

# ANNUAL REPORT OF THE USPG TRUSTEES

Approved on 10 May 2017. This document contains  
the formal Report and Financial Statements of USPG  
for the year ended 31 December 2016.

The United Society. Registered charity number 234518.  
Incorporated under Royal Charter, 1701.



† UNITED SOCIETY  
PARTNERS IN THE GOSPEL

USPG<sup>†</sup>



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**Cover: Shiela, from Guesang, Northern Philippines, has been supported to set up a pine cone project. Photo: Cathedral of All Saints, Bontoc, Mountain Province in the Philippines.**

Credit: USPG/Leah Gordon



# TRUSTEES, DIRECTORS AND ADVISERS

## President

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

## Trustees

The Revd Canon Christopher Chivers  
*Chair*

Mrs Rosemary Kempsey  
*Vice Chair*

Mr Richard Barrett\*  
*Chair of the Finance and Audit Committee*

The Revd Canon Joabe Cavalcanti

Mr John Chilver\*

Mrs Jane Watkeys\*

Mr Nigel Wildish\*  
*Term ended 7 June 2016*

The Revd Canon Christopher Burke  
*Term ended 7 June 2016*

The Revd Dr Olubunmi Fagbemi

Mr Martin Canning\*

The Revd Canon Professor Patrick Comerford

The Rt Revd John McDowell

The Rt Revd Jonathan Frost  
*co opted 17 November 2016*

The Revd Canon Dr Daphne Green

*Appointed 7 June 2016*

Mr Christopher Rogers  
*Appointed 7 June 2016*

Mrs Leah Skouby  
*Appointed 7 June 2016*

\*Members of the Finance and Audit  
Committee

## General Secretary

Ms Janette O'Neill

## Directors

Ms Janette O'Neill  
*Chief Executive*

Mr Ben Kuevidjen  
*Director: Finance and Resources, Company  
Secretary and Deputy General Secretary*

Ms Naomi Herbert  
*Director: International Programmes*

Mrs Rachel Parry  
*Director: Global Relations*

The Revd Timothy Harford  
*Director: Fundraising and Communications*

The Revd Canon Richard Bartlett  
*Director: Mission Engagement  
Appointed 22 February 2016*

## Address

Harling House  
47/51 Great Suffolk Street  
London SE1 0BS

## Charity registration

234518

## Auditors

haysmacintyre Chartered Accountants  
26 Red Lion Square  
London WC1R 4AG

## Solicitors

Royds Withy King LLP  
65 Carter Lane  
London EC4V 5HF

## Principal bankers

Barclays Bank Plc  
1 Churchill Place  
London E14 5HP

## Investment managers

CCLA Investment Management Ltd  
Senator House  
85 Queen Victoria Street  
London EC2V 6DZ

Rathbone Investment Management  
8 Finsbury Circus  
London EC2M 7AZ

Savills Investment Management LLP  
33 Margaret Street  
London W1G 0JD

## Property Advisors

Ingleby Trice  
10 Foster Lane  
London EC2V 6HR

# A MESSAGE FROM THE CHAIR OF TRUSTEES

**In the following pages, Janette O'Neill, our General Secretary, uses two powerful images.**

She recalls seeing an archbishop literally wading into deep waters because he had no choice – they were already rising around him. She also refers to a kaleidoscope of contextual perspectives on what God is doing around the world. These are brilliant images. They focus us on the heart of what USPG exists to be and to do.

Each of us is called to sense what God is doing and to join in with this divine mission to transform the globe. But a mission agency – because it is an expression not just of individuals but of the collective and connective power of the church – can do this in a way that no other organisation or institution can.

At USPG's international consultation in Fiji, in 2016, I was asked to preach in a village just outside Suva, the capital city. My words were carefully prepared – but, really, they were redundant. Indeed, I cannot now remember them and I doubt that the congregation can either. What mattered most was not the word, but the word made flesh. What mattered was the expression of collective and connective power – the joining together of the Holy Spirit – that happened on that Sunday.

In Fiji, a parish church – in one of the least materially wealthy places in the world – opened its heart to me and my fellow visitors from across the globe. People had set banana leaves down the length of a room and filled them with food! It was a banquet made on earth, with the bright colours of the fruits they had brought suggesting the richness of heaven.

Our hosts would not eat until we had eaten. This made many of us uncomfortable but it was as Fijian culture dictated. We also knew we were eating food that was necessary for this community's daily provision. This made us uncomfortable too.

However, we were being asked to transcend our feelings of discomfort in order to accept this offer of friendship and togetherness so that, as one, we might acknowledge, accept and celebrate the power of our shared belonging and community. Indeed, this sense of togetherness and shared exploration and learning is the essence of USPG.

Sadly, by contrast, the churches in our own islands – in Britain and Ireland – become ever more introspective and more concerned with maintenance dressed as mission. This really means attention to survival in far too many cases and little else.

But you, who hold this document and

share the vision it conflates into but a few pages, know that USPG represents the antidote to maintenance or survival.

Here is the answer to disastrous self-preoccupation: a growth in gospel relationship that changes everything.

I implore you to use what you read here, to take your passion for the story it unfolds and to do all that you can to remind the churches of Britain and Ireland that there is a bigger vision of the kingdom – and it's actually a vision that promises daily to re-energise us all.

**The Revd Canon Chris Chivers**

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**Opposite: Archbishop Winston Halapua stands in sea water in the middle of Pangaimotu Island, close to Tonga.**

Credit: USPG/Naomi Herbert







# A MESSAGE FROM THE GENERAL SECRETARY

**In a crowded and often surprising year, my most abiding memory of 2016 is being in Fiji seeing Archbishop Winston Halapua standing with water up to his knees in the middle of an island where he played as boy.**

Only 12 months earlier, the archbishop had chosen this Tongan island to celebrate a memorable Eucharist service with the visiting Archbishop of York. Now, just one year later, with water levels rising as a result of global warming, this special place had been inundated with salt water. The island was flooded and the trees and vegetation were dying.

Archbishop Winston, known for his playful character and infectious sense of humour – alongside a spirituality that is inspired by the power and beauty of the natural world and the oceans that flow across it – stood daunted and troubled.

He has long been a powerful and global advocate for climate justice. In fact he had invited representatives from the USPG family to visit Fiji and Tonga to bear witness to how the rising sea temperature is impacting on these Pacific islands.

In the summer of 2016, USPG friends from every continent gathered in Fiji to discuss, share and create USPG strategic priorities for the next three years. Like gazing into a kaleidoscope, the mission and global issues that we shared at first looked similar then, just as the smallest

turn of a kaleidoscope completely changes the image, a new perspective shared by one of our friends would suddenly render simplistic solutions unworkable. The experience taught me afresh that we need contextual theologies more than ever to equip our church to serve and strengthen its communities on the frontline. And, as a global organisation, we must keep sharing these realities to help the Anglican Communion stand in solidarity.

With this in mind, it was particularly gratifying that, in 2016, USPG was able to continue our support for the Asian Theological Academy – an institution without walls – which has now met in several Asian locations, bringing together clergy and laity, men and women, to examine theology in the face of being Christian in Muslim, Hindu and Buddhist majority countries, often in contexts where tensions are moving along a spectrum towards persecution.

Elsewhere, in Nairobi, Kenya, USPG brought together participants from the West Indies, Canada, Britain and Ireland, India and several African countries to work from a grassroots perspective to create thoughtful, biblically-grounded and action-orientated responses to gender based violence.

And similarly, in Cologne, we supported a gathering of the Diocese in Europe with their ecumenical partners to share and be inspired by the work in different contexts around

Europe to support refugees. Indeed, a number of refugees were in attendance. Delegates learned about how refugees were struggling to integrate into new countries and rebuild their shattered lives. This is all intensely difficult, but we heard about simple and bold initiatives that are enabling church communities to make positive contributions and to bring hope and encouragement.

Networking is essential if we are to capitalise on the strength of being a global church community. We have watched over the last years as populist movements have challenged autocracies and theocracies, and throughout 2016 we saw democracies shaken as people used their votes to demand attention. While this might be exciting, our societies have also been marred by self-serving and sectarian goals vying to oust the current vested interests.

Meanwhile, from our global partners, we know very well that there are many voiceless people who continue to suffer unjustly having done little to contribute to the causes of their suffering. We must do all we can to amplify their experiences and join with others to ensure that the common good forms the political and social agenda. USPG is playing its part. In 2017, we are hosting an inter faith symposium in England to help government and institutional donors understand the critical, indeed essential, role that faith communities have in implementing

the UN's Sustainable Development Goals (aka Agenda 2030) in the hope that we might ensure that no-one is left behind.

Archbishop Winston is an inspiring example of what one person can do. As a leader in the Anglican Communion, his personal gifts have been given even greater credibility. In his campaigning work, he has listened to the voices of his people who are daily facing the realities of climate change to help with policy formation in his own country and the Pacific region, working in partnership with governments and UN agencies. Critically he has been part of the Small Islands States Network, which did more than any other organisation at the 2016 Paris climate Summit, helping to persuade global governments to work together to ensure that the ocean temperatures do not rise by more than 1.5 degree centigrade in the future. If we can all work to make this a reality, Tonga and its people will be safe.

**Janette O'Neill**

*General Secretary/Chief Executive Officer  
USPG*

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**Opposite: Janette O'Neill, Chief Executive/  
General Secretary of USPG, at the mission  
station in Chipili, Luapula Diocese, Zambia.**

*Credit: USPG/Leah Gordon*





ST. MICHAEL  
& ALL ANGELS  
CATHEDRAL



DOMITARIES

CHIPILI  
BASIC  
SCHOOL

↓  
TO KANENA'S  
VILLAGE

↓  
TO MANSA



# REPORT OF THE TRUSTEES AND MEMBERS

The Trustees have pleasure in presenting their report for the year ended 31 December 2016. This report is prepared in accordance with the Royal Charter, the Bye-Laws and the recommendations of the Statement of Recommended Practice: Accounting and Reporting by Charities, and complies with applicable law.

