

# Christian Aid

Annual report and accounts  
2022/23





## Letter from the Chair

On behalf of the Board of Trustees, I am delighted to introduce our Annual Report on what has been yet another remarkable year for Christian Aid.

The scale of the humanitarian crisis in Ukraine challenged us to act swiftly, three quarters of a century after Christian Aid was founded in response to the refugee crisis in Europe that followed the end of the Second World War. The British public's response was extraordinary. We were able to spend nearly £10 million in funds raised through the DEC and Christian Aid's own appeal, delivering emergency assistance to over 770,000 people in Ukraine and neighbouring countries. The invasion of Ukraine sent energy and food prices spiralling and worsened the situation for people in the poorest countries who were already struggling to recover from the economic effects of Covid. The impact was felt most acutely in East Africa, where one of the worst droughts on record – caused by a combination of five failed rainy seasons and conflict – put millions of people on the brink of famine.

Working through local partners, Christian Aid responded to the hunger crisis in the worst-affected areas in Ethiopia, Kenya and South Sudan and provided life-saving support to over 300,000 people in urgent need.

Christian Aid continued its work on the underlying causes of poverty, through our development programmes in peacebuilding, equality for women and girls, governance and rights, and climate adaptation and resilience. Our campaigning for climate and economic justice is a key strategy for bringing about lasting change for people in poverty. The agreement of a new loss and damage fund at the UN climate conference in Egypt, for which Christian Aid supporters had campaigned, was one notable success.

During the year we convened important conversations about poverty and injustice, including our Annual Lecture at St Martin-in-the-Fields church in London, given by Rt Hon David Lammy MP and hosted by our previous chair, Lord Sentamu, which argued that the UK has a moral duty to engage multilaterally to tackle the world's greatest challenges: climate, conflict and hunger.

Last year saw a notable milestone for our wonderful supporters. We opened the 50<sup>th</sup> Edinburgh Book Sale during Christian Aid Week, an event that has cumulatively raised over £5 million, as it has grown from a single book stall in 1973 to one of the most significant charity events in the country.

Christian Aid is a people-powered organisation, sustained by the creativity and hard work of local communities, civil society partners, sponsoring churches, volunteers, and staff. It's only by working together that we can achieve our strategic goals and achieve real impact.

Thank you as ever to my fellow trustees for their continued efforts to ensure that Christian Aid consistently and faithfully works towards its vision and delivers on its mission.

We especially thank John Sentamu, who stepped down on 1 June 2023. Sentamu gave 18 months of faithful, supportive, and dynamic leadership as Board Chair of Christian Aid. A permanent Chair of the Board of Trustees will be recruited in the coming year.



**Maggie Swinson**, Interim Chair of the Board of Trustees.



## Letter from the Chief Executive

From our humanitarian response in Syria and Turkey following February's devastating earthquake, to our successful campaigning on loss and damage in the run up to COP27 in Egypt, Christian Aid can be justly proud of its work over the last year.

The demands placed on us by humanitarian emergencies have continued unabated. Supported by the biggest DEC appeal since the Asian Tsunami in 2004, our response in Ukraine has increasingly focused on conflict-affected areas of the east of the country. Our civil society partners have done exceptionally courageous work in communities close to the line of conflict, providing emergency healthcare and winterisation kits.



The enormous response to the Turkey/Syria earthquake, less than a year after the Ukraine appeal, shows that the public's generosity in the face of human need in Ukraine was not a one-off. Thanks to their support, Christian Aid and our partners were able to provide vital supplies and train new staff to respond to local needs.

Last October I visited Afghanistan, where I saw programmes in Jalalabad, and met in Kabul with the UN, international NGOs, and Afghan civil society partners. The restrictions announced by the Taliban in December put further pressure on women working in partner organisations and were also deeply concerning in terms of their impact for the Afghan people. We paused our work in January and February while we redesigned our programme, and we continue to adapt how we provide effective humanitarian support, in line with our principles.

Across our humanitarian and development programmes, we are seeking to put affected communities in the driving seat and invest in locally led response. We recently decided to phase out all direct implementation programming by March 2024, with 100% of programming delivered by local and national partners after that date. We also agreed to share overheads equally with partners, quintupling since 2021 the value of the overhead support that they receive. Our decision last year to join the Pledge for Change as a founding signatory reflects our commitment to continue to shift power and resources, actively learn from people living in poverty, and reimagine the role of INGOs.

As we redouble our commitment to partnership it has been encouraging to see so many positive examples in the past year of faith-based collaboration, which plays to our strengths as a Christian organisation working with people of all faiths and none. This includes our partnership with the South Sudan Council of Churches on the joint peace pilgrimage involving Pope Francis, the Archbishop of Canterbury, and the Moderator of the Church of Scotland; our joint response with Islamic Relief to the hunger crisis in northern Kenya; and our work alongside World Jewish Relief in Ukraine.

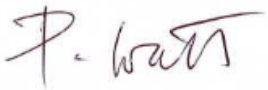
Our collaboration with our sponsoring churches in Britain is central to Christian Aid's work, and highlights included ecumenical prayers for peace in London and Edinburgh on the first anniversary of the invasion of Ukraine; campaigning with international church leaders and Ugandan activist Vanessa Nakate on climate justice; and our annual churches consultation at Methodist Central Hall. We continue to invest in new ways to engage church audiences on our issues, with our 'talking climate justice tour', which I joined in Leeds, generating a large amount of interest, and our Letters for Creation – produced by school children and young people to raise awareness of the climate crisis – appearing in cathedrals and churches around Britain.

All our work is possible through the funding we receive, most of it from the British public. Despite the economic headwinds last year, we saw our total income exceed £90 million, due in part to an exceptional year in appeal income for Ukraine and Turkey-Syria, and better-than-expected institutional income, as we work to rebuild our funding base following UK aid cuts and the loss of EU funding opportunities. Looking ahead, we want to maintain a healthy balance between voluntary and institutional income: being an organisation that is principally funded by our supporters, while also pursuing strategically aligned funding that gives shape to our programmes in our focal areas of peacebuilding, climate adaptation and resilience, gender justice, and governance and rights. Our close collaboration with our sister agency, Christian Aid Ireland, continues to yield great benefits, not least in our peacebuilding work, where they hold particular expertise.

Internally, we have continued our efforts to make Christian Aid an excellent place to work, recognising the challenges many colleagues face, especially those based in conflict-affected and fragile contexts. As part of this push, we are working to make the organisation more diverse and reflective of the world in which we operate. Appointments in the last year to the directorate team, and to country manager positions, have further increased our ethnic and gender diversity at a senior level, and we have joined the Fair Share initiative as part of our commitment to gender equity, and parity in senior roles. Last year, we adopted Equality Impact Assessments to ensure that our policies actively promote an equitable working environment for all staff, irrespective of background or location, and we continue to regularly review progress at director and trustee level towards becoming a truly anti-racist organisation.

In order both to tackle workload and enhance our programme quality, we have invested in digital systems that streamline our work and improve insights and innovation. For example, our new programme management system, iPIMS, has made it much easier for us to follow our work globally and capture and disseminate our impact.

This annual report covers my first full year as CEO of Christian Aid. I would like in particular to thank our previous Chair, John Sentamu, for steering the organisation through a leadership transition and strategic review, and for the wise and supportive guidance he gave to me. Lord Sentamu was especially effective in connecting Christian Aid with new audiences – something I saw when we travelled together to Sierra Leone in early 2023 to visit our programme and meet political and religious leaders – and was a powerful ambassador for Christian Aid's campaigning. I am similarly grateful to our interim chair, Maggie Swinson, who has stepped up into the role during the period while a permanent chair is recruited.



**Patrick Watt**

Chief Executive Officer

## Strategic Objectives

For 77 years, we have provided long-term development support and humanitarian relief worldwide, highlighting suffering, tackling injustice and championing people's rights.

### Our vision

Our vision is a world where everyone has fullness of life; a life lived with dignity, free from poverty and need; where global resources are equitably shared and sustainably used; and where the voice and agency of the poor and marginalised are fully realised.

### Our mission

We live in a world where the scandal of poverty, inequality and injustice persists. We act as a global movement of people to respond in practical ways to alleviate suffering; to expose and eradicate misuses of power; to provide humanitarian support in crises and emergencies; and to work for sustainable and long-lasting change.

### Our strategic framework

Our global strategy, Standing Together, lays out an analytical framework for our approach to tackle extreme poverty:

**Poverty:** Reach people living in extreme poverty, challenge structural poverty, and respond to need.

**Power:** Understand, challenge, shift and build new forms of power across all connected levels.

**Prophetic voice:** Enact, together with people living in poverty, a shared vision of a just and healed world.

### Delivering hope, building a movement

We have an incredible network of supporters, partners, and allies across the world, and the total of all our actions is greater than the sum of our parts. To achieve our goals, we need to collaborate with people and organisations of all faiths and none, who share our values and a desire to act with the same courageous hope and conviction.

To achieve our vision and mission we need to:

- connect the thousands of churches and supporters who give, act and pray in Britain and Ireland
- connect the hundreds of organisations who partner with us to deliver innovative and effective solutions to eradicate poverty
- connect the voices from every country where we are present to dismantle the systemic causes of poverty and amplify their desire for justice.

### Our values

#### Dignity

Our belief that every human being is of equal worth and should be given the opportunity to realise their potential.

#### Love

Our cornerstone! Our motivation to love and care for others and Creation by standing alongside those who struggle against poverty, powerlessness and injustice.

#### Justice

Our determination to empower communities and to challenge the structures and systems that create poverty and prevent people from rising out of it.

#### Equality

Our conviction that all individuals and groups have the right to equality of voice, opportunity, and outcomes.

## Strategic report

Poverty isn't a choice, it's a trap that denies you the opportunity to make your life better. It's losing your income, your home, your security, your options.

But we believe there is always hope. And if we act together, our hope can create a just, fairer, more peaceful world.

Throughout the past year, we have worked hard to embed our belief that the long-term end to poverty happens when the people experiencing it day to day lead the way; from the advocacy and planning right through to the implementation of programmes.

### Where we work

This year we worked in the following countries:

Country Programmes -		
Afghanistan	Kenya	<b>Latin America and Caribbean Region -</b>
Bangladesh	Malawi	Nicaragua
India	Nigeria	Haiti/Dominican Republic
Myanmar	Sierra Leone	El Salvador
Burkina Faso	South Sudan	Colombia
(inc. watching brief	Zimbabwe	Guatemala
Mali)	<b>Middle East Region -</b>	Honduras
Burundi	Syria	<b>Ukraine Region -</b>
Democratic Republic	Lebanon	Ukraine
of Congo	Israel and occupied	Hungary
Ethiopia	Palestinian territory	Romania

### The year in numbers

- We funded 275 projects across Africa, Asia, Europe, Middle East, Latin America and the Caribbean.
- We worked with 245 implementing partners of which 25% were faith-based partners.
- We reached 2,960,055 people directly – with 55% of these being women and girls, and reached another 17,787,532 people indirectly.
- The humanitarian needs of 3,319,803 people were met directly or indirectly through our interventions.
- We continued to reach new audiences, with 42,787 people giving to Christian Aid for the first time, nearly 4,000 of them regular givers.
- Additionally, 33,627 people took 49,410 campaign actions, including petition signing, individual actions and movement building.
- We raised a total of £90.6m in 2022/23, with £47.5m of this coming from supporters in the UK.
- As a part of this, £13,730,3081 from UK supporters went to specific humanitarian emergencies in 10 countries.
- We spent a total of £93.2m, with £45.7m used for humanitarian programming and £27.9m for development programmes.

## Programme Achievements

Our programme work advanced our '3 Ps' (Poverty, Power and Prophetic Voice) approach to transformative change by reaching people in poverty and need; understanding, challenging, shifting and building new forms of power; and building a movement for action facilitating agency and voice in our constituencies. In 2022/23 our work was delivered through five broad themes of Climate Justice, Economic Justice; From Violence to Peace; Social & Political Justice and Gender Justice.

Our humanitarian work focused on slow onset crisis such as East Africa and on prevention and resilience, mitigating the effects of conflict and disaster. We also ran new programmes from the 2022 DEC appeals for Afghanistan, the Turkey/Syria earthquake, and Ukraine.

Our Climate Advocacy saw success at COP27, in November 2022, with the introduction of a loss and damage fund. This ensures that the responsibility for loss and damage incurred by vulnerable communities for climate change caused by industrialised countries is recognised, and that industrialised countries pay for it. Our Economic Justice advocacy focused on the need to reverse net global resource flows currently going from the global South to the North and ensure states in the global South have financial flexibility to provide critical public services and take climate action.

A full account of our programmatic results can be found in our [Global Results Report 2022/23](#).

## Progress made on our priorities

Here we show what progress we have made during the financial year 2022/23, against our agreed corporate priorities in three areas – Programme, Income, and People. Key highlights are drawn out under each heading.

### Shift power to people living in poverty to deliver wider impact

Christian Aid has led the way globally in ensuring communities in crisis are right at the heart of decision making to support their own recovery. This locally led approach is now at the top of the global humanitarian sector policy agenda via the Grand Bargain reform process, an agreement between donors and aid agencies.

Our innovative [survivor and community led response \(SCLR\)](#) approach – which puts power into the hands of communities in crisis by enabling them to design and deliver interventions themselves – has become recognised within the sector as a valuable innovation. It has received funding from the Start Fund – that focuses on smaller crises – Irish Aid, the DEC, and several ACT Alliance sister agencies. Christian Aid brought Southern partners to the negotiating table including at the Grand Bargain annual meeting, the African Union Humanitarian meeting and COP27. Two of the world's largest humanitarian donors, ECHO and USAID have launched progressive new policies, partly due to our influencing.

We signed the Pledge for Change 2030 – that reimagines the role of International NGOS (INGOS) - to deepen our commitment and reinforce our position as a leading-edge activist for locally led, people-centred aid. These are concrete commitments that extend into all our areas of work.

We pushed our partnership approach further by stopping implementing projects directly with our own staff (as we currently do in DRC, Nigeria, Ethiopia and Bangladesh), in favour of channelling our resources via local civil society partners. As a result, all our programmes will be implemented by national and local partners from April 2024.

Christian Aid has also led the way in sharing operating costs with our local partners and has made substantial progress, with like-minded allies, in persuading other international organisations to follow suit. In 2022/23



£1.3 million was shared as indirect costs to partners, as a contribution to their running costs, and 45% of all 2022/23 projects have shared at least half of indirect costs they received from donors with partners.

We supported our partners to access funds directly from the EU and USAID in Burundi, Irish Aid in Sierra Leone, and UN OCHA in Afghanistan. We work with faith-based agencies -including the ACT Alliance - to develop a simplified approach to due diligence of our local partners, to mitigate the challenge of burdensome vetting and compliance checks to access international funding.

Christian Aid also supports locally led advocacy action, including community support organisations leading climate change resilience in Sierra Leone, local advocacy on climate change in Kenya, championing the role of women in Nigeria, and seeing local partners lead a community of practice on survivor and community led response in Ukraine.

### **Deliver impact in fragile contexts by adapting and enhancing our work**

Our commitment to deliver greater impact to the poorest people has seen Christian Aid deliver a growing proportion of our programmes in conflict affected and fragile contexts. We do this through approaches including 'survivor and community-led response' (sclr) and delivering cash directly to those in need, so that they can decide how to spend it, and support local infrastructure.

In collaboration with Christian Aid Ireland, several country and regional programmes have brought development, peacebuilding and humanitarian thinking together, enabling us to build a reputation with key donors for working creatively on what we call the 'triple nexus' approach.

In Afghanistan, since the takeover by Taliban forces, we have adapted our programme to recognise the changing context, which requires constant monitoring and adjustments. Our support helped local people to engage with the de facto authorities and influence them to respond to local need and seek protection for people in poverty.

In Ukraine, we have worked to ensure that people and communities have access to safe, dignified, inclusive and adapted meaningful support to meet their own needs.

With the support of our partners (Hungarian Interchurch Aid, HEKS, Alliance for Public Health and Blythswood) and DEC funding, we provided mini grants to empower communities to take the lead in identifying and implementing solutions to problems created by the conflict and displacement. To date, over 243 groups received SCLR micro-grants reaching more than 80,000 people with various initiatives. Our mobile clinics in Kharkiv have bridged the gap in insecure areas where the health system has been severely damaged, providing vital medical support for people.

### **Ensure we are clear about our commitment to decolonisation in our work**

Christian Aid's approach to partnership has been part of our DNA since our foundation. But we are acutely aware that unequal power relations keep disproportionate power and resources in the hands of donors and international organisations in the global North. This often leaves local organisations and communities undervalued and disrespected despite their understanding of the dynamics of poverty in their own societies.

With our peers, Christian Aid is working to recognise how these inequalities shape our own practice, and seeking to properly value local actors, and learn from locally generated knowledge. We have put in place governance mechanisms to have oversight of the changes we can make to improve all aspects of how we deliver our work. We also continue to reflect on the impact of our work internally.



### **Accelerate our voluntary income growth**

Despite the headwinds caused by the cost-of-living crisis, we raised a total of £47.5m (2022: £46.7m) of voluntary income in the year including £5.0m (2022: £5.8m) from our annual public fundraising mobilisation, Christian Aid Week. The visibility of the Christian Aid brand continues to grow, thanks to creative initiatives. People continue to remember Christian Aid in their Wills, with £14.7m raised from these life-affirming gifts. That's why we launched the "I Hope It I Will It" legacy campaign. We have also worked with partner churches on a joint Faith Will initiative to promote legacy giving, launching later in 2023. The UK financial climate has made it harder to inspire new supporters, though more than 40,000 people gave to Christian Aid for the first time in 2022/3.

We have seen significant growth in our major and mid value programmes, driven by new acquisition and existing supporters increasing their level of donation.

