Report of the Trustees and Financial Statements





Financial year ending
31 March 2026

Principal and registered address

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Principal Professional advisors

Auditor:	Crowe U.K LLP, 55 Ludgate Hill, London EC4M 7JW
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Bankers:	Royal Bank of Scotland, 28 Cavendish Square, London W1G 0DB

Member Trustees

Trustees

CAFOD Executive Team

* Accountable to the Board of Trustees

** works with Remuneration Committee

*** works with Strategy and Performance Committee

**** works with Finance, Legal, Audit and Risk Committee

Front cover: Zunayed watering his father's floating garden, Bangladesh.

This page: The Bungwe secondary school gender club performing a dance, Zimbabwe.

Contents

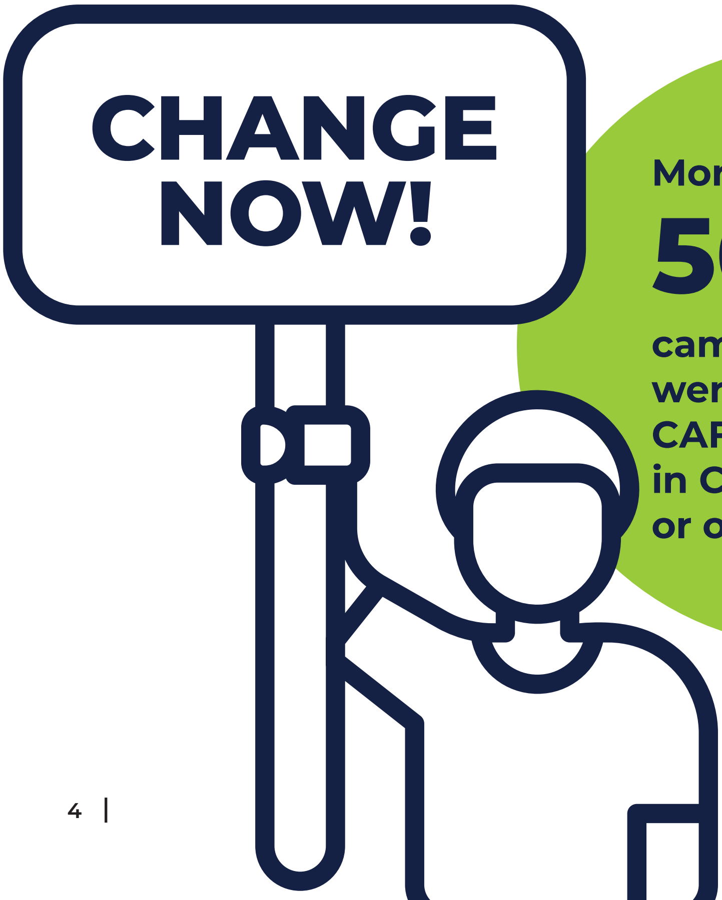
Spotlight on 2025–26

The late Pope Francis decreed that 2025 would be a year of Jubilee, a holy year which happens every 25 years in the Catholic Church.

In a world that is growing more unjust and unequal, CAFOD invited people, schools and communities to come together, in a spirit of joy and strength, and answer God's call for a reset, a renewal of faith and a recommitment to a just world.

Thank you to the thousands of CAFOD supporters, donors and our local partners who shared their hope this Jubilee Year. Together you made a better world possible by signing petitions, volunteering, making a Jubilee pledge, donating and much more!

CAFOD organised an interfaith 'Relay of Hope', outside the UK Treasury, joining a global effort across 32 countries.



More than

50,000

campaign actions were taken by CAFOD supporters in Catholic parishes or online.

Debt justice gained visibility with world leaders and financial institutions: The debt crisis was discussed at major moments such as the G7, G20, UN General Assembly, and meetings of the World Bank and the International Monetary Fund.

Decision-makers are speaking more openly about the scale of the debt crisis, the need to tackle unsustainable debt, and the reforms required.

Reached over

721,000

people with humanitarian support through partners

With your support our partners from Caritas Lebanon have been able to help people affected by the spiralling conflict in the region, providing food, shelter, hygiene supplies and physical and mental health services.

A group of pupils and teachers went to Rome to take part in the Vatican's Jubilee for Education celebration. This included Pope Leo blessing the school Jubilee Pilgrims of Hope banner in Rome, which gave us even more hope!

Raised a total of

£52.8 million

including from parishes, schools and individuals

We published Jubilee 2025: The new global debt crisis and its solutions, *equipping supporters and allies with evidence and clear solutions to share with decision-makers.*

Bayezid's family, in Bangladesh, were the focus of our Lent appeal. They received training to establish thriving floating gardens so they can grow vegetables and earn a living even while their land is flooded.

Spotlight on
2025–26
continued

Engaged
82%
of MP constituencies in England and Wales

CAFOD was part of the Act Now, Change Forever *mass lobby of Parliament. 5,000 people attended, including 300 CAFOD supporters and several school groups, and took their urgent calls for debt and climate justice directly to politicians.*

"Another heartfelt appeal that I would make in light of the coming Jubilee is directed to the more affluent nations. I ask that they acknowledge the gravity of so many of their past decisions and determine to forgive the debts of countries that will never be able to repay them. More than a question of generosity, this is a matter of justice" **Pope Francis**

Rejoice, in South Sudan, received training to build a floating garden. Now, the vegetables she grows are helping her support her children.

The London Marathon raised more than
£100,000
An increase of more than **33%** on last year's total!

Gerald was amongst 34 runners who competed for CAFOD in this year's event.

Thank you
for all your help and support

CAFOD works in more than 30 countries across Africa, Asia, Latin America, the Middle East and Europe, where we partner with local, regional, national and international organisations and governments to help the poorest and most marginalised people, and those affected by natural disasters, war and displacement.

Funded
311
projects in more than 30 countries

With our coalition partners, our campaigning helped drive parliamentary scrutiny: more than 40 parliamentary questions on debt were raised in 2025.

Reached over
1.75 million
direct project participants through our partners

Supported 46 local women-led organisations, who received
26%
of our overall overseas funding

In Lebanon, our partners are providing Syrian refugees with vocational training, such as book clubs, IT training, and soap making, so they can learn skills with which to earn a living.

Through our Jubilee Year campaign, 1,124 supporters wrote to their MP calling for a new Debt Justice Law.

Letter from our Chair and Executive Director

Dear Friends,

Our work is shaped and led by local communities and partners, who are best placed to understand the challenges they face and the solutions that will be most effective for them. Guided by local priorities, together, we support vulnerable and marginalised communities to prepare for, cope with and recover from shocks and emergencies. Our work also involves building peace, strengthening sustainable livelihoods and advancing gender justice, as well as safeguarding and restoring the environment. This report gives an overview of the impact of these efforts.

This year saw escalating conflict in many parts of the world. Throughout these challenges, we remained committed to supporting local organisations and communities leading responses in some of the most difficult contexts, including Sudan, Gaza, the Democratic Republic of Congo, South Sudan, Ukraine and Myanmar. In a time of growing uncertainty, CAFOD has continued to stand alongside our partners as they support people and communities affected by conflict, climate-related disasters, poverty and inequality. With partners we are strengthening locally-led responses and upholding dignity and solidarity in the face of so many challenges.

As CAFOD's Chair, +Stephen saw our work in Zimbabwe and found it deeply moving to witness the work of remote communities striving to improve their lives with the support of CAFOD.

Christine visited South Sudan and saw the impact of CAFOD's support in Malakal – families able to grow crops in floating gardens, young women investing in their dreams through savings schemes, and families earning a better income through improved fish and livestock production to name a few examples. It was also striking that in a country as poor as South Sudan, the Church is still supporting refugees who have fled over the border to escape the conflict in neighboring Sudan. The wider regional conflict has intensified displacement, disrupted trade and services, and placed further pressure on host communities in areas such as Upper Nile, where humanitarian needs are already severe.

South Sudan is just one country that has felt the devastating impacts of cuts in international aid. The reduction in global levels of aid has been significant, with real effects on health, education and civic systems, which are felt by the poorest people, and women and girls especially. The changing nature of aid is one reason financial reform is necessary. Our gospel imperative for justice is another.

In this world of poverty and conflict and inequity, CAFOD has continued to offer support to local partners making a real difference in communities, whether through economic development, small businesses, savings and loans schemes, food production, water access, protecting the environment or building peace. During the year we supported partners with grants worth £26.4 million. This funding often came hand in hand with technical support to help partners grow their capabilities, which made a difference in the lives of the thousands of communities they support. As always, our work is centered on building the capacity of local organisations to lead, deliver effective work and have their voices heard.

In many places, the experience of the Church at the grassroots level is at the heart of this response. The Church is trusted, with long-standing relationships and the respect of the local community in helping as needed. CAFOD's vital role, in enabling the Catholic community in England and Wales to stand in solidarity with the global Church in the face of poverty, inequality, conflict and climate disasters is unparalleled, as you will see in this report.

This solidarity was evident during the Jubilee Year when we saw over a thousand school communities take the Jubilee Pledge – a long-term, whole-school promise to live out Catholic Social Teaching by standing in solidarity with people experiencing poverty. Over 2000 schools hung “We are Pilgrims of Hope” banners outside their schools. At a time when flags might be used to signal division, this was an important witness to hope, solidarity and community.

A key theme of the Jubilee message is forgiveness of debt. Over 40,000 CAFOD supporters expressed their desire for structural financial reform, especially on debt, to release much needed funds to tackle poverty and climate change and improve health and education systems. We will continue with this work, alongside others, as we look forward to the UK hosting the G20 in 2027.

In October 2025, Pope Leo issued his first document – Dilexi Te – which speaks to the Church’s commitment to the poor throughout its history. It reaffirms the purpose and mission of CAFOD and the wider church in responding to need and in tackling the structural causes of poverty. *“The dignity of every human person must be respected today, not tomorrow, and the extreme poverty of all those to whom this dignity is denied should constantly weigh upon our consciences.” (DT#92)*

As we reflect on the suffering caused by poverty and conflict, we must remember that many of the challenges facing the communities we serve today have deep historical roots. In some parts of the Global South, the legacy of colonialism continues to contribute to inequality and instability. The effects of exploitation, unequal power and division have not simply disappeared with time; they continue to influence the realities that many people face today. While the causes of poverty and conflict are always complex and varied, our commitment to justice calls us to recognise these historical realities with honesty and humility. Our faith calls us to work for justice, to address the structures that perpetuate poverty and inequality, and to stand in solidarity with those whose dignity and God-given potential continue to be denied. That remains key to CAFOD’s purpose.

We thank you for supporting CAFOD and trusting us with your resources. You will see from this report how we continue to make a difference in the lives of so many around the world and to inform, inspire and mobilise the Catholic community here to live out that call from Jesus – to love one another.

