behalf by:



Margaret Swinson
Vice Chair

Date 19 September 2019

Independent Auditors' Report to the Members of The Anglican Consultative Council

Opinion

We have audited the financial statements of The Anglican Consultative Council (the 'parent charity') and its subsidiary (the 'group') for the year ended 31 December 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows, the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and 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 group's and of the parent charity's affairs as at 31 December 2018 and of the group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

The impact of uncertainties due to the United Kingdom exiting the European Union on our audit

The Trustees' view on the impact of Brexit is disclosed on page 6. The terms on which the United Kingdom may withdraw from the European Union are not clear, and it is therefore not currently possible to evaluate all the potential implications to the group's and charity's activities, suppliers and the wider economy. We considered the impact of Brexit on the group and charity as part of our audit procedures, applying a standard firm wide approach to the uncertainty associated with the group's and charity's future prospects and performance.

However, no audit should be expected to predict the unknowable factors or all possible implications for the charity and this is particularly the case in relation to Brexit.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees' have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report of the Trustees, 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 Annual Report of the Trustees which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Annual Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Annual Report of the Trustees.

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

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charity financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and from the requirement to prepare a Strategic Report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on pages 14 and 15, the trustees (who are also the directors of the parent charity 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 group's and the parent charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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. This description forms part of our auditor's report.

Use of the audit report

This report is made solely to the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

Signed:

N J Wakefield

Name:

Nicola Wakefield (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Times House, Throwley Way, Sutton, Surrey, SM1 4JQ

Date: *26th September 2019*

The Anglican Consultative Council
Consolidated Statement of Financial Activities
For the Year Ended 31 December 2018

	Notes	Unrestricted £	Restricted £	Endowment £	2018 £	Unrestricted £	Restricted £	Endowment £	2017 £
Income									
<i>Donations</i>									
Inter Anglican Budget Contributions		1,416,288	2,661	-	1,418,949	1,337,927	-	-	1,337,927
Compass Rose Donations		423,470	16,998	-	440,468	380,238	34,628	-	414,866
Other Donations		5,852	386,986	-	392,838	13,118	540,629	-	553,747
<i>Investment Income</i>		16,682	6,721	27,102	50,505	1,288	6,581	26,869	34,738
<i>Other Income</i>									
Miscellaneous Income		30,187	-	-	30,187	53,773	1,603	-	55,376
Exchange gains		-	-	-	-	-	403	-	403
Publications		4,588	65	-	4,653	14,141	500	-	14,641
Total Income Charity		1,897,067	413,431	27,102	2,337,600	1,800,485	584,344	26,869	2,411,698
<i>Donations</i>									
Anglican Agencies		130,000	7,500	-	137,500	100,000	-	-	100,000
Other Agencies		-	195,000	-	195,000	30,000	-	-	30,000
Donations		89,602	-	-	89,602	139,991	73,000	-	212,991
Income – subsidiary – Anglican Alliance		219,602	202,500	-	422,102	269,991	73,000	-	342,991
Total Income – Group		2,116,699	615,931	27,102	2,759,702	2,070,476	657,344	26,869	2,754,689

Consolidated Statement of Financial Activities (continued)