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Governing documentation and constitution

The United Society is governed by its Royal Charter of 16 June 1701 as amended by the Supplemental Charter of 6 April 1882, the Supplemental Charter of 22 August 1921, the Supplemental Charter of 21 June 1956, the Supplemental Charter of 3 March 2014, the Orders of Council of 22 December 1964 and 19 November 1996. The United Society became a registered charity on 26 August 1964.

### Supplemental Charter

In 2013, USPG petitioned for a new Supplemental Charter which was approved on 11 December 2013 and signed on the Third day of March in the Sixty-Third year of Her reign. The new Supplemental Charter restates and replaces as appropriate the provisions and effects of the Original Charter of 16 June 1701 and three Supplemental

Charters as amended in order to better regulate USPG's constitutional affairs including changing the name and its charitable objects.

### Name

This Supplemental Charter officially changes USPG's name from the United Society for the Propagation of the Gospel (USPG) to The United Society and by the same name shall and may sue and be sued in all the courts in all manner of actions and proceedings and shall have the power to do all other matters and things incidental or appertaining to a body corporate.

In June 2016, the United Society changed its trading name to United Society Partners in the Gospel (to be known as USPG). The United Society will be known as USPG from this day forward.

### Objects of USPG

The objects of USPG are to advance the Christian religion in accordance with the principles and practices of the Anglican churches of Britain and Ireland amongst the churches of the Anglican Communion and the communities they serve, throughout the world, including through, but not limited to, the following means:

1. The relief of poverty;

2. The promotion of good health;
3. The advancement of education and the development of the capacity and skills of socially and economically disadvantaged members of such communities in such a way that they are better able to identify, and help meet their needs and to participate more fully in society;
4. The training, development and other support of Church Leaders;
5. The provision of advocacy and working collaboratively with such churches and communities; and any other means aimed at improving conditions of life and prospects for the future as the Trustees shall deem fit in accordance with the principles of the Christian religion as practised in the Anglican Communion; including acting in co-operation with Partners in order to achieve such charitable outcomes.

### General Secretary and Directors

The General Secretary and the Directors, who are responsible for the day-to-day management of USPG, during 2016 and, at the date of this report, are shown on page 3.

### Trustees

The Charity trustees of USPG who are elected by the Council, during 2016 and

at the date of this report, are shown on page 3. The search for new Trustees is carried out by the Recruitment Committee, having identified the areas of experience or knowledge required by the Trustees. A process of advertising and or direct approach to people suggested is adopted. The Recruitment Committee itself is elected by USPG's Council and chaired by one of its members who is not a Trustee. Once elected Trustees undergo a formal induction process, usually at the USPG Office and carried out by senior staff, learning about the roles of a Trustee and the processes of USPG. Trustees are given the opportunity to attend appropriate seminars and courses, and are provided with relevant articles and publications. Trustees occasionally travel overseas to see USPG's work first hand.

The only regular sub-committee of the Board of Trustees is the Finance and Audit Committee. In addition to those indicated on page 3, Mr Roger Hird and Mr Nigel Wildish serve on this committee. Mr Roger Hird is also the chair of the Home Staff Pension Scheme.

Council has a membership of up to 141 persons who reflect both USPG's standing in the structures of the church and the support it receives as a voluntary organisation.



### Trustees' responsibilities

Each year the Trustees are responsible for preparing accounts which give a true and fair view of USPG's state of affairs at the end of the financial year, and the income and expenditure of USPG for that period.

In preparing those accounts, the Trustees are required to:

- select suitable and applicable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the organisation will continue in operation.

The Trustees are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of USPG, and enable it to ensure that the financial statements comply with charity legislation and the

relevant governing instruments. They are responsible for safeguarding USPG's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Risk management

The Trustees have a risk management strategy which identifies the major risks to which the charity is exposed and the possible impact of these risks. Established systems are in place through the annual risk register review and quarterly management reports to review both the risks and the effectiveness of the controls. The top 10 risks of the charity are reviewed at every board meeting.

The risk management strategy identified that financial sustainability continued to be a major financial risk facing USPG. In addition to raising more income from donations, the strategy put in place to apply for funding from trusts, foundations and other institutional funders is yielding results with £233k of trusts and foundation funding received in the year.

There is also an environment of stringent budgetary controls to prevent budget overspends. This is achieved through regular reviews with budget holders.

Operational risks in areas of employer's liability, fire, health and safety are adequately

provided for through insurance and there are robust policies and procedures in place, as well as regular awareness training for staff.

The nature of our work involves travelling to developing countries which means some level of risk is inevitable. With heightened insecurity in many parts of the world, it is vital we carefully monitor and adapt to challenging situations on an on-going basis. We have a risk management process in place and agree with our insurers to make sure appropriate steps are taken to manage and mitigate these risks.

### Public benefit

The Trustees confirm they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity. From USPG's objectives, based on its foundation document of 1701, its history and current activities, USPG has always seen its role as part of God's mission, seeking to bring his reconciling love to all peoples and in all places. We believe the Christian faith is of benefit to individuals and society as a whole. As an Anglican mission agency with a wide range of international programmes and relationships, we aim to share this benefit

with others. How we do this is explained throughout this Report.

### Pay policy for key management personnel

The Board considers that the Trustees and the Senior Management Team as set out in note 16 of the accounts comprise the key management personnel of USPG in charge of directing and controlling, running and operating USPG on a day to day basis. The pay of the senior staff is in accordance with a structured 5 year progression pay scale. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses are disclosed in note 15 of the accounts.

The Trustees and Senior Management Team declare any conflict(s) of interest by signing the conflict of interest declaration register.

# PROTECTING HEALTH: OUR WORK DURING 2016

**Many of our partnerships with the world church have a focus on health and well-being in the broadest sense – body, mind and spirit. For us, ensuring vulnerable communities have access to healthcare is an expression of God's compassion and an act of social justice. Accordingly, we support hospitals and clinics, community-led health initiatives, and training for health workers. The following summary offers an overview of the health work undertaken with our global Anglican partners during 2016.**

## Bangladesh

We continued to support what was known as the Church of Bangladesh Social Development Programme (CBSDP), but which is now called Shalom, to reflect its endorsement of the Christian values of love, justice and peace. Through Shalom's Community Health and Nutrition Programme, USPG's funding was focused on the provision of maternity and primary healthcare services at Bollobhpur and Rajshahi Hospitals, the training of nurses, and outreach for community health and nutrition, with a focus on maternal health and care for children under five years old. We are supporting Shalom as it develops a strategic plan that will see community health and nutrition implemented in new regions.

## India

In Sarenga, Durgapur, our Hands on Health community development programme was converted into a CAFORD (Community Action for Rural Development) programme. Broader in scope than Hands on Health, CAFORD aims to achieve wholeness and well-being among tribal communities in terms of health, livelihood and education.

## Lesotho

We supported the recruitment of a local co-ordinator to oversee our Hands on Health programme, which helps villagers to tackle health and development concerns using their own local skills and resources. The programme uses a participatory methodology called SALT (Strengths, Appreciation, Learning, Transfer) to generate conversations in disadvantaged communities that lead to the creation of income generation initiatives and improvement in family wellbeing.

## Myanmar

During 2016 we saw the completion of the first phase of the Church of Myanmar's nationwide Community Health Programme. An evaluation has been undertaken, and the learning and findings will shape the design of phase two of the programme, which will begin in 2017. One primary focus on the programme is the training

of volunteer health workers who provide basic and preventive healthcare in rural villages with little access to health facilities.

## Palestine

In the West Bank, Palestine, St Luke's Anglican Hospital, in Nablus, is serving the local population, providing medical care for all patients, regardless of nationality, religion or financial status. In the past year, the hospital has been renovating and equipping its intensive care therapy unit, as well as running a mobile clinic in surrounding villages.

In Gaza, the Ahli Arab Hospital, a general hospital, is providing health services to vulnerable Palestinian communities living in Access Restricted Areas (ARA). The hospital provides services to all patients in Gaza, regardless of faith, gender, social class or political affiliation. USPG has focused in particular on supporting an emergency request for the hospital's Children Underweight Programme, which targets children from poor families.

## Tanzania

In Dodoma, we supported the Anglican Church of Tanzania in tackling HIV through a Prevention of Mother to Child Transmission (PMTCT) programme. Crucially, the programme seeks to raise awareness of the issues among both men

and women. PMTCT personnel visit households and work closely with district health services and staff at Mvumi Anglican Hospital. All women found to be HIV-positive are provided with antiretroviral treatment to combat the effects of the virus. Affected mothers and babies also receive food supplements.

## Zimbabwe

Last year saw the launch of a nationwide HIV/AIDS stigma reduction programme. The programme is enabling clergy to disclose their HIV status without fear of losing their jobs as a result. Accordingly, each Anglican diocese in Zimbabwe has reported a greater degree of openness for discussing HIV/AIDS, both in church and in the wider community.

Because one of the impacts of HIV is poverty, the programme is also helping communities to improve their livelihoods by providing training in the Farming God's Way agricultural scheme, which provides skills such as growing food gardens and setting up beehives. This aspect of the programme has a focus in the Diocese of Manicaland.

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**Opposite: A vulnerable family in Ha Mahlong village, Lesotho, meets church workers.**

Credit: USPG/Leah Gordon







# ENABLING LIVELIHOODS: OUR WORK DURING 2016

Our church partners have adopted an approach to community development that encourages people to make use of their own skills, strengths and local resources. Using this approach, communities discover it is within their power to drive change themselves instead of relying on hand-outs or the help of outside organisations. With a little instruction from the local Anglican church, communities have been able to achieve financial security and boost local agriculture. We also help communities with training in vocational skills, and we provide national Anglican Churches with loans that release the potential of church land and property.

## Central Africa

USPG continued to work in partnership with the Council of African Provinces in Africa (CAPA) to support the Training of Trainers (TOTs) scheme. Trainers from Malawi, Zambia and Zimbabwe were also equipped in how to engage villagers in church-led community development, formally known as the Church and Community Mobilisation Process (CCMP). The trainers train CCMP facilitators in local communities.