+ Stephen Wright

The Right Reverend Stephen Wright
Chair of Trustees

Christine

Christine Allen
CAFOD Director

Income and expenditure summary

This year has continued to strengthen our supporter income, driven by an uplift in major gifts and individual giving. Legacy income reached £13.6 million; £1.3 million lower than last year, but still above our average legacy gift, highlighting sustained strong performance.

Thanks to these positive results, we closed the year with a surplus of £2.1 million, reflecting a £5.5 million surplus in unrestricted funds and a £3.4 million deficit in restricted funds. **Unrestricted funds** are income that CAFOD can use wherever the need is greatest to support its charitable work. **Restricted funds** are income received for specific projects, programmes or purposes and can only be used for those activities. The unrestricted surplus has enabled us to build up our free reserves, helping to ensure financial resilience in uncertain times.

Where our income came from

CAFOD's total income this year was **£52.8 million**, made up of:

- £40.2 million from donations and gifts in wills
- £12.0 million from charitable grants and project funding
- £0.6 million from other sources

£37.7 million came from the Catholic community in England and Wales, who continued their generous support despite financial pressures.

£2.5 million came from donations made via the Disasters Emergency Committee (DEC). CAFOD responded to several global crises, including ongoing work in Ukraine, Afghanistan, South Sudan and the Middle East.

Thanks to our Supporters

We are deeply grateful for the continued commitment of our supporters, particularly during such a challenging year. Even with rising living costs, you have stayed connected, adapted your ways of giving, and helped spread our message, especially through online donations, which have become more common since the pandemic. This dedication to our global family is humbling and inspiring.

How we used your donations

CAFOD spent a total of £50.6 million this year:

- £43.3 million (86%) went directly to our charitable work supporting communities, responding to emergencies, and working for long-term change.
- £7.3 million (14%) was used to raise income, report back on funds used and grow our future resources.

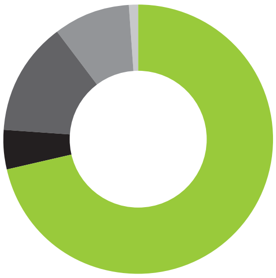
Included in these amounts are £5.6 million in costs for support, administration, and governance, representing 11% of our total spending. These are essential to ensure accountability, strong partnerships, and efficient delivery of our programmes.

Supporting people around the world

Our work is shaped and led by local communities and partners, who are best placed to understand the challenges they face and the solutions that will be most effective for them. Guided by local priorities, together, we support vulnerable and marginalised communities to prepare for, cope with and recover from shocks and emergencies. Our work also involves building peace, strengthening sustainable livelihoods, advancing gender justice, safeguarding, and restoring the environment.

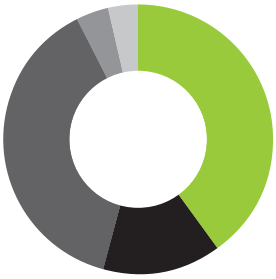
With the funds entrusted to us, CAFOD supported people affected by crises across Ukraine, occupied Palestinian territory, Syria, Lebanon, Myanmar, Afghanistan, Sudan, South Sudan, Democratic Republic of Congo, Eritrea, Ethiopia, Nigeria, Brazil and Colombia. In settings where it was possible to do so, we also continued longer-term development programmes – both in these contexts and in Kenya, Sierra Leone, Liberia, Mozambique, Uganda, Zimbabwe, Bolivia, El Salvador, Guatemala, Honduras, Peru, Afghanistan, Bangladesh, and Sri Lanka. In total, we made **628** grants to partner organisations, with a combined programme expenditure of **£26.4 million** (before currency and technical adjustments).

Income/expenditure



Income £52.8m

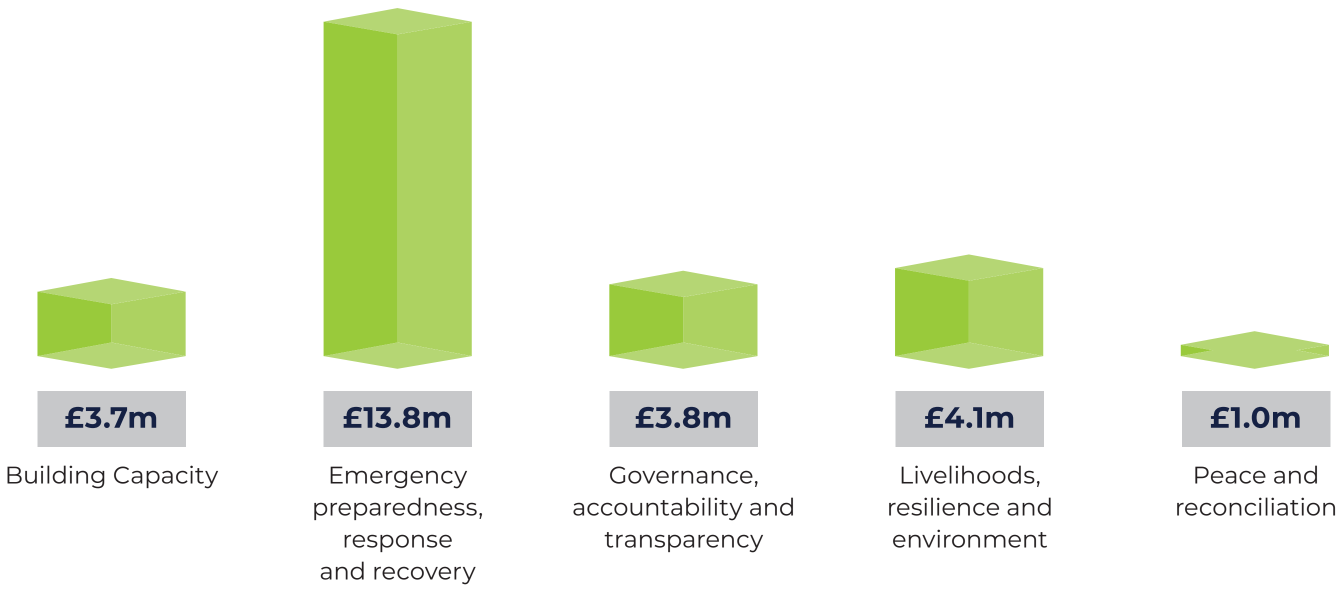
Donations and legacies	**£37.7m**
Disasters Emergencies Committee	**£2.5m**
Government and Institutions	**£7.1m**
Caritas and others	**£4.9m**
Others	**£0.6m**



Expenditure £50.6m

International Development	**£20.2m**
Raising funds	**£7.3m**
Disaster Relief	**£19.4m**
UK Development education	**£1.9m**
Advocacy campaigning	**£1.8m**

Grant making: £26.4m in total



Muslima and her grandmother, Khadiza, Bangladesh.

Strategic Report

CAFOD is the official aid agency of the Catholic Church in England and Wales and part of Caritas Internationalis. At CAFOD, we bring people together in faith and action to create a better world – one where injustice and poverty do not define lives, where communities can flourish, and where hope is turned into joy through shared commitment and compassion.

CAFOD's vision, mission and values

CAFOD is the official aid agency of the Catholic Church in England and Wales and part of Caritas Internationalis. We bring people together to help **build a better world**. A world where no one's life is limited by poverty or injustice, and where people and communities can flourish, turning hope into lasting change.

As people of faith, we are called to act. Across the Catholic community in England and Wales, we come together – individually and collectively – offering our time, talents, voices and prayers, because **a better world needs all of us**.

Our agenda for change

Our work responds to the interconnected cry of the earth and the cry of the poor. We prioritise those most affected by poverty and exclusion – especially women and girls, who are too often hit first and hardest.

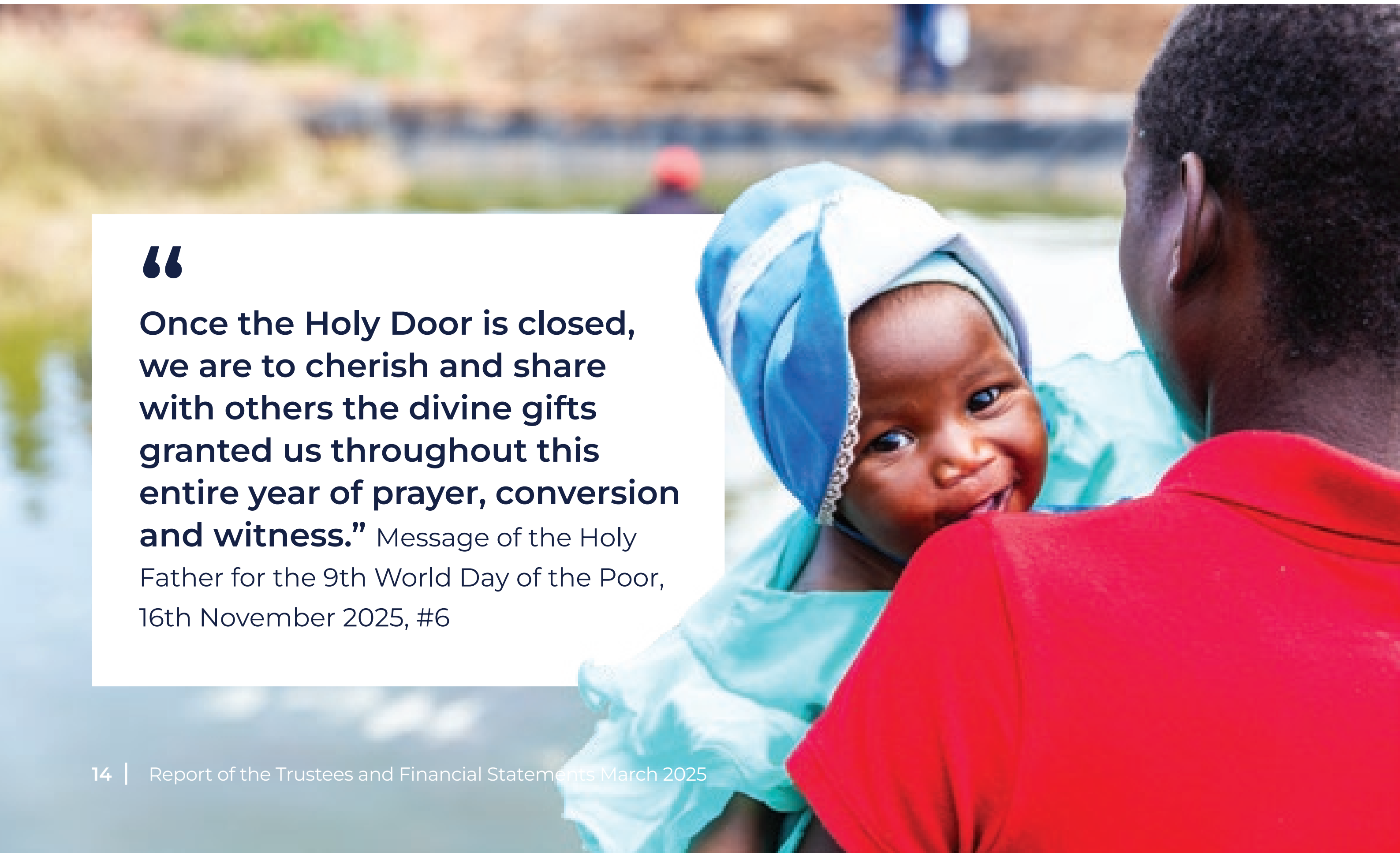
Alongside the global Catholic network, we strive to transform our shared home so that people, communities and the earth can flourish together.