For the Year Ended 31 December 2018

Expenditure	Notes	Unrestricted £	Restricted £	Endowment £	2018 £	Unrestricted £	Restricted £	Endowment £	2017 £
Charity									
<i>Expenditure on Charitable Activities</i>									
Secretary General's Office & Instruments of Communion		667,328	258,248	-	925,576	701,092	175,424	-	876,516
Unity, Faith and Order		278,451	16,507	-	294,958	356,997	21,383	-	378,380
Mission, Discipleship & Women		252,553	166,284	-	418,837	264,196	114,303	-	378,499
Communications		271,420	35,350	-	306,770	222,130	67,132	-	289,262
Theological Studies		32,242	101,501	-	133,743	36,295	16,800	-	50,095
Anglican Communion Office at the United Nations		61,362	204,988	-	266,350	38,504	189,279	-	227,783
Expenditure – Charity	3	1,563,356	782,878	-	2,346,234	1,619,214	584,321	-	2,203,535
Subsidiary - Anglican Alliance									
<i>Expenditure on Charitable Activities</i>									
Development		70,677	500	-	71,177	104,382	-	-	104,382
Relief		11,332	-	-	11,332	16,522	3,018	-	19,540
Advocacy		71,086	30,453	-	101,539	102,466	27,696	-	130,162
Capacity Building		67,990	51,165	-	119,155	111,252	-	-	111,252
Regional Meetings		34,384	22,949	-	57,333	53,220	-	-	53,220
Expenditure – Subsidiary	3	255,469	105,067	-	360,536	387,842	30,714	-	418,556
Total Expenditure – Group		1,818,825	887,945	-	2,706,770	2,007,056	615,035	-	2,622,091
Net Gains / (Losses) on investments	7	379	(4,760)	(12,486)	(16,867)	-	16,162	68,428	84,590
Net Income / (Expenditure)		298,223	(276,774)	14,616	36,085	63,420	58,471	95,297	217,188
Actuarial losses on defined pension scheme	1,13	(52,446)	-	-	(52,446)	(311,880)	-	-	(311,880)
Inter-Account transfers	9	(92,527)	131,712	(39,185)	-	(55,054)	94,184	(39,130)	-
Net movement in funds for the year	4	153,250	(145,062)	(24,569)	(16,381)	(303,514)	152,655	56,167	(94,692)
Reconciliation of funds									
Total funds brought forward		268,411	1,123,997	825,172	2,217,580	571,925	971,342	769,005	2,312,272
Total funds carried forward		421,661	978,935	800,603	2,201,199	268,411	1,123,997	825,172	2,217,580

The Statement of Financial Activities also complied with the requirements for an income and expenditure account under the Companies Act 2006. All activities relate to ongoing activities. The Charity has no recognised gains or losses other than the net movement in funds shown above.

Anglican Consultative Council (Company No. 7311767)

Balance Sheet

as at 31 December 2018

Consolidated

	Notes	Unrestricted		Restricted			
		General	Designated	Other		Endowment	2017
		£	£	£	£	£	£
Fixed Assets							
Intangible assets							
Software	6	4,101	-	-	-	4,101	9
Tangible assets							
Office equipment	6	27,227	-	-	-	27,227	20,864
Leasehold property	6	65,951	-	-	374,204	440,155	533,427
Investments	7	200,379	400,000	195,502	-	797,969	1,026,718
		297,658	400,000	195,502	374,204	797,969	1,581,018
Current Assets							
Debtors	8a	195,645	-	111,507	-	307,152	273,563
Cash at bank and in hand		333,873	103,444	297,722	-	2,634	737,673
		529,518	103,444	409,229	-	2,634	1,044,825
							1,525,719
Current Liabilities							
Creditors: Amounts falling due within 1 year	8b	177,959	88,635	-	-	266,594	216,330
		351,559	14,809	409,229	-	2,634	778,231
Net Current Assets		649,217	414,809	604,431	374,204	800,603	2,890,407
Total Assets less Current Liabilities							
Creditors: Amounts falling after more than 1 year		-	642,365	-	-	642,365	672,827
Defined benefit pension scheme liability	8c	649,217	(227,556)	604,731	374,204	800,603	2,217,580
Total Net Assets / (Liabilities)		649,217	(227,556)	604,731	374,204	800,603	2,217,580
The Funds of the Group	9						
		649,217	(227,556)	604,731	374,204	800,603	2,217,580

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

Approved by the Trustees and signed on their behalf by:



Margaret Swinson, Vice Chair

Date: 19 September 2019

Anglican Consultative Council
Balance Sheet
as at 31 December 2018
Charity

Notes	Unrestricted		Restricted			
	General	Designated	Other Restricted	Property	Endowment	2017
	£	£	£	£	£	£
Fixed Assets						
Intangible assets						
Software	4,101					4,101
Tangible assets						
Office equipment	27,227	-	-	-	-	27,227
Leasehold property	65,951	-	-	374,204	-	440,155
Investments	200,379	400,000	195,502	-	797,969	1,593,850
Total Fixed Assets	297,658	400,000	195,502	374,204	797,969	2,065,333
Current Assets						
Debtors	173,434	-	41,507	-	-	214,941
Cash at bank and in hand	318,819	103,444	219,043	-	2,634	643,940
Total Current Assets	492,253	103,444	260,550	-	2,634	858,881
Current Liabilities						
Creditors amounts falling due within 1 year	167,795	88,635	-	-	-	256,430
Net Current Assets	324,458	14,809	260,550	-	2,634	602,451
Total Assets less Current Liabilities	622,116	414,809	456,052	374,204	800,603	2,667,784
Creditors: Amounts falling after more than 1 year						
Defined benefit pension scheme liability	-	642,365	-	-	-	642,365
Total Net Assets / (Liabilities)	622,116	(227,556)	456,052	374,204	800,603	2,025,419
The Funds of the Charity	622,116	(227,556)	456,052	374,204	800,603	2,025,419