The past year has seen several large humanitarian emergencies, most recently the Turkey/Syria earthquake. Over 2022/23 we mobilised appeals digitally with supporters in a matter of hours. Innovation and a test-and-learn approach remain at the heart of our plans across all streams of voluntary fundraising.

### **Stabilise our institutional funding portfolio**

Our investments to stabilise institutional funding helped to sustain our institutional income. By the end of 2022/23 we achieved a total institutional income of £24.6m, compared to £25.3m in 2021/22. We continued to invest and develop the pipeline of income for 2023/4 and have continued implementing the institutional stabilisation fund. A sizeable part of the fund was invested in capacity and capability to secure funding from key institutional donors, in Kenya, Malawi, Zimbabwe, DRC, and the LAC and Middle East programmes. We secured our first new USAID awards (in the LAC region) in 5 years and a new World Bank partnership in Burundi.

### **Create a sustainable working environment where wellbeing is a priority and people are valued**

None of the above would be possible without Christian Aid's staff. We work hard to ensure that Christian Aid is a great place to work, in which every individual feels valued. We believe that all people are created equal and work hard to create a workplace where everyone belongs and contributes regardless of their gender identity, age, sexuality, race, background, or location.

We also encourage time in the office to develop a strong culture and working relationships. We have a comprehensive wellbeing approach, including a team of mental health first aiders and continue to support our staff across the world with financial wellbeing and have an emergency loan system.

### **Embed anti-racist behaviours and intent across the organisation**

We understand that many causes and impacts of poverty have been shaped by racism and colonialism. And we recognise that faith, Christianity, and international charities have played a complex and varied role in both challenging and perpetuating systems of racial injustice. We are working to make the organisation more diverse and reflective of the world in which we operate and commit to being to be an anti-racist organisation.

## Plans for the future

In 2022/23, we undertook a swift and comprehensive mid-term review of our global strategy “Standing Together” and the progress we have made against this vision. The review reinforced the relevance of our strategy and reaffirmed its overarching vision, direction, and approach. It also highlighted the need for us to be more deliberate and disciplined about its delivery.

The learnings of the review, along with an analysis of the key external drivers, helped us to shape the plans for Christian Aid over the next three years, to fully realise the vision in our inspiring strategy – a world where everyone has fullness of life.

The increase in the number of people living in extreme poverty in the context of the Covid pandemic, widespread fragility and conflict in the countries in which we work - accompanied by a trend of shrinking civic space, the escalating impact of climate change on human life and livelihoods, and deep social and economic inequality - continue to be the key drivers that shape the context for Christian Aid’s work.

We will continue to deliver our work through the lenses of the ‘3 Ps’ of poverty, power, and prophetic voice, while recognising the need for the organisation to be agile and adaptable, and to contextualise the strategy in diverse settings.

Over the next three years, as we continue to address the structural challenges of poverty, we will also focus on building local agency, fostering more equitable and value-driven partnerships, and deepening our engagement with faith actors.

To enable us to achieve our three-year destination, in 2023-24, we will specifically:

- 1 Sharpen the focus, niche and coherence of our development, humanitarian and advocacy work
- 2 Mobilise and enhance our work through an intentional focus on partnerships and faith actors, nationally and globally
- 3 Realise our ambitions in fundraising, moving to a 40:60 ratio of institutional and voluntary income that is balanced and strategically aligned
- 4 Build our people capabilities with a focus on applying our values, managing workloads and working in fragile contexts
- 5 Embed our decolonisation and anti-racism principles in everyday practice

In working to deliver on the above priorities, we will also ensure that we build an enabling work environment and culture where staff can thrive across our footprint supported by a clear organisational direction and effective people management processes.

## Principal risks and uncertainties

Our work to eradicate poverty is inherently risky, particularly in fragile or conflict-affected countries, or when speaking out on contentious issues. Effective risk management is therefore critical.

The trustees are ultimately responsible for risk management and the effectiveness of our internal control systems. The major risks to which we are exposed, as identified by the trustees, are regularly reviewed and systems and procedures have been established to manage those risks.

The board of trustees has considered and approved the risk management policy and its appetite for risk. A review and consolidation of our risk appetite statements is currently underway with the board, in alignment with the key corporate priorities identified from the mid-term review. The Board has delegated the regular review of the risk management process to the Audit and Risk Committee, which also oversees the work of the audit, risk and assurance function, including the results from the delivery of the internal audit plan, internal control self-assessment and follow up actions.

Senior management ensures that day-to-day risk management processes are embedded across the organisation, through the effective implementation of policies and procedures and the maintenance of appropriate risk registers. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them in line with the board's risk appetite. The directorate reviews and updates the corporate risk register ahead of each Audit and Risk Committee.

Principal risk	Control and mitigation
<b>The countries in which we operate</b> Working in fragile and insecure contexts brings risks to our personal and financial security, our reputation and our accountability to perform impactful work with those most in need of urgent humanitarian and other developmental support. The strategic choice to focus our work on the countries and regions of greatest need and to respond to high profile humanitarian crises such as Ukraine and Syria raises the likelihood that risks will materialise particularly as changes to local contexts, resulting from multiple crises, emerge simultaneously.	<ul style="list-style-type: none"> <li>▪ We work primarily with and through local partners, faith-based organisations and other actors with deep roots in local communities. We invest in maintaining access to up-to-date information and relevant networks and respond quickly to changes in context.</li> <li>▪ We have up-to-date security policies and procedures embedded through training and protocols. We participate in sector-wide humanitarian security structures.</li> <li>▪ We test our crisis management procedure periodically.</li> </ul>
<b>Advocacy and campaigning</b> Advocacy and campaigning can put Christian Aid and others connected with our work into conflict with actors who do not agree with us. If we make statements that are not well researched or are erroneous, we risk litigation and reputational damage.	<ul style="list-style-type: none"> <li>▪ We have an internal public policy and media sign-off protocol for approving and guiding our public policy and media products intended for external audiences.</li> <li>▪ We ensure all our communications are well researched and compliant with regulations.</li> <li>▪ We provide clear guidance to country programmes around partner publications.</li> </ul>



Principal risk	Control and mitigation
<p><b>Working through and with partners</b></p> <p>If partners lack capacity to deliver effectively and accountably, there is an increased risk of poor programme quality, misuse of funds and safeguarding abuses. Failure to invest time and effort in strengthening our key partnerships – including with governments, civil society organisations and the private sector – could reduce our overall impact.</p>	<ul style="list-style-type: none"> <li>■ We have made a strategic decision to cease directly implementing project activities to focus on strengthening our partnership approach.</li> <li>■ We have partnership agreements with our partners that define shared values, standards and joint strategies, as well as funding and reporting agreements for each project defining our requirements and including provisions on safeguarding and financial crime. We investigate any related incidents, and we regularly report on these to the Audit and Risk Committee.</li> </ul>
<p><b>Accountability to the people we serve</b></p> <p>There is a risk that the communities in whose name we act are excluded from influencing or benefiting from our programmes or are harmed or negatively impacted by them.</p>	<ul style="list-style-type: none"> <li>■ Our commitment and certification to the Core Humanitarian Standard, against which we are externally audited, is underpinned by our quality standards, which promote the rights, dignity and centrality of the vulnerable people and communities that we serve.</li> <li>■ Communities are orientated on the expected behaviours of Christian Aid representatives, and we have systems to monitor, respond to, and learn from feedback and complaints.</li> <li>■ We have a responsible data group that supports the application of data protection principles within our programme work.</li> </ul>
<p><b>Programme design, quality and effectiveness</b></p> <p>If we fail to design and deliver our programmes to the highest standard or fail to understand and comply with specific donor requirements, we will not deliver the greatest impact to communities or donors may lose trust in our work and cease future funding. If we fail to promote diversity and inclusion in our programme design and ways of working, we risk compromising our values, mission and ability to reach those most in need.</p>	<ul style="list-style-type: none"> <li>■ Our localisation and decolonisation commitments, supported by our active engagement in global policy forums, are focused on empowering and enhancing the agency of local partners and communities.</li> <li>■ Our programme quality framework, which is embedded in our Integrated Programme Management System, ensures that we carefully design our work and select our partners, taking account of community needs, diversity and inclusion, the local environment, and lessons from earlier work.</li> <li>■ We have monitoring and evaluation systems and conduct external evaluations.</li> <li>■ We have processes to ensure that donor requirements are understood and applied by our local teams and implementing partners.</li> </ul>
<p><b>Christian Identity</b></p> <p>Negative external perceptions of Christianity and differences of opinion with churches on key issues could have a detrimental impact on our work. Tensions between states and churches, should they arise, could adversely impact our own relationship with governments. We could also fail to make the most of our opportunities to engage the churches in the fight against poverty.</p>	<ul style="list-style-type: none"> <li>■ Christianity underpins our core values, promoting love, inclusion and tolerance of others. Our work targets the world's most vulnerable and marginalised people, regardless of race, gender or faith. We work with alliances of all faiths and with secular organisations that share our determination to end poverty. We do not proselytise. We recruit people from all faiths and none, although our directors and trustees have an occupational requirement to be practicing Christians.</li> </ul>

	<ul style="list-style-type: none"> <li>Our strategy aims to engage the churches in the fight against poverty and help supporters put their faith into action. Our policy positioning draws on theological insight and reflection, not only to strengthen our work, but also to provide a deeper understanding for the Christian constituency.</li> </ul>
Principal risk	Control and mitigation
<b>Information systems and cybersecurity</b> Failure to keep pace with new technologies and ways of reaching supporters and affected communities in the way they prefer could reduce our impact and effectiveness. Failure to deliver IT projects to time and budget could undermine organisational benefits. Failure to secure our information systems from attack could lead to loss of service, loss of data and even put people at risk, leading to reputational damage, regulatory breaches and fines.	<ul style="list-style-type: none"> <li>The Digital and IT Steering Group oversees digital strategy and investment, including the delivery of key IT projects. It also provides oversight of cybersecurity risk management.</li> <li>We have mandatory IT policies and procedures and there are regular staff updates on cybersecurity risks. Online data protection and cybersecurity training is mandatory for all staff.</li> <li>We undertake regular testing of our IT security through a third-party consultant.</li> </ul>
<b>Economy, sector competition and financial strategy</b> The ongoing cost of living crisis, UK aid cuts and the wider narrative in relation to international development in the UK and globally could reduce the income available and wider support for our programmes if we fail to maintain existing, or to attract new, funders.	<ul style="list-style-type: none"> <li>We have a corporate planning and budgeting process and a reserves policy. Financial and fundraising performance is monitored by the board.</li> <li>Our supporter-led fundraising strategy seeks to engage with new audiences and to inspire people to give, even in difficult circumstances.</li> <li>We have an institutional fundraising and partnerships strategy and monitor progress on securing opportunities to diversify funding.</li> <li>We have an established presence outside the UK in our sister agency Christian Aid Ireland and through ACT Alliance EU, enabling Christian Aid to retain its voice in Europe post Brexit.</li> <li>We are engaged in advocacy, working with networks and coalitions, including Bond, to minimise the negative impacts of the UK aid cuts, and shape a positive development vision for the UK.</li> </ul>
<b>Regulatory compliance</b> Failure to comply with legal and regulatory frameworks could damage our reputation and result in fines and other penalties. In international contexts this could compromise our ability to continue working in some locations. Regulatory pressure could restrict our ability to respond quickly, especially in conflict situations or in locations subject to sanctions or where terrorist groups are known to operate. If our funds were diverted into terrorist hands, we may face significant reputational, legal and financial risk.	<ul style="list-style-type: none"> <li>We have a range of working groups to oversee regulatory compliance including the Health, Safety and Security Committee, Financial Crime Risk Committee, Data Protection Oversight Committee and Safeguarding Governance Group and we ensure that statutory and regulatory reporting requirements are met.</li> <li>We provide induction and training to new trustees and have processes in place to keep the board apprised of relevant changes in regulation.</li> <li>We ensure compliance with national and local requirements, including registration, tax compliance and statutory reporting.</li> <li>We actively engage with the UK government and the financial sector to ensure that the regulatory environment relating to financial crime does not preclude legitimate humanitarian action.</li> </ul>

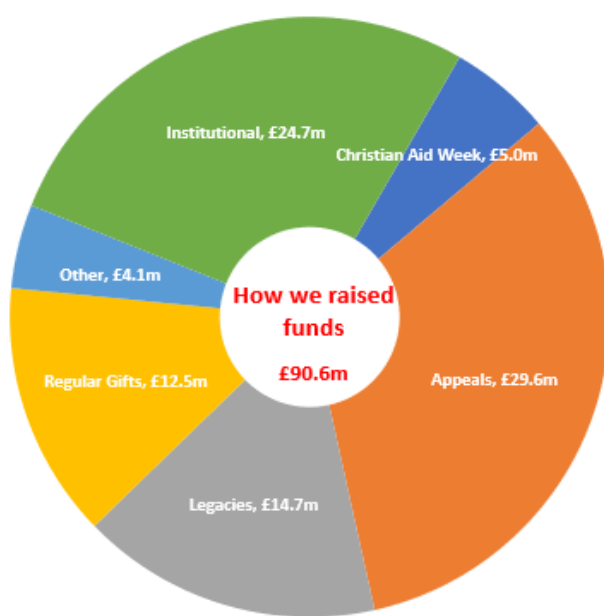
Principal risk	Control and mitigation
<b>Human resources</b> Failure to provide effective leadership and management, look after the wellbeing of our staff or ensure that we are diverse and truly inclusive could risk the implementation of our strategy, demoralise our staff and damage our reputation.	<ul style="list-style-type: none"><li>▪ We have rigorous and inclusive recruitment processes. Staff sign our code of conduct, have a structured induction and individual performance is supported and monitored under a structured approach.</li><li>▪ Our Decolonisation and Anti-Racism Governance Group oversees work to strengthen our approach to race and diversity in all our work.</li><li>▪ Our human resources policies promote employee wellbeing, and we provide regular and open communication to employees.</li><li>▪ We obtain feedback from staff through surveys and respond to issues raised.</li></ul>



## Financial review

### Income and expenditure overview

#### How we raised funds...



	2022/23	2021/22	Variance
Income	£'m	£'m	%
Donations from individuals	65.0	52.1	25%
Institutional grants	24.7	25.3	(3%)
Other	0.9	1.0	(5%)
<b>Total income</b>	<b>90.6</b>	<b>78.4</b>	<b>16%</b>

Christian Aid's income has increased by 16% to £90.6m in 2022/23, mainly due to the substantial Ukraine emergency appeal, over £16m of which is recorded under donations from individuals. Donations from individuals have therefore increased by 25% year on year, the substantial growth in donations to emergencies partly offset by a slight decrease in donations through Christian Aid Week and regular gifts.

Unrestricted income at £42.7m is ahead of the previous year. However, the substantial increase in restricted emergency appeal income means unrestricted income has decreased as a proportion of total income to 47% (2022: 54%).

	2022/23 Unrestricted funds £'m	2022/23 Restricted funds £'m	2022/23 Total funds £'m	2021/22 Unrestricted funds £'m	2021/22 Restricted funds £'m	2021/22 Total funds £'m
<b>Income</b>						
Donations from individuals	40.6	24.4	65.0	40.0	12.1	52.1
Institutional grants	1.3	23.4	24.7	1.1	24.2	25.3
Other trading activities	0.6	0.1	0.7	0.9	-	0.9
Investments	0.2	-	0.2	0.1	-	0.1
<b>Total income</b>	<b>42.7</b>	<b>47.9</b>	<b>90.6</b>	<b>42.1</b>	<b>36.3</b>	<b>78.4</b>

Christian Aid's total institutional grant funding fell by 2% to £24.7m. This is in keeping with project closures which began in the previous year. However we are now seeing signs of stabilisation, with income boosted by additional EU, UN, START Fund, and in the fourth quarter ACT Alliance humanitarian grants for Syria/Turkey.

Our in-year contract approvals in 2023 were £37.6m (2022: £31.1m). This includes £17m of new development projects and £18m of humanitarian awards (of which £13m were UN).

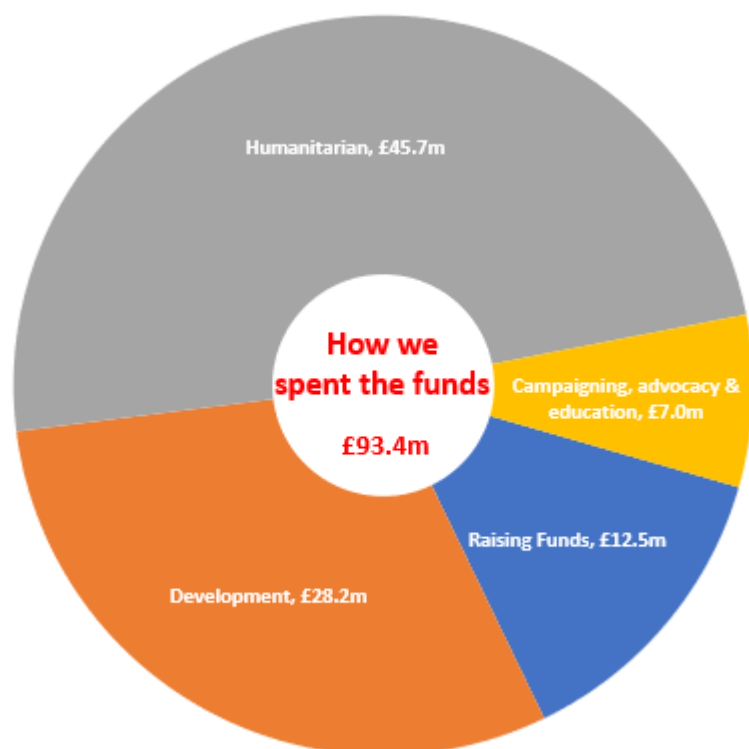
In addition to direct grant funding, Christian Aid facilitated the distribution of cash transfers valued at £5.6m to displaced people in the DRC and Nigeria via our partnerships with the UN World Food Programme. It is a long-term sector-wide humanitarian strategy to shift towards cash transfers as they allow communities in crisis to prioritise their immediate needs in a more dignified way and support local economies. However, these sums are recorded in the UN's Financial Tracking System (FTS) and thus are not recorded in Christian Aid's accounts for technical accounting reasons.