Our mission

Inspired by Gospel values and rooted in the Catholic community, we work in partnership locally and globally to:

- Support people, communities and local partners to shape their own futures.
- Deliver lifesaving support, strengthen resilience and protect the environment, prioritising those most excluded.
- Challenge the structures and behaviours that drive poverty, inequality and harm.
- Inspire the Catholic community in England and Wales to act in solidarity for the common good.

Below: A mother and baby at Nyamuwe Nutritional Garden fish pond, Zimbabwe.



"Once the Holy Door is closed, we are to cherish and share with others the divine gifts granted us throughout this entire year of prayer, conversion and witness." Message of the Holy Father for the 9th World Day of the Poor, 16th November 2025, #6

Our values

Hope

Hope shapes our action and sustains our commitment. Inspired by Scripture and Catholic Social Teaching, and strengthened by the energy of our supporters, volunteers, local partners and communities, we act with confidence for the common good.

Dignity

Every person is created in God's image, with inherent dignity and worth. Yet poverty, discrimination and exclusion deny this truth. We seek justice and inclusion for all, working alongside people of every identity and recognising how inequalities overlap and reinforce one another.

Compassion

Rooted in love, we respond to the cry of the poor and the cry of the earth. We draw close, listen deeply and act with care, standing alongside those who suffer. We do not accept harm to our sisters and brothers or to our common home.

Solidarity

We believe change grows through community. With a preferential option for those who are poor and oppressed, we walk with others and make their struggles our own. Through prayer and action, we seek a world where everyone can belong, contribute and flourish.

Our goals

Integral ecology emphasises that poverty, injustice and damage to the environment is one interconnected problem which requires a holistic response to caring for humanity and our common home The concept was adopted by late Pope Francis in his 2015 encyclical Laudato si' and has been integrated by CAFOD as a foundational framework for all the work we do and support.

Integral ecology is also a framework for thinking about our world in terms of the systems and relationships that drive it, and how we can change those systems. It explores the relationships we have with ourselves, between humans, the more than human, the natural world and the built environment, recognising interconnectedness among these. It can provide a lens to bring together diverse groups and multidisciplinary practices to transform systems, structures and social relationships that discriminate against people and planet.

“Everything is connected.”
Laudato Si' #91

1 Transformative Inclusion

Our relationships and programmes remove barriers to inclusion and prioritise the perspectives and needs of the most vulnerable and excluded people, with an emphasis on anti-racism and gender justice, as the foundation for building positive change.

2 Local Leadership

Our partners have the sustainable funding, organisational and programme skills and knowledge, and operational space to lead initiatives that meet the specific needs of their communities.

3 Inspiring Communities

The diverse Catholic community in England and Wales are inspired to lead, resource and make real our shared vision through sustained individual and collective action.

4 Influencing Change

Together with our partners, the communities that we serve, our supporters, and wider civil society, we participate in and influence political and economic power to drive systemic and structural change at local, national, and global levels.

5 Integrated Programmes

Our integrated programmes enable the most vulnerable and excluded communities to prepare for and recover from shocks and humanitarian emergencies, build peace, secure sustainable livelihoods, and achieve gender justice in ways that protect and regenerate the environment.

These are long-term goals, supported by a set of intermediate outcomes that help us track progress, focus our efforts, and ensure we are making meaningful steps toward the goals and our overall mission of building a better world where all can flourish..

6 Our Organisation

Our operating models and ways of working are optimised, flexible and responsive to best reflect our goals and values, secure sustainable income, achieve our intended outcomes, and ensure accountability to those we serve, those who support and fund us, and other stakeholders.

Below: Salam holding some vermicompost, Bangladesh.

Our progress and impact

CAFOD's six long-term goals guide our efforts to contribute to transformative change. Because our approach is integrated and cross-cutting, the impact of our work often spans multiple goals and outcomes. The following stories illustrate how our work is making a difference. While each story highlights the goal or goals it most directly aligns with, this is a simplified categorisation as many of the examples in practice may contribute across several goals. These stories offer a glimpse into how our mission is brought to life in practice.

Gender justice

Goals 1 4 5

We are supporting Church partners in Africa and Latin America to amplify women's leadership and influence in advocacy on climate justice, governance and peacebuilding. Through the Africa Church Advocacy Programme (ACAP), CAFOD is helping address the exclusion of women from Church decision making by strengthening women's knowledge, skills and resources, and by engaging Church leaders to challenge discriminatory norms and practices. **A key outcome has been the establishment of a mechanism in East Africa bringing religious women and bishops together for mutual listening and to develop a shared understanding. This has led to more inclusive dialogue on social justice and pastoral priorities and increased attention to gender equality and women's leadership within the Church.**

In **Latin America**, CAFOD supports the Latin American Bishops Conference and its Animating Commission of Women in the Church and Society. This promotes women's leadership, addresses exclusion and violence against women and documents progress towards greater gender justice. Since 2021, subregional meetings have enabled women Church leaders to share experiences and learning, with the aim to strengthen women's participation and visibility within the Church and wider society.

In **Guatemala**, where gender-based violence and femicide rates are among the highest globally, CAFOD is supporting partner organisation Pastoral Social – Caritas, Diocese of Verapaz (PSCV) to strengthen and share its expertise on women's rights and gender justice within faith networks. **PSCV's integrated programme focuses on preventing violence against women – including work with men on positive masculinities – alongside holistic care, livelihoods support and advocacy.** CAFOD is working with PSCV on this approach so that learning can be shared more widely across local, regional and global Church spaces. Support also includes developing communications materials, translations and dissemination through Catholic networks in Guatemala, Latin America and beyond.

CAFOD is supporting female migrants in Bangladesh to recover from exploitation and build safer, more secure futures through an integrated, survivor centred approach. Working with migrant led partner Ovibashi Karmi Unnayan Program (OKUP) and Caritas Bangladesh, CAFOD has helped women who have experienced abuse, exploitation and trauma abroad to access psychosocial care, shelter, medical referrals, legal support, family reunification and livelihoods assistance. **As a result, many women have increased their incomes, improved their quality of life and now have more say within their households. Peer-led migrant forums are strengthening solidarity and confidence among returnees, while advocacy efforts are helping to push for accountability, compensation and improved government services.** CAFOD-funded research has also strengthened global advocacy on the links between migration, modern slavery and climate change, including engagement at international forums such as COP28.

CAFOD's partnership with the Centre for Women's Studies and Intervention (CWSI) in **Nigeria** is helping to transform women's political participation through an intersectional approach. A CAFOD funded project has already contributed to significant gains, including a **24 per cent increase in women's representation in governance structures, the election of the first woman parliamentarian in Kogi State, and 45 women entering local government legislative councils.** Building on this progress, CAFOD is supporting CWSI to apply a perspective of intersectional disability inclusion across its work, in partnership with Christian Blind Mission.

Early learning has highlighted the importance of collaboration with local disability movements, accessible communication and inclusive budgeting. These insights are now shaping CWSI's wider programming and informing CAFOD Nigeria's broader commitment to ensuring that women and girls with disabilities are no longer left behind.

Visit our website to find out more about CAFOD's work on gender justice.

Below: Indigenous women leaders from the Amazon standing up against gender-based violence during an International Women's Day march in Peru.

Improving access to water

Goal 5

Enhancing access to safe and dignified Water, Sanitation, and Hygiene (WASH) assistance to the most vulnerable population in Plateau State, Nigeria

In rural Plateau State, many families struggle to find safe water close to home, while limited sanitation increases the risk of waterborne disease. Seasonal pressures, rising costs and occasional local tensions can make it harder to maintain essential services.

With CAFOD's support, communities in Bungha and Pushit are improving access to safe water and building local systems so that progress is shared fairly and can last. Working with community leaders and the local WASH office, Justice Development and Peace Commission Pankshin helped residents identify key hygiene and sanitation risks, agree practical solutions and strengthen accountable management of water points.

The project combined infrastructure with behaviour change: community mapping and sanitation sessions engaged local residents, while a network of trained volunteers now leads on promoting good hygiene practices across both communities. Safeguarding and technical training helped ensure community safety.

Thanks to prudent budgeting our partners were able to go even further than planned, constructing three solar-powered boreholes, instead of two. This means even more families now have access to safe drinking water, and the daily burden of fetching water has been significantly reduced.

Key figures: 3 solar-powered boreholes constructed; 60 community-based WASH trainers equipped (32 men, 28 women); 40 stakeholders co-created community hygiene and sanitation bylaws; 30 traditional, religious and ethnic leaders engaged to strengthen social cohesion around shared water resources.

"Before, we spent a long time searching for water. Now we can collect safer water closer to home – and we are learning how to keep our community clean."

What's next: Communities will be supported to build household latrines, continue monitoring and quality assurance, and share learning through local radio and a short video.

Below: Celebrations during the commissioning ceremony of a new solar-powered borehole, Nigeria.

Solar-powered water and community gardens

In a transformative initiative led by Caritas Zimbabwe Diocese of Chinhoyi and funded by CAFOD, the installation of a Solar-Powered Piped Water Scheme at Bungwe Clinic in Rushinga District has significantly enhanced access to clean water for the patients and staff. The clinic has a catchment area of 6,336 people.

Previously, the clinic struggled with inadequate water supply, which hampered healthcare delivery and posed health risks to patients and waiting mothers. The clinic used to rely on rationed and unreliable borehole water which they shared with the community. The water was not adequate for the clinic and the community as they had to wait for a recharge after every nine buckets. Patients and waiting mothers used to bring their own drinking water with unknown quality for use. Sometimes patients would prefer taking their medicines later at home where they could access drinking water, which compromised healthcare outcomes.

Expectant mothers benefit from improved sanitation facilities, reducing the risk of childbirth infections. The clinic admits an average of 40 waiting mothers per quarter.

The reliable water sources have also encouraged increased attendance for maternal and child health services, fostering a healthier community. The project also empowered the clinic and local population through Water Point Committee training and capacity-building initiatives, ensuring sustainability and ownership.

“

The lack of adequate clean water severely compromised hygiene practices, increasing the risk of infections for patients and waiting mothers, particularly during childbirth.”

Insufficient water supply hindered the clinic’s ability to maintain proper sanitation facilities, affecting overall patient care and comfort. “With the new system in place, clean water now flows directly into the clinic, ensuring that healthcare staff can maintain proper hygiene standards and provide quality care without interruption.”

Sister Zishiri, Nurse in Charge, Bungwe Clinic.