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

Approved by the Trustees and signed on their behalf by:



Margaret Swinson, Vice Chair

Date: 19th September 2019

Anglican Consultative Council
Statement of Cash Flows
For the Year Ended 31st December 2018
Consolidated

Reconciliation of net income/(expenditure) to net cash
flow from Operating Activities

	General £	Designated £	Restricted £	Property £	Endowment £	Total 2018 £	Total 2017 £
Net Movement in Funds	316,107	(17,884)	(169,857)	(106,917)	14,616	36,065	217,188
Actuarial losses on defined pension scheme	-	(52,446)	-	-	-	(52,446)	(311,880)
Transfers between funds	(301,435)	208,908	131,712	-	(39,185)	-	-
Depreciation	23,884	-	-	106,917	-	130,801	123,022
Losses / (Gains) on investments	(376)	-	4,760	-	12,486	16,867	(84,590)
Increase / (Decrease) in Creditors	40,802	(21,000)	-	-	-	19,802	284,549
(Increase) / Decrease in Debtors	59,124	-	(91,429)	-	(1,283)	(33,588)	(26,942)
Net cash provided by / (used in) Operating Activities	138,103	117,578	(124,814)	-	(13,366)	117,501	201,348

Cash flows from Investing Activities

(Purchase) of fixed assets	(47,984)	-	-	-	-	(47,984)	(67,138)
(Purchase) / Disposal of Investments	(200,000)	(400,000)	-	-	16,000	(584,000)	-
Cash (used in) / provided by Investing Activities	(247,984)	(400,000)	-	-	16,000	(631,984)	(67,138)

(Decrease) / Increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the year	(109,881)	(282,422)	(124,814)	-	2,634	(514,483)	134,210
	443,754	385,866	422,536	-	-	1,252,156	1,117,946
Total cash and cash equivalents at the end of the year	333,873	103,444	297,722	-	2,634	737,673	1,252,156

The Anglican Consultative Council

Notes to the Financial Statements

For the year ended 31 December 2018

Note 1 – Accounting Policies

Accounting Conventions

- (a) The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The company is a public benefit entity as defined by FRS 102 (PBE 3.3a).
- (b) The consolidated accounts of the Group incorporate the accounts of the charity, The Anglican Consultative Council, and its subsidiary, Anglican Alliance. No separate Statement of Financial Activities is presented for the charity as permitted by the Companies Act. Gross income for the charity alone was £2,337,600 (2017 £2,411,698) and net income was £161,660 (2017 £188,757)
- (c) The historic cost convention applies to the treatment of Tangible Fixed Assets, except for investments, which are included at market value. Expenditure above £800 is capitalised.
- (c) **Income** The most substantial source of income for the ACC is the contributions from the member Churches of the Anglican Communion. These contributions are accounted for on a cash received basis except that an 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. Otherwise, the accounts are kept on an accruals basis.
- (d) **Expenditure** All expenditure is accounted for on an accruals basis and has been listed under the headings that aggregate all the costs related to that activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources.

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

Support staff costs are allocated on the basis of time spent. Premises and utility costs, depreciation and the salaries of the St Andrew's House warden and cleaning staff are allocated on the basis of floor space used.

Governance costs include the costs of Trustees meetings, audit and professional fees.