	2022/23	2021/22	Variance
<b>Total donations by type</b>	£'m	£'m	%
Christian Aid Week	5.0	5.8	<b>(14%)</b>
Appeals	29.6	17.5	<b>69%</b>
Legacies	14.7	13.8	<b>7%</b>
Regular gifts	12.5	12.8	<b>(2%)</b>
Other donations	3.2	2.2	<b>45%</b>
<b>Total donations</b>	<b>65.0</b>	<b>52.1</b>	<b>25%</b>

Donations from supporters increased by 25% over the previous year driven by the Ukraine crisis and strong performances in legacies and other donations. Christian Aid Week did not achieve the previous year level partly due to the strong public response to the war in Ukraine and the cost-of-living crisis. Appeals strongly outperformed the other donation lines this year, with a 69% uplift over 2021/22. This was predominantly DEC and humanitarian emergency appeals: Ukraine, Afghanistan, Hunger, and in the last quarter of 2023, the Turkey-Syria Earthquake Appeal. Legacy income rose 7% above the previous year, boosted by initial distributions from a generous legacy noted in the prior year. Our legacies pipeline at the year-end is £15.8m (2022: £16.3m). Regular giving decreased by 2%, reflecting stability despite stalling recruitment of new supporters due largely to the challenging economic environment. We are reassured that the decline is only minor compared to prior year, after many years of more substantial contraction in regular giving.

Other donations recorded a 45% increase on prior year. After Covid restrictions were relaxed in the previous year, community and denominational appeals are reviving, reflecting the never-failing generosity of our church and community supporters.

## How we spent the funds....



Expenditure	2022/23 £'m	2021/22 £'m	Variance %
<b>Raising funds</b>	12.5	11.6	<b>8%</b>
<b>Charitable activities</b>			
Development	28.2	24.5	<b>15%</b>
Humanitarian	45.7	34.0	<b>34%</b>
Campaigning, advocacy, and education	7.0	5.9	<b>19%</b>
<b>Total operational expenditure</b>	<b>93.4</b>	<b>76.0</b>	<b>23%</b>

Expenditure has increased by 23% year on year to £93.4m in line with the increase in income.

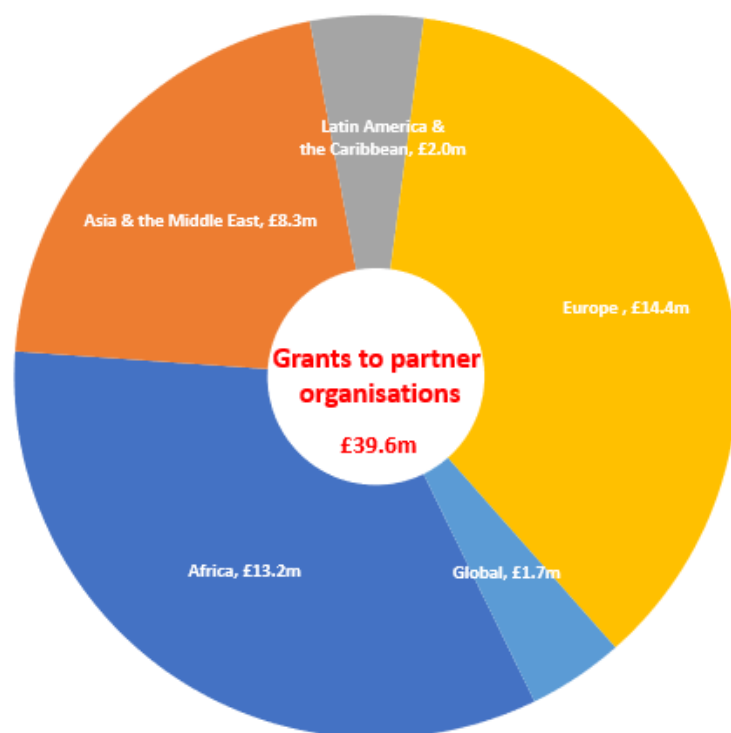
Humanitarian expenditure has increased to £46m (2022: £34m) with crises in Ukraine, Afghanistan, Turkey-Syria, and East Africa the focus of our work in 2022/23.

Expenditure on development programmes increased by 15% to £28.2m.

Spend on charitable activities, at £80.9m, is 86% of total costs (2022: 85%). Fundraising investment increased by 8% to £12.5m as we increase our investment in supporter and community fundraising and brand post-pandemic.



## Grants to partner organisations...



	2022/23	2021/22	Variance
Grant expenditure analysed by Region	£'m	£'m	%
Africa	13.2	10.4	27%
Asia and the Middle East	8.3	8.4	(2%)
Latin America and the Caribbean	2.0	2.0	0%
Europe	14.4	3.1	365%
Global	1.7	1.3	(31%)
<b>Total grants to partner organisations</b>	<b>39.6</b>	<b>25.2</b>	<b>57%</b>

Grants to partner organisations increased by 57% with a substantial increase seen in Europe, a direct result of the Ukraine Emergency Appeal. Grants to partners in Africa rose by 26% in part a consequence of an additional £2m spend from designated reserves set aside at the end of 2022. Christian Aid will continue to increase its grant allocations from core funds with a second allocation from designated reserves in 2023-24 as part of a three-year commitment and longer-term goal to increase grant-making from unrestricted income to 25%.

## Balance sheet, pension, cash, and reserves

Our net asset position has decreased by 10% to £31.9m, reflecting the deficit position for the year.

The assets supporting the operating reserves include net assets held by subsidiary and connected entities, along with land and property valued at market value. As at, 31 March 2023, the operating reserves (unrestricted reserves less depreciating tangible and intangible fixed assets) stood at £14.4m. This is above the target of £14m set by the trustees in the reserves policy, which is derived from an assessment of financial and other risks. The trustees are working to a three-year financial framework, which is expected to return these reserves to this target. In addition to the operating reserves, the trustees have designated other unrestricted funds for specific purposes as part of the current three-year financial framework. At the 31

March 2023 these designated funds totalled £7.7m. £4.6m of these designations are for additional grant-making to partners during the period April 2023 – March 2025.

Restricted fund balances at £8.0m are only slightly increased on the previous year with a predominance of humanitarian appeal funds and other voluntary income funded restricted donations. Prior year institutional grant fund balances continue to be spent down. Where fund balances are in deficit the trustees remain content future donor commitments are sufficient not to provide for these deficits from unrestricted funds.

Due to the cyclical nature of programme spend, the previous year's net inflows are now a £5.4m net outflow, driven by increased investments in core grant-making and fundraising. Cash and cash equivalents are £5.4m down on prior year. Nevertheless, the trustees consider the cash position, the healthy reserves, and the projections for future income as sufficient to support the operational requirements of Christian Aid for the next 12 months and beyond.

The final salary pension scheme has a surplus of £6.8m (2021/22: £22.3m) under FRS102 and Christian Aid does not anticipate the need to make further contributions to the pension scheme for the foreseeable future. The surplus in the scheme cannot be recognised in the balance sheet under FRS102 because it is not recoverable.

## Structure, governance and management

### Legal structure

Christian Aid is a registered charity in England and Wales and in Scotland and is a company limited by guarantee registered in England and Wales. The trustees of Christian Aid are its directors for the purposes of company law. The trustees are responsible for overseeing the management of Christian Aid and delegate the day-to-day management of the charity to the Chief Executive. There are 41 members of Christian Aid, which are referred to as our sponsoring churches (as listed in the Acknowledgements on p64). The sponsoring churches represent a wide range of denominations and traditions from the Christian faith in Britain and Ireland. There are various subsidiary and connected charities which support Christian Aid, as described below:

- **Change Alliance** is a for-profit, wholly owned subsidiary of Christian Aid, established in India. Change Alliance provides consultancy, business development and fundraising support to a range of Indian private-sector and non-governmental partners.
- **Christian Aid Trading Limited** is a for-profit subsidiary of Christian Aid that pursues commercial fundraising opportunities in Britain and Ireland and donates its profits to the charity.
- **The British and Irish Churches Trust Limited** acts as a custodian trustee to Christian Aid and Churches Together in Britain and Ireland (an independent charity). The trust has legal title to Christian Aid's London office – Inter Church House – on behalf of the two charities, who jointly own the property.
- **Christian Aid Kenya** is a separately registered legal entity in Kenya established to facilitate Christian Aid's country programme there. This subsidiary is consolidated as a branch of Christian Aid in the same way as other country offices, since programme management continues to operate within the delegated authority framework of Christian Aid. Nyuki Hubs is a for-profit subsidiary of Christian Aid Kenya working to improve honey supply chains. Its accounts have not been consolidated into the group results of Christian Aid as they continue to remain de minimus.
- **Christian Aid Zimbabwe** is a separately registered legal entity established to facilitate Christian Aid's country programme in Zimbabwe. It is also consolidated as a branch of Christian Aid.

The results of each subsidiary (except as noted above) are consolidated into the group accounts of Christian Aid.

**Christian Aid Ireland** is an independent organisation and includes charitable companies in the Republic of Ireland and Northern Ireland, which together operate as a single pan-Ireland charity. The Irish sponsoring churches, Irish Council of Churches and Christian Aid are members of Christian Aid Ireland. Although Christian Aid Ireland operates as an independent entity, it remains aligned with Christian Aid in terms of its brand, vision, mission and values.

### Board of Trustees

The principal responsibilities of the board include determining the overall strategy, policies, direction and goals of the organisation. The board is also responsible for protecting and promoting our identity and values, as well as fulfilling our statutory responsibilities. The board consists of a Chair and Vice Chair, the Chair from each of the national advisory committees for Wales and Scotland, a nominee from Churches Together in Britain and Ireland (CTBI), the Chair of Christian Aid Ireland, and up to 14 other trustees appointed by the members (the sponsoring churches in Britain and Ireland). This mix ensures an appropriate balance of lay and ordained people, diversity, geographical representation, and knowledge and skills relevant to our work. In keeping with good governance practice, trustees serve an initial term of four years which can be extended for a second term up to a maximum term of eight years in total. The board meets four times a year, which



includes two one-day meetings plus two two-day residential meetings.

New trustees undertake a comprehensive induction programme, which covers the formal governance arrangements and includes our legal structures and obligations, charitable priorities and work. Trustees receive a monthly e-briefing to highlight relevant updates including changes in regulation and best practice. Trustees are also invited to attend some internal meetings which may be of interest, as well as external conferences and seminars on governance matters to deepen their understanding of their roles and responsibilities.

Four new trustees were appointed to the board in 2022/23 and, in June 2023, the Chair retired from the board. Since then, there has been additional recruitment to recruit a new Chair and a trustee with fundraising experience.

The board plays a lead role in Christian Aid's work on race and diversity and there is a designated trustee to oversee the board and committees' work in this area. As part of the recruitment of the new trustees, diversity and representation from the global South were key considerations.

## **Board committees**

The board delegates certain functions to specialist committees, as listed below. Each committee is chaired by a trustee and most include at least one independent adviser on a non-remunerated basis who is appointed for their specialist knowledge. A summary of key messages from each committee meeting is provided to the Board at its next meeting.

- The **Board Governance and Nominations Committee** is separately constituted under Christian Aid's Articles of Association. The Committee is responsible for nominating new trustees for election by members (the sponsoring churches) at the annual general meeting, and for reviewing the performance of the board. It also ensures that the board has effective work processes.
- The **Audit and Risk Committee** reviews reports from our external and internal auditors. It has oversight of, and reviews, policies in key risk areas including data protection, safeguarding, financial crime and health, safety and security. It also commissions special investigations and advises the board on risk management.
- The **Finance, Fundraising and Investment Committee** reviews the annual plans and budget, investment in and performance of fundraising, key financial policies, pension funding and the performance of Christian Aid's investment managers.
- The **People Committee** advises on human resources policies to ensure that they are aligned with our values and objectives and helps inform our global people strategy. It reviews the principles governing pay and benefits at Christian Aid. It also makes recommendations to the board on the remuneration of the Chief Executive.
- The **National Advisory Committees for Wales and Scotland** support the board in articulating our work and engaging with churches and other stakeholders in these nations.

Towards the end of 2022/23 the People Committee was formed from the merger of the previous Human Resources Governance and Strategy Committee and Remuneration Committee. This was to remove the significant overlap in the areas of responsibility and membership of the two previous committees.

## **Charity Governance Code**

In 2018, the board adopted the Charity Governance Code for larger charities. The Code encourages charities to publish a brief narrative in their annual reports explaining how they apply it. During 2020/21, changes were introduced to strengthen the sections of the Code dealing with integrity, equality, diversity and

inclusion. The Board Nominations and Governance Committee continues to work with the board and other committees to fully implement the recommended practices in these sections.

The board monitors its compliance with the Charity Governance Code. The next board review will be led externally, in accordance with recommended practice, and is due to take place in 2023. Although the board is compliant with nearly all of the recommended practices contained in the Charity Governance Code, it has decided to explain why it does not apply three of the recommended practices following the 'apply or explain' approach encouraged by the Code.

Firstly, the size of the board exceeds the maximum of 12 recommended by the Code. Christian Aid's Articles of Association provide for up to 20 trustees and there were 16 as of March 2023. The reason for having a larger board is to include representation from our sponsoring churches across the four nations, as well as a balance of knowledge and skills, diversity and geographical spread (both UK and international). Having reviewed the recommendation, we consider that the size of the board is appropriate for the complexity and size of the organisation.

Secondly, the Code recommends that the chair of an audit committee should have recent financial experience. In 2022/23, our Audit and Risk Committee had this experience within its membership, although not directly with the chair. We have a separate Finance, Fundraising and Investment Committee that is chaired by a finance professional. The responsibilities of our Audit and Risk Committee extend more widely than audit and include responsibility for advising the board on risk management and control issues. Risk management is integral to how the trustees govern Christian Aid and our approach to managing risk is explained in detail on p.14. The board is satisfied that the chairs and members of each committee have the competencies to ensure that the committees can discharge their responsibilities effectively.

Thirdly, the board decided to carry out comprehensive board reviews biennially. This decision was because it took the board some months to implement all the recommendations from the previous review. The board continues to prioritise good governance in carrying out its duties with key input from the Board Governance and Nominations Committee as required.

## **Public benefit**

The trustees confirm that they have had regard to the Charity Commission's general guidance on public benefit when reviewing Christian Aid's aims and objectives, and in planning activities and setting policies and priorities for the year ahead.

Our objectives are the furtherance of charitable purposes that:

- relieve and combat poverty, malnutrition, hunger, disease, sickness, or distress throughout the world
- advance or assist such other charitable work as may be carried out by or with the support of the sponsoring churches.

We carry out these objectives through working towards our essential purpose: to expose the scandal of poverty, to help root it out from the world in practical ways, and to challenge and change the systems that favour the rich and powerful over the poor and marginalised.

The activities that we carry out to further our charitable purposes for the public benefit are concentrated on providing grants to, and otherwise supporting, partner organisations in countries where we work, for long-term development and responding to emergencies, as well as vital campaigning, advocacy, and education work on the causes of poverty.

Throughout this report, we have illustrated how our work furthers our charitable purposes and the significant benefits it brings to communities and individuals in developing countries in urgent need of support,

regardless of characteristics such as gender, religious belief, race, ethnic origin, nationality, sexual orientation, physical or mental disability, or age.

The trustees confirm that they have had regard to section 172(1) of the Companies Act 2006, which details the trustees' duties to promote the success of the charity to achieve its charitable purposes. This trustees' report details the activities, policies, and governance arrangements in place at the charity to achieve this aim.

## Disclosure of trustees' interests

Declarations of interest have been received from all trustees who served during the year and all advisers, with no conflicts arising. The declarations have been made available to our external auditor.

Trustees are not involved at the operational level of proposing projects, selecting suppliers or approving payments.

## Trustee attendance register

	Board		Committees	
	Total	Attended	Total	Attended
Hazel Baird <sup>1,2</sup>	5	5	8	7
Sam Bickersteth (from November 2022)	2	2	0	0
Richard Calvert <sup>2,3</sup>	5	5	8	5
Mark Currie <sup>2</sup>	5	4	4	4
Johannes Etten <sup>3</sup> (co-opted July 2022)	3	3	4	4
Giles Fraser <sup>4</sup>	5	5	4	2
Pippa Greenslade <sup>3</sup> (until November 2022)	3	2	5	5
Nontando Hadebe <sup>3</sup>	5	5	3	1
Liz Hughes	5	4	0	0
Carol Hui <sup>1</sup>	5	3	7	6
Martin Johnstone	5	5	0	0
Mukami McCrum <sup>3</sup>	5	3	3	3
Chine McDonald (from November 2022)	2	2	0	0
Nick Moberly <sup>1</sup>	5	5	4	3
Nan Powell-Davies	5	2	0	0
John Sentamu <sup>*1,2,3,4</sup> (Retired June 2023)	5	4	1	1
Gemma Spence (from November 2022)	2	1	0	0
Margaret Swinson <sup>1,4</sup>	5	5	8	8

1. Audit and Risk Committee

2. Finance, Fundraising and Investment Committee

3. People Committee

4. Board Governance and Nominations Committee

\*Ex-officio

## People and Culture

### Our people

As outlined above, we believe that all people are created equally and work hard to create a workplace where everyone belongs and contributes regardless of their gender identity, age, sexuality, race, background, or location. We are committed to being anti-racist organisation and to our workforce reflecting our context.

Here are some highlights from our 2022/23 work on people and culture.