Below: Sister Zishiri showing Caritas Chinhoyi programme officer Reason Mupanga the solar system controls at Bungwe Clinic, Zimbabwe.

Practical skills that last a lifetime

Goal

5

A sustainable future for farmers

In Bangladesh, with support from the Guernsey Overseas Aid Commission, CAFOD is working with partners Caritas Bangladesh to help families improve their income and build resilience in the face of the climate crisis and increasing economic instability.

Aiysha is one of the farmers taking part in the project. With support from CAFOD's partners, Caritas Bangladesh, she set up a vermicompost plot, using earthworms to produce nutrient-rich compost that she can either use on her crops or sell for extra income. She also received training in agriculture, seed management, value chains and access to markets. With this support, Aiysha has gone on to start her own successful village shop. Her journey reflects both the challenges she faced and the determination that helped her build a more secure future.

Before joining the project, Aiysha and her family were facing severe challenges. There was not enough food, and constant financial pressure made everyday life uncertain. Her husband had been left paralysed and was unable to work, leaving her to carry the burden of supporting the family. In search of income, she travelled to Dhaka to find work, but the experience only brought further hardship. Looking back, she says, "Before joining this project, my family faced many hardships. There were financial problems and a lack of food." By the time she returned home, she had been forced into debt of around 1.5 to 1.6 million Taka (£9,500).

When Aiysha heard about the project, she was determined to take part. She believed it could help her become self-reliant and was eager to get started as quickly as possible. At that point, she had very little knowledge of farming, but the training she received opened new possibilities. Through four sessions, she learned practical skills in agriculture and discovered how much could be achieved through better use of trees and farmland. As she put it, she was "confident that I could become self-reliant through it, God willing."

Since starting the project and opening her shop, Aiysha's circumstances have changed significantly. She now has a more stable source of income and can provide essentials for her household. The worry of not having enough food has eased, and even when profits are modest, the shop gives her enough to buy staples such as rice and lentils. In her words, "My house lacks nothing – no shortage of rice, lentils, or onions." This new stability has brought her a deep sense of relief and happiness.

Today, Aiysha feels far more secure about meeting her family's needs. More than the income itself, she values the opportunity she was given to rebuild her life and regain her independence. The support she received has become, in her view, one of her greatest assets. She says, "I think of myself as my own hero. I will not have to ask anyone for help."

Aiysha now hopes her success can inspire others in her community. Having transformed life for her own family, she wants to see many more families become secure and well-off too. She believes that by working together, people can strengthen both their livelihoods and the environment around them. Her story ends with a message of encouragement and determination: "I have done it; now you should all do it with me."

Below: Aiysha with her home-grown vegetables, Bangladesh.

Unlocking young women's potential through leadership programme

In the Democratic Republic of Congo, CAFOD's Rising Stars project is enabling adolescent girls to overcome barriers to education, participation and economic opportunity by building confidence, practical skills and leadership. Working across 15 schools in its first phase, the programme is already helping girls strengthen self-belief, make informed decisions about their health and wellbeing, speak up in school and community settings, and begin planning small income-generating activities – turning everyday pressures and limited opportunities into clearer pathways for learning, leadership and livelihoods.

- **Improved life skills and wellbeing:** girls report greater self-awareness, confidence and emotional management, alongside better understanding of menstrual and reproductive health.
- **Stronger leadership and voice:** increased communication and public speaking skills are helping participants participate more actively in school life and local initiatives.
- **Early entrepreneurship gains:** girls have learned to identify opportunities, plan simple micro-projects and manage basic finances, and are developing ideas for income-generating activities to be supported by the project.

What makes this work scalable is the use of a 'trained to train' model – graduates return to their schools to help by leading club and peer sessions, passing on skills and encouraging other girls to lead. This multiplies reach, deepens the participants' leadership in practice, and helps embed change within schools beyond the life of the project.

With CAFOD's support, the programme is nurturing a growing network of confident, capable girls who can influence decisions in their schools and contribute to the social and economic development of their communities.

Above: Young women who are part of the Rising Stars Project, Democratic Republic of Congo.

Peacebuilding and integral ecology

An exploration of approaches in conflict affected settings

The **Peacebuilding and Integral Ecology Project (P&IE Project)** was designed to facilitate innovation in peacebuilding at CAFOD, applying an integral ecology lens to peacebuilding and exploring the role of the environment in peacebuilding. Four of CAFOD's Country Programmes, each different, but with synergies and similarities, joined hands to implement the two-year pilot project: Colombia, Sri Lanka, the occupied Palestinian territory, and South Sudan. The section below outlines three of the four project countries: Sri Lanka, the occupied Palestinian territory, and South Sudan. The project has also had a cross-regional component, with regular online partner exchanges, learning facilitated between CAFOD staff (including with CAFOD education staff), and youth video exchanges, whereby youth from one country shared messages with young people from the other countries via video, and vice versa.

Goal

Sri Lanka 5

Sri Lanka has a complex conflict context, with a history of structural violence, and tensions between multiple ethnic, religious, and socio-political groups which can erupt into violence at times of crisis. Since 2021, Sri Lanka has been in an economic and political crisis following the collapse of the economy and ensuing debt crisis. Climate change poses significant threats to the country, and plastic pollution is a particular problem, particularly in coastal areas.

Our local partners – Peace and Community Action and National Fisheries Solidarity Movement, have been supporting young people from various ethnic and social groups to work through processes of reflection and personal transformation, helping them to develop skills and carry out initiatives to improve their environments whilst engaging with their communities on peacebuilding and environmental care.

One example of how care for the environment has helped build bridges of peace between communities comes from Negombo, where in some neighbourhoods the build-up of rubbish was contributing to local disputes among Muslim and Hindu communities, who would blame each other. The youth groups our partners are working with spoke to different community members about how to best solve the issue, bringing them together to produce suggestions collaboratively. They then reached out to the local authorities, and a representative met with the community members. As a result of the discussions, rubbish collections were increased from once to twice a week. Rubbish collection points were also agreed and clarified to avoid rubbish being dumped in random locations. Now the environment is much cleaner and the tensions between the two religious communities have reduced vastly.

One participant in the project said: "We see the close connections and interaction continuing to flow among ethnic groups. A beautiful opportunity, it created a very trustworthy atmosphere between these different groups."

South Sudan

Goal 4

Although the civil war in South Sudan formally ended with a peace agreement in 2018, violence continues. This is compounded by the effects of climate change, and the ongoing impact of the war in neighbouring Sudan, both of which contribute to record levels of poverty and hunger.

South Sudan shares an 900-kilometre-long border with Sudan and every year during the dry season pastoralists from Sudan enter South Sudan looking for grazing lands, often leading to conflict with the local farmers over water and land.

South Sudan ranks as the second most vulnerable country globally to the impacts of climate change, and one of the least resourced countries to cope with its shocks. The country endures severe droughts and floods, resulting in displacement and the loss of lives and livelihoods. Floods in 2024 affected 1.4 million people. The Sudan conflict exacerbates the humanitarian situation. With few livelihood options, charcoal production has become an important source of income for many.

CAFOD's integral ecology project has focused on communities in Fashoda County in Upper Nile State in South Sudan, working with our partners, Caritas Malakal to train young people to safeguard the environment and carry out local campaigning and advocacy to reduce harmful environmental practices. The youth have carried out awareness raising in their communities and engaged local leaders to dissuade practices which contribute to environmental degradation and climate change.

Occupied Palestinian Territory

Goal 4

The Israeli Government has been inflicting increased violence on Palestinians in Gaza since Hamas' attack in October 2023. The Israeli occupation and accelerating annexation through the expansion of settlements has worsened since the start of the war, as have the multiple forms of physical and structural violence faced daily by Palestinians. The occupation places extremely tight restrictions on movement and Palestinians' access to natural resources and land. One of the consequences of the occupation is the impact of Israel's policies which reduce the access of Palestinians to adequate supplies of clean and safe water.

In the occupied Palestinian territory, the integral ecology project has involved working with students to advocate for the Palestinian natural and cultural environment. Students have developed their skills through training and have led campaigns on key, local environmental issues. Young women's groups in the southern West Bank (Bethlehem and Hebron) have also been supported to develop their communications and influencing skills and advocacy actions.

The project, led by the Arab Educational Institute, has had a significant impact in terms of the connections and communities it has brought together, improving relationships with and among community members, and creating networks, bonds and solidarity locally, nationally and internationally.

A strong sense of community created in the occupied Palestinian territory has been felt among participants. One of the facilitators describes how "I had a deeper connection with students and community members, and I felt like I was not just a facilitator. Rather, it has become a source of inspiration and motivation".

AEI staff at the separation wall in Bethlehem.

Goal

5

Middle East response

Over 830,000 people in Lebanon have been displaced by bombing and fighting in the south of the country, the Bekaa valley and the southern suburbs of the capital, Beirut. Humanitarian needs are severe as people need a safe place to stay, food and water.

In the occupied Palestinian territory (oPt), increased Israeli restrictions have had immediate humanitarian impacts in Gaza, affecting access to aid, services, and essential supplies. CAFOD's partners are impacted by a lack of fuel for their operations. Spiralling settler violence across the West Bank is intense and often fatal, the goal being to forcibly displace communities.

In response, CAFOD released £167,000 from our General Emergency Funds (GEF) to our partners in Lebanon enabling them to start responding immediately, providing shelters for displaced families, emergency food, first aid, and cash grants. Small grants to grassroots community groups have been released quickly to fill the immediate needs of marginalised groups, like people with disabilities or migrant workers. In addition, £30,000 of GEF was released to partners in oPt who are supporting communities impacted by violence.

830,000+

people in Lebanon have been displaced

£167,000

released from our General Emergency Funds to our partners in Lebanon

Supporting people affected by conflict and violence

Goal 5

Our continued support

As of February 2026, 9.6 million Ukrainians were displaced by the conflict – 3.7 million within the country and 5.9 million registered as refugees around the world.

As of January 2026, 10.8 million people were in need of humanitarian aid in Ukraine. International funding continues to fall well short of needs, with only a fraction of this number receiving assistance. After four years of conflict, every Ukrainian has been touched by the war in some way.

Our local partners continue to stand alongside our sisters and brothers in Ukraine, providing life-saving assistance such as shelter, food and blankets.

Tuesday 24th February 2026 marked four years since Russia's full-scale invasion of Ukraine. Sadly, it is civilians like Ruslana (pictured right) who are experiencing the harshest impact of the war, with 2025 marking the deadliest year for civilians.

Ruslana's story

Ruslana has spent her whole life in Kharkiv. When the full-scale war began, she and her family fled the city, seeking safety in Poland. After ten months in displacement, caring for her young child and elderly mother they made the difficult decision to return home, determined to rebuild their lives in the city they love.

In March 2025, shelling struck close to Ruslana's apartment building. The blast shattered windows, cracked walls and sent shrapnel into her home. The damage was severe and the danger immediate. Remarkably, no one was injured – something Ruslana describes as a miracle.