## Lesotho / South Africa

In partnership with Hope Africa (the social development arm of the Anglican Church of



Southern Africa), we completed the initial three-year phase of a church-led community development programme in the Dioceses of Zululand and Lesotho. An evaluation will be used to design the next phase of the programme. The programme encourages local congregations to generate income and support vulnerable people in the community using their own skills and resources.

## Malawi

We continued to support the Anglican Church of Malawi Community Integrated Intervention (ACMCII) programme, which operates at parish level among communities deemed most in need. The project has four main areas of focus: education for girls, protecting livelihoods,

management of the environment, and hygiene and sanitation. In addition, there is an across-the-board focus on gender equality and issues relating to HIV and AIDS.

## North India

The first steps were taken to roll out a church-led community development programme in the 28 dioceses of the Church of North India. The programme, which has the support of USPG, Tearfund and EFICOR (Evangelical Fellowship of India Commission on Relief) will focus on building livelihoods for Dalit and other marginalised communities.

## Philippines

The Episcopal Church of the Philippines

continued to reach new communities through its church-led community development programme, called Asset-Based Community Development (ABCD). The church has adopted the concept of 'Receivers to givers', whereby communities that benefit from the programme – through starting up income-generation schemes, for example – are in turn able to make donations to support other communities. Examples of these income schemes include fruit processing, weaving, animal husbandry, tilapia fish farming, and corn cultivation.

## South India

In the Diocese of Nandyal, part of the Church of South India, we supported a programme providing young women from Dalit and other marginalised communities with livelihood support and training in skills such as computer literacy, tailoring and English literacy. The initiative aims to provide these young women with long-term security, stability and dignity.

**Photo: Community organiser Joyce Mwela speaks to villagers in Senama, Zambia. Opposite: A church development programme has helped Christina to cultivate beans at her home in Ur-urtuut, Kalinga Province, Philippines.**

Credit: USPG/Leah Gordon







# PROMOTING JUSTICE: OUR WORK DURING 2016

**We believe the church is called to speak out against injustice, with a particular concern for those who are vulnerable and marginalised. In our work with churches, we are engaging with many issues of inequality and discrimination, some with a local focus, others with global implications. Alongside challenging injustice globally, our engagement with this work highlights inequity in our own context in Britain and Ireland, and challenges us to put our own house in order. Here is an overview of our work during 2016.**

## Climate justice

Climate justice is a key area of concern for USPG. We are currently reviewing our engagement with environmental issues. In response, a key activity of USPG has been to support the climate justice campaign group Hope for the Future. One of the co-ordinators for this ecumenical grassroots organisation is Jo Musker-Sherwood, who attributes her engagement in the issues to her experiences in Peru as a participant in USPG's *Journey With Us* world church placement programme. USPG's seed funding two years ago and ongoing support has been the key catalyst in the organisation's growth towards becoming

a significant voice in the area of climate advocacy in the UK.

The organisation is researching the most effective ways to lobby for climate justice and is delivering training on this topic to NGOs, universities and other climate justice organisations. Hope for the Future also encourages churches to engage with their local MP on climate issues and provides training in this area.

Another initiative has seen USPG take on support for the Green School Initiative of the Church of South India's Eco Concern Department. The initiative is raising awareness of environmental issues among school children in the hope that these children will grow up to become advocates for climate justice.

## India

In Delhi, we are supporting a 24-hour helpline and community justice programme for women who face abuse and discrimination. The programme, which was set up by the Delhi Brotherhood Society, also provides legal aid and livelihood support.

Also in India, USPG entered into a partnership to support the anti-human trafficking programme run by Durgapur Diocese. The programme has a particular

focus on prevention and rescuing girls and boys from trafficking and modern day slavery along the India-Bangladesh border.

## Malawi

One key aim of the USPG-funded Anglican Church of Malawi Community Integrated Intervention (ACMCII) programme is to support women and girls. Initiatives include supporting girls with education, support groups for girls and support groups for mothers.

The programme takes a holistic approach. One example of this is the provision of girl-friendly toilets in schools. It was noted that girls were not attending school both generally and in particular while menstruating because the toilet facilities were unhygienic or not sufficiently private. Girls' attendance at school rose accordingly.

## South Africa

We continue to support the Gender-Based Violence programme of Hope Africa (the social development arm of the Anglican Church of Southern Africa). The programme is giving a voice to the survivors of gender-based violence. The programme is also encouraging the church, faith communities and civil society to

work together to tackle violence, including encouraging men and boys to become positive role models in their families and communities.

## Zambia

USPG funded a community and church consultation process in Luapula Diocese that led to the creation of a Gender Justice Programme, which will be implemented by the diocese and ZACOP (Zambia Anglican Council Outreach Programme) in the Mensa district. The programme aims to generate discussion and raise awareness about issues of gender justice among religious and traditional leaders. The aim is to promote behavioural change among men and economic empowerment among women survivors of gender violence.

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**Opposite: Pupil Judith stands by new toilets built at Chintheche Msompa School, Malawi.**

Credit: USPG/Carrie Myers





CONSTRUCTED BY ACM. FUNDED BY: UNITED SOCIETY: US

GIRL-CHILD FRIENDLY TOILETS



# RESPONDING TO CRISES: OUR WORK DURING 2016

**During 2016, our church partners experienced many crises, including natural disasters caused by climate change. While the media and NGOs come and go, the church remains in place to support communities as they recover from the impact of disaster. As well as providing funds to support an immediate church response, we also work with our partners to develop strategies so they are better prepared for future emergencies. Here is a summary of the work we supported in 2016.**

## Europe

During 2016, we developed our support for the refugee response work of the Diocese in



Europe, with a primary focus on Greece. One key action was the appointment of two staff: a deacon who is working with the Anglican Church in Greece for a 12-month period and a staff person in USPG's London offices to co-ordinate our refugee work throughout the Diocese in Europe, which includes initiatives in Finland, Turkey and Morocco, as well as advocacy within the Church of England.

Our proactive engagement with the Diocese in Europe has provided an opportunity for us to respond to a critical need and has created chances to further relationships with other interested actors, including Christian Aid, the Anglican Alliance and a number of dioceses in the Church of England.

Areas of work have included support for a hostel for unaccompanied refugee minors in Athens and the provision of an interpreter at the Salvation Army Day Centre, also in Athens, which has enabled the centre to make better assessments of people's needs. In addition, we supported the Greek NGO Medical Intervention in its work among refugees on the island of Samos, providing tents, milk, hygiene items and medication. And we supported the NGO Lighthouse Relief to provide child-friendly and female-friendly spaces and activities, among other initiatives, in refugee camps on mainland Greece and on

the island of Lesbos.

In Ankara, Turkey, we supported the work of the Anglican Chaplaincy in supplying refugees and migrants with essential basic provisions. And in Morocco we supported the Anglican Chaplaincies in Tangiers and Casablanca in supporting refugees and migrants with emergency medical assistance, pastoral care, documentation, housing, training and start-up grants for small enterprises. We have also supported church ministry among Sudanese refugees in Finland.

USPG's support for this work is critical in terms of ensuring an Anglican response to the crisis facing refugees. The Diocese in Europe is the largest geographical diocese in the Anglican Communion, yet has limited people-power and funds, which means personnel can feel isolated and disconnected. The support of USPG is therefore greatly valued, and together we have been able to build the diocese's capacity from a modest level of outreach to significant programmatic responses.

This work in Europe will continue over the next couple of years.

## Philippines

USPG continues to support the Philippine Independent Church as it works with communities affected by Typhoon Haiyan

in 2013. Our particular focus is on providing storm-resilient houses for those families most in need in Buenavista, Leyte Island, which was badly affected by the storm.

## Rapid Response Fund

We have continued to provide emergency funds to enable our world church partners to provide meaningful support to communities affected by natural and human-made disasters.

In particular, we provided funds to support the emergency relief work of the church in response to flooding in the West Indies and Belize (January 2016); drought in Hyderabad, India (March); a tropical storm in Colombo, Sri Lanka (June); flooding in Ethiopia (August); and food shortages in Madagascar, Malawi and Zimbabwe as a result of erratic weather (November).

Moving forwards, we intend to strengthen this area of our work by developing our focus on the issues of climate justice and refugees – two factors which are always in operation at times of disaster and emergency.

**Opposite: Looking for water during a drought in Madagascar. Opposite: Waffa fled war in Syria with her six children and found a home at Katsikas refugee camp in Greece.**

Credit: Church of Madagascar, USPG/Leah Gordon





# GROWING THE CHURCH: OUR WORK DURING 2016

**We believe the church is enriched by global relationships that allow for the exchange of people, knowledge and resources. To this end, we work with our world church partners to encourage training and learning across and within churches, communities and cultures. In practice, this means we support a rich and diverse range of work, including the training of church leaders and the development of new thinking about mission. Here is a summary of the work we undertook in this area during 2016.**

## Asia

The Asian Theological Academy, a practical outcome of our International Consultation three years ago, has further developed. By the end of 2016, this initiative completed a second Refresher Course for clergy and lay young leaders predominantly from South Asia but also including from Ghana and Malaysia. The emphasis for 2017 will be on further developing a process for assessing the impact that the Asian Theological Academy is having in the communities and churches from which the participants come, focusing on building an evidence base to support the outworking of its aims and objectives.

## Brazil

In the Diocese of the Amazon, we supported a training programme for 'popular educators', who

are now implementing development initiatives in local communities. These initiatives include teaching Portuguese and maths to children from disadvantaged families and a dress making course for women whose husbands have been unable to work due to ill health.

## Episcopal Accompaniment

This programme offers a unique opportunity for the bishops in a region to come together for a guided retreat for the purpose of exploring their concerns and ministry. During 2016, we facilitated gatherings in response to requests from the Anglican Churches in Brazil, South Africa and Zimbabwe, as well as holding a follow-up gathering for bishops in the Province of the Indian Ocean. We initiated this programme in response to an expressed need among bishops who find themselves alone in their jobs, having no direct line manager to refer to when they encounter difficulties, and who are therefore in need of support of a particular kind. In each case, the bishops reported benefiting greatly from the experience and opportunity to speak candidly in these gatherings.