Note 1 – Accounting Policies (Continued)

- (e) **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.
- (f) **Grant-making Policy** The ACC 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.
- (g) **Grants to subsidiary** The ACC makes grants to its subsidiary, Anglican Alliance. Grants are made in cash and as donation in kind of staff time. (See note 11). This has been calculated based on the estimated staff time used, and the gross cost of those staff.
- (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 purposes of Restricted Funds are set out in the *Notes to the Financial Statements*.
- (j) The General Fund, together with any other current funds not immediately required to meet expenditure, is invested in short term deposits and the income arising there from is credited to general funds. However, income arising from the deposit or investment of funds in accounts are kept for specific projects accrues to the relevant funds.
- (k) The ACC has an endowment fund for the work of the Anglican Communion Office at the United Nations. This year, some of the Endowment has been spent on this ministry.
- (k) **Depreciation and Amortisation** 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 or remaining life of lease (if shorter), Information Technology Equipment 4 years, Office Furniture and Equipment 5 years. Intangible fixed assets are amortised on a straight line basis over their estimated useful life. The period used is 4 years.

Note 1 – Accounting Policies (Continued)

- (l) 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.
- (m) **Pension Costs** Contributions to the ACC's pension scheme in which the ACC participates are charged to the Statement of Financial Activities in the period to which they relate. The ACC participates in a Defined Contributions Scheme as well as a Defined Benefits Scheme. The Defined Benefits Scheme was closed to existing members for future service on 28 February 2010. The liability of the Defined Benefit Scheme is stated in accordance with FRS 102 on advice from the scheme actuaries.
- (n) **Going concern** In the trustees' report there is a review of financial performance and of the charity's reserves position. There are adequate financial resources and the charity is well placed to manage business risks. It is a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. There are no known material uncertainties that call into doubt the charity's ability to continue. The accounts have therefore been prepared on the basis that the charity is a going concern.

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.

On 12 July 2010 following the constitutional changes approved by the member churches, the ACC was incorporated as a company limited by guarantee, the assets and liabilities were transferred to the new company on 31 December 2010.

Anglican Consultative Council
Notes to the Financial Statements
For the Year ended 31 December 2018

Note 3

Analysis of Expenditure

Unrestricted Funds (General & Designated)

Charity

Charitable Activities

Secretary General's Office & Instruments of Communion
 Unity, Faith & Order
 Mission, Discipleship & Women
 Communications
 Theological Studies
 Anglican Communion Office at the United Nations
 Unrestricted expenditure – Charity

	Staff Costs £	Other Direct Costs £	Grants £*	Support Costs £	Total 2018 £	Total 2017 £
	378,947	96,745	104,534	87,102	667,328	701,092
	147,881	100,568	-	30,002	278,451	356,997
	185,722	15,702	-	51,129	252,553	264,196
	181,518	25,809	-	64,093	271,420	222,130
	14,280	80	-	17,882	32,242	36,295
	27,177	152	-	34,033	61,362	38,504
	935,525	239,056	104,534	284,241	1,563,356	1,619,214

Subsidiary - Anglican Alliance

Charitable Activities

Development
 Relief
 Advocacy
 Capacity Building
 Regional Meetings
 Unrestricted expenditure - Anglican Alliance

	52,023	2,687	-	15,967	70,677	104,382
	8,671	-	-	2,661	11,332	16,522
	52,023	3,096	-	15,967	71,086	102,466
	52,023	-	-	15,967	67,990	111,252
	8,671	23,052	-	2,661	34,384	53,220
	173,411	28,835	-	53,223	255,469	387,842

Total Unrestricted expenditure

	1,108,936	267,891	104,534	337,464	1,818,825	2,007,056
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* Grants include Lambeth Conference Ltd £86,886 (£50,000 in cash and £36,886 in staff time), and Anglican Centre in Rome £17,500.

Anglican Consultative Council
Notes to the Financial Statements
For the Year Ended 31 December 2018

Note 3 (Continued)
Restricted Funds (including Property Depreciation)

Charity	Staff Costs £	Other Direct Costs £	Grants £	Support Costs £	Total 2018 £	Total 2017 £
<i>Charitable Activities</i>						
Secretary General's Office & Instruments of Communion	-	3,233	225,039	29,946	258,248	175,424
Unity, Faith & Order	-	3,330	-	13,177	16,507	21,383
Mission, Discipleship & Women	26,607	95,636	18,110	25,931	166,284	114,303
Communications	-	-	16,998	18,352	35,350	67,132
Theological Studies	76,162	14,985	-	10,354	101,501	16,800
Anglican Communion Office at the United Nations	149,364	36,806	-	18,818	204,988	189,279
Restricted expenditure – Charity	252,133	153,990	260,177	116,578	782,878	584,321