### Equality, diversity, and inclusion

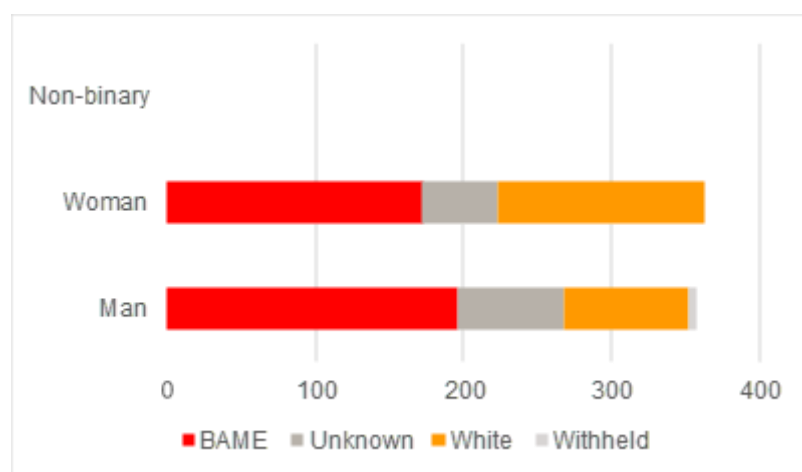
During 2022/23, we reviewed many of our people policies, including the code of conduct and carried out an equality impact assessment to ensure that our policies were reviewed through a race lens.

A Race and Diversity Implementation Project Group is responsible and accountable for the delivery of Christian Aid's commitments to becoming an anti-racist organisation and for implementing, or driving the direct implementation of, the activities as detailed in the programme of work on race and diversity.

During 2021/22, Christian Aid signed up to the Fair Share Commitment, focused on increasing the number of women in leadership positions within the global social impact sector. Christian Aid has committed to achieving gender equality in leadership positions by 2030 and to sharing data annually on the percentages of women in staff and leadership positions.

Christian Aid ranked 27th in the FAIR SHARE Monitor 2023 and our FAIR SHARE Index of 9.91, means that we have what they consider to be an equitable proportion of women on staff and in leadership. We are using gender pay reporting requirements in the UK as a platform to work towards more visible organisation-wide gender pay profiling and reporting. We have started to replicate this for ethnicity.

### Employees by ethnicity and gender – global



Note: Values fewer than five are not reported.

### Remuneration

We have become acutely aware of the impact the cost-of-living crisis is having in many countries, in some cases exacerbating the already poor living conditions driven by long- running conflicts or political issues in fragile states. A pay increase of 5% for 2023/24 was awarded to staff in two separate payments with 2% being paid in October 2022 and a further 3% in April 2023.

During 2022/23 we commissioned a global reward review to review our job evaluation process and benchmark all our country pay scales. The review looks at total reward across our international and UK teams and examines several issues, including the fairness of pay in global roles, which can be based anywhere and are increasingly recruited into the global South.

## **Gender and ethnicity pay gap**

### **Gender**

Christian Aid increasingly recruits to the global South, so the data that follows must be read in that context. We have, for example, recruited two female directors outside of the UK.

We are now in the sixth year of reporting on our UK Gender Pay Gap, with the regulations coming into force in 2017 for organisations employing over 250 employees. On 5 April 2022 at the time our gender pay gap was calculated, 65% of our UK employees were women and 35% were men.

Data from 2022 shows that we have a mean gender pay gap of 13.7% in favour of male staff and a median gender pay gap of 11.5% also in favour of male staff. This is just below the national average in 2022 of 14.9% which decreased by 0.5% (down from 15.4%) in 2021.

For the first time since we have been publishing our UK Gender Pay Gap, we have seen a slight reduction in the mean gender pay gap (0.2%), with the median remaining the same as last year. While just a few senior management roles can influence our data, further analysis of our starters and leavers indicated that over time our gap increased because men in the UK have secured more of the senior positions. The data does not consider our recruitment at a global level to senior positions outside of the UK. Our analysis indicates that our UK gender pay gap is also primarily driven by having substantially more female staff in lower pay quartiles. There is no pay difference between male and female staff who carry out the same job, similar jobs, or work of equal value.

#### **Gender pay gap data over last three years (percentages in favour of male staff)**

<b>Snapshot date</b>	<b>Reporting date</b>	<b>Mean</b>	<b>Median</b>
April 2020	March 2021	12.5%	9.1%
April 2021	March 2022	13.9%	11.5%
April 2022	March 2023	13.7%	11.5%

Over the next three years, we have committed to reducing the gap by ensuring pay transparency, building on our flexible working, and providing opportunity through direct action.

### **Ethnicity**

Ethnicity pay gap analysis on the same data reveals a 2.4% mean and 2.9% median pay gap and continues to highlight a lack of diversity in more senior positions. We are developing more detailed data to support future analysis and improve our systems for reporting on our ethnicity pay gap. While there is no doubt that generations of behaviour and practice are still having an impact, and there is a need for concentrated action at a societal level, Christian Aid should and is playing our part in that change.

### **Learning from our data**

We have taken steps to improve our data, our ability to track trends and our recruitment practices, including



introducing anonymous recruiting and taking direct action on pay, especially at appointment. We have a balance of gender and ethnicity on all our recruitment panels and all panel members have undertaken unconscious bias training.

### **Volunteers**

Our volunteers continue to be central to our work in the UK – amplifying our ability to encourage others to give, act and pray and we are incredibly grateful for them.

During 2022/23, we observed a gradual decline in active volunteer numbers, reflecting UK trends. While this presents a challenge, it highlights the need for us to continually adapt and engage with our volunteer base. Our volunteers have shown remarkable dedication and resilience, returning to in-person activities after Covid pandemic restrictions.

Volunteer teachers resumed their crucial role in raising awareness in schools, while speakers increased their involvement in community activities. Prophetic activists and campaigners added valued momentum behind our key campaigns. This return to in-person engagement signifies a positive step. We have actively recruited individuals into new areas of Christian Aid, including our Student Takeover event, which saw enthusiastic participation from student volunteers eager to contribute to our work. We also recruited behind-the-scenes volunteers who play a vital role in supporting various functions.

### **Staff communications**

The importance of effective internal communications and engagement continues, and we used our intranet hosted in SharePoint as the primary tool used by staff, with Viva Engage the primary tool for announcements and global collaboration. We ran our Global Annual Staff Engagement Survey, and created a new managers' network, I Performance Development Toolkit, and new talent management approach.

Employees were able to raise ideas or concerns through their manager or senior management, including the Chief Executive, or anonymously through the whistleblowing policy and the Ideas Box.

We have excellent working relationships with Unite, the recognised union at Christian Aid. There is also a network of global staff representatives, who volunteer to represent their colleagues outside the UK.

## Accountability and Reporting

### Accountability standards

Christian Aid voluntarily signs up to several global standards that drive us to improve our organisational effectiveness and impact.

Key amongst these is our commitment to the **Core Humanitarian Standards** which set out the basic tenets of principled, accountable, and high-quality support and assistance, and against which we are independently audited each year. This applies to both our humanitarian and development programming.

We were also an early signatory to the **Grand Bargain**, a special agreement between some of the largest donors and humanitarian organisations, where we have committed to improve the effectiveness and efficiency of humanitarian action, to get more resources into the hands of people in need.

In the **Charter for Change**, Christian Aid is implementing eight commitments to address imbalances and inequality in the global humanitarian system, for example on partnership and transparency.

And by publishing our data in line with the **International Aid Transparency Initiative**, we make data on our development and humanitarian spending and projects easier to access, use and understand, and this data is freely available and open to anyone in the world.

### Programmes and partnerships

#### Partnership approach

We are committed to working in partnership with local and national organisations through a grant-making approach, and to ensuring decisions are made by those closest to the need. We see partnership as more than a technical relationship for “implementing” and strive towards transformational change through complementary interventions with different partners. Grants to partner organisations are made within our agreed strategies and are usually awarded on a three-year basis.

Project proposals are mutually agreed with partners as well as being subject to a formal approval process to mitigate risks before individual grants are approved. All projects are systematically monitored during implementation, and major projects are subject to a final evaluation process. We work with a mix of newer and longer-term partners who share our aims and values and with whom we strive towards mutual partnerships in line with Christian Aid’s partnership principles. We aspire to joint risk mitigation and mutual accountability as well as promoting capacity strengthening and learning activities with our partners.

From time to time, we may act as a contractor for several governments, including the UK Government. Under these contracts, we disburse grants to a range of donor-approved grantees. The selection, monitoring and evaluation of the performance of these grantees are subject to contract-specific performance measures.

Details of the amount given in grants to partner organisations during 2022/23 can be found in Table 5.1 of the Financial Statements on page 49.

#### New Integrated Programme Management System iPIMS

In October 2022, Christian Aid launched its new Integrated Programme Information Management System (iPIMS), an important milestone in driving operational excellence. The major cross-organisation project delivered an online system for managing our global programmes on time and on budget. It is accessible by our staff and partners and significantly improves our business processes by providing a ‘one stop shop’ for programme, project, and partner management. Through improved data collection, analysis, and reporting functionality, we now have much greater visibility of our global programmes. This enhances transparency, accountability, and risk management in line with our programme quality standards.

## **Fraud & Financial Crime**

Delivering our strategy, which commits us to working in the most vulnerable and complex contexts, requires us to effectively manage a range of key risks in the fraud and financial crime space. This includes general risks related to fraud, theft, other misuse of funds and bribery and money laundering, as well as specific risks of terrorist financing and compliance with financial or trade sanctions which arise in certain countries or territories where we work.

Our approach to this area is governed by three key policies: Fraud and Misuse Policy, Anti-Bribery Policy and Financial Crime and Abuse Policy. We have specialist staff based within our Audit, Risk and Assurance team who provide professional advice and guidance on fraud and financial crime risk management, as well as leading case management of incidents. In recognition of the specific challenges and complexities posed by terrorist financing and sanctions risk, we have also established a Financial Crime Risk Committee of senior staff to further support our risk management in this area.

Christian Aid also advocates for measures to ensure that sanctions frameworks and related measures do not inadvertently hinder timely delivery of humanitarian assistance or other activities which support basic human needs. The past year has seen significant progress, including humanitarian general licences being issued by the UK Government in connection with Ukraine and the Syria earthquake. The EU has acted similarly, and the United States of America has issued humanitarian general licences across the majority of its sanctions regimes. The landmark UN Security Council Resolution 2664 also introduced a cross-cutting humanitarian exception into existing and future UN sanctions regimes.

## **Fundraising**

### **Our fundraising**

Our fundraising is driven by a powerful movement of individuals, communities of supporters, and partners, joined together by our shared values. By mobilising and inspiring congregations, schools, leaders and individuals to give, act and pray, we seek transformation for communities and people living at the sharp end of poverty and injustice.

Through diverse supporter engagement, we aim to provide a sustainable platform for Christian Aid that is not dependent on any single source of income. It also means we can campaign independently on the issues we believe will make the most difference. Fostering genuine supporter relationships is not only the most effective approach for Christian Aid, but also leads to transformation for all involved.

Christian Aid is registered with the Fundraising Regulator and is committed to legal, open, honest and respectful fundraising. We monitor regulatory developments, review policies and update training for staff and volunteers to ensure we maintain standards. Our range of fundraising policies covers the standards and principles that underpin our approach to fundraising for voluntary income from individuals, churches and communities. Major gifts and funds from institutions are also covered by our policies, and our private sector and institutional fundraising follow our due diligence processes.

Christian Aid works with several third-party agencies for fundraising. For legacy and individual giving, we use a third-party agency to support us in telephone fundraising. In 2022 we have changed telephone agencies from Purity Fundraising to Ethicall. We have our own telephone fundraising charter to direct the conduct of our people and third parties. In addition to training call handlers, we have regular update sessions, monitor calls for quality each week and investigate fully in the rare event of a complaint.

Since 2021/22, we have been improving and building our customer relationship management system (Microsoft Dynamics) that provides an effective and efficient platform for managing relationships with our supporters. The project stage was completed in December 2022, and 2023 is a year of transition from project stage to continuous improvement and an enhanced understanding of current business needs.

We take protecting supporter data very seriously. Our data protection policy complies with – and, in some cases, goes beyond – the UK General Data Protection Regulation (UK GDPR) requirements and our Privacy Policy is always accessible on our website. We never swap or sell supporter data and supporters can change their communication preferences at any time. During 2022/23, we did not experience any data breaches which we were required to notify to the Information Commissioner’s Office (ICO).

### **Complaints**

Building strong relationships with our supporters is important to us. We are grateful to receive feedback from our supporters, whether it is to help us improve or encourage our existing work. We are reviewing the complaint and feedback mechanisms to ensure they meet our organisational and supporter needs. We report annually to the Fundraising Regulator the number of complaints we have received. From 1 April 2022 to 31 March 2023, we sent 978,971 fundraising emails and 1,131,504 addressed direct mail pieces. We received 110 complaints in total.

### **Protection of people in vulnerable circumstances**

We want engaging with Christian Aid to be a positive experience for all. We recognise that, among the many people with whom we communicate through our fundraising activity, there may be a small number who do not have the capacity to make an informed decision or fully understand the consequences of planning to donate, volunteer or fundraise for us.

We have a Fundraising Policy to enable all staff to follow best practice guidelines for working with adults at risk or in vulnerable circumstances, and with children and young people. We have specific guidance regarding house-to-house collections and receiving donations from people in vulnerable circumstances. Many of our supporters and collectors are themselves increasingly elderly, and therefore our group organisers, church representatives and volunteers are supported by staff, who receive regular safeguarding training.

### **Data protection**

We have developed a Responsible Data Plan, seeking to ensure compliance with data protection legislation within all Christian Aid’s country programs. A Responsible Data Coordinator was recruited to assist the Data Protection Manager in developing a pilot program within the Nigeria country program. As part of this, a range of new policies, procedures and resources have been developed and have been trialled by staff working in the field. The next stage of the project will be to fully implement these new resources and train staff across all country programs, considering any regional variations and a growing body of developing local legislation in this area. We will also provide training to our local partners to enhance their knowledge and compliance in this critical area.

At an organisational level, there have been two further major developments. Firstly, in coordination with our Fundraising and Supporter Engagement team, an amended approach to telephone fundraising has been implemented to balance allowing the team greater freedom in their fundraising efforts, while ensuring compliance and fairness for our supporters. This may in time be extended to email communications, in line with a potential easing of restrictions on charities in this area set out in the draft Data Protection Bill before parliament.

Secondly, significant progress has been made in implementing the organisational Data Retention Policy, with significant quantities of physical documentation being digitised or removed from archives and clear plans of action in place to ensure compliance within our major data storage systems, including SharePoint, Dynamics, and Outlook. While significant work remains to be done, the progress that has been made is substantial.

## **Safeguarding**

We are committed to providing a safe and trusted environment for all those who encounter Christian Aid. We take a zero-tolerance approach to breaches of our Safeguarding and Code of Conduct Policies and put the wellbeing and rights of people and communities at the heart of our work. The board has oversight of safeguarding, with support from the Audit and Risk and the People Committees. The board approves the Safeguarding Policy annually and three of the trustees are designated as safeguarding trustees.

We employ staff who are responsible for implementing our safeguarding work, including providing support and training to our programme staff. We also have a cross-organisational Safeguarding Governance Group which provides operational oversight of our safeguarding work and ensures that policies and procedures are embedded across Christian Aid.

All our staff, trustees and volunteers must complete dedicated interactive safeguarding training every year, and sign our Code of Conduct, which covers safeguarding issues and how they should be responded to. Consultants with programme-facing roles are also required to sign our Code of Conduct. Our implementing partners must have appropriate safeguarding and code of conduct policies as a condition of funding. Safeguarding requirements are embedded in our partnership and funding agreements together with due diligence processes. All implementing partners receive our safeguarding training. For new partners, we may provide additional support for building safeguarding capacity, including developing relevant policies.

We encourage all Christian Aid representatives, partners and the people and communities with which we work to report safeguarding concerns. We have a range of confidential mechanisms and this year we introduced a new internal electronic reporting form and a digital case management system, further improving our ability to receive and respond to concerns. At the community level, awareness raising activities are now routinely conducted in new projects. We have mapped the relevant legal, social welfare, child protection and survivor/victim assistance arrangements in each country where we operate to help us to respond in an appropriate and survivor centered way.

We continue to work in collaboration with members of Bond (the UK network for organisations working in international development), donors and regulators to improve the quality and consistency of our individual and collective safeguarding practice. We are also a member of the Inter-Agency Misconduct Disclosure Scheme, which aims to stop people who have been found guilty of committing sexual misconduct from moving between aid organisations undetected. We have a zero-tolerance approach in our recruitment which includes rigorous reference checking, Disclosure and Barring Service checks in the UK and police checks internationally where appropriate.

Between April 2022 and March 2023 Christian Aid received 15 safeguarding concerns, 13 related to our international operations and two related to our UK and Ireland operations. Of the 15 concerns, three related to Christian Aid staff, eight related to partner organisations and four did not concern either Christian Aid staff or our partners. Of the three complaints related to Christian Aid staff, one led to a formal investigation which resulted in dismissal and two did not meet the threshold for an investigation. In all instances, Christian Aid sought to respond to every complaint appropriately and in line with our survivor-centered approach.

## **Modern slavery**

Modern slavery is a complex issue and tackling it necessarily involves addressing its root causes. This makes it inextricably linked to our long-term development work. We work with local partners and communities to fight injustice and campaign to change the economic systems and structures that allow modern slavery and human trafficking to take place.



We also tackle modern slavery as part of our work on business and human rights. In the UK, Christian Aid is a founding member of both the Ethical Trading Initiative (ETI) and the Corporate Justice Coalition (CJC). We supported both organisations in the development of modern slavery legislation in the UK and are working with CJC to update that legislation. We also work internationally advocating for a UN Binding Treaty on Business and Human Rights (a legally binding instrument to better regulate the activities of multinational corporations).