## Exchanging Places

We continue to support the movement of people in mission cross-regionally. We supported two Egyptian clergy to work in the

sensitive mission fields of Tunisia and Algeria. We also supported a priest from Ghana to fill a gap in the church's ministry in The Gambia.

## Expanding Horizons

We continue to offer bursaries to ordinands and clergy from Britain and Ireland who would like to experience the life and mission of our church partners in another culture.

## Festina Loan Scheme

This scheme – which offers loans to our church partners for the development of income-generation projects – continues to be a unique offering of USPG among mission agencies. The loans – which are a soft loan over ten years – enable our church partners to diversify their financial portfolio and develop assets for self-sustainability.

During 2016, we supported feasibility studies for a specialist eye hospital in Kumasi, Ghana, and the construction of a hotel and conference centre in the Diocese of Harare, Zimbabwe. Both projects will be awarded loans so that construction can commence.

Meanwhile, we saw the completion of projects to build dormitories and classrooms at Daramombe Mission High School, in Masvingo, Zimbabwe; and to build 12 rentable flats in Lusaka, Zambia, a project owned by the Zambian Anglican Council.

Other applications for loans are in the pipeline and awaiting final decisions. Meanwhile, outstanding loans have been re-financed, which enabled one of our partners to settle their account – a significant achievement.

## Gender studies

In 2016 we were invited to join a team of academics and practitioners in the field of gender studies to begin work developing a theological resource looking at 'women, faith and community development'. The course will be completed in time for the next meeting of the United Nations Commission for the Status of Women in 2017. Part of USPG's important role in this project is our ability to call upon expertise from within the Anglican Communion.

## Ghana

USPG undertook a role of accompaniment and encouragement with the Internal Province of Ghana during 2016. In particular, we supported the province as it developed and implemented a strategic plan that prioritised the church's work in health and livelihood in four dioceses.

## International consultation

Approximately every four years, USPG organises an international consultation at



which to confer simultaneously with as many of our global partners as possible. In 2016, we held a consultation in Fiji at the request of our partners there who are concerned to share with the world their plight in the face of climate change, which has led to losses of land due to rising sea levels. As always, the consultation was an invaluable opportunity to monitor USPG's ways of working to maximise efficiency and sharpen our focus.

### Inter faith relations in Africa

The year 2016 began with USPG hosting the annual gathering of the European Partners

of PROCMURA (Programme for Christian Muslim Relations in Africa). Christian and Muslim faith leaders were able to share about their experiences in helping to promote peace, reconciliation and inter faith harmony in their communities.

### Jamaica

We are supporting a programme that is helping a range of community-based organisations in the Greater Mona Valley to co-ordinate their work among vulnerable citizens. The organisations now share a website and provide joint training for community leaders. Initiatives carried out



by the organisations include support for parents, music lessons for children and teenagers, and leadership training skills.

### Journey With Us

Our short-term placement programme continues to be a key focus of our engagement with mission. During 2016 we organised placements with our church partners in South Africa, The Gambia, Barbados, Argentina, Lesotho and Vietnam.

### Lusophone Network

During 2016 we continued to fund the work of the Lusophone Network, which has a special focus on supporting young people and women in the Anglican Churches in Angola, Brazil, Mozambique and Portugal. One initiative saw a training course designed in Brazil for young people offered online to young people in Angola, Mozambique and Portugal. It is in no small part thanks to the support of USPG that the Lusophone Network has been able to establish itself and achieve formal status as an official 'Network' of the Anglican Communion.

### Pakistan

We are working with a number of European agencies to support the Church of Pakistan in the creation of a nationwide strategic plan

for mission. In addition, we continued to provide support for St Thomas' Theological College, in Karachi, and for the activities of the Church of Pakistan's Synod Office in Lahore.

### Rethinking Mission

During 2016 we worked on the revival of our Rethinking Mission online journal, which is now being boosted with the inauguration of a companion annual day conference. The aim is to create a forum in which the voices of the world church can be heard in order to challenge and inspire all practitioners of mission. A successful launch took place in March 2017.

### West Africa

We accompanied the Internal Province of West Africa through its development of a five-year provincial-wide strategy. Bishops and key church leaders from six dioceses in five countries (Cameroon, The Gambia, Guinea, Liberia and Sierra Leone) met to develop a strategy that had a particular focus on rebuilding infrastructure and rehabilitating livelihoods in a post-Ebola context.

**Photo: The traditional call to worship is sounded at the USPG International Consultation in Fiji.**



# REPORT OF OUR FUNDRAISING AND COMMUNICATIONS TEAM

## The return to USPG

In 2016 we returned to our historic name USPG, standing now for United Society Partners in the Gospel. We worked closely with the brand marketing agency ABA to meet an August launch of the new brand. This involved liaising with key stakeholders, rewriting and rebranding numerous print and electronic publications and communications. This was demanding but, in all respects, the transition was executed in a timely fashion. The return to USPG has been welcomed by our partners both internationally and within Britain and Ireland.

## Fundraising highlights

We are very pleased to report that 2016 donations income showed a significant increase on 2015 results. We are grateful to all our donors for their prayerful support.

Fundraising income	2016	2015
Donations from individuals	£526,000	£452,000
Gift aid claimed	£63,000	£93,000
The sale of 'Julia' painting		£536,000
Donations from churches	£501,000	£494,000
Donations from Trusts	£232,000	£39,000
<b>Total</b>	<b>£1,322,000</b>	<b>£1,614,000</b>

Trust income became a focus in 2016, benefiting from the award of two exceptional gifts: £100,000 from the Bradley Family Foundation to support our work in Malawi in

partnership with the Church of the Province of Central Africa, and £45,000 from the Eddie Dinshaw Foundation, to support our work with the Diocese in Europe in response to the Europe refugee situation.

There was a good response to our Lent appeal in 2016, which took its theme from our annual study course, *Migration and Movement*, with a focus on the plight of refugees.

Lent appeal 2016	Value of donations	Gift Aid claimed	Number of gifts
Individuals	£41,360	£7,599	1,029
Churches	£24,165		183
<b>Total</b>		<b>£73,124</b>	

Our Rapid Response Fund received donations totalling £100,333, with £54,500 specifically given in response to our Europe refugee appeal.

## Communications

The website remained under constant revision during 2016, including a facelift for the new USPG brand.

Over the year, we had a 14 per cent increase in web visitors: December 2016 saw 5,808 unique visitors to our website compared with 5,093 in December 2015.

Our email newsletter has also enjoyed an increase in popularity. The December

2016 email newsletter was sent to 4,140 subscribers (compared with 3,950 in 2015) and was opened by 25 per cent of subscribers (compared with 23 per cent in 2015).

Our flagship publications *Transmission* and *Prayer Diary* were given a facelift during 2016 to reflect our return to USPG. We produced approximately 25,000 copies for each of the three mailings, each sent to approximately 13,000 recipients, with an additional Lenten prayer diary published to accompany our Lent appeal.

The feedback we receive for our publications is consistently positive. Here is one response to our email newsletter: 'If I may say so, this is a brilliant newsletter – connecting with real issues which people will know about – offering practical resources to parishes. I hope it gets the response it deserves.'

**Photo: All Saints' Church, Stamford, has held a Bun Sunday every month for nearly 20 years, with all proceeds coming to USPG.**





# REPORT OF OUR MISSION ENGAGEMENT TEAM

## Purpose

The purpose of the Mission Engagement Team is to make the riches of the global church available to the churches of Britain and Ireland in order to help them to articulate their discipleship and mission as members of the worldwide Anglican Communion.

## Volunteering

Volunteers are a key part of delivering our mission engagement strategy. Our volunteers fall into a number of categories: Council Members, Bishop's Nominees, Diocesan Reps, Trustees, Speakers and Preachers, Fundraisers, Parish Reps, Events Organisers, and assistants at festivals and USPG stands at diocesan and national church events.

All volunteers were invited to our annual conference and, during the autumn, we ran a series of nine regional volunteer training days across the country, which was an increase on five such events in 2015. During 2016, a total 88 volunteers participated in these regional days, which was more than double the number in 2015.

## Prayer, study and worship resources

Our 2016 Lent study course focusing on the issue of migration and refugees, *Migration and Movement*, was timely albeit tragic in the light of the refugee crisis in Europe. Our

global partners had already raised the issue of migration as a major challenge for them, and we responded to their steer in producing this course. The material became all the more pertinent in light of the situation in Europe – indeed, later in the year we added a sixth session to the course with a particular focus on our work with the Diocese in Europe in Greece. Feedback for the course was very positive.

For our Harvest worship resources, we focused on the work of our partners in Sri Lanka. We made available online a range of resources, including a sermon with PowerPoint, an all-age sermon with PowerPoint, and a children's activities booklet.

Our regular prayer diary continued to receive positive feedback from our supporters. During 2016, 12,314 copies were mailed with *Transmission* magazine to individual supporters, with an additional 5,017 copies being sent in multiple quantities to 592 churches. In addition, we made available online prayer and video material to support the 16 Days of Activism Against Gender Violence (25 November to 10 December), as well as resources for World Aids Day and Advent.

## Cathedrals programme

In February 2016 we organised a photo exhibition and reception and a special Choral Evensong at Derby Cathedral to promote our



work in the diocese.

On Advent Sunday we joined the Diocese of Chichester for a service of Choral Evensong in Chichester Cathedral followed by a reception in the Bishop's Palace with Bishop Dibo Elango of Cameroon.

## General Synod

At the February General Synod of the Church of England we co-hosted an event with the Diocese of Chichester at which bishops from

West Africa discussed their ministry in a post-Ebola context. Encouragingly, the event was attended by 50 members of synod.

At the July synod we teamed up with

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**Photo: Catriona Duffy, a former volunteer with USPG's *Journey With Us* world church placement programme, at Greenbelt Festival in 2016.**

Credit: USPG/Leah Gordon



# (CONTD.) REPORT OF OUR MISSION ENGAGEMENT TEAM

Christian Aid and other organisations to present a workshop looking at the issue of gender in faith-based development. To accompany the workshop, we published a well-received booklet and showed a video of a USPG-supported programme to help vulnerable women in Delhi.

