

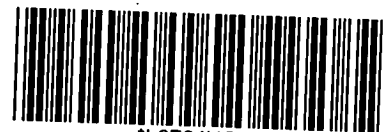
Company No: 09923116
Charity number: 1173195

ADF INTERNATIONAL (UK)

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MAY 2017

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ADF INTERNATIONAL (UK)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 4
Independent Examiners' Report	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 – 12

ADF INTERNATIONAL (UK)

REFERENCE AND ADMINISTRATIVE DETAILS

CHARITY NUMBER 1173195

COMPANY NUMBER 09923116 (company limited by guarantee in England and Wales)

**CHARITY TRUSTEES /
DIRECTORS** Mr Andrew Moore
Mr Paul Coleman
Mr Benjamin Bull
Mr Robert Clarke

REGISTERED OFFICE 16 Old Queen Street
Westminster
London
SW1H 9HP

INDEPENDENT EXAMINER Price Bailey LLP
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

ADF INTERNATIONAL (UK)

TRUSTEES' REPORT

The trustees are pleased to present their annual directors' report together with the financial statements of the Company for the period ended 31 May 2017 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Structure, governance and management

Governing Document

ADF International (UK) ("the Company") is a company limited by guarantee, incorporated on 18 December 2015 as ADF International (UK) Limited, and which changed its name on 26 February 2016 to ADF International (UK). It was registered as a charity with the Charity Commission on 26 May 2017, with registered charity number 09923116. The Company was established under Memorandum and Articles of Association which established the objects and powers of the Company and its governance arrangements.

Appointment of trustees

New trustees are recruited by recommendation from existing trustees, through the Company's networks and the wider community of Christians working in the field of religious liberty, or through advertising. When appointing new trustees, the existing trustees take into account the requirement of specialist skills needed. New trustees are appointed at board meetings following recommendation by the existing trustees, and provided no objection has been raised by Alliance Defending Freedom (a registered s501(c)(3) non-profit entity in the US). Every new director must affirm their acceptance of the Company's statement of faith. Apart from the initial trustees, whose terms of office are staged as set out in the Company's Articles, each trustee is appointed for a term of three years. A trustee whose term of office has expired may, if willing and eligible to act, be reappointed.

Trustee induction and training

All new trustees are presented with a copy of the Company's Articles, the Charity Commission guidance "The Essential Trustee", recent financial statements, key strategy and business planning documents as well as the Charity's policies and previous minutes of recent trustees meetings.

Organisation

The trustees administer the Company and normally meet quarterly. The trustees are in the process of considering a scheme of delegation in relation to the operational management of the Company.

Risk management

Trustees are mindful of the key risks that may face the Company, in particular in connection with reputational risk and adverse publicity arising out of the kinds of issues on which the Company may choose to engage in advancing Christian principles and ethics. The trustees keep these key risks under review, and are in the process of developing a risk management framework that will enable them to adopt mitigation strategies as appropriate. The Company already has in place a risk analysis policy specifically relating to decisions regarding whether or not the Company should engage (in any way) with litigation in furtherance of the Company's charitable purposes.

Aims and objectives

The charitable objects of the Company are to advance Christianity for the public benefit both generally and in particular by promoting Christian principles and ethics and by supporting and enabling Christians to live and worship in accordance with Christian principles and ethics.

ADF INTERNATIONAL (UK)

TRUSTEES' REPORT (CONTINUED)

In shaping the Company's objectives and planning its activities, the trustees have considered and had regard to the Charity Commission's guidance on public benefit, including the guidance documents "Public Benefit: the public benefit requirement (PB1); "Public Benefit: running a charity" (PB2); Public Benefit: reporting" (PB3) and "The advancement of religion for the public benefit."

Review of activities

As a new entity, the Company conducted a wide-ranging search for a suitable office location that will best serve its staff in their goal of advancing Christianity for the public benefit through engaging in legal advocacy, training, and providing funding for cases and projects of notable importance. After reviewing several suitable options, the Company was able to secure and negotiate good rates for occupancy in an executive office building on Old Queen Street, Westminster. The office building is strategically situated in a central, accessible location close to the Houses of Parliament, the Supreme Court, and some of the Company's partner organisations. The office has now been fully furnished and equipped, and provides an ideal base location for the Company's staff to pursue its charitable objects across the United Kingdom.

