

Company Registration No. 06458814 (England and Wales)
Charity Registration No. 1138101

OPERATION NOAH

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

OPERATION NOAH

COMPANY INFORMATION

Operation Noah is a Charitable Company Limited by Guarantee and a Charity Registered in England & Wales. Its primary Governing Documents are a Memorandum and Articles of Association.

Directors	Mr John Beardmore Mrs Nicola Bull Revd Dr Darrell Hannah Mrs Jean Leston (until July) Mr David Miller Ms Holly Petersen Sr Louisa Poole (until July) Revd Dr Martin Poulsom Mr Nicholas Jones (until July) Revd Richard Dimery (from July) Mr Kevin Shang (from July) Mrs Claire Ives (from July) Mr Cameron Conant (from July) Ms Rachie Elizabeth Ross (from November)
Secretary	Mr David Miller
Company number	06458814
Charity number	1138101
Registered office	The Neighbourhood Office 40 Bermondsey Street London SE1 3UD
Independent Examiner	Mr Malcolm W Rogers CEng, FBCS, FIC, ACIE
Bankers	The Co-operative Bank

OPERATION NOAH

A Company limited by guarantee

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors, who are also the trustees of the Charity, present their report and financial statements for the year ended 31 December 2020.

Objects of the Company

The object of the Charity is to promote the conservation, protection and improvement of the physical and natural environment particularly with regards to climate change and global warming, in accordance with Christian principles.

Public benefit

In planning activities for the year, the board of Directors confirm that they have given due regard to the Charity Commission's legislative and regularity requirements to comply with Section 17 of the Charities Act 2011. This report outlines how our achievements during the year have benefited the public.

Summary of Financial Position for the Year and at 31st December 2020

The Charity's income in 2020 was £82,610 (£92,373 in 2019), and the expenditure was £108,696 (£60,065 in 2019), giving a 2020 deficit of £26,086 (£32,308 surplus in 2019). This has been the result of investing more resources into projects in 2020 for which grant funding had been obtained in the preceding year. Key figures are shown in the table:

Summary of SOFA for 2020 (2019)

	Unrestricted Funds	Total Restricted Funds	Total 2020	Total 2019
	£	£	£	£
INCOME				
Donations	15,612	276	15,888	17,796
Gift Aid	1,343		1,343	1,672
Grants		62,745	62,745	70,000
Primary-purpose Trading	2,352		2,352	2,609
Interest	261		261	211
Other income	21		21	86
Total Receipts	19,589	63,021	82,610	92,373
EXPENDITURE				
Charitable Activities	6,470	82,505	88,975	41,760
Cost of Raising Funds	294	1,807	2,102	2,971
Governance Costs	4,248		4,248	691
Other Support Costs	6,987	6,385	13,371	14,644
Separate material expense item – Charitable Company restoration				
Total Expenditure	17,999	90,697	108,696	60,065
Surplus/(Deficit)	1,590	(27,676)	(26,086)	32,308

Assets and Liabilities

The Charity's net assets decreased by £26,086 during financial year 2020, thus:

Current Assets	2020	2019
Cash at Bank and in hand	59,418	82,103
Debtors	1,343	1,671
Creditors	(4,437)	(1,365)
Total assets less current liabilities	56,324	82,410

The Restricted and Unrestricted funds decreased by a total of £26,086. All fund balances were positive as at 31 December 2020.

	Closing Balance 31-12-19	Receipts	Payments	Surplus/ (Deficit)	Closing Balance 31-12-20
Total Restricted Funds	60,168	63,021	90,696	(27,676)	32,492
Unrestricted Funds	22,241	19,589	17,999	1,590	23,832
Grand Total	82,410	82,610	108,696	(26,086)	56,324

Covid-19

The Charity has continued to operate under the restrictions caused by the pandemic during 2020. Staff have been retained and have been working at home since March. The campaigns engaged in by the Charity have been able to operate online very successfully.

Board meetings have been held using Zoom and the Annual Meeting, though held later than usual, was also held using this technology and was better attended than had been the case in recent years, the need not to travel having enabled a greater number to participate.

Unrestricted income was slightly lower than in 2019, but this may not necessarily be attributable to the pandemic. Some of the Charity's costs have been lower – there has been a period of several months' rent freeze, which continues into the early months of 2021 and no travel expenses have been incurred for the majority of the year.