Thanks to the generosity of supporters, Depaul Ukraine was able to act quickly. The team assessed the damage, arranged materials and installed new windows, restoring safety and warmth to the family's home. Without this rapid support, Ruslana would have faced months living in unsafe conditions or the impossible cost of repairs herself.

"Everything changes when you have proper windows," Ruslana says. "We didn't have to wait or worry, it brought real relief."

Today, despite ongoing risks, Ruslana and her family are choosing hope. Her child dreams of peace and of one day being reunited with her grandmother, who remains separated from them by the conflict.

Ruslana's story is one of many made possible through donor support. Practical interventions like timely repairs help families stay safe, remain in their homes and hold onto hope amid ongoing uncertainty.

Above: Ruslana, 33 and her daughter, whose home was damaged during the conflict, Ukraine.

To find out more information about how CAFOD and partners are responding to people's needs in Ukraine, and how you can help support us scan the QR code.

Defending the Heart of the World in Sierra Nevada de Santa Marta

In Colombia's Sierra Nevada de Santa Marta – known by Indigenous Peoples as the Heart of the World – the Wiwa and Kankuamo communities face pressure from armed conflict, illegal economies (including illegal gold mining) and a worsening climate crisis.

With CAFOD's support, our partner The Center for Popular Research and Education (CINEP) is working with Indigenous leaders to strengthen community protection and advocacy, helping to prevent forced recruitment, protect rights and keep communities safe.

The Kankuamo Women's Commission has set up an observatory to record violence against women and children, so risks can be identified earlier and survivors are better supported, including through pathways to justice. The Wiwa Youth and Communications Commission has grown to 16 trained young communicators – building skills in radio, photography and video. Communities also requested drones to monitor territory and sacred sites more safely, particularly where illegal mining is present. Their communications now reach more than 20,000 Wiwa community members and wider audiences online.

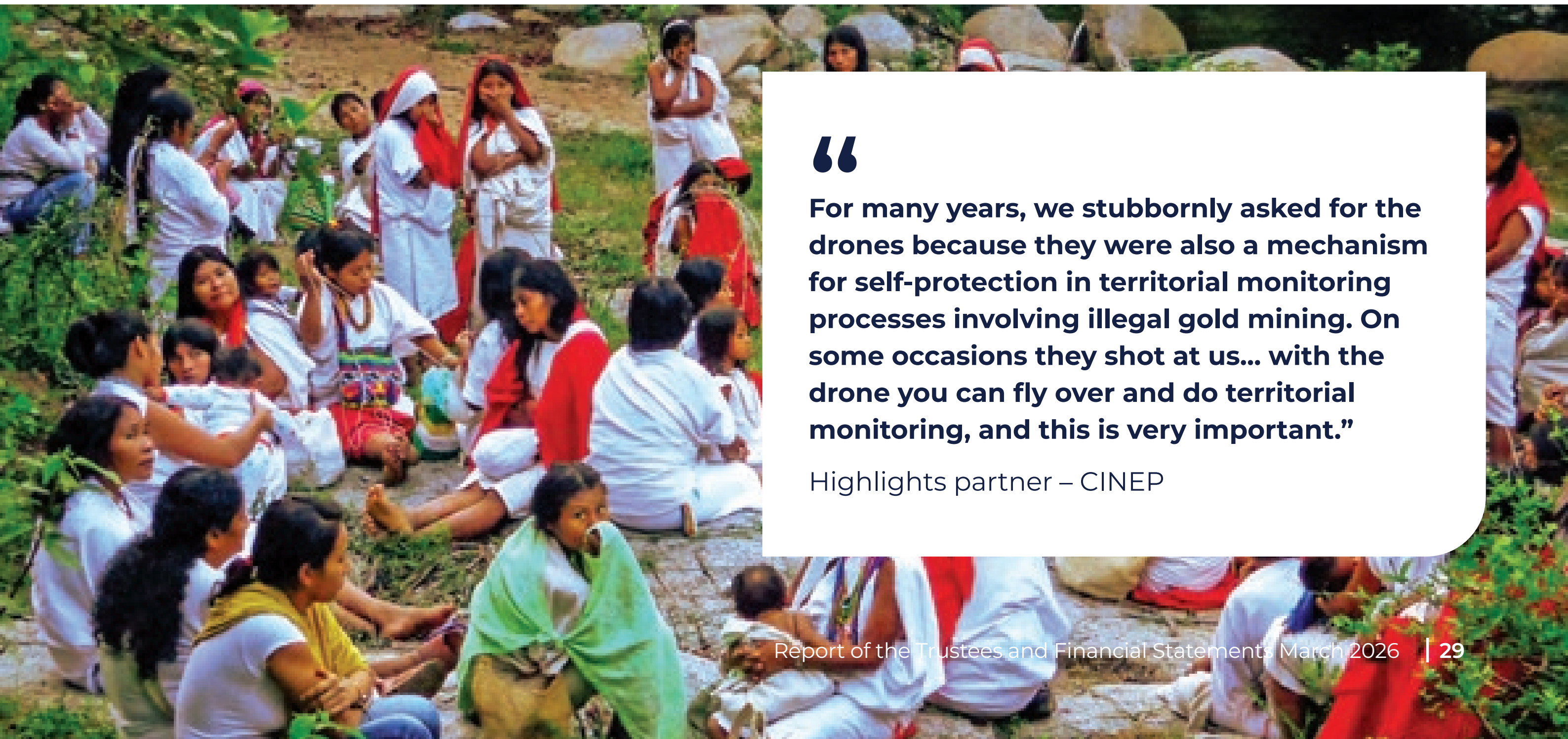
Together, this work demonstrates the impact of trusted, Indigenous-led approaches – supporting resilience, cultural survival and environmental care while creating safer futures for children and young people.

Outcomes to date

- **No young person directly involved in the project has joined an armed group.**
- **Improved community protection through safer territorial monitoring and stronger coordination.**
- **Enhanced documentation and prevention of violence against women and children, supporting access to justice.**
- **Strengthened cultural transmission and environmental stewardship through youth-led communications reaching 20,000+ people.**

Sofia, from the Zhimashai Communication Committee of the Wiwa Peoples, has learned to use cameras, operate drones, interview community members and edit audio and video. She especially enjoys creating graphic designs, combining her artistic skills with communications to share Wiwa culture. The committee hopes to keep working together and produce films that can be shown nationally and internationally, helping more people learn about and strengthen their culture.

Below: Members of the Wiwa community at a traditional gathering, Colombia.



"For many years, we stubbornly asked for the drones because they were also a mechanism for self-protection in territorial monitoring processes involving illegal gold mining. On some occasions they shot at us... with the drone you can fly over and do territorial monitoring, and this is very important."

Highlights partner – CINEP

Transformative inclusion and inspiring communities in England and Wales

Goals

1 3

Our commitment to diaspora communities

Our diaspora engagement work has continued to grow in depth, visibility, and impact. Against the backdrop of a troubling rise in anti-migrant sentiment and protests across England and Wales, this work has never been more important. At its heart, our approach has remained rooted in encounter, trust, and the amplification of lived experience.

Throughout the year, we have connected with diverse Catholic communities and networks, recognising the Church as a vital engagement point for connection and fostering belonging.

The Ugandan Catholic communities gathered from across London and beyond to celebrate and commemorate the Ugandan Catholic Martyrs in June last year, offered powerful moments of unity, faith, and cultural expression. CAFOD had a presence at this event - supporting the organisers, with CAFOD volunteers and staff participating throughout the day. These encounters continue to remind us of the richness and diversity within the Church, and the importance of being present alongside lay leaders and community members.

Our regional England and Wales colleagues continue to play a key role in this effort, attending diaspora Masses and cultural events in their respective parishes and dioceses; building relationships that extend beyond one-off interactions.

The African Diaspora Reference Group of people with vast experience, give their time to guide, support and challenge CAFOD by sharing their insights and feedback on core work, such as volunteer induction and training, Fast Days and Campaigns, helping to shape more inclusive and representative engagement.

We have also embraced creative and engaging ways to connect with the African diaspora Catholic communities. We are grateful to Cardinal Peter Turkson for recording a Jubilee message during a visit to the UK, and to Olayemi Adelekan for sharing her Nigerian "puff" donut recipe as an alternative to pancakes to mark a joyful Shrove Tuesday. CAFOD Volunteer Nana Churcher co-hosted our live Jubilee webinar and she created lively social media engagement.

These moments have celebrated cultural diversity while inviting wider engagement and participation.

It was a privilege to have Fr Desmond Edozie of Hallam Diocese, who was on annual leave in Nigeria, meet CAFOD partner organisations and members of community groups who shared their experiences of working for change with CAFOD. We continue to work with Fr Desmond to share his experiences of his visit with parish groups.

Fr. Desmond said: "It was truly inspiring to witness first-hand the work of local partners and communities, drawing on their knowledge, skills and experience to create sustainable solutions to the challenges they face. One example was the sweet potato project I visited. The humble sweet potato is a nutritious crop that families can grow, eat and sell, helping to address hunger, improve livelihoods, and build resilience to a changing climate.

"Seeing local people leading change in their own communities reminded me that lasting transformation comes when people are empowered to use their God-given gifts and talents. This is our faith in action: putting the love of neighbour into practice and walking alongside others to build a more just, compassionate and sustainable world."

As we look ahead, our focus remains on deepening relationships, building on how diaspora communities are not only present but integral to the life and mission of CAFOD across the Catholic community of England and Wales. In a time of increasing division, this commitment to a culture of encounter and inclusion offers a hopeful and important way forward, helping to foster a deeper sense of belonging for a better world.

Top: Parishioners celebrate the Ugandan Martyrs at an annual mass in Ealing, UK.

Above: A parishioner signing the global church petition at the Ugandan Martyrs Mass in Ealing, UK.

Right (top): CAFOD attended the Westminster Festival of Hope in June 2025, held at Westminster Cathedral.

Right: CAFOD parish volunteers Prashan, Rohini, Father Daniel, Nana and Ravenna at their Harvest Family Fast Day Mass in Enfield, London.

Priorities looking forward

CAFOD's work is focused on achieving a set of medium-term outcomes across our six strategic goals. In Financial Year 26/27, we will focus on three priorities we believe will make the biggest impact in progressing towards those medium-term outcomes – improving partnership and funding practices, strengthening supporter engagement and improving internal systems.

Priority 1: Improving partnership and funding practices

What we are doing:
We are strengthening how we work with partners by introducing more context-specific and locally led approaches to partnership and funding. This includes providing longer-term, more tailored funding and support, reducing unnecessary administrative burden, and maintaining strong but proportionate due diligence. We will also engage in key opportunities that are available this year, including the G20, to influence wider sector and policy shifts towards local leadership.

How this contributes to change:
Strengthens locally led approaches, enabling partners to build capacity, influence systems and engage decision makers.