On a weekly basis, staff have been analysing the latest headlines affecting Christians from around the world on the Premier Christian Radio show "In the Dock", hosted by retired High Court Judge Sir Jeremy Cooke. These segments consider stories on compelling topics of the day, such as blasphemy laws, church autonomy, freedom of expression and engagement at international institutions. Staff members have also been invited to participate on more in-depth radio interviews which have considered, among other topics, the implications of laws which robustly protect freedom of conscience, as well as consideration of how churches and individuals in the UK are able to positively advocate for greater freedom of religion in developing countries.

The Company has also established a process which carefully monitors the cases that come before the Supreme Court of the United Kingdom, and highlighting cases which have a particular bearing on Christian principles and ethics, and the associated fundamental rights and freedoms. In addition to informing partner organisations and the public about the status of such cases, the Company has also prepared insightful legal briefings where judgment is delivered in particularly notable cases, which highlight any possible implications before the European Court of Human Rights.

Company staff have also attended several conferences in the United Kingdom that concerned the promotion of Christian principles and ethics – including a high-level "Conscience Conference" in Cambridge, and the Attorney General of Northern Ireland's Annual Summer School in Belfast. These have allowed the Company's staff members to discover and discuss the latest developments affecting Christians from legal and public-policy perspectives, as well as networking with key individuals and organisations who are knowledgeable and influential in these areas across the UK.

The Company has engaged with parliamentarians and Governmental departments on discrete issues that concern fundamental rights and freedoms of Christians, and have advocated in a targeted way to pursue its charitable objects for the broader public benefit. Specific issues that were raised over the past year was the response to the genocidal attacks on Christians in the Middle East under ISIS/Da'esh, as well as the implications for Christians under the counter-extremism proposals put forward by the Government.

Future plans

In the coming year, the Company intends to build on the successes of the previous year in its endeavors to advance Christianity for the public benefit. In particular, staff will continue to participate on the Premier Christian Radio show "In the Dock" and provide analysis on the big headlines that concern Christianity in the public sphere. The Company will also continue to seek to engage with parliamentarians and Governmental departments on discrete issues concerning fundamental rights and freedoms of Christians in the public square where appropriate.

The Company will also continue to monitor the cases coming through the Supreme Court of the United Kingdom in the coming year, and highlight cases which have implications for the advancement of Christianity. Where appropriate, the Company will seek the permission of the Supreme Court to intervene as a third party in cases that may have significant impact on the advancement of Christianity in the United Kingdom, and look to draw the Court's attention to relevant case law or academic studies.

ADF INTERNATIONAL (UK)

TRUSTEES' REPORT (CONTINUED)

Furthermore, through its network of existing and newly-acquired contacts, the Company will look to fund projects and cases before lower courts within the United Kingdom which concern the ability of Christians to live and worship in accordance with their principles and ethics.

The Company will also look to provide training on the advancement of Christianity for the public benefit in the United Kingdom, both at the invitation of partner organisations to their events, and by hosting events of our own. The Company will aim to inform students, lawyers and policy officers on the most pressing issues of our time, particularly educating attendees on how to defend and champion fundamental freedoms and human rights, including freedom of religion, freedom of conscience, freedom of association and freedom of speech, as guaranteed by the European Convention of Human Rights and the Universal Declaration of Human Rights.

Financial review

Income for the financial period ended 31 May 2017 was £100,092 resulting in a net surplus of £7,685.

Total expenditure for the period amounted to £92,407.

Reserves policy and going concern

Reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned expenditure.

The Company had £nil of restricted and £7,685 of unrestricted reserves at the year end. The trustees are endeavouring to ensure the financial sustainability and the continued success of the Company with a combination of measures by focussing on the development of our donor base, financial management, as well as broadening the Company's sources of income. The trustees hope in the medium term to move into a position where they can retain cash reserves in the region of 3 to 6 months' running costs.

During the period the company has received financial support in the form of unrestricted donations from Alliance Defending Freedom, a linked charity in the US which operates under the same principals as ADF International (UK). The companies are not related organisations for 'group' purposes due to a different ownership structure. The donations do not require repayment and Alliance Defending Freedom has confirmed that it will continue to support ADF International (UK) to meet its day to day liabilities as they fall due throughout the start up phase and up to December 2018.

As a result of this continued support, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Trustees' responsibility in relation to the financial statements

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and of the incoming resources and application of resources, including the income and expenditure, of the Company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

ADF INTERNATIONAL (UK)

TRUSTEES' REPORT (CONTINUED)

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the trustees and signed on their behalf on 18 September 2017.