At both synod events, we distributed resources and networked with synod members and other church and mission organisations.

During 2016 we also attended a number of diocesan synods, conferences and mission fairs across England and Wales.

## Greenbelt festival

During the summer we had a significant presence at the Greenbelt Christian arts festival, at which we officially launched our recalibrated name USPG (United Society Partners in the Gospel). Our stand, designed by specially hired consultants, depicted the home of a Syrian family before and then during the ongoing war and also the family's new home in a refugee camp in Greece. The spectacle was powerful and movingly received by festival-goers. Over 500 people visited our stand, with 144 requesting further information about our work among refugees.

Also at Greenbelt, we were joined by Fr Malcolm Bradshaw – the Anglican Chaplain in Athens, who spoke about work USPG is

funding in Greece – and two representatives from Apostoli, which is the development arm of the Greek Orthodox Church.

Our stand also advertised our *Journey With Us* world church placement programme, with a number of former *Journey With Us* participants volunteering to talk about their experiences to enquirers. This prompted around 50 requests for further information, resulting in 25 participants attending a *Journey With Us* exploration weekend in October (including a family with young children).

## USPG Speakers

In 2016, USPG staff and volunteers delivered 87 speaking engagements, of which 17 took place during Lent and 24 during Harvest.

## Theological education

Theological education is an exciting and growing area of work for the Mission Engagement Team, which we believe is vital for our medium and long-term engagement with church leaders.

We gave talks to ordinands, trainee Readers and those who have completed ordination or licensing training in Derby and Portsmouth Dioceses and at St Augustine's Institute (which provides training in the Dioceses of Southwark, Chichester, Rochester and Canterbury). We also gave talks at the

Continuing Ministerial Development (CMD) conference, St Padern's in Llandaff, Kings College in London, and Westcott House in Cambridge.



# FINANCE OVERVIEW

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# FINANCE REVIEW

**The 2016 results show a much more positive position that we envisaged, with total income coming in slightly better than forecast.**

The overall out-turn before gains and losses on investment assets was a deficit of £791k largely due to the deliberate spending down of historic restricted fund balances. These balances are historic funds that were not spent at the time they were donated, due to the unsatisfactory conditions of the partners for whom the funds were intended. For the next two years, it is likely that these restricted funds will be spent as partners continue to meet the requirements for those funds. Our general funds, however, showed a surplus of £129k before gains and losses on investment assets. This financial year has been a significantly successful one for USPG despite continued uncertainty in the economy. Funding from trusts and foundations has enabled us to grow some of our programmes, particularly those in Malawi.

In the year, total income increased to £4.028m being a 1 per cent increase on the previous year's total. This is a significant achievement bearing in mind that the previous year included a one off donation of £536k received for the Europe refugee work. Once again, this result was achieved due to the continued generosity of our long term supporters, major support received from new Trusts/Foundation and also a sustained legacy income stream.

Total expenditure increased by 19 per cent from

£4.045m in 2015 to £4.819m. This increase was mainly due to the spending down of restricted funds as explained above. The percentage of total funds spent on our charitable objectives continues to improve. This year, our programmes accounted for 85 per cent (2015: 81 per cent) of total expenditure.

The costs of generating funds were maintained at 15 per cent (2015: 15 per cent) of total expenditure.

The year ended with a deficit of £791k (2015: £69k deficit) before investment gains of £4.138m (2015: £665k gain). There was an increased pension liability of £1.649m (2015: £859k gain) on the pension scheme. The net movement in funds for the year was therefore £1.707m (2015: £1.455m).

## **The financial control environment**

USPG prepares a budget each year and a quarterly forecast together with management accounts and cash flow statements. These reports are discussed by the Senior Management Team and scrutinised by the Finance and Audit Committee prior to submission to the Board of Trustees. The Finance and Audit Committee meets four times a year.

There is a strong budgetary control environment where each expenditure item is authorised by the budget holder and checked by the finance team against approved budgets. Internal control procedures are in place regarding opening of mail, purchase ledger processing, banking (including internet banking) and cheque payments. These



# (CONTD.) FINANCE REVIEW

are reviewed regularly to ensure their effectiveness and robustness.

Trustees and the senior staff of USPG are made aware of any potential conflict(s) of interest and are required to complete a related party declaration as and when a potential conflict arises and also at the end of the year as part of the annual audit process.

## Investment powers, policy and performance

Under the Supplemental Charter of 21 June 1956, as amended by the Order in Council dated 19 November 1996 and the Supplemental Charter of 3 March 2015, the Trustees have full and unrestricted powers of investment in respect of USPG general funds and the endowment funds are invested according to the requirement of individual funds. All investments held by USPG have been acquired in accordance with the powers available to the Trustees.

Rathbones Investment Ltd manages USPG general funds as well as the Pension Scheme funds. CCLA Investment Management Ltd continues to manage about 90 per cent of trust investments through their range of pooled funds with The Charities Property Fund managing the balance of trust investments. At December 2016, the total market value of funds managed by CCLA was £33.65m (2015:£31.38m) Rathbones, £10.9m

(2015:£9.6m) and the Charities Property Fund, £3.88m (2015:£3.83m).

## Ethical Investment policy

USPG has adopted the ethical investment policy of the Church of England, as recommended by the Church's Ethical Investment Advisory Group, which includes (but is not limited to) funds being held in any company where:

- Over 25% of turnover comes from Tobacco, Gambling, Alcohol, Weekly collected home credit and Human Embryonic cloning,
- Over 10% of turnover comes from Arms,
- Over 3% of turnover comes from pornography.

The policy on collective funds: No fund to have more than 25% of its holdings in companies which breach the above criteria.

The Trustees meet with the investment managers twice a year to review their performance, set annual income targets, as well as receive evidence that the ethical investment policy is being adhered to.

## Grants Policy

USPG no longer works on the basis of giving grants - it funds programmes agreed with partner churches around the world through memoranda of understanding.

## USPG's reserves

USPG reserves are a complex mix of unrestricted funds (free reserves), designated funds and restricted funds.

## Free reserves

These are reserves that are available without restriction to fund working capital, shortfalls in income, innovations, unexpected expenditure or other financial obligations. Recognising the need to maintain continuity of funding of programmes which are approved over a 2 – 3 year period in anticipation of income each year, Trustees assess the level of free reserves considered appropriate to ensure USPG's continued ability to carry out its objectives as well as manage risks and future liabilities. The reserves policy anticipates that the level of reserves should represent at least 12 months operational costs.

The free reserve at 31 December 2016 was £5.524m (2015:£5.003m) which represents approximately 16 months of operational costs as per the 2017 budget. (2015:13 months).

## Designated funds

Designated funds total £4.481m (2015:£1.472m). In 2016, £3.192m has been designated to represent the liability calculated

by the actuary on the defined benefit pension schemes. £580k represents the net book value of fixed assets held. £172k has been designated to represent the liability due to Festina Scheme loan holders and £523k to represent USPG's general funds used to help finance the Festina Scheme. £16k has been designated to cover the final closure costs of Us Ireland which are expected to be incurred during 2017.

## Restricted and Endowment funds

The restricted funds are funds earmarked for specific geographical regions or objects and cannot be spent until stable leadership and other conditions in those areas are met. Restricted income funds total £5.347m (2015:£6.250m) and endowment funds total £32.177m (2015:£32.862m). These do not form part of our free reserves as Trustees have no discretion over this. Unspent restricted funds in the year are carried forward into the subsequent year to comply with the donors' specific requirements. This includes funds received for the Europe refugee crisis appeal.



# FUTURE PLANS

**Moving forward, USPG is basing its activities on three significant strategic consultations – the partners’ consultation we held in Fiji, information garnered in the rebranding of USPG, and a mid-term strategic plan review where we applied the Theory of Change methodology to every aspect of our organisation.**

In 2016 we returned to our familiar acronym USPG. The market research undertaken as part of that process has helped us draw up a focused communications strategy to enable us to best reach those who share our committed belief that (Anglican) churches around the world demonstrates both actual and potential ability to be the agent of change and transformation in their communities. Given this is so for some of the most marginalised and vulnerable people, and given the often absence of government and international NGO actors, we feel the case is compelling.

In 2017 we will deliver a new fundraising vehicle, Partners in Mission, which will enable congregations and individuals to develop a connection with one of our programmes around the world.

The Mission Engagement team is

bringing USPG to new audiences as they participate in events such as the Church Big Day Out, as well as diocesan synods where we have not been present for several years.

Training for pre- and post-ordination candidates has been a noted success in 2016 and there is now a demand from further dioceses where we are keen to find new ways of working together.

The Greenbelt Festival, held on August Bank holiday each year, attracts an audience of the tens of thousands of socially aware and concerned Christians. We have a high profile presence at this event, and in 2017 we will provide key note speakers that will bring our focus on climate justice to an influential constituency. We will also engage in public events under the banner Rethinking Mission to challenge concepts of modern mission. We have launched a website to accompany this programme: [www.rethinkingmission.org](http://www.rethinkingmission.org)

Both the international partners’ consultation in Fiji and the Theory of Change work indicated that the content of work is focused appropriately and developing in directions that respond to partners’ concerns. The Fiji consultation confirmed our programme areas but it was clear that, comparing the outcomes to

the consultation held in 2013, the areas of gender equality, climate justice, migration and interreligious living have become more contentious and difficult. We are therefore ensuring that climate and gender issues are considered at every level and in every one of our programmes. Issues of interreligious living, especially in minority settings and persecuted settings, are the subject of new initiatives with consultations underway. We are purposefully including inter faith voices as we increase advocacy work that highlights the role of faith communities in preventing injustice and suffering.

Leadership development is a key plank in any organisational capacity-growing programme. Accordingly, our Episcopal Accompaniment programme that provides pastoral support for bishops is presently undergoing review, and we expect to enlarge the programme building on the findings of the evaluation.