Intended Impact:
More effective, locally led programmes that reflect community priorities, alongside wider shifts towards locally led development.

Priority 2: Strengthening supporter engagement and income

What we are doing:
In 2026/27, CAFOD will make supporter engagement more joined up across awareness and giving. We will strengthen planning and coordination across teams, and create clearer links between prayer, campaigning and giving so people can take part more easily and feel part of our mission. We will also make better use of data to guide how we grow and sustain support.

How this contributes to change:
Clearer and more direct connections with our supporters will help us build stronger relationships and enables us to share how we are making the greatest impact through their support.

Intended longer term impact:
We will build a more active and committed supporter community, helping to sustain income and deepen engagement in prayer, action and giving. This will strengthen our ability to stand in solidarity with communities worldwide and bring about lasting change.

Priority 3: Improving internal systems

What we are doing:
In 2026/27, CAFOD will strengthen core systems so staff can focus more on work with partners, delivery and learning. We will simplify processes and improve how we collect and use information. We will take forward two key projects: our international programme database, to make programme information clearer and reduce administrative burden; and a new People system, to improve how we manage and support staff and understand our workforce.

How this contributes to change:
Simpler, better-connected systems will reduce administration and give teams clearer, more reliable information. This will support stronger decision making, more consistent ways of working, and more time spent with partners.

Intended longer-term impact:
CAFOD will be better able to deliver strong programmes and use resources well. Better systems and insight will strengthen accountability, improve performance, and help us deepen our impact in line with our mission.

Cross-cutting

Across all our work, we will continue to embed:

- **Inclusion and gender justice** – ensuring our work prioritises the most vulnerable and excluded
- **Environmental sustainability** – ensuring our work is environmentally sensitive and addresses environmental drivers of poverty and injustice
- **Safe and dignified practice** – through strong safeguarding and programme quality processes

These cross-cutting approaches shape how we design and deliver our programmes, partnerships and organisational practice across all areas of our work.

Organisational enablers

Underpinning our priorities and approaches are the organisational capabilities we continue to develop. In Financial Year 26/27 we will focus on:

- Strengthening our monitoring, evaluation and learning skills, building on the approaches developed in recent years to embed more consistent evidence-based decision-making
- Continuing to improve the quality, visibility and accessibility of our data, and build confidence across the organisation in how it is used
- Ensuring we have the right structures and ways of working to respond effectively to internal changes and an external context.

Together, these priorities and enablers are designed to ensure CAFOD remains effective, accountable and sustainable so that we can continue to stand with the world's poorest communities for the long term.

Young men at a Sports for
Peace Day, Zimbabwe.

Our organisation

Following the actions of Catholic women's organisations that held the first 'Family Fast Day' in 1960, CAFOD was formally established by the Bishops of England and Wales in 1962 'to channel the desire of the Catholic community to support people overseas to overcome poverty and injustice.'

CAFOD is constituted as a charitable company limited by guarantee (company number 09387398, charity registration number 1160384) and it does not have a share capital. CAFOD's governing document is the Memorandum and Articles of Association.

Governance

Board of Trustees

Our board of non-executive Trustees maintains a high standard of corporate governance. There are currently 14 Trustees, drawn from diverse backgrounds and bringing a broad range of experience and skills. The board has three officers – chair, vice-chair and honorary treasurer.

The appointment of Member Trustees must be ratified by the Standing Committee of the Bishops' Conference of England and Wales. Non-member Trustees are elected to the board by the Member Trustees. Trustees serve for up to two terms of four years, which may be extended in exceptional circumstances (such as where a particular skill cannot easily be replaced).

The CAFOD Board of Trustees aims to reflect the diversity of the Catholic community in England and Wales while ensuring the presence of required skills and competencies. Trustees are recruited through an open process, in line with the schedule of terms of office. Trustees serve voluntarily and do not receive personal benefits from CAFOD.

All Trustees have a tailored induction programme to familiarise them with their statutory responsibilities, their role within the board, the governance framework and CAFOD's mission and objectives. It is mandatory for all Trustees to undertake in-house designed training on Safeguarding.

Performance of the board, both collectively and individually, is reviewed annually, with a periodic external review.

An external governance review was conducted by the National Council for Voluntary Organisations (NCVO) between May-October 2025 – the final outcome report concluded that CAFOD demonstrated strong examples of good governance infrastructure, and commitment from both the Board and senior team to ensuring that decision-making practice is strong in the organisation.

The NCVO Governance Wheel exercise completed by the Board and senior team showed an organisation in an excellent position in terms of governance performance.

The themes which emerged as key areas of opportunity for CAFOD were:

- Succession planning in leadership
- Use and structure of sub-committees of the board
- Maintaining high-performing board culture

Committees

The Board has appointed three standing committees:

- Finance, Audit, Legal and Risk (FLAR), which advises the CAFOD Board of Trustees and the executive of CAFOD on financial, legal, audit, risk and related matters, to enable them to fulfil their duties and responsibilities.
- Strategy and Performance (SPC), which oversees delivery of CAFOD's organisational strategy by scrutinising performance, monitoring progress against priorities and ensuring resources and activities remain aligned with strategic objectives.
- Remuneration, which monitors remuneration policy and key salary decisions

Committees may include non-trustee specialist members, who voluntarily offer their expertise to assist the committees.

There are clear distinctions between the roles of the board of Trustees and senior management, to whom day-to-day operational management is delegated. Matters such as policy and strategic plans are prepared by senior management for consideration and approval by the board and its committees.

The key leadership team is the Executive Team set up to facilitate decision-making at management level.

Opposite: CAFOD Board of Trustees during their annual residential meeting – Oct 2025

Trustee risk management statement

Working to eradicate poverty involves inherent risk, particularly in fragile or conflict-affected settings. CAFOD manages risk proactively, embedding it in planning and decision-making across the organisation.

Trustees review the corporate risk register and risk appetite annually, while the Finance, Legal, Audit and Risk (FLAR) Committee reviews risks on a quarterly basis. Crisis management protocols are in place, and serious incidents are reported externally where required.

The security of staff is of utmost importance to CAFOD, and we strive to do all that we reasonably can to ensure that people are safe and secure as they carry out their work.

We continue to develop security risk management best practice at all levels and across all activities. In 2025 our Security Policy and Crisis Management Framework were both revised.

Appropriate staff training is provided and in 2025 our security team conducted a simulation exercise. This was a structured, scenario-based drill that mimics real-world crises and allows our teams to rehearse their responses in a controlled environment.

Some of the tangible benefits observed were:

- **Realistic Training:** The simulation exposed teams to high-pressure situations, helping them develop appropriate reactivity for decision-making under stress.
- **Gap Identification:** They revealed opportunities to improve existing plans, communication protocols, and resource allocation.
- **Cross-Functional Collaboration:** The exercise brought together different teams, fostering coordination and helped to break down the inherent dangers of silo mentality. We work together, not as individuals.
- **Continuous Improvement:** The post-exercise debrief provided actionable insights that have helped us to refine our crisis response strategies.

By investing in this training and simulation, CAFOD can continue with confidence to cultivate a culture of readiness and agility.

We continue to develop security and risk management best practice

Principal risks and uncertainties

The following sets out CAFOD's key organisational risks and the mitigation measures in place:

Risk	Mitigation
Navigating economic uncertainties and emerging/global challenges	
Economic uncertainty, geopolitical conflict and climate change threaten income stability and programme delivery in affected regions.	CAFOD proactively engages donors and partners, adapts programming to emerging needs, maintains contingency reserves, and closely monitors income and expenditure to rebalance spending commitments as needed.
Organisational impact and accountability	
Failure to listen to and respond to complaints from people and communities undermines accountability and trust.	CAFOD has strong complaints and feedback mechanisms; in its work it strengthens decision-making frameworks, fosters internal collaboration, balances advocacy risks with partner safety, and promotes a safe, inclusive culture (internally and with external stakeholders) to surface issues of discrimination and power imbalance.
Non-compliance with safeguarding legislation, regulations or good practice across staff, volunteers, representatives and partners.	CAFOD invests in safeguarding expertise, delivers comprehensive staff training, embeds Safe, Accessible, Dignified and Inclusive (SADI) practices across programmes, and maintains robust reporting, investigation and trustee oversight mechanisms.
Stretched resources and high workloads risk staff wellbeing and organisational effectiveness.	Staffing requirements are embedded in programme design and functional strategy processes. A risk-based funding approval process flags capacity risk. Emergency surge capacity is available, and staff wellbeing is supported through a dedicated programme and family-friendly policies.
Safety and security	
Negligence in security arrangements for staff and representatives could result in injury, death or loss of assets.	A comprehensive security framework, including a Corporate Security Policy, Security Manual and Crisis Management Framework, is maintained. Security plans are updated regularly for all programme countries, mandatory training is provided, Security Managers oversee travel safety, and incidents are logged via CAFOD EthicsPoint.

Risk	Mitigation
Significant loss of income	
Loss of wider donor income, as well as reductions in government funding sources.	CAFOD has a new supporter fundraising strategy which is proving successful so far. For institutional funding, CAFOD diversifies its institutional funding base, applies a risk-based approval process for new bids to ensure capacity alignment, and maintains proactive donor relationship management. Income performance is monitored closely with mitigation strategies in place for identified shortfalls.
Regulatory changes at government/ organisational level	
Changes in charity law, data protection, employment legislation or international regulatory requirements could increase compliance burdens or restrict CAFOD's operations.	CAFOD has strong monitoring of the policy and compliance context across a number of teams, and takes external advice in keeping up to date at an appropriate and proportionate level.
Technology and Cyber Security	
Rapid technological change, including the increased use of Artificial Intelligence and evolving cyber threats, poses risks of operational disruption, data loss, and reputational damage if not managed proactively.	CAFOD is enhancing digital infrastructure through investment in secure systems, regular penetration testing, staff training and external specialist audits. AI use is subject to incident response protocols and GDPR compliance frameworks are well maintained, with Trustees receiving regular updates on digital risk.
Growing reliance on digital infrastructure increases exposure to cybersecurity threats, including data breaches, phishing and digital fraud, risking operational disruption, reputational damage and regulatory penalties.	CAFOD conducts regular penetration testing, delivers staff cyber hygiene training, and invests in secure cloud systems. GDPR compliance and incident response protocols are maintained, with periodic external audits and regular trustee briefings on cyber risk.
Reputational risks	
CAFOD faces the fall-out from reputational risks across the wider development sector, the Caritas family and the Church which may impact on the confidence and trust held in the organisation.	A strong complaints system, staff experienced in crisis management, good relationships with the Bishops Conference and the Church community.