Subsidiary – Anglican Alliance

<i>Charitable Activities</i>						
Development	500	-	-	-	500	-
Relief	-	-	-	-	-	3,018
Advocacy	30,453	-	-	-	30,453	27,696
Capacity Building	40,022	10,581	-	562	51,165	-
Regional Meetings	-	22,949	-	-	22,949	-
Restricted expenditure – Anglican Alliance	70,975	33,530	-	562	105,067	30,714
Total Restricted and Endowment Expenditure	323,108	187,520	260,177	117,140	887,945	615,035
Total Expenditure	1,432,044	455,411	364,711	454,604	2,706,770	2,622,091

Anglican Consultative Council
Notes to the Accounts
For the Year Ended 31 December 2018

Note 3 (Continued)
Analysis of Support Costs

	Meetings & Networks £	Unity Faith & Order £	Mission, Discipleship & Women £	Communica- tions £	Theological Education £	UN Observer £	2018 £	2017 £
Charity								
Finance and Resources	11,669	5,180	9,347	7,173	3,295	2,984	39,648	131,914
Office Costs	19,294	8,017	12,659	33,176	5,716	13,313	92,185	38,366
Professional Fees	6,326	2,032	4,382	3,111	1,301	2,478	19,630	16,210
Information technology	10,787	4,759	8,628	6,636	3,049	5,802	39,661	17,623
Property	53,577	23,191	42,044	32,339	14,875	28,274	194,300	186,301
Governance	15,395	-	-	-	-	-	15,395	24,276
	117,048	43,179	77,060	82,445	28,236	52,851	400,819	414,690

	Develop- ment £	Relief £	Advocacy £	Capacity Building £	Regional Meetings £	2018 £	2017 £
Subsidiary - Anglican Alliance							
Office Expenses	1,164	194	1,164	1,164	194	3,880	5,803
Regional Office Expenses	10,403	1,734	10,403	10,403	1,734	34,677	35,977
Governance	3,512	585	3,512	3,512	585	11,706	12,949
Website	756	126	756	756	126	2,520	1,349
Publicity	132	22	132	694	22	1,002	806
	15,967	2,661	15,967	16,529	2,661	53,785	56,884
Total Support Costs						454,604	471,574

Anglican Consultative Council
Notes to the Financial Statements
For the Year Ended 31 December 2018

Note 4

	Consolidated Group		Charity	
Net Movement in Funds is after charging	2018	2017	2018	2017
	£	£	£	£
Professional Fees				
Audit Fees - current year	15,750	15,492	12,240	12,162
Audit Fees - previous year	186	78	121	(12)
Accountancy & Advisory Fees	5,196	4,452	3,587	2,659
Depreciation	130,801	123,022	130,801	123,022

Note 5

Trustees & Employee Information	2018	2017	2018	2017
Average head count	37	28	27	21
Average number of full-time equivalent staff employed;				
Based in London	25	21	22	18
Based overseas	4	3	1	1
	29	24	23	19
	£	£	£	£
Salaries	1,152,528	1,046,407	954,652	816,131
Social Security Costs	99,268	103,751	87,722	87,717
Pension Contributions	100,179	92,984	87,449	73,899
Other staff costs	80,068	60,909	57,835	50,321
	1,432,044	1,304,051	1,187,658	1,028,068
The number of higher paid staff with emoluments exceeding £60,000 were:				
£90,000 to £99,999	1	1	1	1
	£	£	£	£
Employer's pension contributions in respect of the above employee	6,630	6,564	6,630	6,564
Expenses reimbursed to 10 (2017 12)				
Trustees as meeting expenses:	12,380	13,705	12,380	13,705
No remuneration was paid to Trustees in either year.				

The key management personnel of the ACC comprise the trustees, the General Secretary, and the Chief Operating Officer. The total employee benefits of the key management personnel of the ACC were £168,596 (2017 £150,119).