Governance

The Directors engaged the services of Russell-Cooke solicitors to produce a revised Governing Document for the Charity, which replaced the previous (2010) separate Memorandum and Articles of Association. The new document was adopted at the Directors' meeting in November and was lodged with the Charity Commission and Companies House in December. At the same time a Conflicts of Interest Policy was drawn up. This was also adopted at the Directors' meeting in November.

Reserves Policy

The Directors adopted a revised Reserves Policy during 2019. This policy stipulates that the charity will aim to maintain a minimum balance of unrestricted funds approximately equivalent to six months of an average year's unrestricted payments.

Chair's report – 2021

Despite the ongoing Covid-19 pandemic and the resulting restrictions, our work at Operation Noah was able to continue much as normal throughout 2020, with all staff members working from home. Despite the postponement of the COP26 to this year, 2020 remained crucial for progress on addressing the climate crisis. In looking back over last year, there are a number of things to highlight about Operation Noah's work during 2020.

Summary of activities:

- In **January** 20 faith organisations announced their divestment from fossil fuels as part of the Epiphany Declaration for Fossil Free Churches.
- In **February** the Church of England made a decision to go net zero by 2030. The Jesuits in Britain announced that they would be fully divested from fossil fuels by the end of 2020.
- In **March** the Sisters of St Joseph of Peace announced that they had completed the divestment from fossil fuels of their UK investment portfolio. The Sisters made the decision to divest in 2018 and were 100% fossil free by 2019.
- In **April** we published four case studies showing how faith organisations are investing in the clean energy future. They demonstrate how two cathedrals and a number of churches are making use of renewables on their buildings and investing in local community energy. In addition, Sir John Houghton, a Patron of Operation Noah, passed away, aged 88.
- In **May** 42 faith institutions from 14 countries, including 21 from the UK, announced their divestment from fossil fuels. We worked with the World Council of Churches, the Global Catholic Climate Movement, Green Anglicans and GreenFaith on this announcement.
- In **June** we ran a webinar to launch our new report, *Church investments in major oil companies: Paris compliant or Paris defiant?* The report shows the gap between the business plans of major oil companies and the Paris Agreement targets and calls on Churches in the UK to urgently divest from fossil fuels to tackle the climate emergency. It received coverage in national media including the *i* newspaper and the *Telegraph*.
- In **July** 60 people joined us for our first-ever online annual Operation Noah Supporters' Day. We heard from David Pickering, Bokani Tshidzu and James Anthony. The Methodist Conference supported a motion on fossil fuel divestment, referring a decision to Methodist Council in October.
- In **August** ON joined more than 70 prominent civil society leaders – including the former Archbishop of Canterbury, Dr Rowan Williams – and signed a letter opposing the Pensions Minister Guy Opperman's continued investment in fossil fuel companies.
- In **September** Climate Sunday was launched. Climate Sunday was originally proposed by Operation Noah and is now supported by 20 organisations and run by CTBI. It asks churches to hold a climate-themed service in the lead-up to COP26 in 2021, make a commitment to take action to reduce their own greenhouse gases, and ask politicians and world leaders to tackle the climate emergency.
- During **September** and **October**, Operation Noah was involved in organising two webinars designed to help Catholic institutions both divest from fossil fuels and make investments with positive environmental and social impacts. Speakers included Lord Deben and Fr Augusto Zampini. They were each attended by more than 250 people. The Methodist Council voted for a resolution on fossil fuel divestment.
- In **November** 47 faith institutions from 21 countries, including the UK, announced their divestment from fossil fuels. In the UK, Catholic religious orders, United Reformed Church Synods and local Anglican and Methodist Churches joined the announcement.
- In **December** the Scottish Episcopal Church made a decision to go net zero by 2030, following a similar decision by the Church of Scotland in October. The decision is especially significant as Glasgow prepares to host the UN climate talks, COP26, in November 2021.
- We continued to have representation at the online meetings of the Faith for the Climate Network, as well as at the Environmental Issues Network of Churches Together of Britain and Ireland. Both are useful forums where we can meet and discuss with people from a range of organisations whose focus is on mobilising all the faith communities on climate change.

Acknowledgements:

We are grateful to the Franciscan Sisters of Mary (US), the Sisters of the Holy Cross, the Society of the Sacred Heart, and the Jesuit Fund for Social Justice for the grant funding we received from them during 2020. We also continue to be very fortunate in having regular donor supporters who give to the unrestricted funds that are needed to cover the ongoing running costs of Operation Noah.