Risk	Mitigation
Poor Quality or Strategic Alignment of Programmes	
Failure to capture systematic evidence of programme impact risks loss of funding, reputational harm and reduced learning to improve future work.	CAFOD continuously refines its programme model to ensure alignment with strategic objectives. This includes rigorous data collection, evaluation and learning processes, regular programme reviews, robust partner capacity strengthening, and transparent reporting to stakeholders.
Failure to engage effectively with the Catholic community in England and Wales (particularly during income-pressured periods) risks undermining long-term supporter relationships and financial sustainability.	CAFOD adopts an agile engagement approach, invests in digital and direct supporter relationships, actively gathers audience feedback, and regularly evaluates and adjusts engagement strategies to maintain relevance and deepen community participation.

We have invested in processes to identify and respond to these risks, with particular attention to the impact of reductions in UK and US aid funding, cybersecurity threats, and the governance of Artificial Intelligence.

We keep our risk management approach under regular review and are confident in our ability to navigate emerging challenges and continue delivering impact for vulnerable communities worldwide.

Below: Candles from a CAFOD solidarity event at the Ukraine Cathedral, London.

Statement of trustee responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations. Company and charity law require the Trustees to prepare financial statements for each financial year in line with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). They must not approve the financial statements unless satisfied that they give a true and fair view of the charitable company's state of affairs and of its income and expenditure for the period.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are also responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy its financial position at any time. These records must also enable the Trustees to ensure that the financial statements comply with the Companies Act 2006.

In addition, the Trustees are responsible for establishing the internal controls they consider necessary to enable the preparation of financial statements that are free from material misstatement, whether caused by fraud or error. They are also responsible for safeguarding the charity's assets and for taking reasonable steps to prevent and detect fraud and other irregularities.

For each Trustee in office at the date the annual report is approved:

- so far as that Trustee is aware, there is no relevant audit information of which the auditor is unaware; and
- the Trustee has taken all the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Public benefit

We review our aims, objectives and activities annually to ensure they remain aligned with our charitable goals. This Trustees' Annual Report details the significant activities undertaken to advance our mission. It describes the types of programmes delivered and the benefits they have provided to the communities we serve. In planning our activities and reviewing our objectives, the Trustees have had due regard to the Charity Commission's guidance on public benefit.

Compliance with Trustees' duties under section 172 (2) Companies Act 2006

Trustees must act in good faith in a manner that they believe will best promote CAFOD's success in achieving its charitable purposes. Day-to-day decision making is assigned to the Executive Director and other members of the Executive Team, who are required to further CAFOD's strategy and ensure that activities comply with agreed plans, policies and CAFOD's values. Controls and reporting mechanisms are in place, with the delegation policy updated on an ongoing basis and formally reviewed and approved by Trustees. In carrying out their duties, the Trustees have regard (amongst other things) to:

- The likely consequences of any decision in the long term
- The interests of the charity's employees

- The need to foster the charity's business relationships with suppliers, customers and others
- The impact of the charity's operations on the community and the environment
- Maintaining a reputation for high standard of business conduct
- The need to act fairly between members of the charity

Staff and volunteer engagement

In the financial year 2025-2026, we enjoyed high engagement at our all-staff and volunteer meetings which occur on a monthly basis. The most attended meeting reached 227 colleagues, with an average of 83% of attendees comprising staff in the UK and 17% joining from our national offices. Polling at each session saw an average of 98% of those taking part rating the meetings as excellent or good and an average of 91% saying that they gained new insights, ideas or perspectives as a result.

At these meetings, we represented diverse voices, from colleagues, partners and supporters in Palestine, Colombia, Sri Lanka, Kenya, Romania, Syria, UK, Sierra Leone, Ethiopia, Afghanistan, Bangladesh, Myanmar, Ukraine, Brazil, Democratic Republic of Congo, Bolivia, Nigeria, Israel and Italy.

2,088

Across this past year, CAFOD has been blessed by the generous service of 2,088 volunteers. Each person has offered their time, gifts, and faith, helping to bring hope and dignity to communities around the world.

4,265

Together, volunteers have carried out 4,265 assignments. Each assignment often brings together a number of different activities, moments of encounter, and acts of service. Each of these assignments connect and involve many more, with thousands of individual actions taking place in support of CAFOD's mission.

2,167

Assignments have taken place in parishes, where 2,167 have helped to nurture prayer, raise awareness, and invite others into solidarity with our global family.

1,817

In schools, 1,817 assignments have supported children and young people to grow in understanding, compassion, and a sense of justice.

281

A further 281 assignments have taken place across other areas of our work, including at events, in campaigning, fundraising, communications, and administrative roles.

This wide range of activity reflects a living community of service. In parishes, volunteers often help to organise collections, share stories from our partners, and invite moments of prayer and reflection. In schools, they help young people encounter the realities of our world and respond with care and action. In other roles, they support the wider mission, helping CAFOD to speak out, to raise the resources needed to fulfil our mission.

Behind these numbers is a deeper story of commitment and faith. Many volunteers have been walking with CAFOD for years, sometimes for decades, offering a steady and faithful presence. Their service is not only practical, but also spiritual. Many speak of how volunteering deepens their faith, helping them to feel connected to others and to God's call to love our neighbour.

Volunteers also share a desire to grow in their service. Some have told us how they welcome opportunities to become more involved, while others value the support and guidance that helps them carry out their role with confidence. What is most appreciated is support that feels personal and relevant, helping each volunteer to feel seen, heard, and equipped.

There is also a growing awareness of the need to reflect the richness and diversity of the communities we serve. Volunteers have encouraged CAFOD to reach out more intentionally to people from diverse backgrounds, so that all can feel welcome and represented. This is part of an ongoing journey, rooted in the belief that everyone has a place in this shared mission.

Throughout the year, volunteers have been kept connected through regular updates, shared moments of reflection, and opportunities to listen and be heard. This helps to sustain a sense of belonging and shared purpose.

Our volunteers are a story of people responding to a call. Through small and large acts of service, CAFOD volunteers continue to be a sign of hope, building a more just and compassionate world, one step at a time.

Below: CAFOD supporters at a COP 30 march in Manchester, UK.

If you want to learn more about volunteering for CAFOD or to apply for opportunites, please scan the QR code to visit our dedicated webpage.

Accountability

Modern Slavery

CAFOD maintains a zero-tolerance stance to modern slavery and human trafficking, and we are committed to ensuring we have practices in place to combat this.

We further developed our controls throughout 2025, strengthening our training provisions and supplier and partner management. Our Modern Slavery working group have further plans in place to strengthen our framework in 2026, including the introduction of an overarching Modern Slavery Policy and more analysis of risks in our supply chain.

Our most recent slavery and human trafficking statement can be found here: **cafod.org.uk/modern-slavery**

The Fundraising Regulator

Your gifts make our work possible, and we take that responsibility seriously. While the amount we receive and how we spend it may change each year, our commitment to using your support never does.

CAFOD is registered with the Fundraising Regulator and is committed to high standards in fundraising.

This year we reviewed our fundraising processes to make sure they are clear, up to date and aligned with the new **Code of Fundraising Practice**.

Our **Fundraising Promise** sets out what you can expect from us and how we work to earn and keep your trust.

Charity Governance Code

Trustees are committed to following the principles set out in the Charity Governance code to support CAFOD's good governance practices to better serve our stakeholders and achieve our mission.

Through careful agenda setting and regular meetings, Trustees ensure that they exercise leadership that drives CAFOD's organisational purpose, act with integrity and make informed decisions. Trustees are mindful of their responsibility to hold the Executive Team to account whilst also creating a supportive environment that models CAFOD's values.

In 2025 CAFOD undertook a voluntary independent external governance audit, this was conducted by NCVO and was carried out in line with the Charity Governance Code.

Looking ahead to ensure that we continue to monitor compliance and make improvements in line with the new Charity Governance Code, in the third quarter of 2026 CAFOD will revise the Governance Risk Register which will be fully realigned to meet the standards set out within the Code.

Safeguarding

CAFOD upholds high standards of professional conduct and has zero tolerance for misconduct, including abuse, exploitation, and harassment.

We have several channels for staff and representatives to report safeguarding breaches to us, including our online complaints and incident management system.

Over the past year we have:

- adapted our mandatory induction and refresher training, equipping staff to deliver safeguarding more effectively
- maintained our **Core Humanitarian Standard certification**, recognising progress made towards that all our partner organisations are able to handle feedback and complaints appropriately.

In the coming year we will be revising our Safeguarding Policy to ensure that it remains relevant to the needs of the organisation and is publicised in accessible formats.

In the last financial year, CAFOD handled 5 safeguarding reports involving individuals associated with CAFOD or our partner organisations. The outcome is summarised below.

We commit to supporting survivors in the way that best meets their needs, considering legal and cultural sensitivities. We are committed to being openly accountable for our work and to reporting serious breaches of our safeguarding policy to donors and the Charity Commission. We routinely review each case to identify any gaps in safeguarding policy or practice that led to the breach and ensure that these are robustly addressed, and additional safeguarding measures applied where necessary.

Description	2025/26
Total safeguarding allegations	
CAFOD representative	0
Partner representative	5
Allegations investigated	
Open cases	2
Closed cases	3
Allegation type (each case may involve more than one type of allegation)	
Sexual exploitation and abuse	1
Sexual harassment	2
Inappropriate conduct with a child	0
Other safeguarding policy violation	2
Outcome (closed cases)	
Substantiated	3/3
Action taken	
Termination of engagement/contract non-renewal	2
Other disciplinary corrective action	1
Non-disciplinary corrective action – such as capacity strengthening through training	0

Remuneration and gender pay gap report

CAFOD staff and Trustees carefully consider their responsibility as stewards of the resources entrusted to us. All employees should be treated with dignity and respect, which is why we are a Living Wage employer. Our remuneration packages reflect the skills and experience required for specific roles. The Board of Trustees sets the remuneration levels for the CAFOD Director; the executive team sets the remuneration for the rest of the CAFOD workforce. CAFOD is committed to ensuring a clear relationship between the Director's remuneration and that of CAFOD's entire workforce.

For our UK/International pay scales, the ratio between the highest and lowest paid staff is currently 4:1, with a maximum ratio set at 5:1.

In line with UK government requirements, we track and report on our gender pay gap annually. For April 2026, the mean stood at 2.88 per cent, compared with 5.05 per cent last year and the median is now at 0.00 per cent compared with 3.02 per cent last year.

The full gender pay gap report is available on our website: **cafod.org.uk/genderpayreport**

Anti-racism, equity, diversity and inclusion

CAFOD continues to strengthen its work on anti-racism and wider inclusion, recognising the close alignment between this agenda and the organisation's strategic goal of transformative inclusion. Over the past year, we have taken practical steps to build a more inclusive culture, embed equity more fully across our people practices, and create stronger foundations for lasting change. This has helped to deepen organisational awareness, increase shared ownership of inclusion, and reinforce our commitment to ensuring that dignity, participation and belonging are not only values we promote externally, but are also experienced internally by staff across the organisation.

During the year, CAFOD registered as a Disability Confident employer, developed its gender justice strategy, and strengthened its wellbeing offer for staff.