We take steps to ensure that no forms of slavery or human trafficking are part of our supply chains. Supply chain management is covered in our Procurement Policy and Procedure. The Policy promotes ethical and sustainable procurement processes and includes a Code of Conduct for suppliers.

In addition to our own procurement, the Policy applies to any procurement through our implementing partners for donor funded projects. Our Partnership Agreement also covers modern slavery and requires our partners to have procurement policies and procedures in place to minimise the risk of slavery and human trafficking in their supply chains.

As one of our key risks of modern slavery arises in connection with our programmatic work, during 2022/23 we started to carry out assessments to identify the countries we operate in which present a higher risk of modern slavery. This will help us to develop a more detailed risk management approach around modern slavery in delivering programmes and working with partners in these countries.

We have a mandatory online training module for our staff, with guidance on how to implement our procurement policies and guidelines. We have also promoted the use of complaint mechanisms and reporting tools if anyone identifies a risk of modern slavery in our or our partners' supply chains. We did not receive any reported cases of modern slavery during 2022/23.

## **Carbon footprint**

### **Carbon footprint update and Streamlined Energy and Carbon Reporting (SECR) compliance**

Under SECR legislation, we are required to report some of our UK-based greenhouse gas emissions as part of our Annual Report. Specifically, we need to report, as a minimum, our emissions from UK energy use and business vehicle travel.

### **How we have calculated our emissions**

All electricity at Inter Church House was purchased from a certified renewable supplier in 2022/23. However, in compliance with UK government reporting standards, we have used "location-based" reporting of our electricity emissions, which means that the carbon footprint of electricity is calculated based on the average carbon intensity of the electricity grid, not the supplier.

Carbon emissions have been calculated using Defra's 2022 greenhouse gas emissions factors. Travel in non-owned cars has been calculated using the factor for "Average car, unknown fuel". Energy data was collected from energy bills for Inter Church House, with Christian Aid's share estimated based on our occupation of 72% of the space in the building.

The electricity use at Christian Aid's offices in Edinburgh, Warrington and Cardiff (from April – November 2022) was based directly on energy bills. However, differentiated bills were not available for electricity at the Belfast or Glasgow offices, or for gas use at Cardiff, or for electricity use at Cardiff from December 2022 – March 2023. In these cases, electricity and gas use were estimated based on the usage in previous years and/or the floorspace of the offices.

**Emissions reporting for SECR (UK office energy and business travel) for 2022/23**

Emissions source	Quantity 22/23	Unit	22/23 Carbon footprint (tCO <sub>2</sub> e)	21/22 Carbon footprint (tCO <sub>2</sub> e)	Scope
Electricity use, Interchurch House	186,322	KWh	48.7	55.6	2
Gas use, Interchurch House	202,503	KWh	43.3	59.6	1
Electricity use, UK regional offices	30,283	KWh	7.9	5.8	2
Gas use, UK regional offices	33,076	KWh	7.1	6.7	1
Emissions source	Quantity 22/23	Unit	22/23 Carbon footprint (tCO <sub>2</sub> e)	21/22 Carbon footprint (tCO <sub>2</sub> e)	Scope
UK fuel use by Christian Aid vehicles	0	litres	0.00	0.00	1
UK vehicle travel in non-owned vehicles	83,080	vkm	17.9	7.2	3
<b>TOTAL</b>	-	-	<b>124.9</b>	<b>134.9</b>	

These 124 tonnes represent a carbon intensity of 0.41 tCO<sub>2</sub>e per full time UK Christian Aid employee (FTE). In 2021/22, these UK emissions made up 13% of our global carbon footprint for energy use, travel, paper and printing. We expect a similar ratio for 2022/23 once the global calculations are complete.

**Actions taken in 2022/23**

For more than a decade, we have been at the forefront of international non-governmental organisations in driving down our carbon footprint. Between 2011/12 and 2019/20 we halved our total measured emissions and reduced our CO<sub>2</sub>e per £1000 of operational spend by almost two-thirds. In 2020/21, due to the impacts of Covid, our global footprint fell by a further 62% compared with 2019/20, and then only partly bounced back in 2021/22, remaining 45% below 2019/20 levels.

The rise in UK vehicle travel since the loosening of Covid restrictions has continued in 2022/23, increasing a further 150% compared with 2021/22. However, UK travel emissions remain 45% lower than before the pandemic. Meanwhile, total office energy use has fallen by 14%, with a rise in energy use at regional offices being more than counteracted by a significant drop in energy use by Christian Aid at Interchurch House. During 2022/23 we have pushed ahead with our ambitious decarbonisation plan to ensure our global emissions are at least 50% below 2018/19 levels by 2030, in line with climate science and the need to hold global heating at 1.5 degrees.

In February 2023, we launched an updated Environmental Policy which we published on our website. Over the past decade, we have taken steps to reduce our carbon footprint by more than half. Our new policy builds on this success and sets out our targets for the years ahead. We commit to reducing our Greenhouse Gas emissions by 50% against our 2019/2020 levels by 2030, and as close to zero as possible, and to mitigating our residual emissions to achieve net zero emissions by 2050 at the latest. Some of the measures we are taking include using renewable energy solutions in our offices, reducing national and international travel, and using digital and online solutions in our work. We work to ensure that our programmes and advocacy conform to a 'do no harm' principle. We also promote environmental sustainability in our engagement with communities, partners, contractors and suppliers. Finally, we ensure that our financial investments and service providers meet sector leading Environmental, Social and Governance (ESG) standards.

## Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year in accordance with applicable law and FRS 102, the Financial Reporting Standards applicable in the UK and the Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable accounting standards 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 to operate.

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

### Information provided to auditors

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Haysmacintyre LLP remained Christian Aid's auditors throughout the year.

The annual report and accounts, including the strategic report, is approved by the Board of Trustees on 27 September 2023 and signed on its behalf by the Chair of the Board:



**Maggie Swinson**

**Interim Chair of the Christian Aid Board of Trustees**

27 September 2023

## Auditor's report

### Independent auditor's report to the members and trustees of Christian Aid

#### Opinion

We have audited the financial statements of Christian Aid for the year ended 31 March 2023, which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's and parent charitable company's net movement in funds, including the 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 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

#### Basis for opinion

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

#### Conclusions relating to going concern

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

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

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

#### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report and the Letter from the Chair and Letter from the Chief Executive.



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 during the audit:

- the information given in the Trustees' Annual Report (which includes the strategic report and 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 strategic report and the directors' report included within the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained during the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charity Accounts (Scotland) Regulations (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees for the financial statements**

As explained more fully in the trustees' responsibilities statement set out on p66, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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.

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

Based on our understanding of the group and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to company and charity law in England and Wales, company and charity law in Scotland and compliance with overseas laws and regulations in the jurisdictions the Group operates in. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011, Charity Accounts (Scotland) Regulations (as amended), Charities and Trustee Investment (Scotland) Act 2005 and the impact of payroll taxes and sales taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue, the cut-off of revenue at the year end and management bias in areas of accounting estimate. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Inspecting internal audit reports;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to

state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Adam Halsey

(Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP, Statutory Auditors  
10 Queen Street Place  
London  
EC4R 1AG

Date: 31 October 2023

## Financial Statements

### Consolidated statement of financial activities

(incorporating an income and expenditure account) for the year ended 31 March 2023

		2023 Unrestricted funds £'m	2023 Restricted funds £'m	2023 Total funds £'m	Restated 2022 Unrestricted funds £'m	Restated 2022 Restricted funds £'m	Restated 2022 Total funds £'m
	Notes						
<b>Income</b>							
Donations and legacies	2	40.6	24.4	<b>65.0</b>	40.0	12.1	<b>52.1</b>
Institutional grants	3,19-21	1.3	23.4	<b>24.7</b>	1.1	24.2	<b>25.3</b>
Other trading activities		0.6	0.1	<b>0.7</b>	0.9	-	<b>0.9</b>
Investments		0.2	-	<b>0.2</b>	0.1	-	<b>0.1</b>
<b>Total income</b>		<b>42.7</b>	<b>47.9</b>	<b>90.6</b>	<b>42.1</b>	<b>36.3</b>	<b>78.4</b>
<b>Expenditure</b>							
Raising funds	5	12.0	0.5	<b>12.5</b>	11.2	0.4	<b>11.6</b>
Charitable activities							
Development	5	15.7	12.5	<b>28.2</b>	12.9	11.6	<b>24.5</b>
Humanitarian	5	12.3	33.4	<b>45.7</b>	10.9	23.1	<b>34.0</b>
Campaigning, advocacy, and education	5	5.3	1.7	<b>7.0</b>	4.6	1.3	<b>5.9</b>
<b>Total operational expenditure</b>		<b>45.3</b>	<b>48.1</b>	<b>93.4</b>	<b>39.6</b>	<b>36.4</b>	<b>76.0</b>
<b>Other expenditure</b>							
Pension adjustment	22	-	-	-	-	-	-
<b>Total expenditure</b>		<b>45.3</b>	<b>48.1</b>	<b>93.4</b>	<b>39.6</b>	<b>36.4</b>	<b>76.0</b>
Net (loss)/gain on investment		(0.4)	-	<b>(0.4)</b>	0.4	-	<b>0.4</b>
<b>Net (expenditure)/income</b>		<b>(3.0)</b>	<b>(0.2)</b>	<b>(3.2)</b>	<b>2.9</b>	<b>(0.1)</b>	<b>2.8</b>
<b>Other recognised gains/(losses)</b>							
Actuarial gains/(losses) on defined benefit pension scheme	22	-	-	-	-	-	-
Fund transfers	14	(0.5)	0.5	-	-	-	-
<b>Net movement in funds</b>		<b>(3.5)</b>	<b>0.3</b>	<b>(3.2)</b>	<b>2.9</b>	<b>(0.1)</b>	<b>2.8</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 1 April		27.4	7.7	<b>35.1</b>	24.5	7.8	<b>32.3</b>
<b>Total funds carried forward at 31 March</b>	14,15	<b>23.9</b>	<b>8.0</b>	<b>31.9</b>	<b>27.4</b>	<b>7.7</b>	<b>35.1</b>

**Balance sheets**

as at 31 March 2023

		Consolidated group		Parent charity	
	Notes	2023 £'m	2022 £'m	2023 £'m	2022 £'m
<b>Fixed assets</b>					
Intangible assets	8	1.4	1.7	1.4	1.7
Tangible assets	8	5.4	5.4	5.4	5.4
Investments	9	14.3	14.6	14.7	15.0
		21.1	21.7	21.5	22.1
<b>Current assets</b>					
Stocks		-	0.3	-	0.3
Debtors	10	7.7	6.4	7.6	6.2
Short-term cash deposits		0.3	0.2	-	-
Cash at bank and in hand		11.3	16.8	11.0	16.5
		19.3	23.7	18.6	23.0
<b>Liabilities</b>					
Creditors: amounts falling due within one year	11	(5.9)	(8.0)	(5.7)	(7.8)
<b>Net current assets</b>		13.4	15.7	12.9	15.2
<b>Total assets less current liabilities</b>		34.6	37.4	34.4	37.3
Creditors: amounts falling due after more than one year		(0.9)	(1.0)	(0.9)	(1.0)
Provision for liabilities		(1.7)	(1.3)	(1.7)	(1.3)
<b>Net assets excluding pension liability</b>		31.9	35.1	31.8	35.0
Defined benefit pension scheme liability	22	-	-	-	-
<b>Net assets</b>	16	31.9	35.1	31.8	35.0
<b>Restricted funds</b>					
Appeals and other donations	15	7.2	6.5	7.2	6.5
Institutional grants	15	0.8	1.2	0.8	1.2
<b>Total restricted funds</b>		8.0	7.7	8.0	7.7
<b>Unrestricted funds</b>					
Unrestricted funds	14	23.9	27.4	23.8	27.3
<b>Total unrestricted funds</b>	14	23.9	27.4	23.8	27.3
<b>Total funds</b>		31.9	35.1	31.8	35.0

The notes on page 43 to page 63 form a full part of these financial statements. The financial statements were approved and authorised for issue on the authority of the board and signed on its behalf by:


**Maggie Swinson****Interim Chair of the Christian Aid Board of Trustees**

27 September 2023



**Consolidated statement of cash flows**

for the year ended 31 March 2023

	<b>31-Mar 2023 £m</b>	<b>31-Mar 2022 £m</b>
Net (deficit)/surplus for the year before net gains / (losses) on investments	<b>(2.8)</b>	3.2
Depreciation charges and amortisation of intangible fixed assets	<b>0.9</b>	0.9
Net losses/(gains) on investments	<b>0.4</b>	(0.4)
Decrease/(Increase) in debtors	<b>(1.3)</b>	1.1
(Decrease)/Increase in creditors	<b>(1.9)</b>	3.1
Decrease/(Increase) in stocks	<b>0.3</b>	(0.3)
FRS102 defined benefit pension contributions	-	(0.1)
<b>Net cash provided by /(used in) operating activities</b>	<b>(4.4)</b>	7.5
Interest from investments	<b>0.2</b>	0.1
Purchase of fixed assets	<b>(0.6)</b>	(0.6)
Proceeds from the sale of investments	<b>3.1</b>	1.1
Purchase of investments	<b>(3.7)</b>	(1.3)
<b>Net cash used in investing activities</b>	<b>(1.0)</b>	(0.7)
<b>Change in cash and cash equivalents in the year</b>	<b>(5.4)</b>	6.8
Cash and cash equivalents at the beginning of the reporting period	<b>17.0</b>	10.2
Change in cash and cash equivalents due to exchange rate movements	-	-
<b>Cash and cash equivalents at the end of the reporting period</b>	<b>11.6</b>	17.0
<b>Analysis of cash and cash equivalents</b>		
Cash at bank and in hand	<b>11.3</b>	16.8
Short-term cash deposits	<b>0.3</b>	0.2
<b>Total cash and cash equivalents</b>	<b>11.6</b>	17.0
<b>Cash and cash equivalents at the start of the year</b>	<b>17.0</b>	10.2
Cash flows	<b>(5.4)</b>	6.8
<b>Cash and cash equivalents at the end of the year</b>	<b>11.6</b>	17.0

## Notes to the financial statements

for the year ended 31 March 2023

### 1. Accounting policies

A description of the nature of the entity's operations and its principal activities is disclosed in the annual report accompanying the financial statements.

#### a. Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments, which are included at market valuation. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2019), applicable to charities preparing their accounts in accordance with FRS102, the Financial Reporting Standard applicable in the UK and the Charities Act 2011 and UK Generally Accepted Practice.

In the trustees' report, there is a review of financial performance and of the charity's reserves and liquidity position. There are adequate financial resources and the charity is well placed to manage business risks. The planning process, including financial projections, has taken into consideration the current economic climate, and its potential impact on the various sources of income and planned expenditure. It is a reasonable expectation that there are adequate resources to continue in operational existence for the foreseeable future. There is no material uncertainty to going concern.

The statement of financial activities and balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line-by-line basis. No separate income and expenditure account of the charity has been presented, as permitted by Section 408 of the Companies Act 2006 and paragraph 15.11 of the SORP. The gross income of the charity for the year was £90.6m (2022: £78.4m) and its gross expenditure was £93.2m (2022: £75.6m).

The group accounts include a 100 per cent consolidation of Christian Aid Trading Limited and Change Alliance (a company limited by share capital, incorporated in India). The group accounts also include a 71.25 per cent proportional consolidation of The British and Irish Churches Trust Limited, since Christian Aid's interest relates directly to its share of the underlying assets, liabilities, and cash flows. Further details of the subsidiaries are given in note 17. With effect from April 1st 2020, Christian Aid Ireland Limited in Ireland and in Northern Ireland no longer formed part of the group accounts due to a change in control for those companies.

#### b. Fund accounting

Reserves are either unrestricted or restricted funds.

Restricted funds represent income to be used for a specific purpose as requested by the donor. Income and expenditure on these funds are shown separately within the statement of financial activities and analysed into their main components in note 15.

Unrestricted funds are those that have not had a restriction placed on them by the donor. Designated unrestricted funds are those where the trustees have set aside monies from unrestricted funding for specific purposes. Details can be found in the trustees' report and in note 14.

#### c. Income

All income accruing to the charity during the year is recognised in the statement of financial activities when entitled, probable and measurable. Income from charitable activities refers to contract income, which is recognised as unrestricted income in the period in which the income is earned, is probable of receipt and can be measured with reliability.

Gifts in kind for use by the charity are included in the accounts at their approximate market value at the date of receipt. Gifts in kind for distribution are included in the accounts at their approximate fair value at the date of receipt by Christian Aid.

Pecuniary legacies are recognised when there is entitlement, which is deemed to be when Christian Aid has been notified of a legacy from the bequest's executors of the estate, the legacy can be measured reliably, and there is probability of receipt. For residual legacies, entitlement is deemed to be the earlier of approved estate accounts and notification of a pending payment or actual payment being received in the accounting period. No value is included where a legacy is subject to a life interest held by another party.

#### **d. Expenditure**

All expenditure is accounted for on an accruals basis and is classified under headings that aggregate all costs related to that category. The costs of each staff team, including a relevant proportion of support costs allocated on a usage basis, are allocated across the headings of fundraising and charitable activities based on the proportion of time spent on each of these areas of work.

Expenditure on raising funds include all expenditure incurred by a charity to raise funds for its charitable purposes. It comprises the costs of advertising, profile- raising, digital fundraising, producing publications and digital materials, printing and mailing fundraising material as well as costs incurred in commercial trading activities and investment management costs, the staff in these areas and an appropriate allocation of support costs.

Costs of charitable activities includes direct expenditure incurred through grants to partners and operational activities and an appropriate allocation of support costs. Grants to partners are recognised as expenditure when there is a legal or constructive obligation to make the grant. This is usually immediately prior to a payment being made. Grant expenditure also includes grants made through sub-contractors.