In 2017 our work will emphasise supporting partners who work in very fragile settings with a very intentional support in organisational development for the church as an institution, in order to better carry out their mission. In West Africa we are working alongside churches whose societies

have been torn apart by civil wars and most recently by the Ebola crisis. In Pakistan we are working alongside other partners to help create a strong central voice for the Church of Pakistan to better enable them to speak cohesively against the discrimination and persecution that Christians face in that context.

**The Revd Canon Chris Chivers**

*Chair of Trustees*

10 May 2017



# INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBERS OF THE UNITED SOCIETY (KNOWN AS USPG) FOR THE YEAR ENDED 31 DECEMBER 2016

We have audited the financial statements of The United Society for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the Charity's Trustees and members, as a body, in accordance with Section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone

other than the charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

## Respective responsibilities of Trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 5), the Trustees are responsible for the preparation of financial statements which give a true and fair view. We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## Scope of the audit of the financial statements

A description of the scope of an audit of

financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

## Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2016 and of its net movement in funds, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees'

Annual Report is inconsistent in any material respect with the financial statements; or

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

16 May 2017

**haysmacintyre**  
**Chartered Accountants and Registered Auditors**  
**26 Red Lion Square**  
**London WC1R 4AG**

*haysmacintyre are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.*

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	General Unrestricted Funds £'000	Designated Unrestricted Funds £'000	Restricted Income Funds £'000	Endowment Funds £'000	Total 2015 £'000
<b>Income</b>						
Donations and Legacies	12	1,330	-	833	-	2,163
Income from charitable activities:						
Sundry Income	13	35	-	-	-	35
Investment income	13	550	-	1,228	-	1,778
<b>Total Income</b>		<b>1,915</b>	<b>-</b>	<b>2,061</b>	<b>-</b>	<b>3,976</b>
<b>Expenditure</b>	15					
Cost of raising Funds		609	-	-	-	609
Expenditure on Charitable Activities:						
Global Programmes and Mission Engagement		2,227		1,209	-	3,436
<b>Total Expenditure</b>		<b>2,836</b>	<b>-</b>	<b>1,209</b>	<b>-</b>	<b>4,045</b>
<i>Net income/(expenditure) before gains on investment assets</i>		<i>(921)</i>	<i>-</i>	<i>852</i>	<i>-</i>	<i>(69)</i>
Gains on investment assets		8	-	22	635	665
<b><i>Net income/(expenditure) after gains on investment assets</i></b>		<b><i>(913)</i></b>	<b><i>-</i></b>	<b><i>874</i></b>	<b><i>635</i></b>	<b><i>596</i></b>
Transfer between funds	9 & 10	428	(24)	(9)	(395)	-
Actuarial (loss)/gain on pension schemes	18	859	-	-		860
<b><i>Net movement in funds for the year</i></b>		<b><i>374</i></b>	<b><i>(24)</i></b>	<b><i>865</i></b>	<b><i>240</i></b>	<b><i>1,456</i></b>
<b>Reconciliation of funds</b>						
Total Funds brought forward		4,628	1,496	5,385	32,622	44,131
<b>Total Funds carried forward</b>		<b>5,002</b>	<b>1,472</b>	<b>6,250</b>	<b>32,862</b>	<b>45,587</b>



## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes	General Unrestricted Funds	Designated Unrestricted Funds	Restricted Income Funds	Endowment Funds	Total 2016	Total 2015
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Income</b>							
Donations and Legacies	12	1,468	-	397	-	1,865	2,163
Sundry Income	13	59	-	10	-	69	35
Investment income	13	729	-	1,365	-	2,094	1,778
<b>Total Income</b>		<b>2,256</b>	<b>-</b>	<b>1,772</b>	<b>-</b>	<b>4,028</b>	<b>3,976</b>
<b>Expenditure</b>							
Cost of raising Funds		731	-	-	-	731	609
Expenditure on Charitable Activities: Global Programmes and Mission Engagement		1,397		2,691	-	4,088	3,436
<b>Total Expenditure</b>	15	<b>2,128</b>	<b>-</b>	<b>2,691</b>	<b>-</b>	<b>4,819</b>	<b>4,045</b>
<i>Net income/(expenditure) before gains on investment assets</i>		128	-	(919)	-	(791)	(69)
Gains on investment assets	3	1,303	-	26	2,865	4,194	665
<b>Net income/(expenditure) after gains on investment assets</b>		<b>1,431</b>	<b>-</b>	<b>(893)</b>	<b>2,865</b>	<b>3,403</b>	<b>596</b>
Transfer between funds	9 & 10	(2,452)	3,013	(10)	(551)	-	-
Actuarial (loss)/gain on pension schemes	18	(1,649)	-	-	-	(1,649)	860
<b>Net movement in funds for the year</b>		<b>(2,670)</b>	<b>3,013</b>	<b>(903)</b>	<b>2,315</b>	<b>1,754</b>	<b>1,456</b>
<b>Reconciliation of funds</b>							
Total Funds brought forward		5,002	1,472	6,250	32,862	45,587	44,131
<b>Total Funds carried forward</b>		<b>2,332</b>	<b>4,485</b>	<b>5,347</b>	<b>35,177</b>	<b>47,341</b>	<b>45,587</b>

The notes on pages 30 to 43 form part of these accounts. The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

## BALANCE SHEET AT 31 DECEMBER 2016

	Note	2016 £'000	2015 £'000
<b>Fixed assets</b>			
Tangible Assets	2	580	48
Investments	3	48,552	44,820
<b>Total fixed assets</b>		<b>49,132</b>	<b>44,868</b>
<b>Non current assets</b>			
Loans and Debtors due after 1 year	5	942	1,083
<b>Current assets</b>			
Loans and Debtors	5	874	1,193
Cash at bank and in hand		561	816
<b>Total current assets</b>		<b>1,435</b>	<b>2,009</b>
<b>Liabilities</b>			
Creditors falling due within one year	6	976	785
<b>Total assets less current liabilities</b>		<b>50,533</b>	<b>47,175</b>
Creditors: Net pension Scheme Liabilities	18	(3,192)	(1,588)
<b>Net assets</b>	11	<b>47,341</b>	<b>45,587</b>
<b>The funds of the society</b>			
Unrestricted Funds:			
General	7	5,524	6,591
Pension Schemes	18	(3,192)	(1,588)
Designated	8	4,485	1,472
		6,817	6,475
Restricted Income Funds	9	5,347	6,250
Endowment Funds:	10		
Expendable		18,205	17,493
Permanent		16,972	15,862
		35,177	32,862
<b>Total charity funds</b>	11	<b>47,341</b>	<b>45,587</b>

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2016

	2016 £'000	2015 £'000
<b>Cash used in operating activities</b>	<b>(1,925)</b>	<b>(2,529)</b>
<b>Cash flows from investing activities</b>		
Investment income	2,094	1,778
Purchase of fixed assets	(560)	(3)
Purchase of investments	(915)	(852)
Sale of investments	1,377	1,839
<b>Cash provided by (used in) investing activities</b>	<b>1,996</b>	<b>2,762</b>
<b>Cash flows from financing activities</b>		
Net increase of Festina loan debtors	(22)	(29)
Net decrease of Festina loan creditors	(303)	
<b>Cash used in financing activities</b>	<b>(325)</b>	<b>(29)</b>
(Decrease) Increase in cash and cash equivalents in the year	(254)	204
Cash and cash equivalents at the beginning of the year	816	612
<b>Total cash and cash equivalents at the end of the year</b>	<b>562</b>	<b>816</b>

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

	2016 £'000	2015 £'000
<b>Net movement in funds</b>	<b>(791)</b>	<b>(69)</b>
Add back depreciation charge	28	26
Deduct investment income shown in investing activities	(2,094)	(1,778)
Pension creditor movements	(45)	(14)
Increase (decrease) in debtors	483	(600)
Increase (decrease) in creditors	494	(94)
<b>Net cash used in operating activities</b>	<b>(1,925)</b>	<b>(2,529)</b>



## 1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)). The United Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). b) Reconciliation with previous Generally Accepted Accounting Practice In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. At the date of transition in applying the requirement to recognise liabilities arising from employee benefits, no liability was recognised for

short-term compensated absence arising from employee entitlement to paid annual leave. No restatements were therefore required. This is the first year of preparing the accounts as required by FRS 102 and the Charities SORP 102. The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on the reserves.

a. **Donation, legacies and fundraising income**

These are recognised in the accounts when received or when USPG becomes legally entitled to them and they can be reasonably measured. Income received for general purposes of the Charity are included as unrestricted funds. Income for activities restricted by the wishes of the donor or the terms of the particular trust deed is taken to restricted income funds. Income required to be retained as capital in accordance with

the donor's wishes are accounted for as endowments – permanent or expendable according to the nature of the restriction.

b. **Investment income**

Investment income is accounted for as it accrues. Investment income to be spent in accordance with the particular terms of a trust is included in restricted income funds

c. **Expenditure**

Resources expended are accounted for on an accruals basis. Support costs which cannot be directly apportioned are allocated between cost categories on the basis of the Trustee's estimate of the time spent on the relevant functions. Cost of generating funds comprises expenditure incurred by the USPG in appealing for donations. Cost of charitable activities consist

of all expenditure directly relating to the objects of the Society together with an allocation of support costs. International programmes costs: these are the costs of programmes across the Anglican Communion developed jointly with our partners. Programmes costs are approved by Trustees as part of the overall budget of the Society on an annual basis. Funding for these Programmes are formalised through a Memorandum of Understanding (MoU). Governance costs comprise expenditure on management and compliance with constitutional and statutory requirements together with an allocation of support costs.

d. **Fixed assets investments**

Investment properties are included in investments and are stated at Trustees' valuation based on similar properties being sold in the area. Other investments

are stated at market value. Gains (or losses) are reflected in the Statement of Financial Activities in the year in which they occur.

e. **Depreciation of tangible fixed assets**

General minor office equipment is charged to resources expended in the year that the expenditure is incurred. Fixed assets are depreciated when brought into use at the following rates: major office and computer equipment 20 per cent on costs. Properties are depreciated at 2% of cost less the value of land.

f. **Pensions**

The Society operates and contributes to two defined benefit schemes and one workplace pension scheme. The amounts included within the Statement of Financial activities and Balance Sheet is in accordance with the requirements of Financial Reporting Standard 102.

g. **Fund accounting**

Details of the nature and purpose of each fund are set out in notes 7 to 10.

h. **Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

i. **Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

j. **Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.