Restructuring costs during the period were £21,590 (2017 £15,933)

Anglican Consultative Council
Notes to the Financial Statements
For the Year Ended 31 December 2018

Note 6 Charity only Cost	Intangible Fixed Assets	Tangible Fixed Assets			Total £
	Software £	Leasehold Property £	Information Technology Equipment £	Office Furniture & Equipment £	
At 1 Jan 2018	16,282	2,038,415	17,611	115,255	2,187,563
Additions	4,586	28,276	7,934	7,188	47,984
Disposals	-	-	-	-	-
At 31 December 2018	20,868	2,066,691	25,545	122,443	2,235,547
Accumulated Amortisation / Depreciation					
At 1 Jan 2018	16,273	1,504,988	7,822	104,180	1,633,263
Charge for period	494	121,548	4,929	3,830	130,801
Disposals	-	-	-	-	-
At 31 December 2018	16,767	1,626,536	12,751	108,010	1,764,064
Net Book Values					
At 31 December 2018	4,101	440,155	12,794	14,433	471,483
At 31 December 2017	9	533,427	9,789	11,075	554,300

Note 7		2018	2017
Investments		2018	2017
At Market Value		Valuation	Valuation
Charity only		£	£
Balance 1 January		1,026,718	942,128
Purchases		600,000	-
Disposals		(16,000)	-
Realised Gains		(335)	-
Unrealised Gains		(16,533)	84,590
Balance 31 December		1,593,850	1,026,718
Cost at 31 December		1,238,487	649,021

The investments are held with CCLA Investment Management Limited in CBF Investment Fund and COIF Charities Investment Fund.

Anglican Consultative Council
Notes to the Financial Statements
For the Year Ended 31st December 2018

Note 8 Accounts Receivable & Payable	Consolidated Group		Charity	
	2018	2017	2018	2017
8a. Amounts Receivable	£	£	£	£
Budget Contributions Due	12,109	5,589	12,109	5,589
Prepayments	18,154	5,005	17,974	5,005
Compass Rose Grants	123,889	191,924	123,889	191,924
Lambeth Conference	25,452	-	25,452	-
Other Amounts Receivable	127,548	71,045	35,517	34,897
	<u>307,152</u>	<u>273,563</u>	<u>214,941</u>	<u>237,415</u>
	2018	2017	2018	2017
8b. Creditors (less than one year)	£	£	£	£
Taxation & Social Security	49,891	25,497	47,243	21,973
Accrued Expenses	56,497	48,488	43,722	29,243
TEC re UN Observer	-	1,875	-	1,875
Lambeth Conference Account	-	25,886	-	25,886
Anglican Alliance Account	-	-	9,471	1,619
Other Creditors	160,206	114,584	155,994	110,663
	<u>266,594</u>	<u>216,330</u>	<u>256,430</u>	<u>191,259</u>
	2018	2017	2018	2017
8c. Creditors (more than one year)	£	£	£	£
Defined Benefit Pension Scheme	642,365	672,827	642,365	672,827
	<u>642,365</u>	<u>672,827</u>	<u>642,365</u>	<u>672,827</u>

Anglican Consultative Council
Notes to the Accounts
For the Year Ended 31 December 2018

Note 9

Total Funds Movement	Opening Balances £	Income £	Expenditure £	Changes in Pension Deficit Liability £	Unrealised Gains on Investments £	Transfers £	Closing Balances £
Unrestricted – General	634,545	2,116,669	1,800,941	-	-	(301,435)	649,217
Unrestricted – Designated							
ACC Meetings	206,693	-	11,884	-	-	120,000	314,809
Pension Reserve	(672,827)	-	6,000	(52,446)	-	88,908	(642,365)
Other Designated Funds	100,000	-	-	-	-	-	100,000
Total Designated Funds	(366,134)	-	17,884	(52,446)	-	208,908	(227,556)
Restricted – Property	481,121	-	106,917	-	-	-	374,204
Other Restricted Funds							
Personal Emergencies	214,423	23,048	21,877	-	(4,760)	-	210,834
United Nations Observer	1,322	57,510	188,944	-	-	130,112	-
Theological Education	28,172	132,456	93,071	-	-	(2,608)	64,949
St Andrew's House refurbishment	56,284	-	2,760	-	-	(18,514)	35,010
Support for Sudan Province	144,765	81,207	225,165	-	-	-	807
Human Trafficking (Subsidiary)	50,793	95,000	52,949	-	-	-	92,844
Church and Communities Transf'm (Subsidiary)	-	70,000	26,000	-	-	-	44,000
Agents of Change (Subsidiary)	-	15,000	12,603	-	-	-	2,397
Communication (Subsidiary)	-	15,000	12,562	-	-	-	2,438
Other Funds	147,117	126,710	145,097	-	-	22,722	151,452
Total Other Restricted Funds	642,876	615,931	781,028	-	(4,760)	131,712	604,731
Endowment	825,172	27,102	-	-	(12,486)	(39,185)	800,603
Total	2,217,580	2,759,702	2,706,770	(52,446)	(16,867)	-	2,201,199