- **Staff:** A founder member of the Operation Noah board, **Ruth Jarman** has worked efficiently during 2020 as Operation Noah's Administrator to ensure that our administration runs smoothly and that requests for resources are responded to promptly and dealing with all incoming enquiries. In February 2020 **Caroline Harmon** was appointed as Operation Noah's Communications Officer and she has done great work on social media and with the website and the newsletter. We were very pleased that **Bokani Tshidzu** was able to take over the role of Bright Now Campaign Officer and she and **James Buchanan** have worked very hard on the campaign throughout the year and under the difficult circumstances necessitated by the pandemic.
- **Trustees:** Board members continued to work extremely hard throughout 2020: **Jean Leston** stepped down from the board this year but enabled new board member **Cameron Conant** to take over as the representative of Operation Noah on the steering committee for the Climate Sunday project. **Louisa Poole**, **Nick Jones** and **John Beardmore** also all stepped down from the board during the last year. **Dr Martin Poulson** continued to be responsible for oversight of the Bright Now campaign. **Holly Petersen** is taking time out from the board as a result of work pressures. Treasurer, **David Miller**, worked tirelessly throughout the year and reports to each board meeting as well as producing an annual budget and our submission to the UK Charity Commission. He also steered the process of putting in place a new governing document for the Charity, which has been lodged with both the Charity Commission and Companies House. In July **Dr Darrell Hannah**, who acted as Vice-Chair throughout 2020, took over as Chair of Trustees, with **Nicky Bull** remaining on the board as Acting Vice-Chair, after five and a half years as Chair.
- We were delighted to appoint a number of new board members during 2020: **Revd Richard Dimery**, **Kevin Shang**, **Claire Ives**, **Cameron Conant** and **Rachie Ross**. And in January of 2021 **Stephanie Lake**, **Hannah Malcolm** and **Shilpita Mathews** were also added to the board. We now have a strong team of all ages and with a good spread of expertise and experience.

Impact Benefit Statement

During the year, Operation Noah has continued to reach out to Christians on the issue of climate change and to make progress in its campaign on fossil fuel divestment. It:

- promoted its resources, including *Church Investments in major oil companies: Paris compliant or Paris defiant?*; *Divest your Church (a guide for local churches)*; and *Tenants of the King*;
- promoted its work and publications at a number of events, including the Faith for the Climate Network meetings, as well as through developing and updating our website, regular newsletters and social media posts;
- sought to widen its impact by continuing to collaborate with other organisations and by membership of the Environmental Issues Network and the Faith for the Climate Network; and
- worked with key stakeholders and attended meetings with church investors to scrutinise engagement with fossil fuel companies.

Financial Controls

The Charity's financial controls were reviewed in the autumn and a few minor items requiring attention were noted at the November board meeting.

Recruitment and induction of trustees

Trustees are selected on the basis of their expertise, skills and knowledge and upon the benefits that these can bring to the Charity. New trustees are briefed on the activities of the Charity by other trustees and by the staff;

their attention is drawn in particular to their legal obligations under Charity Law and the Charity Commission guidance on public benefit.

To support the implementation of the new Articles of Association, the Directors have created a new, more formal process for the recruitment of trustees.

Risk management

The development of a risk register continues to be a work in progress.

However, as noted elsewhere in this report, during 2020 the Charity has taken significant steps to reduce risks connected with weak governance by adopting new Articles of Association and a Conflicts of Interest Policy, and formalising the process for trustee appointment. A skills audit of existing trustees has also been conducted.

Management of financial risks has continued to be undertaken by regular reporting of income, expenditure and fund balances. A budget for unrestricted income has been agreed for 2021, and future reporting of income and expenditure will show variances against budget where these may arise.

The Charity has taken advantage of the small companies' exemption in preparing the report above.

This Annual Report, and the associated Annual Accounts, were both approved at the meeting of the Trustees held on 12th May 2021; the Directors / Trustees in office at that date were:

Mrs Nicola Bull	Revd Dr Darrell Hannah	Mr David Miller
Revd Dr Martin Poulson	Ms Holly Petersen	Revd Richard Dimery
Mr Kevin Shang	Mrs Claire Ives	Mr Cameron Conant
Ms Rachie Ross	Ms Stephanie Lake	Ms Hannah Malcolm
Ms Shilpita Matthews		

This report was signed on behalf of the Directors/Trustees by:

[Signed on original]

Revd Dr Darrell Hannah

12th May 2021