## 2. TANGIBLE FIXED ASSETS

	FH Property £'000	Computers £'000	Office Equipment £'000	Furniture & Fittings £'000	Total £'000
<b>Cost</b>					
Balance at 1 January 2016	-	84	7	41	<b>132</b>
Additions	551	9	-	-	<b>560</b>
Disposals	-	-	-	-	<b>-</b>
Balance at 31 December 2016	551	93	7	41	<b>692</b>
<b>Depreciation</b>					
Balance at 1 January 2016	-	62	4	18	<b>84</b>
Charge for the year	6	13	1	8	<b>28</b>
On Disposal	-	-	-	-	<b>-</b>
Balance at 31 December 2016	6	75	5	26	<b>112</b>
Net Book Value at 31 December 2016	545	18	2	15	<b>580</b>
Net Book Value at 31 December 2015	-	22	3	23	<b>48</b>

## 3. INVESTMENTS

	Unrestricted Funds £'000	Restricted Funds £'000	Expendable £'000	Endowment Funds £'000	Total Funds £'000
Market Value at 1 January 2016	11,431	527	17,493	15,369	<b>44,820</b>
Acquisitions	915	-	-	-	<b>915</b>
Disposals	(827)	-	(550)	-	<b>(1,377)</b>
Net gains on revaluations	1,303	26	1,262	1,603	<b>4,194</b>
Market Value at 31 December 2016	12,822	553	18,206	16,972	<b>48,552</b>
Listed investments	12,822	553	18,206	16,972	<b>48,552</b>
Total Investments at 31 December 2016	12,822	553	18,206	16,972	<b>48,552</b>

## 4. FINANCIAL INSTRUMENTS

	2016 £'000	2015 £'000
<b>Financial Assets</b>		
Financial assets measured at fair value comprise listed investments	48,552	44,820
Financial assets that are loans trade and other debtors at amortised costs	1,366	1,928
	<b>49,918</b>	46,748
<b>Financial Liabilities</b>	<b>625</b>	646

Financial assets measured at fair value comprise listed investments.

Financial assets measured at amortised cost comprise loans, trade and other debtors

Financial liabilities measured at amortised cost comprise festina loans, amounts due to overseas partners, trade and other creditors.

## 5. LOANS AND DEBTORS

	2016 £'000	2015 £'000
<b>Loans and debtors due after 1 year</b>		
Balance of the sale proceeds of United College of Ascension payable at £120k per annum until 2021	600	720
Festina loan balances	342	363
	<b>942</b>	1,083

The Society's lease hold interest in United College of the Ascension in Birmingham was sold to Al Mahdi Institute in 2011.

### Loans and debtors due less than 1 year

Festina loan balances	191	147
Other debtors	233	698
Prepayments and accrued income	450	348
	<b>874</b>	1,193

At the year end the Society was due a number of legacies which were not included in the accounts.

The amount of these legacies could not be accurately quantified.

A reasonable estimate of the amount due would be £250,000.



## 6. CREDITORS: FALLING DUE WITHIN ONE YEAR

	2016 £'000	2015 £'000
Loans received from Festina Scheme holders	137	163
Pension Schemes	4	4
Taxation and Social Security	28	23
Other creditors and accruals	319	112
Amount due to overseas partners	488	484
	<b>976</b>	786

## 7. UNRESTRICTED FUNDS

General funds are funds where both the capital and income can be spent at the discretion of the Trustees in furtherance of the objects of the Society.

## 8. DESIGNATED FUNDS

Designated funds are unrestricted funds which have been designated by the Trustees for particular purposes. In 2015 trustees designated £57k to mitigate against the effects of a sudden closure of Us Ireland. During 2016 Us Ireland was closed down and £41k was spent on associated expenses relating to the wind up.

	2016 £'000	2015 £'000
The designated funds include the following:		
To reflect net pensions liabilities	3,192	647
Commitments to guarantee loans from Festina Loan holders	172	197
To finance USPG's loan from general funds to the Festina Loan Scheme	523	523
To finance future cost relating to the closure of Us Ireland	16	57
Amount reflecting the finance tied up in tangible fixed assets	36	48
Amount reflecting the finance tied up in property	545	0
	<b>4,485</b>	1,472

## 9. RESTRICTED INCOME FUNDS

	Balance at 1 Jan 2016 £'000	Income £'000	Expenditure £'000	Transfers £'000	Gains on investment assets £'000	Balance at 31 Dec 2016 £'000
General restricted funds	149	236	(318)			67
Medical funds	78		(31)			46
Educational funds	225		(225)			
Legacies and donations received	1,440	17	(383)			1,074
Festina loans	400					400
Trust Balances	-					-
Trust Invested Income	527				26	553
						-
<b>New scheme Trusts funds:</b>						
Africa Fund	80	676	(40)	(1)		715
Central Africa Fund	3	134	(133)	(1)		3
East Asia Fund	409	88	(29)	1		469
Educational Fund	12	104	(63)	(1)		52
General Fund	590	89	(28)	(3)		648
Health Fund	46	50	(11)	(1)		84
Latin America and Caribbean Fund	0	33	(33)			
South Asia Fund	21	60	(59)	(1)		22
Maintained Trusts Funds	25	130	(127)	(2)		26
						-
Towards Africa Fund	1,493		(791)			702
Emergency Fund	72	44	(62)			54
Corporate Pension	157		(157)			-
Earmarked donations	15	10	(13)			11
European Refugee Appeal (To be spent over 3 years)	510	100	(188)			422
	<b>6,250</b>	<b>1,772</b>	<b>(2,691)</b>	<b>(10)</b>	<b>26</b>	<b>5,347</b>

### Trust funds

These funds are analysed in accordance with the purpose specified by the donor, the terms of the particular trust or the geographical areas of the world where the income should be spent.

### Legacies and donations

This fund represents legacies and donations received which have to be spent in geographical areas as per the wishes of the donor. Due to leadership challenges in some of those areas, funds have been held until those challenges are resolved.

### Festina Loans

This fund provides unsecured loans at low interest rates to overseas dioceses for capital projects. The loans are repaid in sterling over an agreed period not exceeding 10 years. This scheme is also supported by loans totalling £171,926 made by external loan holders on an interest free basis.

USPG has guaranteed repayment of these loans and provide further support to the scheme through a loan from unrestricted fund of £523,000. (See note 7)



## 10. ENDOWMENT FUNDS

	Balance at 1 Jan 2016 £'000	Transfers £'000	Investment Gains £'000	Balance at 31 Dec 2016 £'000
<b>Permanent Endowment Funds</b>				
Africa Fund	2,376		259	<b>2,635</b>
Central Africa Fund	2,588		278	<b>2,866</b>
East Asia Fund	700		71	<b>771</b>
Educational Fund	749		82	<b>831</b>
General Fund	4,374		423	<b>4,797</b>
Health Fund	1,407		151	<b>1,558</b>
Latin America and Caribbean Fund	601		67	<b>668</b>
South Asia Fund	297		33	<b>330</b>
Other Funds	2,277		239	<b>2,516</b>
	<b>15,369</b>	<b>-</b>	<b>1,603</b>	<b>16,972</b>
<b>Expendable Endowment Funds</b>				
Africa Fund	11,473	(550)	602	<b>11,525</b>
Central Africa Fund	589		63	<b>652</b>
East Asia Fund	1,747		196	<b>1,943</b>
Educational Fund	1,824		200	<b>2,024</b>
General Fund	154		17	<b>171</b>
Health Fund	96		10	<b>106</b>
Latin America and Caribbean Fund	195		21	<b>216</b>
South Asia Fund	381		42	<b>423</b>
Other Funds	1,034		111	<b>1,145</b>
	<b>17,493</b>	<b>(550)</b>	<b>1,262</b>	<b>18,205</b>
<b>Total Endowment Funds</b>	<b>32,862</b>	<b>(550)</b>	<b>2,865</b>	<b>35,177</b>

Permanent Endowment funds are funds where the capital must be retained and only the income used in accordance with the terms of a trust or the wishes of the donor. These have been analysed above in accordance with how the income generated from the funds is to be spent.

Expendable Endowment funds are funds where the capital must be retained and only the income used in accordance with the terms of a trust, until such times as the Trustees elect in accordance with the terms of the trust to apply the capital as income.

This is shown by way of a transfer from

the endowment funds to the restricted or unrestricted funds.

The transfer of £550k represents the sale of investments to purchase a property - 294 Croxley Green, Watford now transferred to unrestricted funds.

## 11. ANALYSIS OF NET ASSETS BY FUNDS

	Tangible Fixed Assets £'000	Investments £'000	Net Current Assets £'000	Pension Scheme Liabilities £'000	Total £'000
<b>Unrestricted Funds:</b>					
General Funds		12,822	(7,298)		<b>5,524</b>
Pension Schemes				(3,192)	<b>(3,192)</b>
Designated Funds	580		3,905		<b>4,485</b>
Restricted Funds		553	4,793		<b>5,347</b>
Expendable Endowment		18,206			<b>18,205</b>
Permanent Endowment		16,972			<b>16,972</b>
	<b>580</b>	<b>48,553</b>	<b>1,400</b>	<b>(3,192)</b>	<b>47,341</b>

## 12. DONATIONS AND LEGACIES

Donations are received from churches within Britain and Ireland, mainly from Parochial Church Councils and from other charitable trusts and individuals.

Legacies are received from departed supporters within Britain and Ireland. Pecuniary legacies of £33k notified before the year end were accrued.

Residuary legacies notified before the year end but for which the value was uncertain have not been accrued.