**Anglican Consultative Council
Notes to the Accounts
For the Year Ended 31 December 2018**

Note 9 (Continued)

ACC Meeting The ACC normally meets once every three years, meaning costs may vary significantly from year to year. The meeting is financed by an annual allocation from general funds into a designated fund.

Pension Reserve The pension liability beyond one calendar year is set aside in a designated fund in order to facilitate separate monitoring of this material balance.

Other Designated Funds includes a balance of £100,000 set aside to make good any repairs as required at the expiry of the lease of St Andrew's House.

The **Property Fund** was used to fund the refurbishment and alteration costs to St Andrew's House in 2004. These costs are being depreciated over the life of the lease. No further income needs to be raised as the expenditure has been fully funded.

Personal Emergencies Fund The purpose of this fund is to meet urgent or critical medical needs of bishops, clergy, lay church workers, their families and dependants in order to reduce the impact on the ministry of the affected minister or church worker.

Anglican Communion Office at the United Nations The ACC has Category II (Special) status with the United Nations Economic and Social Council (ECOSOC), which permits consultation with the UN Secretariat on matters of mutual concern.

Theological Education The Department of Theological Education & Studies is funded by outside grants most notably from St Augustine's Foundation.

St Andrew's House refurbishment During the year a gift was received from Trinity Church, Wall Street in support of refurbishing the offices of the Charity to increase capacity and maintain good working order.

Support for Sudan Province During July 2017, the Episcopal Church of Sudan became the 39th Province of the Anglican Communion. Grants are received from Barnabas Fund in order to support salaries for priests and bishops, and certain other costs, within the new Province. Grants to the Province are made three or six monthly and financial reports are received showing the use of funds.

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

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

**Anglican Consultative Council
Notes to the Accounts
For the Year Ended 31 December 2018**

Note 9 (Continued)

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

Communication - Sharing what the Anglican Alliance is doing by means of: printed resources (including annual and specific activity reports); web stories and our website; briefings; social media; presentations in different fora. This fund is held by the subsidiary, Anglican Alliance.

Note 10 Lease Commitments

The charity is committed to making the following lease payments as follows:

Equipment	2018	2017
	£	£
Payable within 1 year	27,330	21,558
Payable within 2 to 5 years	39,614	21,558
Payable after 5 years	-	18,155

Note 11 Subsidiary – Anglican Alliance - Summary results

	Year	Year
	2018	2017
	£	£
Income	505,815	512,623
Expenditure	360,536	418,556
Net movement in funds for the year	145,279	94,067
Total fund balance as at 31 December	175,780	30,501

Income includes a grant from the ACC of £83,713 (2017 £169,632)

Summary of transactions between the ACC and the subsidiary Anglican Alliance

	2018	2017
	£	£
Opening balance	(1,619)	46,240
Expenses paid on behalf of Anglican Alliance	8,169	3,075
Staff costs recharged to Anglican Alliance	-	3,691
Grant made to Anglican Alliance	(83,713)	(169,632)
Donation in Kind staff costs included in the grant above	20,213	27,106
Cash transfer	47,479	87,901
Balance as at 31 December	(9,471)	(1,619)

Anglican Consultative Council
Notes to the Accounts
For the Year Ended 31 December 2018

Note 12 Taxation

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

Note 13 Pension Commitments
Church of England Defined Benefits Scheme

Anglican Consultative Council participates in the Defined Benefits Scheme (DBS) section and in the Pension Builder Classic Scheme section of CWPf for lay staff. The Schemes are administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Defined Benefits Scheme

The Defined Benefits Scheme ("DBS") section of the Church Workers Pension Fund provides benefits for lay staff based on final pensionable salaries.

For funding purposes, DBS is divided into sub-pools in respect of each participating employer as well as a further sub-pool, known as the Life Risk Pool. The Life Risk Pool exists to share certain risks between employers, including those relating to mortality and post-retirement investment returns.