Support costs include the central or regional office functions, such as facilities management, finance, human resources, and information systems, as well as governance costs. Governance costs represent the costs associated with the governance arrangements of the charity as opposed to those costs associated with fundraising or charitable activities.

#### **e. Intangible fixed assets**

Intangible fixed assets costing over £5,000 are capitalised at cost. Intangible fixed assets include software costs.

They are amortised over 4 years, their estimated useful lives.

#### **f. Tangible fixed assets and depreciation**

Tangible fixed assets costing over £5,000 are capitalised at cost. Depreciation is provided in order to write off the cost

of tangible fixed assets over their estimated useful economic lives, on a straight-line basis, as follows:

Freehold land	Nil
Freehold properties	50 years
Leasehold properties	5 years
Leasehold improvements	5 years
Office furniture, fittings, and equipment	5 years
Motor vehicles	5 years
Computer equipment	4 years

Assets in the course of construction are not depreciated while in construction. Once the construction is completed, the cost is transferred to another fixed asset class and depreciated accordingly.

#### **g. Stocks**

Gifts in kind are valued at the lower of market value and value to the charity.

#### **h. Pension costs**

Past service costs and other finance costs have been recognised immediately in the statement of financial activities. Actuarial gains and losses are also recognised immediately in the statement of financial activities. This is in accordance with FRS102.

On 26 October 2018, a court ruling confirmed that UK pensions with Guaranteed Minimum Pensions (GMPs) accrued from 17 May 1990 must equalise for the different effects of these GMPs between men and women. As last year, an allowance of 0.32% is included in the liabilities to allow for the impact of GMP equalisation.

On 30 June 2007, the scheme was closed to new entrants and for future accrual for members.

Defined Contribution Scheme – Christian Aid also operates a defined contribution scheme for employees. The charity's contributions to the scheme are charged in the statement of financial activities in the period in which the contributions are payable.

#### **i. Taxation and irrecoverable VAT**

Christian Aid is a registered charity and as such is potentially exempt from taxation on its income and gains to the extent that they fall within the charity exemptions in the Corporation Taxes Act 2010 or Section 256 Taxation of Chargeable Gains Act 1992. No tax charge has arisen in the year.

In common with many other comparable charities, Christian Aid is unable to recover the majority of VAT that is incurred on purchases of goods and services in the UK. The amount of VAT that cannot be recovered is included within the appropriate underlying cost and was £0.9m for the year (2022: £1.1m).

#### **j. Foreign currencies**

Foreign currency balances have been translated at the exchange rate ruling at the balance sheet date. Income and expenditure transactions have been translated at the prevailing rate at the time of the transaction.

#### **k. Fixed asset investments**

Fixed asset investments are stated at market value at the balance sheet date unless stated otherwise in the notes to the accounts. The statement of financial activities includes the net gains and losses arising from disposals and revaluations throughout the year.

#### **l. Programme-related investments**

Programme-related investments consists of social investment loans to co-operatives in Honduras.

The carrying value reflects the cash advances less any repayments or impairments.

#### **m. Operating leases**

Rentals applicable to operating leases are charged to the consolidated statement of financial activities in the period to which the cost relates.

#### **n. Critical accounting judgements and key source of estimation uncertainties**

In the application of the charity's accounting policies, trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects the current and future periods.

The most significant judgements are in relation to provisions for terminal benefits, pensions due to overseas staff and impairment of the CRM system and its useful life.

#### **o. Financial instruments**

Christian Aid has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand, short term cash deposits and the group's debtors excluding prepayments and accrued income. Financial liabilities held at amortised cost comprise the group's short and long term creditors excluding deferred income and accrued expenditure. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial. The values of basic financial instruments are given in note 18a.

Christian Aid uses derivative financial instruments to manage its exposure to foreign currency exchange risks, including foreign exchange forward contracts. The fair value of these instruments is calculated at the balance sheet date by comparison between the rate implicit in the contract and the exchange rate at that date.

Details of derivative financial instruments are given in note 18b.

#### **p. Provisions**

Provisions are recognised when Christian Aid has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense. No discounting has been applied on the basis that the amounts involved and the periods over which amounts will be settled are such that any discounting would be immaterial.

**2. Donations from individuals**

	2023 Unrestricted £'m	2023 Restricted £'m	<b>2023 Total £'m</b>	2022 Unrestricted £'m	2022 Restricted £'m	2022 Total £'m
Christian Aid Week	5.0	-	5.0	5.8	-	5.8
Appeals	6.3	23.3	29.6	5.9	11.6	17.5
Legacies	14.7	-	14.7	13.8	-	13.8
Regular gifts	12.2	0.3	12.5	12.5	-	12.8
Other donations	2.4	0.8	3.2	2.0	0.2	2.2
<b>Total donations</b>	<b>40.6</b>	<b>24.4</b>	<b>65.0</b>	<b>40.0</b>	<b>12.1</b>	<b>52.1</b>

Total donations of £65.0m (2022: £52.1m) includes £4.2m of tax recovered through tax efficient giving (2022: £4.4m).

Legacies of which we have been notified, but not recognised as income, are valued at £15.8m (2022: £16.3m) .

Total donations include gifts in kind valued at £20,207 (2022: £22,959).

Donations received from the public and churches in the Isle of Man (excluding Government grants) during 2022/23, included above, were £50,996 (2022: £99,130).

Donations received into Isle of Man are reported under Christian Aid Isle of Man AGCH.2659 Charity No: 1125

### 3. Institutional grants

	Note	2023 Unrestricted £'m	2023 Restricted £'m	2023 Total £'m	2022 Unrestricted £'m	2022 Restricted £'m	2022 Total £'m
ACT Alliance		0.1	1.2	1.3	-	-	-
Foreign, Commonwealth and Development Office (FCDO)	19	-	-	-	-	2.2	2.2
European Commission		(0.1)	3.9	3.8	0.2	1.5	1.7
Irish Aid		-	1.8	1.8	-	1.4	1.4
United States Agency for International Development (USAID)		0.2	-	0.2	0.1	0.9	1.0
Scottish government		-	0.4	0.4	-	0.6	0.6
United Nations		0.3	8.7	9.0	0.2	10.6	10.8
START Network	21	0.2	2.4	2.6	0.1	2.0	2.1
Other governments and public authorities		0.6	5.0	5.6	0.5	5.0	5.5
<b>Total institutional grants</b>		<b>1.3</b>	<b>23.4</b>	<b>24.7</b>	<b>1.1</b>	<b>24.2</b>	<b>25.3</b>

Total Institutional grants from United Nations World Food Program of £9m (2022: £10.8m) includes gifts in kind valued at £2.4m (2022: £5.3m).

Grants received from the Isle of Man government during 2022/23, included above in Other governments and public authorities, totalled £40,000 (2022: £60,000).

### 4. Charitable activities

There were no government contracts in the year (2022: £nil).



## 5. Total operational expenditure

2023		Grants to partner organisations £'m	Other direct costs		Allocation of support costs		2023 Total £'m
			Staff costs £'m	Non staff costs £'m	Staff costs £'m	Non staff costs £'m	
	Notes	5.1			5.2	5.2	
<b>Raising funds</b>		-	4.8	6.2	0.9	0.6	12.5
<b>Charitable activities</b>							
Development		10.4	6.9	7.4	2.0	1.5	28.2
Humanitarian		28.4	7.0	6.8	2.0	1.5	45.7
Campaigning, advocacy and education		0.8	3.9	1.8	0.3	0.2	7.0
<b>Total charitable activities</b>		39.6	17.8	16.0	4.3	3.2	80.9
<b>Total operational expenditure</b>		39.6	22.6	22.2	5.2	3.8	93.4

2022		Grants to partner organisations £'m	Other direct costs		Allocation of support costs		2022 Total £'m
			Staff costs £'m	Non staff costs £'m	Staff costs £'m	Non staff costs £'m	
	Notes	5.1			5.2	5.2	
<b>Raising funds</b>		-	4.9	5.1	0.9	0.7	11.6
<b>Charitable activities</b>							
Development		8.2	6.4	6.6	1.8	1.5	24.5
Humanitarian		16.4	7.2	6.7	2.1	1.6	34.0
Campaigning, advocacy and education		0.6	3.6	1.2	0.3	0.2	5.9
<b>Total charitable activities</b>		25.2	17.2	14.5	4.2	3.3	64.4
<b>Total operational expenditure</b>		25.2	22.1	19.6	5.1	4.0	76.0

**Expenditure on raising funds** includes all expenditure incurred by Christian Aid to raise funds for its charitable purposes. It comprises the costs of advertising, profile- raising, digital fundraising, producing publications and printing and mailing fundraising material, costs incurred in commercial trading activities and investment management costs, the staff in these areas and an appropriate allocation of support costs.

**Charitable activities** includes expenditure incurred through grants to partners, direct programme implementation expenditure and operational activities and an appropriate allocation of support costs.

## 5.1 Grant expenditure analysed by region

	2023 £'m	2022 £'m	2023 %	2022 %
Africa	13.2	10.4	33%	41%
Asia and the Middle East	8.3	8.4	21%	33%
Latin America and the Caribbean	2.0	2.0	5%	8%
Europe	14.4	3.1	36%	12%
Global	1.7	1.3	4%	5%
<b>Total grants to partner organisations</b>	<b>39.6</b>	<b>25.2</b>	<b>100%</b>	<b>100%</b>

## 5.2 Allocation of support costs

	Basis of allocation	2023 Staff costs £m	2023 Other costs £m	2023 Total £m	2022 Total £m
Management and Facilities	Headcount	0.9	1.7	2.6	2.7
Finance and Compliance	Headcount	1.9	0.4	2.3	2.3
Human Resources	Headcount	1.2	0.4	1.6	1.5
Information and Communication Technology	Headcount	1.2	1.3	2.5	2.6
		<b>5.2</b>	<b>3.8</b>	<b>9.0</b>	<b>9.1</b>

Management and facilities includes project costs associated with our CRM and iPIMS systems.

### Governance costs

Included within £2.3m Finance and Compliance is £0.9m (2022: £0.7m) for governance related costs.

### Trustees expenses and number of trustees who claimed expenses during the year

## 6. Staff and trustee costs

	2023 £'m	2022 £'m
<b>Staff costs of Britain-, Ireland- and Spain-based staff</b>		
Salaries	13.1	14.2
Pension contributions	0.9	0.9
National Insurance contributions	1.4	1.3
Benefits in kind	-	-
Total staff costs (Britain-, Ireland- and Spain-based)	15.4	16.4
Staff cost of overseas-based staff	11.5	10.1
<b>Total staff costs</b>	<b>26.9</b>	<b>26.5</b>

The key management of the charity comprises the Chief Executive and the five directors of the organisation (Corporate Services, Policy, Public Affairs and Campaigns, Fundraising and Supporter Engagement, Strategy and Change, and International). The total remuneration and benefits, including salary and employer's National Insurance and employer's pension contributions, of the key management personnel of the charity was £740,247 (2022: £728,919).

The salary of the Chief Executive, the highest paid employee, was £139,175 (2022: £134,197). The CEO's expenses were £4,586 (2022: £501).

<b>Headcount by location</b>	<b>2023</b>	<b>2022</b>
Britain-, Ireland- and Spain-based staff	322	340
Overseas-based staff	440	413
<b>Total headcount</b>	<b>762</b>	<b>753</b>

The number of higher-paid staff with emoluments falling in the following ranges were:

	2023	2022
£140,000 to £149,999	1	1
£120,000 to £139,999	-	1
£110,000 to £119,999	-	-
£100,000 to £109,999	3	2
£90,000 to £99,999	3	3
£80,000 to £89,999	1	3
£70,000 to £79,999	9	8
£60,000 to £69,999	15	12

### Trustees' expenses and number of trustees who claimed expenses during the year

No emoluments are paid to trustees. Trustees are reimbursed for their incidental expenses in attending board, executive and other meetings. Additionally, trustees may occasionally visit Christian Aid partners and programmes overseas, with costs of such trips being met by the charity. The total expenses paid to trustees was £3.262 (2022: £391). The number of trustees who claimed expenses is 11 (2022: 2).

## 7. Statement of financial activities

Net movement in funds is stated after the following charges:

	Consolidated group		Parent charity	
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
<b>Auditors' remuneration (exclusive of VAT)</b>				
Fees payable to parent charity's auditors for the audit of the charity's annual accounts	54	50	54	50
Fees payable to parent charity's auditors for the audit of the charity's subsidiaries pursuant to legislation	4	4	4	4
<b>Total audit fees</b>	<b>58</b>	<b>54</b>	<b>58</b>	<b>54</b>
Other services	179	99	179	99
<b>Total fees payable to parent charity's auditors</b>	<b>237</b>	<b>153</b>	<b>237</b>	<b>153</b>
Rental costs in relation to operating leases – land and buildings	-	-	350	343
Investment manager's fee	59	50	59	50

## 8. Fixed assets

### 8a. Intangible fixed assets

	Computer software £'m	In development £'m	Total £'m
<b>Cost</b>			
At 1 April 2022	3.4	2.0	<b>5.4</b>
Additions	-	0.3	<b>0.3</b>
Impairment	-	-	-
<b>At 31 March 2023</b>	<b>3.4</b>	<b>2.3</b>	<b>5.7</b>
<b>Amortisation and impairment</b>			
At 1 April 2022	3.1	0.6	<b>3.7</b>
Charge in year	0.1	0.5	<b>0.6</b>
Impairment	-	-	-
<b>At 31 March 2023</b>	<b>3.3</b>	<b>1.1</b>	<b>4.3</b>
<b>Net book value</b>			
<b>At 31 March 2023</b>	<b>0.1</b>	<b>1.2</b>	<b>1.4</b>
At 1 April 2022	0.3	1.4	<b>1.6</b>
Held by parent charity	0.1	1.2	<b>1.4</b>
Held by subsidiaries	-	-	-

**8b. Tangible fixed assets**

	Central office freehold £'m	Leasehold improvements £'m	Computer equipment £'m	Office furniture, fittings & equipment £'m	Motor vehicles £'m	<b>Total</b> £'m
<b>Cost</b>						
At 1 April 2022	5.1	3.4	2.5	0.9	1.2	<b>13.1</b>
Additions	-	-	0.3	-	-	<b>0.3</b>
Disposals	-	-	-	-	-	-
<b>At 31 March 2023</b>	<b>5.1</b>	<b>3.4</b>	<b>2.8</b>	<b>0.9</b>	<b>1.2</b>	<b>13.4</b>
<b>Depreciation</b>						
At 1 April 2022	0.1	3.2	2.5	0.9	1.0	<b>7.7</b>
Charge in year	-	0.1	0.1	-	0.1	<b>0.3</b>
Disposals	-	-	-	-	-	-
<b>At 31 March 2023</b>	<b>0.1</b>	<b>3.3</b>	<b>2.6</b>	<b>0.9</b>	<b>1.1</b>	<b>8.0</b>
<b>Net book value</b>						
<b>At 31 March 2023</b>	<b>5.0</b>	<b>0.1</b>	<b>0.2</b>	<b>-</b>	<b>0.1</b>	<b>5.4</b>
At 1 April 2022	5.0	0.2	0.0	0.0	0.2	<b>5.4</b>
Held by parent charity	5.0	0.1	0.4	-	0.1	<b>5.5</b>

**9. Investments**

	<b>Consolidated group</b>		<b>Parent charity</b>	
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>£'m</b>	£'m	<b>£'m</b>	£'m
<b>As at 31 March</b>				
Fixed interest securities	<b>4.9</b>	2.9	<b>4.9</b>	2.9
Overseas equities	<b>2.1</b>	2.6	<b>2.1</b>	2.6
UK equities	<b>0.3</b>	0.4	<b>0.3</b>	0.4
Sterling deposits	<b>2.6</b>	4.2	<b>2.6</b>	4.2
Investments in subsidiary undertakings	-	-	<b>0.4</b>	0.4
Programme-related investments	-	0.1	-	0.1
Property-related investments	<b>4.4</b>	4.4	<b>4.4</b>	4.4
<b>Total investments</b>	<b>14.3</b>	14.6	<b>14.7</b>	15.0
<b>Movement during the year</b>				
At the beginning of the year	14.6	14.4	15.0	14.8
Cost of acquisitions	3.6	0.9	3.6	0.9
Disposals	(3.5)	(1.1)	(3.5)	(1.1)
Net gains/(losses) on investment	(0.4)	0.4	(0.4)	0.4
	<b>14.3</b>	14.6	<b>14.7</b>	15.0

Christian Aid investments (cash, bonds, and equities) are managed by Eden Tree, within a Board-approved ESG mandate.

Programme-related investments consist of social investment loans to co-operatives in Honduras which are almost completely paid up. The trustees are satisfied that making these loans constitute programme investments that furthers the objects of the charity.

Property-related investments were valued by Cluttons at 1 April 2022.

## 10. Debtors

	Consolidated group		Parent charity	
	2023 £'m	2022 £'m	2023 £'m	2022 £'m
Prepayments	1.0	0.5	1.0	0.5
Accrued income	3.0	4.1	3.0	4.1
Other debtors	3.7	1.8	3.6	1.6
Amounts due from subsidiary undertakings	-	-	-	-
<b>Total debtors</b>	<b>7.7</b>	<b>6.4</b>	<b>7.6</b>	<b>6.2</b>

## 11. Liabilities

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

	Consolidated group		Parent charity	
	2023 £'m	2022 £'m	2023 £'m	2022 £'m
Interest-free loans from supporters	0.1	0.1	0.1	0.1
Trade and other creditors	2.7	3.4	2.5	3.2
Deferred income	0.2	0.1	0.1	-
Tax and social security	0.5	0.5	0.5	0.5
Accruals	2.5	3.9	2.6	4.0
<b>Total creditors</b>	<b>5.9</b>	<b>8.0</b>	<b>5.7</b>	<b>7.8</b>

Movement on deferred income during the year:

	Consolidated group		Parent charity	
	2023 £'m	2022 £'m	2023 £'m	2022 £'m
Balance brought forward	0.1	0.2	-	0.2
Released to income	(0.1)	(0.2)	-	(0.2)
Received in year	0.2	0.1	0.1	-
<b>Balance carried forward</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>-</b>

### 11.2. Creditors: amounts falling due after more than one year

	Consolidated group		Parent charity	
	2023 £'m	2022 £'m	2023 £'m	2022 £'m
Long-term creditors	0.9	1.0	0.9	1.0

Christian Aid has recognised £0.9m (2022: £1.0m) of creditors falling due after more than one year. This amount relates to pension benefits due to overseas staff.