The 2015 donation figure included an exceptional donation of £536k relating to the Europe Refugee appeal

	2016 £'000	2015 £'000
Donations	<b>1,322</b>	1,614
Legacies	<b>543</b>	549
	<b>1,865</b>	2,163

## 13. INVESTMENTS, TRUSTS & FOUNDATIONS AND OTHER INCOME

	2016 £'000	2015 £'000
Investments quoted on a recognised UK Stock Exchange	<b>589</b>	420
Common Investment Funds	<b>1,505</b>	1,356
Interest receivable	-	2
	<b>2,094</b>	1,778
<b>Other Income</b>		
Sundry Income	<b>69</b>	35
	<b>69</b>	35



## Trusts and Foundation Income received and included in the donations figure 2016

**£'000**

During the year, we received funding from the following trusts and foundations.

We are grateful for their contribution towards our global work.

The Firdale Christian Trust	100
Lady Yuen Peng McNeice Charitable Foundation	5,000
Cornerstone Trust	400
Margaret Petronelle Wilderspin Charitable Trust	2,000
Macedonian Charitable Trust	150
The Bowler Family Charitable Trust	2,000
Tisbury Telegraph Trust	400
The Allan & Nesta Ferguson Charitable Trust	10,000
Summers and May Charitable Trust	800
Guernsey Overseas Aid Commission	39,625
The Church In Wales - Overseas Mission Fund	500
Saint Nicholas' Trust	150
Bradley Family Charitable Foundation	100,000
The Companions Of Jesus The Good Shepherd Trust	1,000
The Overseas Bishoprics' Fund, London	8,000
The Reverend Doctor HJM Turner Trust	600
St Monica Trust	1,662
The Forest Hill Charitable Trust	1,000
Mrs R P Tindall's Charitable Trust	1,000
The Eddie Dinshaw Foundation	45,000
The Longcake Charity	20
J C Flowers Foundation	1,000
Women's World Day Of Prayer	10,000
St Monica Trust	182
The White Family Charitable Trust	400

## 14. US IRELAND

Us Ireland was closed down during the year. USPG will continue to support the programmatic work previously carried out by Us Ireland.

Supporters of Us Ireland have been written to and most of them have transferred their support to USPG. There is Ireland representation on the Board of USPG with voting rights.

The Society designated £57k to cover any associated closing down costs out of which £41k has been spent. (see designated funds in note 8).

## 15. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Programme Expenditure £'000	Other Direct Expenditure £'000	Staff costs £'000	Support Cost £'000	2016 £'000	2015 £'000
<b>Cost of Generating Funds</b>						
Fundraising	-	365	206	112	<b>682</b>	562
Investment Management		48			<b>48</b>	47
<b>Charitable Activities</b>						
International Programmes	2,473	-	945	513	<b>3,931</b>	3,274
Governance Costs	-	70	39	48	<b>158</b>	162
	<b>2,473</b>	<b>483</b>	<b>1,190</b>	<b>672</b>	<b>4,819</b>	<b>4,045</b>

<b>Analysis of Support Costs - other costs:</b>	2016 £'000	2015 £'000
Accommodation and Facilities	<b>275</b>	150
Distribution - Postage	<b>23</b>	18
Pension - Home Staff Scheme	<b>52</b>	56
Staff & Volunteers Expenses	<b>6</b>	3
Archives	<b>48</b>	48
Telephones	<b>22</b>	22
Finance - Bank Charges	<b>18</b>	18
Depreciation	<b>29</b>	26
Recruitment and Training Costs	<b>24</b>	14
IT Support	<b>39</b>	38
Pension Administration Costs*	<b>82</b>	-
Office Costs	<b>50</b>	44
Costs relating to liquidation of Us Ireland	<b>41</b>	-
Property Maintenance Costs	<b>8</b>	-
Pension Scheme adjustments	<b>(45)</b>	(14)
	<b>672</b>	<b>424</b>

<b>Allocated as follows:</b>	2016 £'000	2015 £'000
<b>Cost of Generating Funds</b>		
Fundraising	<b>112</b>	72
<b>Charitable Activities</b>		
International Programmes	<b>513</b>	331
Governance Costs	<b>48</b>	21
<b>Total Support Costs</b>	<b>672</b>	424
Council meetings and Trustees' expenses	<b>40</b>	37
Auditors remuneration: Audit	<b>25</b>	25
<b>Governance - Direct Expenditure</b>	<b>65</b>	62

No Trustee received remuneration or other benefits during the year. Trustees' expenses include overseas travel costs and reimbursed travel expenses of £15,662 (2015: £10,309) and paid to 6 (2015: 6) Trustees.

\* The pension administration costs for 2015 was charged directly to restricted funds

## 16. ANALYSIS OF STAFF COSTS, TRUSTEES REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

	2016 £'000	2015 £'000		2016 £'000	2015 £'000
Salaries	1,001	983	One employee earned between £60,000 to £70,000 during the year (2015: one).		
Social security costs	106	103	The key management personnel of the charity comprise the trustees, Chief Executive Officer and the Directors for Finance, International Programmes, Fundraising, Mission Engagement and Global Relations. Total employee benefits of the key management personnel of the charity were:	382	340
Pension costs	83	89	No charity trustee received payment for professional or other services supplied to the charity.		
	<b>1,190</b>	<b>1,175</b>	The average full time equivalent employees during the year were:	25	25
			The average head count of employees during the year were:	<b>28</b>	<b>27</b>

## 17. PROGRAMMES FUNDING

	2016 £'000	2015 £'000	Top 15 programme funding in the year Partner	Programme	2016 £'000
<b>Programmes :</b>					
Africa & Indian Ocean	1,347	953	Zambia	Community Livelihood Programme	53
Asia	423	178	Zimbabwe	Health Programme	142
Latin America and Caribbean	151	478	Malawi	Community Livelihood Programme	159
Emergency Response	62	104	Ghana	Strategy development	20
Europe Refugee Crisis	172	49	Church of the Province of West Africa	Health Programme	26
Global relations and Advocacy	256	234	South Africa	Leadership Development Programme	35
Mission Engagement	61	30	South Africa	Gender based violence Programme	34
<b>Total funding</b>	<b>2,473</b>	<b>2,026</b>	Anglican Church of the Indian Ocean	Leadership Development Programme	42
			Kenya - CAPA	Leadership Development Programme	39
			Brazil	Community Livelihood Programme	67
			Church of South India	Community Livelihood Programme - Focus 9/99	21
			Ceylon	Tea Plantation Programme	25
			Ceylon	Theological education/leadership Programme	57
			Lusophone Network	Lusophone Network	25
			Diocese in Europe	Refugee Crisis in Europe	172

Our Programmes assist partners in the world church to respond to their strategic needs and help enhance knowledge, skills and leadership capacity.

These includes programmes in Community Engagement & Health programmes identified through the Church and Community Mobilisation Programmes (CCMP).

Emergency response grants are one off payments made in solidarity with partners who have had a natural or man-made emergency situation.

These costs are a combination of unrestricted and restricted funds.



## 18. PENSION SCHEME ARRANGEMENTS

Financial Reporting Standard 102 (FRS 102) requires disclosure of the charity's assets and liabilities of the USPG Overseas and Home Pension Scheme, both of which are defined benefits schemes.

A qualified independent actuary has made the valuations based on the following assumptions:

	2016	2015
	%	%
Discount rate	2.80	4.00
Inflation assumption (RPI)	3.70	3.40
Salary increases	4.20	3.90
Statutory increases to deferred pensions (CPI)	2.70	2.40
Increases to pensions in payment :		
- RPI to a max of 5% (Home Scheme)	3.50	3.25
- RPI to a max of 2.5% (Home Scheme)	2.35	2.30
- CPI to a max of 5% (Overseas Scheme)	2.60	2.35

Post retirement mortality assumption :

100% of the SINXA series tables with the CMI-2012 core projections with a long term rate of improvement of 1.25%

pa Tax free cash : No allowance has been made for members to take tax free cash.

Amount recognised in the Balance Sheet at 31 December 2016	Value at 31 December 2016 £'000	Value at 31 December 2015 £'000
Fair value of assets	9,879	8,627
Present value of funded obligations	(13,071)	(10,215)
<b>(Deficit)</b>	<b>(3,192)</b>	<b>(1,588)</b>
<b>Net defined benefit liability at 31 December 2016</b>		

Amount recognised in the Statement of Financial Activities over the year	2016 £'000	2015 £'000
	46	55
Current service cost	400	396
Interest on liabilities	(339)	(310)
Interest on assets		
<b>Total</b>	<b>107</b>	<b>141</b>

<b>Remeasurements over the year</b>	<b>Value at 31 December 2016 £'000</b>	Value at 31 December 2015 £'000
(Gain) Loss on scheme assets in excess of interest	<b>(1,214)</b>	312
Experience (gain) on liabilities	<b>(172)</b>	(419)
(Gains) from changes to demographic assumptions	<b>(783)</b>	-
Loss (gain) from changes to financial assumptions	<b>3,818</b>	(752)
<b>Total remeasurements</b>	<b>1,649</b>	(859)

<b>Reconciliation of assets and defined benefit obligation</b>	<b>31 December 2016 £'000</b>	December 2015 £'000
The change in the assets over the period was:		
<b>Fair value of assets at the beginning of the period</b>	<b>8,627</b>	<b>8,583</b>
Interest on assets	339	310
Employer contributions	151	156
Contribution by Scheme participants	11	8
Benefits paid	(463)	(118)
Return on plan assets less interest	1,214	(312)
<b>Fair value of assets at the end of the period</b>	<b>9,879</b>	8,627

The change in the defined benefit obligation over the period was:

<b>Defined benefit obligation at the beginning of the period</b>	10,214	11,044
Current service cost	46	55
Contribution by Scheme participants	11	8
Interest cost	400	396
Benefits paid	(463)	(118)
Experience (gain) on defined benefit obligation	(172)	(419)
Changes to demographic assumptions	(783)	-
Changes to financial assumptions	3,818	(752)
<b>Defined benefit obligation at the end of the period</b>	<b>13,071</b>	<b>10,214</b>

## Assets

The assets are wholly invested in funds with Rathbones Investment Management.

The actual return on the Schemes assets (net of expenses) over the period to the review date was £1,553,000

The assets do not include any investment in shares or property of the employer.





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