Paul Coleman
Trustee

INDEPENDENT EXAMINER'S REPORT TO THE MEMBERS OF ADF INTERNATIONAL (UK)

I report on the accounts of the company for the period ended 31 May 2017 which are set out on pages 7 to 8.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this period under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

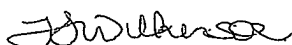
Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Helena Wilkinson BSc FCA DChA

For and on behalf of:

Price Bailey LLP

Chartered Accountants

Tennyson House

Cambridge Business Park

Cambridge

18 September 2017

ADF INTERNATIONAL (UK)

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE PERIOD ENDED 31 MAY 2017

	Note	Unrestricted £	2017 Restricted £	Total £
INCOME FROM:				
Donations		100,092	-	100,092
Total		100,092	-	100,092
EXPENDITURE FROM				
Charitable activities:	2	92,407		92,407
Total		92,407		92,407
Net income for the period being net movement in funds		7,685	-	7,685
Reconciliation of funds:				
Total funds brought forward		-	-	-
Total funds carried forward		7,685	-	7,685

All amounts relate to continuing activities of the charity.

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

The notes to the accounts are shown on pages 8 to 12.

ADF INTERNATIONAL (UK)

BALANCE SHEET AS AT 31 MAY 2017

	Notes	2017 £
CURRENT ASSETS		
Debtors	5	13,000
Cash at bank and in hand		15,339
TOTAL CURRENT ASSETS		28,339
LIABILITIES		
Creditors: amounts falling due within one year	6	20,654
NET CURRENT ASSETS		7,685
TOTAL NET ASSETS		7,685
THE FUNDS OF THE CHARITY:		
Unrestricted funds	8	7,685
TOTAL FUNDS		7,685

For the period ending 31 May 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

This report, which has been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Trustees on 18 September 2017 and signed on their behalf by:



Paul Coleman – Trustee

The attached notes on pages 8 to 12 form part of these financial statements.

Company Number: (England and Wales) - 09923116

ADF INTERNATIONAL (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MAY 2017

1 Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016) - (Charities SORP (FRS 102)) and the Companies Act 2006.

The Charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling, which is the functional currency of the charity.

Going Concern

During the period the company has received financial support in the form of unrestricted donations from Alliance Defending Freedom, a linked charity in the US which operates under the same principals as ADF International (UK). The companies are not related organisations for 'group' purposes due to a different ownership structure. The donations do not require repayment and Alliance Defending Freedom has confirmed that it will continue to support ADF International (UK) to meet its day to day liabilities as they fall due throughout the start up phase and up to December 2018.

As a result of this continued support, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b) Cashflow exemption

The company, being a company of small size within the meaning of the Companies Act 2006, has used the exemption provided by Charities SORP (FRS 102) under which it is not required to include a cashflow statement as part of the financial statements.

c) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 for each director.

d) Fund accounting

Unrestricted income funds comprise of funds which the trustees are free to use for any purpose in the furtherance of the charitable objectives.

ADF INTERNATIONAL (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2017

e) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Charity's activities. These costs have been allocated between costs of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 6.

h) Debtors

Prepayments are valued at the amount prepaid net of any trade discounts due.

i) Cash at bank and In hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

j) Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

k) Operating leases

Operating leases are recognised over the period of which the lease falls due.

l) Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

ADF INTERNATIONAL (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2017

2 Analysis of expenditure

	Direct Costs £	Support Costs £	2017 Total £
Rent	28,246	-	28,246
Management salaries	61,345	-	61,345
Accountancy	-	816	816
Governance costs – accountancy	-	2,000	2,000
Total expenditure	89,591	2,816	92,407

3 Analysis of staff costs and key management personnel

	2017 £
Wages and salaries	60,000
Social security costs	1,345
	61,345

The average monthly head count was 2 and analysis of the staff employees in the period was:

	2017 Actual Number
Management and administration	2
Total	2

No employees received emoluments in excess of £60,000. The charity considers its key management personnel to comprise of the Trustees and the management team. Trustees were not paid or received any other benefits from employment in the period. The key management team consists of 2 employees who received total employee benefits of £61,345. Trustee expenses amounting to £nil were reimbursed in the period.

ADF INTERNATIONAL (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MAY 2017

4 Net income

Net income is stated after charging:	2017
	£
Independent examination	1,500
Accountancy and payroll	1,316
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5 Debtors

	2017
	£
Prepayments	13,000
	<hr/>
	13,000
	<hr/>

6 Creditors: Amounts falling due within one year

	2017
	£
Social security tax	5,654
Other creditors	13,000
Accruals and deferred income	2,000
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	20,864
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7 Leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and Buildings
	2017
	£
No later than one year	58,500
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8 Related party transactions

There were no related party disclosures that required disclosure in the accounts.