### 11.3. Provisions

	Consolidated group		Parent charity	
	2023 £'m	2022 £'m	2023 £'m	2022 £'m
Provisions	1.7	1.3	1.7	1.3

Christian Aid has recognised a liability of £1.7m (2022: £1.3m) for project provisions, paid annual leave, paid sick leave and termination benefits.



## 12. Future commitments

In addition to the amounts shown as creditors in these accounts, there are also commitments to projects which have been accepted in principle by Christian Aid's board and are expected to be recommended for funding in 2023/24.

	Consolidated group		Parent charity	
	2023 £'m	2022 £'m	2023 £'m	2022 £'m
<b>Commitments</b>	<b>6.9</b>	0.3	<b>6.9</b>	0.3

## 13. Operating lease income and commitments

At 31 March 2023, the total of future minimum operating lease income receivable under non-cancellable operating leases amounted to:

	Consolidated group		Parent charity	
	2023 £'m	2022 £'m	2023 £'m	2022 £'m
Land and buildings – within one year	<b>0.3</b>	0.3	<b>0.3</b>	0.3
Land and buildings – between two and five years	<b>0.2</b>	0.5	<b>0.2</b>	0.5
	<b>0.5</b>	0.8	<b>0.5</b>	0.8

At 31 March 2023, the total of future minimum lease commitments payable under non-cancellable operating leases amounted to:

	Consolidated group		Parent charity	
	2023 £'m	2022 £'m	2023 £'m	2022 £'m
Building leases – within one year	-	-	<b>0.3</b>	0.3
Building leases – between two and five years	-	-	<b>0.3</b>	1.4
	-	-	<b>0.6</b>	1.7

## 14. Unrestricted funds

	Opening balance £'m	Income £'m	Expenditure £'m	Gains and losses £'m	Transfers £'m	Closing balance £'m
<b>Consolidated group</b>						
General funds	11.9	42.1	(41.9)	(0.4)	(2.3)	<b>9.4</b>
Land and property	5.0	-	-	-	-	<b>5.0</b>
Operational reserves	16.9	42.1	(41.9)	(0.4)	(2.3)	<b>14.4</b>
Other fixed assets	2.1	0.6	(0.9)	-	-	<b>1.8</b>
	19.0	42.7	(42.8)	(0.4)	(2.3)	<b>16.2</b>
Designated reserves	8.4	-	(2.5)	-	1.8	<b>7.7</b>
<b>Consolidated group total unrestricted funds</b>	<b>27.4</b>	<b>42.7</b>	<b>(45.3)</b>	<b>(0.4)</b>	<b>(0.5)</b>	<b>23.9</b>
<b>Parent charity</b>						
General funds	18.9	42.7	(42.8)	(0.4)	(2.3)	<b>16.1</b>
Designated reserves	8.4	-	(2.5)	-	1.8	<b>7.7</b>
<b>Total unrestricted funds</b>	<b>27.3</b>	<b>42.7</b>	<b>(45.3)</b>	<b>(0.4)</b>	<b>(0.7)</b>	<b>23.8</b>

A transfer of £1.8m has been made from General Reserves to a Designated Fund, to be specifically applied to additional grant payments to support communities and for investment in fundraising. A transfer of £0.5m has been made to restricted reserves being allocation of unrestricted funds received through CA Trading Ltd for specific restricted projects.

#### 14.1. Prior year unrestricted funds

	Opening balance £'m	Income £'m	Expenditure £'m	Gains and losses £'m	Transfers £'m	Closing balance £'m
<b>Consolidated group</b>						
General funds	16.1	41.7	(37.9)	0.4	(8.4)	<b>11.9</b>
Land and property	5.0	-	-	-	-	<b>5.0</b>
Operational reserves	21.1	41.7	(37.9)	0.4	(8.4)	<b>16.9</b>
Other fixed assets	2.4	0.4	(0.7)	-	-	<b>2.1</b>
	23.5	42.1	(38.6)	0.4	(8.4)	<b>19.0</b>
Designated reserves	1.0	-	(1.0)	-	8.4	<b>8.4</b>
<b>Consolidated group total unrestricted funds</b>	<b>24.5</b>	<b>42.1</b>	<b>(39.6)</b>	<b>0.4</b>	<b>-</b>	<b>27.4</b>
<b>Parent charity</b>						
General Funds	<b>23.0</b>	41.4	(37.5)	0.4	(8.4)	18.9
Designated reserves	<b>1.0</b>	-	(1.0)	-	8.4	8.4
<b>Total unrestricted funds</b>	<b>24.0</b>	<b>41.4</b>	<b>(38.5)</b>	<b>0.4</b>	<b>-</b>	<b>27.3</b>

## 15. Restricted funds

	Opening balance £'m	Income £'m	Expenditure £'m	Transfers	Closing balance £'m
<b>Consolidated group</b>					
<b>Christian Aid humanitarian appeals:</b>					
East Africa Crisis Appeal 2017	0.1	-	(0.1)	-	-
Nepal Earthquake 2015	0.2	-	(0.3)	-	(0.1)
Rohingya Crisis Appeal 2017	0.1	-	(0.1)	-	-
Kerala Floods Crisis 2018	0.1	-	-	-	0.1
Malawi/Zimbabwe Cyclone Idai 2019	0.5	-	(0.6)	-	(0.1)
Coronavirus Emergency Appeal 2020	0.4	-	(0.4)	-	-
Hunger Appeal 2021	0.7	0.1	(0.7)	-	0.1
Haiti Earthquake Appeal emergency Appeal 2021	0.4	-	(0.4)	-	-
Afghanistan Crisis Appeal 2021	1.5	0.2	(0.4)	-	1.3
Ukraine Crisis Appeal 2022	1.2	1.6	(1.1)	-	1.7
East Africa Hunger Crisis Appeal 2022	-	1.4	(1.1)	-	0.3
Turkey-Syria Earthquake Appeal 2023	-	2.7	(0.4)	-	2.3
	5.2	6.0	(5.6)	-	5.6
<b>Disasters Emergency Committee appeals:</b>					
Malawi - Zimbabwe Cyclone Idai 2019	0.1	-	(0.1)	-	-
Coronavirus Emergency Appeal 2020	(0.1)	0.2	(0.1)	-	-
Afghanistan Crisis Appeal Dec 21	-	0.8	(1.0)	-	(0.2)
Ukraine Crisis Appeal	-	13.7	(13.3)	-	0.4
Turkey-Syria Earthquake Appeal 2023	-	1.4	(1.5)	-	(0.1)
	0.2	16.0	(15.9)	-	-
<b>Christian Aid and DEC appeals</b>	<b>5.0</b>	<b>21.9</b>	<b>(21.5)</b>	<b>-</b>	<b>5.6</b>
Charity gifts and other	0.2	0.4	(0.4)	-	0.2
Denominational appeals	-	0.2	(0.2)	-	-
In Their Lifetime	0.9	0.5	(0.5)	-	0.9
Donations other	0.2	1.0	(1.0)	-	0.2
Denominational appeals, charity gifts and other	1.3	2.1	(2.1)	-	1.4
Legacies	0.3	-	-	-	0.3
<b>Appeals and other donations</b>	<b>6.7</b>	<b>24.1</b>	<b>(23.6)</b>	<b>-</b>	<b>7.2</b>
<b>Institutional grants</b>	<b>1.0</b>	<b>23.8</b>	<b>(24.5)</b>	<b>0.5</b>	<b>0.8</b>
<b>Total restricted funds</b>	<b>7.7</b>	<b>47.9</b>	<b>(48.1)</b>	<b>0.5</b>	<b>8.0</b>

	Opening balance £'m	Income £'m	Expenditure £'m	Transfers £'m	Closing balance £'m
<b>Parent charity</b>					
Appeals and other donations	6.7	24.1	(23.6)	-	7.2
Institutional grants	1.0	23.8	(24.5)	0.5	0.8
<b>Total restricted funds</b>	<b>7.7</b>	<b>47.9</b>	<b>(48.1)</b>	<b>0.5</b>	<b>8.0</b>

Negative restricted funds have arisen where expenditure is made in advance of anticipated income, and it is expected that the negative balances will be cleared in future accounting periods. An amount of £0.5m has been transferred from

unrestricted reserves for allocation to a restricted project. Unrestricted donations earmarked for this purpose were received in CA Trading Ltd.

### 15.1. Prior year restricted funds

	Opening balance £'m	Income £'m	Expenditure £'m	Transfers £'m	Closing balance £'m
<b>Consolidated group</b>					
Christian Aid humanitarian appeals:					
East Africa Crisis Appeal 2017	0.2	-	(0.1)	-	<b>0.1</b>
Nepal Earthquake 2015	0.6	(0.2)	(0.2)	-	<b>0.2</b>
Syria Crisis 2013	0.2	-	(0.2)	-	-
Rohingya Crisis Appeal 2017	0.4	-	(0.3)	-	<b>0.1</b>
Kerala Floods Crisis 2018	0.1	-	-	-	<b>0.1</b>
Malawi - Zimbabwe Cyclone Idai 2019	1.6	-	(1.1)	-	<b>0.5</b>
Coronavirus Emergency Appeal 2020	0.8	0.4	(0.8)	-	<b>0.4</b>
Lebanon Crisis Appeal 2020	0.2	-	(0.2)	-	-
Hurricane Iota Appeal 2020	0.1	-	(0.1)	-	-
Gaza Middle East Crisis Appeal 2012	-	0.1	(0.1)	-	-
Hunger Appeal 2021	-	1.4	(0.7)	-	<b>0.7</b>
Haiti Earthquake Appeal emergency Appeal 2021	-	0.6	(0.2)	-	<b>0.4</b>
Afghanistan Crisis Appeal 2021	-	1.6	(0.1)	-	<b>1.5</b>
Ukraine Crisis Appeal 2022	-	1.9	(0.7)	-	<b>1.2</b>
	<b>4.2</b>	<b>5.8</b>	<b>(4.8)</b>	-	<b>5.3</b>
Disasters Emergency Committee appeals:					
Malawi - Zimbabwe Cyclone Idai 2019	(0.1)	-	-	-	<b>(0.1)</b>
Coronavirus Emergency Appeal 2020	(0.3)	1.9	(1.8)	-	<b>(0.1)</b>
Afghanistan Crisis Appeal Dec 21	-	0.9	(0.9)	-	-
Ukraine Crisis Appeal	-	1.9	(1.9)	-	-
	<b>(0.4)</b>	<b>4.7</b>	<b>(4.5)</b>	-	<b>(0.2)</b>
<b>Christian Aid and DEC appeals</b>	<b>3.8</b>	<b>10.5</b>	<b>(9.3)</b>	-	<b>5.1</b>
Charity gifts and other	0.1	0.5	(0.4)	-	<b>0.2</b>
Denominational appeals	-	0.2	(0.2)	-	-
In Their Lifetime	0.8	0.4	(0.3)	-	<b>0.9</b>
Denominational appeals, charity gifts and other	0.9	1.1	(0.9)	-	<b>1.1</b>
Legacies	0.4	-	(0.1)	-	<b>0.3</b>
<b>Appeals and other donations</b>	<b>5.2</b>	<b>11.6</b>	<b>(10.3)</b>	-	<b>6.5</b>
<b>Institutional grants</b>	<b>2.6</b>	<b>24.7</b>	<b>(26.1)</b>	-	<b>1.2</b>
<b>Total restricted funds</b>	<b>7.8</b>	<b>36.3</b>	<b>(36.4)</b>	-	<b>7.7</b>

	Opening balance £'m	Income £'m	Expenditure £'m	Transfers £'m	Closing balance £'m
<b>Parent charity</b>					
Appeals and other donations	4.9	11.6	(10.3)	0.3	<b>6.5</b>
Institutional grants	2.9	24.7	(26.1)	(0.3)	<b>1.2</b>
<b>Total restricted funds</b>	<b>7.8</b>	<b>36.3</b>	<b>(36.4)</b>	-	<b>7.7</b>

## 16. Analysis of net assets

Fund balances as at 31 March 2023 are represented by:

	Unrestricted funds		Restricted funds	Total
	Fixed assets £'m	Other £'m	£'m	£'m
<b>Consolidated group</b>				
Fixed assets	6.8	-	-	<b>6.8</b>
Investments	-	14.3	-	<b>14.3</b>
Current assets	-	10.8	8.5	<b>19.3</b>
Current liabilities	-	(5.4)	(0.5)	<b>(5.9)</b>
Long-term liabilities	-	(0.9)	-	<b>(0.9)</b>
Provision for liabilities	-	(1.7)	-	<b>(1.7)</b>
<b>Total net assets</b>	<b>6.8</b>	<b>17.1</b>	<b>8.0</b>	<b>31.9</b>
<b>Parent charity</b>				
Fixed assets	6.8	-	-	<b>6.8</b>
Investments	-	14.7	-	<b>14.7</b>
Current assets	-	10.1	8.5	<b>18.6</b>
Current liabilities	-	(5.2)	(0.5)	<b>(5.7)</b>
Long-term liabilities	-	(0.9)	-	<b>(0.9)</b>
Provision for liabilities	-	(1.7)	-	<b>(1.7)</b>
<b>Total net assets</b>	<b>6.8</b>	<b>17.0</b>	<b>8.0</b>	<b>31.8</b>

### 16.1 Prior year analysis of net assets

Fund balances as at 31 March 2022 are represented by:

	Unrestricted funds		Restricted funds	Total
	Fixed assets £'m	Other £'m	£'m	£'m
<b>Consolidated group</b>				
Fixed assets	7.1	-	-	<b>7.1</b>
Investments	-	14.6	-	<b>14.6</b>
Current assets	-	13.7	10.0	<b>23.7</b>
Current liabilities	-	(5.7)	(2.3)	<b>(8.0)</b>
Long-term liabilities	-	(1.0)	-	<b>(1.0)</b>
Provision for liabilities	-	(1.3)	-	<b>(1.3)</b>
<b>Total net assets</b>	<b>7.1</b>	<b>20.3</b>	<b>7.7</b>	<b>35.1</b>
<b>Parent charity</b>				
Fixed assets	7.1	-	-	<b>7.1</b>
Investments	-	15.0	-	<b>15.0</b>
Current assets	-	13.0	10.0	<b>23.0</b>
Current liabilities	-	(5.5)	(2.3)	<b>(7.8)</b>
Long-term liabilities	-	(1.0)	-	<b>(1.0)</b>
Provision for liabilities	-	(1.3)	-	<b>(1.3)</b>
<b>Total net assets</b>	<b>7.1</b>	<b>20.2</b>	<b>7.7</b>	<b>35.0</b>

## 17. Subsidiary undertakings and related party transactions

**a. The Christian Aid group comprises the parent charity (Christian Aid) and four subsidiary undertakings.**

**The results for the year of the subsidiary undertakings are given below.**

### The British and Irish Churches Trust Ltd (BICT)

A charitable company limited by guarantee, incorporated in England and Wales. It owns the freehold title to Interchurch House and 3 residential properties, acting as custodian trustee for Christian Aid and Churches Together in Britain and Ireland (CTBI). The year end of this company was 31 December 2022, the date of CTBI's year end. The figures below represent Christian Aid's 71.25 per cent interest. The reserves retained within BICT are related to the management of Interchurch House.

### Christian Aid Trading Ltd (CAT)

A company limited by share capital, incorporated in England and Wales. Its two shares are held by Christian Aid. Christian Aid Trading Ltd carries out the trading and commercial promotional activities of Christian Aid, the incorporated charity. The net taxable profit is transferred by Gift Aid to Christian Aid. The Christian Aid Trading Ltd year end was 31 March 2023.

### Change Alliance (CH A)

A company limited by share capital, incorporated in India. Its shares are held by employees of Christian Aid as nominees. Change Alliance India is a for-profit organisation which, with partners, is currently undertaking Christian Aid's activities in India. The Change Alliance year end was 31 March 2023.

### Nyuki Hubs Kenya Limited

A company limited by share capital, incorporated in Kenya, wholly owned by Christian Aid UK. Its board is made up of employees of Christian Aid. Nyuki Hubs is a for-profit organisation which, with partners, is currently undertaking Christian Aid's activities in Kenya. The Nyuki Hubs year end was 31 December 2022. This subsidiary has not been consolidated in current or previous financial periods, due to immateriality.

### Christian Aid International (CA INT)

A charitable foundation registered in Spain, Christian Aid International operated under the brand name InspirAction until 31 December 2020 whereupon operations ceased and the foundation was wound up. All remaining balances have been cleared.

### 17.1 Subsidiary undertakings

	2023 CA INT £'m	2023 BICT £'m	2023 CAT £'m	2023 CH A £'m	2022 CA INT £'m	2022 BICT £'m	2022 CAT £'m	2022 CH A £'m
Total income	-	0.9	-	0.3	-	0.9	0.1	0.2
Total resources expended	(0.2)	(0.9)	-	(0.2)	-	(0.9)	-	(0.2)
<b>Net incoming resources</b>	<b>(0.2)</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>
Gift Aided to Christian Aid	-	-	-	-	-	-	(0.1)	-
<b>Retained surplus/(deficit) for the year</b>	<b>(0.2)</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total assets	-	0.1	0.1	0.5	0.2	0.1	0.1	0.5
Total liabilities	-	(0.1)	(0.1)	(0.2)	-	(0.1)	-	(0.2)
<b>Total funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.3</b>	<b>0.2</b>	<b>-</b>	<b>0.1</b>	<b>0.3</b>

CA INT = Christian Aid International; BICT = The British and Irish Churches Trust Ltd; CAT = Christian Aid Trading Ltd; CH A = Change Alliance.