The division of the DBS into sub-pools is notional and is for the purpose of calculating ongoing contributions. They do not alter the fact that the assets of the DBS are held as a single trust fund out of which all the benefits are to be provided. From time to time, a notional premium is transferred from employers' sub-pools to the Life Risk Pool and all pensions and death benefits are paid from the Life Risk Pool.

The scheme is a multi-employer scheme as described in Section 28 of FRS 102. It is not possible to attribute DBS assets and liabilities to specific employers, since each employer, through the Life Risk Section, is exposed to actuarial risks associated with the current and former employees of other entities participating in DBS. This means that contributions are accounted for as if DBS were a defined contribution scheme. The pensions costs charged to the SoFA during the year are contributions payable towards benefits and expenses accrued in that year (2018: £3,750, 2017: £3,300) plus the figures in relation to the DBS deficit highlighted in the table below as being recognised in the SoFA, giving a total charge of £61,750 for 2018 (2017: £323,300).

**Anglican Consultative Council
Notes to the Accounts
For the Year Ended 31 December 2018**

Note 13 Pension Commitments (Continued)

If, following an actuarial valuation of the Life Risk Pool, there is a surplus or deficit in the pool and the Actuary so recommends, further transfers may be made from the Life Risk Pool to the employers' sub-pools, or vice versa. The amounts to be transferred (and their allocation between the sub-pools) will be settled by the Church of England Pensions Board on the advice of the Actuary.

A valuation of DBS is carried out once every three years. The most recent was carried out as at 31 December 2016. In this valuation, the Life Risk Section was shown to be in deficit by £2.6m and £2.6m was notionally transferred from the employers' sub-pools to the Life Risk Section. This increased the Employer contributions that would otherwise have been payable. The overall deficit in DBS was £26.2m.

Following the valuation, the Employer has entered into an agreement with the Church Workers Pension Fund to pay expenses of £3,900 per year. In addition, deficit payments of £88,635 per year have been agreed for 10.00 years from 1 April 2018 in respect of the shortfall in the Employer sub-pool. This obligation has been recognised as a liability within the Employer's financial statements.

Section 28.11A of FRS 102 requires agreed deficit recovery payments to be recognised as a liability. The movement in the provision is set out below:

	2018	2017
	£	£
Balance sheet liability at 1 January	752,000	484,000
Loss on actuarial revaluation (recognised in SoFA)	-	309,000
Deficit contribution paid	(79,000)	(52,000)
Interest cost (recognised in SoFA)	6,000	8,000
Remaining change to the balance sheet liability*(recognised in SoFA)	52,000	3,000
Balance sheet liability at 31 December	<u>731,000</u>	<u>752,000</u>

* Comprises change in agreed deficit recovery plan and change in discount rate between year-ends.

This liability represents the present value of the deficit contributions agreed as at the accounting date and has been valued using the following assumptions, set by reference to the duration of the deficit recovery payments:

	December 2018	December 2017	December 2016
Discount rate	2.30%	1.60%	1.70%

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

The next valuation of the scheme is being carried out as at December 2019.

**Anglican Consultative Council
Notes to the Accounts
For the Year Ended 31 December 2018**

Note 13 Pension Commitments (Continued)

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes.

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

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

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

The scheme is a multi-employer scheme as described in Section 28 of FRS 102 as it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers. This means that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs charged to the SoFA in the year are contributions payable (2018: £87,499, 2017: £70,599)

A valuation of the Pension Builder Scheme is carried out once every three years. The most recent was carried out as at 31 December 2016.

For the Pension Builder Classic section, the valuation revealed a deficit of £14.2m on the ongoing assumptions used. At the most recent annual review, the Board chose not to grant a discretionary bonus, which will have acted to improve the funding position. There is no requirement for deficit payments at the current time.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

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

**Anglican Consultative Council
Notes to the Accounts
For the Year Ended 31 December 2018**

Note 14 Capital Commitments

There were no outstanding capital commitments at the year end.

Note 15 Related Parties

During 2018 The Most Revd Dr Josiah Idowu-Fearon, Secretary General was a trustee of The Anglican Centre in Rome and of the Anglican Alliance. A grant of £17,500 was made to The Anglican Centre in Rome and a grant of £83,713 was made to the Anglican Alliance during 2018.