**17.2 Related party transactions**

Related party transactions for the year with trustees are as follows:

A trustee of Christian Aid, Chinemerem McDonald, is a director of Theos Think Tank with whom Christian Aid has had transactions amounting to £13,000. Ms McDonald is also Vice Chair/trustee for Greenbelt Festivals whose transactions with Christian Aid amount to £142,598.

Related party transactions with subsidiary and associated companies that require disclosure are as follows:

	2023 £'m	2022 £'m
<b>1. Donations received under Gift Aid from subsidiary undertakings</b>		
Profit donated by CA Trading Ltd	0.1	0.1
<b>2. Payments made to subsidiary undertakings for services rendered in connection with Christian Aid's programme in India</b>		
Christian Aid consultancy fees	0.5	0.5
<b>3. Payments made to subsidiary undertakings for rental of Inter Church House</b>		
The British and Irish Churches Trust Ltd		
Total rental paid to BICT:	1.2	1.2
Share of income from BICT to CA	0.9	0.9
<b>4. Transactions with related party, Christian Aid Ireland</b>		
Programme management contribution	7.7	8.8
Grants, Services and other overheads	0.2	0.2

**18. Financial instruments****a. Basic financial instruments**

At the balance sheet date, the charity held financial assets at amortised cost of £14.7m (2022: £15.0m).

**b. Other financial instruments – forward contracts**

At 31 March 2023, Christian Aid had no commitments to buy foreign currency in foreign exchange forward contracts (2022: no commitments).

**19. Foreign, Commonwealth and Development Office (FCDO)**

In the year ended 31 March 2023, grants totalling £0.1m (2022: £2.3m) were received by Christian Aid from FCDO, as follows:

	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000	2022 Total £'000
UK Aid Match – South Sudan and Nigeria	-	-	-	870
For specific programmes in:				
Burkina Faso	-	-	-	-
Bangladesh	-	-	-	362
Global – UK Aid Connect (Civil Society Fund)	-	-	-	1,035
Kenya	-	-	-	1
	125	9	134	2,268

## 20. Cordaid \* funding

Consolidated group	Expenditure					Closing balance £'000
	Opening balance £'000	Income £'000	Salaries £'000	Other costs £'000	Grants to partners £'000	
EU Volunteers – Capacity Building	(19)	-	-	-	-	(19)
Nigeria Joint Response 3 (NJR3)	22	(12)	-	10	-	-
<b>Total ICCO funding</b>	<b>2</b>	<b>(12)</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>(19)</b>

\*ICCO is an interchurch organisation for development cooperation based in the Netherlands.

## 21. START Network\* funding

In the year ended 31 March 2023 grants totalling £2.6m (2022: £2.1m) were received by Christian Aid from START Network,\* as follows:

	2023 Unrestricted £'000	2023 Restricted £'000	2023 Total £'000	2022 Total £'000
START Grant:				
- Asia, Middle East and Latin America	8	256	264	403
- Africa	-177	2,136	2,313	1,712
<b>Total START Network funding</b>	<b>185</b>	<b>2,392</b>	<b>2,577</b>	<b>2,115</b>

\*The START network is a network of 42 aid agencies supporting humanitarian work around the world.

## 22. Pensions

### a. Defined benefit (final salary) funded pension scheme

The employer operates a defined benefit scheme in the UK. The scheme is closed to future accrual with effect from 30 June 2007, but has retained the salary link for active members. An actuarial valuation was carried out as at 30 September 2020 and the results of this have been updated to 31 March 2023 by a qualified actuary, independent of the scheme's sponsoring employer.

The actuarial valuation as at 30 September 2020 showed a surplus of £1,555,000. Due to the Scheme's funding position, the employer agreed with the Trustees that no employer contributions are due from 1 April 2022 until 31 March 2025 and during that period all the expenses of running the Scheme will be paid from the Scheme assets. Prior to 1 April 2022, the employer paid contributions of £98,200 per annum to cover expenses of running the Scheme with levies to the Pension Protection Fund payable in addition.

On 26 October 2018, a court ruling confirmed that UK pensions with Guaranteed Minimum Pensions (GMPs) accrued from 17 May 1990 must equalise for the different effects of these GMPs between men and women. As for the year ending March 2020, an allowance of 0.32% is included in the liabilities to allow for the impact of GMP equalisation.

In July 2021, the Pensions Trust (TPT, on behalf of the trustees for the closed final salary pension scheme) notified Christian Aid that they had undertaken a review of how some historic changes to Scheme benefits were implemented and as a consequence, would now be seeking court direction on whether they had been applied correctly. TPT will ask the court for direction as to when certain changes to Scheme benefits, made under the Scheme's governing documents, took proper legal effect. This type of court application by pension scheme trustees is not uncommon in situations of legal uncertainty.

In May 2022, TPT updated Christian Aid: 'On advice from Counsel to look more widely than the initial review of the Scheme Documents, we started due diligence work to identify any additional items that would be relevant to the issues to be considered by the Court. This stage has included a review of benefit changes that have been made by making amendments to the Rules, as well as your Scheme Document. A potential new item has come out of this stage of the review. It relates to changes in legislation made by the Government to the measure of inflation used for increasing

pensions already in payment and how this interacts with members' pensions provided under the Rules. We anticipate that the documents will be filed with the Court during Q2 of 2023 and that the Court will provide a ruling at the earliest in Q4 2024. Depending on the findings included within the Court ruling we may then need to seek further clarifications from the Court. Once the Court ruling has been made, we will be able to discuss with you any funding and investment implications for the Scheme.

Mercer, the Scheme actuary, has calculated that a decision of the court in favour of the Scheme members (and against the Pension trustee) could lead to an increase in Scheme liabilities of some 6% for the Christian Aid Final Salary Scheme (equivalent to £3.3m, estimated on the assumptions used for the funding of the pension scheme as at 31 March 2023). No provision has been made in these financial statements as TPT will be making the case that they have administered the Scheme correctly (in which case no additional liabilities would emerge) and the Scheme continues to be administered on the basis the current practice is correct. Furthermore, the Scheme continues to carry a surplus under the valuation assumptions used for our financial statements, and the reported surplus, which is limited to nil for the purposes of our financial statements, is in excess of the potential additional liabilities.

**(i) Present values of defined benefit obligation, fair value of assets and defined benefit asset/(liability)**

	2023 £'m	2022 £'m
Fair value of plan assets	61.3	96.8
Present value of defined benefit obligation	(54.6)	(74.5)
Surplus	6.8	22.3
Defined benefit asset/(liability) to be recognised	-	-

**(ii) Reconciliation of opening and closing balances of the defined benefit obligation**

	2023 £'m	2022 £'m
Defined benefit obligation at start of period	74.5	76.0
Expenses	-	-
Interest expense	2.0	1.6
Past service cost/(credit) – plan amendments	-	-
Actuarial losses/(gains)	(20.2)	(0.9)
Benefits paid	(1.8)	(2.2)
Experience (gain)/loss on liabilities	-	-
<b>Defined benefit obligation at end of period</b>	<b>54.6</b>	<b>74.5</b>

**(iii) Reconciliation of opening and closing balances of the fair value of plan assets**

	2023 £'m	2022 £'m
Fair value of plan assets at start of period	96.8	95.1
Interest income	2.7	2.0
Expenses	(0.2)	(0.1)
Actuarial gain/(loss)	(36.2)	2.0
Employer contributions	-	0.1
Benefits paid and expenses	(1.8)	(2.2)
<b>Fair value of scheme assets at the year end</b>	<b>61.3</b>	<b>96.8</b>

The actual return on the scheme assets over the period ended 31 March 2023 was (£33.5)m (2022: £4.0m). The best estimate of contributions to be paid by the employer for the period commencing 1 April 2023 is £0.1m. This includes an allowance for expenses. The PPF levy is payable in addition by the employer.

**(iv) Defined benefit costs recognised in the Statement of Financial Activities**

	2023 £'m	2022 £'m
Expenses	0.2	0.1
<b>Defined benefit costs recognised in statement of financial activities</b>	<b>0.2</b>	<b>0.1</b>
Return on plan assets (excluding amounts included in net interest cost) – gain/(loss)	(36.2)	2.0
Experience gains and losses arising on the plan liabilities – gain/(loss)	(5.6)	(1.7)
Effects of changes in the demographic and financial assumptions underlying the present value of the plan liabilities – gain/(loss)	25.7	2.6
Effects of changes in the amount of surplus that is not recoverable (excluding amounts included in net interest cost) – gain/(loss)	16.2	(2.9)
<b>Total amount recognised in other recognised gains/(losses)</b>	<b>0.2</b>	<b>-</b>

**(v) Assets**

	Value at 31 March 2023 £'m	Proportion %	Value at 31 March 2022 £'m	Proportion %
Equities	-	0%	-	0%
Bonds	52.2	85%	85.4	88%
Other	9.1	15%	11.4	12%
<b>Total assets</b>	<b>61.3</b>	<b>100%</b>	<b>96.8</b>	<b>100%</b>

None of the fair values of the assets shown above include any direct investments in the employer's own financial instruments or any property occupied by, or other assets used by, the employer.

**(vi) Assumptions**

	2023	2022
Discount rate	4.85%	2.78%
Inflation assumption – Retail Price Index	3.18%	3.54%
Inflation assumption – Consumer Price Index	2.94%	3.27%
Rate of increase in salaries	3.00%	3.00%
Allowance for revaluation of deferred pensions of RPI or 5% p.a. if less	3.18%	3.54%
Allowance for pension in payment increases of CPI or 5% p.a. if less	2.86%	3.13%
Allowance for pension in payment increases of CPI or 3% p.a. if less	2.02%	2.43%
Allowance for commutation of pension for cash at retirement	75% of maximum	75% of maximum

The mortality assumptions adopted at 31 March 2022 imply the following life expectancies:

	2023 Years	2022 Years
Male pensioner – currently 65	21.7	22.0
Female pensioner – currently 65	24.2	24.4
Male non-pensioner – currently 65	23.4	23.6
Female non-pensioner – currently 65	25.6	25.8

**b. Defined contribution pension scheme**

The total cost of the defined contribution pension scheme to the charity was £0.9m (2022: £0.9m). There were no outstanding or prepaid contributions at 31 March 2023.

## Reference and administrative details

### Board of Trustees

#### Chair

Maggie Swinson<sup>1,4</sup> (Interim Chair from June 2023)  
John Sentamu<sup>1,2,3,4</sup> (until June 2023)

#### Vice Chair

TBA

#### Other trustees:

Hazel Baird<sup>1</sup>  
Sam Bickersteth (from November 2022)  
Richard Calvert<sup>2,3</sup>  
Mark Currie<sup>2</sup>  
Johannes Etten<sup>3</sup>  
Giles Fraser<sup>4</sup>  
Pippa Greenslade<sup>3</sup>, (until November 2022)  
Nontando Hadebe<sup>3</sup>  
Liz Hughes  
Carol Hui<sup>1</sup>  
Martin Johnstone  
Mukami McCrum<sup>3</sup>  
Chine McDonald (from November 2022)  
Nick Moberly<sup>1</sup>  
Nan Powell-Davies  
Gemma Spence (from November 2022)

#### Board advisers

Chris Butler<sup>2</sup>  
Mike Royal<sup>4</sup>  
Linda Holbeche<sup>3</sup>  
Simon Horner-Long<sup>2</sup>  
Mick Howard<sup>3</sup>  
Helia Mateus<sup>1</sup>  
Amanda Phillips<sup>2</sup>  
Lyn Weston<sup>2</sup>

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### National offices

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Tel: +44 (0) 131 220 1254

#### Wales

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81 Merthyr Road, Whitchurch  
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CF14 1DD  
Email: [wales@christian-aid.org](mailto:wales@christian-aid.org)  
Tel: +44 (0) 29 2084 4646

### Professional advisers

#### Auditors

Haysmacintyre LLP  
10 Queen Street Place  
London EC4R 1AG

#### Solicitors

Bates Wells  
10 Queen Street Place  
London EC4R 1BE

#### Bankers

Barclays  
1 Churchill Place  
Canary Wharf  
London E14 5HP

#### Investment managers

Eden Tree  
24 Monument Street  
London EC3R 8AQ

#### Investment and pension advisers

Lane, Clark, Peacock LLP  
95 Wigmore St, London W1U 1DQ

### Executive officers

**Chief Executive** Patrick Watt

**Chief Operating Officer** Martin Birch

#### Other executive officers

Fundraising and Supporter Engagement –  
Nick Georgiadis  
International – Ojobo Ode Atuluku  
Policy, Public Affairs & Campaigns –Karimi  
Kinoti/Osai Ojigbo  
Strategy and Global Change – Mervyn  
McCullagh

1. Audit and Risk Committee

2. Finance, Fundraising and Investment Committee

3. People Committee

4. Board Governance and Nominations Committee

## Acknowledgements

### Sponsoring churches

Baptist Union of Great Britain	Methodist Church
Baptist Union of Scotland	Methodist Church in Ireland
Baptist Union of Wales	Moravian Church of Great Britain and Ireland
Cherubim and Seraphim Council of Churches	New Assembly of Churches
Church in Wales	New Testament Assembly
Church of England	New Testament Church of God
Church of God of Prophecy	Non-Subscribing Presbyterian Church of Ireland
Church of Ireland	Old Baptist Union Presbyterian
Church of Scotland	Presbyterian Church in Ireland
Congregational Federation	Presbyterian Church of Wales
Council of African and Afro-Caribbean Churches	Religious Society of Friends in Britain
Council of Oriental Orthodox Christian Churches	Religious Society of Friends in Ireland
Countess of Huntingdon's Connexion	Russian Orthodox Church
Fellowship of the Churches of Christ	Salvation Army (UK Territory)
Free Church of England	Scottish Episcopal Church
Greek Orthodox Church	Seventh Day Adventist Church
Independent Methodist Churches	Union of Welsh Independents
International Ministerial Council of Great Britain	Unitarian and Free Christian Churches
Joint Council for Anglo-Caribbean Churches	United Free Church of Scotland
Lutheran Council of Great Britain	United Reformed Church
	Wesleyan Holiness Church

### Special thanks

All Christian Aid's work is based on the spirit of cooperation and partnership. We would like to express our sincere thanks to the many organisations and individuals who make our work possible. Together we strive to be part of a worldwide movement of people committed to eradicating poverty and social injustice. We want to give special thanks to the hundreds of thousands of **supporters** who contribute to our work in a multitude of ways – as individual donors, campaigners, collectors, local and national committee members, or through local churches.

We would like to thank our specialist **volunteers** who have significantly extended the reach of our work by speaking, taking lessons and assemblies, writing media articles, helping in our offices, undertaking research and translation work, organising events and much more.



## **Institutions, agencies, corporates and trusts**

ACBAR	Guernsey Overseas Aid and Development Commission
ACT Alliance	Health Poverty Action
ACT Church of Sweden	Helpage International
Act for Peace Australia	Kerk in Aktie
Action Aid Italy	Icelandic Church Aid
Action Aid UK	International Fund for Agricultural Development
AquAid	Irish Aid
Africa Trust	Internet Society Foundation - SCILLS Program
Bread for the World Germany	Islamic Relief Worldwide
British Academy	Isle of Man Government
Caritas Austria	Latham & Watkins
Charles Stewart Mott Foundation	Kerke in Actie Netherlands
Church Communities UK	Mercy Corps UK
Coopi Italia	Nethope
Comic Relief	Norwegian Church Aid
Cordaid	Oxfam GB
DanChurchAid	Oxfam Intermon
Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ)	Patterson Belknap Webb & Tyler
Diakonia Sweden	Primate World Relief and Development Programme
Disasters Emergency Committee (DEC)	Save the Children UK
The Entertainer	Scottish Government
elrha	Simmons & Simmons
European Commission INTPA/EuropeAid	SOAS University of London
European Commission DG ECHO (European Civil Protection and Humanitarian Aid Operations)	START Network
Faith Invest	Swiss Agency for Development Cooperation (SDC)
Gaia Energy Brokers Ltd	The Aurora Trust
German Red Cross	The Blandford Lake Trust
Global Fund to Fight AIDS, Tuberculosis and Malaria	The Zochonis Charitable Trust
	Tradecraft

Trocaire

UK Foreign and Commonwealth Office (FCDO)

UK Research and Innovation

UN Women

UNICEF

United Methodist Committee on Relief (UMCOR)

United Nations Development Programme (UNDP)

United Nations Food and Agriculture Organisation (UNFAO)

United Nations High Commissioner for Refugees (UNHCR)

United Nations International Organisation for Migration (IOM)

United Nations Office for Project Services (UNOPS)

United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA)

United Nations World Food Programme (UN WFP)

United States Agency for International Development (USAID)

World Bank

World Vision Malawi

Welsh Government Llywodraeth Cymru

Women Peace and Humanitarian Fund (WPHF)

United Nations Peacebuilding Fund (UNPBF)

Nexus Response Mechanism (NRM) via UNOPS

The William and Flora Hewlett Foundation

Bank of Ireland Staff Fund

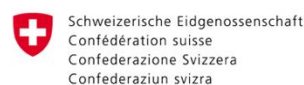
Evangelical Lutheran Church of America (ELCA)

Livelihood and Food Security Fund (LIFT) via UNOPS

Electric Aid

Peace Nexus

The Davy Charitable Foundation Services



Cynllun Grantiau Cymru ac Affrica Llywodraeth Cymru



Welsh Government's Wales and Africa Grant Scheme