Together, these developments have advanced our progress towards a more inclusive, supportive and accountable workplace, while helping to align internal culture more closely with CAFOD's wider mission and values. Looking ahead, the implementation of a new HR information system will further strengthen this work by improving the quality of data, enabling better insight, and giving the organisation a stronger basis for measuring progress, identifying gaps and sustaining momentum on anti-racism, inclusion and engagement over time.

Opposite: Mary, a mother of five from South Sudan, received a full hygiene and water treatment kit from CAFOD partner Irish Aid during a cholera outbreak, helping to keep her family safe.

UK streamlined energy and carbon reporting (SECR)

SECR requires qualifying UK organisations to disclose annual energy use, associated greenhouse gas emissions, an emissions intensity ratio, the methodology used, and a brief narrative on energy efficiency actions taken during the year. SECR supports greater transparency over environmental performance and helps organisations monitor progress in reducing energy consumption and carbon emissions.

Emissions source	Scope	Carbon footprint (tCO2e) 2025/26	Variance % – 2024/25 vs 2025/26	Carbon footprint (tCO2e) 2024/25	Carbon footprint (tCO2e) 2023/24	Carbon footprint (tCO2e) 2022/23	Carbon footprint (tCO2e) 2021/22	Carbon footprint (tCO2e) 2020/21
Electricity use, Romero House	2	69.05	22.58%	89.19	85.99	84.29	104.30	130.53
Gas use, Romero House	1	9.11	57.13%	21.25	22.02	15.46	13.00	13.90
Electricity use, Volunteer Centres	1	0.14	63.16%	0.38	0.62	0.78	3.00	9.70
Gas use, Volunteer Centres	1	0.00	100.00%	1.53	3.20	4.62	8.90	7.85
TOTAL		**78.30**	**30.24%**	**112.24**	**111.83**	**112.47**	**129.20**	**165.82**

In 2025/26, CAFOD's SECR-specific carbon footprint totaled 78.30 tCO2e. **This is a 30% reduction compared to last year**.

The primary carbon reduction this year was driven by an over 50% decrease in gas usage in Romero House, achieved through changes to our heating and cooling infrastructure and digital controls on these systems.

BMS Optimisation: In May 2025, we upgraded our Building Management System (BMS). The new interface allows for proactive monitoring and more precise temperature control. By refining the system logic, we significantly reduced the frequency of gas boiler activations, prioritising our heat pumps.

Borehole Pump Modernisation: In June 2025, we replaced the 16-year-old borehole pumps with new units that are typically 15% to 20% more efficient. Given their 24/7 operation, this upgrade has improved the performance of our Ground Source Heat Pump system and further reduced our reliance on backup gas boilers during the winter.

Along with upgrades to our borehole pumps, we have also upgraded one of our heat pump sets on the cooling side of our system. These new pumps, combined with our borehole pumps, have been a contributing factor towards the 23% reduction we have seen in electricity usage this year.

Several more Volunteer Centres have closed, and others have relocated to smaller offices.

In 2025/26, we achieved our lowest SECR carbon footprint since reporting began, a significant year-on-year reduction. While this outcome is partly attributed to the absence of heating and cooling infrastructure failures – making this year an outlier compared to previous data – it remains a positive milestone. Moving forward, our focus is to build on this momentum by ensuring these lower emission levels are sustained through ongoing, incremental system upgrades.

Environmental stewardship update

Carbon Footprint: Our carbon footprint goes beyond the scope of SECR reporting, including our flights, print materials, and the impact of our international offices. We have now calculated a more comprehensive organisational carbon footprint, and a baseline for 2019/20. As stated in Our Common Home, we are committed to a 50% reduction against this baseline by 2030. In 2025/26, our organisational carbon footprint totaled 840.90 tCO2e. **This is a 33% reduction compared to the baseline** (1,256.33 tCO2e). This has been driven by a 44% reduction in flight-related emissions and aided by reduced natural gas consumption (UK), the 'greening' of the UK electricity grid, and reduced employee commuting (partially offset by the impact of homeworking). Looking forward, we will identify opportunities to further reduce our carbon footprint. We will also finalise our approach to 'Carbon In-setting' to tackle residual emissions. This will aim to incentivise programme teams and partners to adopt environmentally regenerative practices and apply new approaches to monitoring, evaluating and learning to better demonstrate the positive environmental impact of projects.

Flights

We took 554 flights in FY25/26, a reduction of 6.6% from FY24/25 and 34.8% against the FY19/20 baseline of 850 trips. Organisational changes have contributed to this sustained decrease in travel. However, flights remain the biggest contributor to our carbon footprint. Travel remains concentrated in operational and humanitarian programmes, particularly across Africa and fragile contexts. Overall, FY25/26 reflects more focused, necessary travel, balancing essential operational needs with continued progress toward reduction targets.

Programmes

Over the last year, refresher training has been delivered to programme teams on the Environmental Stewardship Tool (EST). The tool was rolled out across the International Programme last year, and criteria set out on which projects were required to complete it. Training is now offered as part of the induction package for colleagues in relevant roles in the International Programme. This year, a new monitoring system was designed and put in place to track our progress: the tool was mandatory for 14 projects and all 14 of them completed it, enabling them to better manage environmental risks generated from project activities, and support restoration and regeneration efforts. All International Programme colleagues were also invited to refresher training on the Caritas Community-led Disaster Risk Management methodology. An additional module was added to this training session on how to better integrate nature into programme design to support resilience.

This year, we also launched the **CAFOD Climate and Environment Approach and Practice Paper**. This paper highlights how environmental and climate concerns are considered across our programmes. We also launched a webpage on **climate and environmental programming**.

CAFOD was also featured twice in ECHO's (European Commission's Directorate-General for European Civil Protection and Humanitarian Aid Operations) publication on **Environmental Mainstreaming in Humanitarian Action**.

Looking forward, we will continue to offer induction and refresher training on the EST and launch a new induction course on agroecology. We will continue to document best practice on how we are responding to the Cry of the Earth, including a Learning Journey on Agroecology & Climate Resilience, working across 8 programmes, with 9 local partners and a university partner.

We will continue to explore opportunities to reduce the environmental impacts of our print materials within the scope of our fundraising strategy and wider supporter communications.

Below: A community kitchen in Beirut prepares meals for displaced people from the migrant community.

Fundraising statement

We have made a 'Fundraising Promise' to our supporters which outlines how we will behave when we fundraise to ensure our fundraising is legal, honest, open, transparent and accountable. We have a fundraising policy which covers the treatment of donors and donations. We respect the rights, dignity, and privacy of our supporters. We will not put undue pressure on supporters to make a gift and if a supporter does not want to give or wishes to cease giving, we respect their decision and act on this.

We offer supporters choices about how they wish to be contacted, and we respond to requests to end contact. We deliver most of our fundraising activity directly, with the exception of some payroll giving promotions. The professional payroll giving fundraisers who act on our behalf are responsible for responding to invitations by companies to speak to employees about the general benefits of payroll giving.

These fundraisers represent a wide range of charities and are not operating only on CAFOD's behalf. The agencies we use meet the standards outlined in the Fundraising Code of Practice. We welcome feedback from the public and respond to enquiries. We are registered with the Fundraising Regulator, have paid the levy and uphold the Fundraising Code of Practice. We continue to develop our policies and processes in line with best practice requirements.

The main fundraising activities undertaken by CAFOD for the financial year 2025/26 and the number of items of feedback about each are given below. A total of **195** complaints, comments, and opinions were received from our supporters. We did not receive any fundraising complaints reportable to the Fundraising Regulator, Charity Commission or the Information Commissioner's Office.

The level of feedback received continues to represent a small proportion of feedback in relation to the fundraising activities we undertook and all the communications we sent at **0.0011** per cent.

Feedback levels on our main fundraising channels

Online fundraising: 31
We received a lower number of complaints regarding users' online giving experiences in 2025/26. Of the complaints received, approximately a third were because of issues related to the fulfilment of online orders. We also received feedback concerning the optional website feature that enables supporters to cover transaction fees for the donation platform.

Postal direct mailing: 69
We observed a decline in the number of complaints from supporters, with approximately a quarter relating to order fulfilment issues. The remaining concerns primarily focused on fundraising efforts for Middle East projects, user errors encountered during online donations, and questions regarding organisational costs.

Email communications: 52
Similar to postal direct mailing, we received complaints about our fundraising efforts for Middle East projects, a dislike of the option to cover online fees and some examples where the online donation funnel defaulted to setting up regular donations instead of one-off donations.

We received a further 43 items of feedback across the other 12 fundraising channels we use.

Community members digging a trench before pipes are laid for a new solar-powered water system at Nyamuzeya Primary School, Zimbabwe.

Financial Review and Auditor's report

Financial review

Overview

CAFOD continued to operate effectively despite a challenging global environment, raising a total income of £52.8 million (2024/25: £56.2 million). Overall expenditure remained stable at £50.6 million while the organisation delivered significant charitable impact. Income performance reflects both the sustained generosity of supporters and ongoing pressures affecting institutional funding.

Income

This year has continued to strengthen our supporter income, driven by major gifts and individual giving.

General donations from individual supporters totalled £22.2 million, above last year's £20.1 million. Our community's steadfast generosity, particularly from parishes and schools, remains the foundation of our income, with the Catholic community in England and Wales providing over £37 million, inclusive of emergency appeal support.

Legacy income amounted to £13.7 million compared with £14.9 million in the previous year. Although lower than the prior year, this level remains above the long-term average, highlighting the ongoing importance of gifts in wills to the organisation's financial sustainability.

Emergency appeal income totalled £4.3 million, compared with £7.1 million in the previous year. This reduction is largely attributable to a lower number of Disasters Emergency Committee appeals during the period. Income raised directly for CAFOD appeals also declined slightly by £0.4 million.

Income from charitable activities decreased to £12.0 million from £13.5 million, primarily due to reduced funding from Caritas agencies, other Catholic organisations and institutional donors. This reduction was partially offset by an increase of £1.0 million in government grant income. Investment income and other income remained consistent with the prior year at £0.3 million and £0.2 million respectively.

Overall, the income profile reflects strong voluntary support alongside a more constrained external funding environment.

Expenditure

Total expenditure for the year was £50.6 million, unchanged from the previous year. This stability reflects the deliberate implementation of cost management measures designed to protect programme delivery while reducing operating costs.

Charitable activities accounted for £43.3 million, representing 86 per cent of total expenditure. Within this, £20.3 million was spent on international development programmes, while £19.4 million supported humanitarian response and disaster relief. A further £3.6 million was spent on UK education and global advocacy work.

The cost of raising funds was £7.3 million, representing 14 per cent of total expenditure and remaining consistent with the prior year. This level is considered appropriate to support the generation of sustainable income in an increasingly challenging fundraising environment.

CAFOD awarded 628 grants with a total value of £26.4 million (including foreign exchange gains and losses) across 30+ countries. These grants addressed a range of critical issues including humanitarian crises, climate change, poverty reduction, peacebuilding and livelihoods. The largest share of funding was directed to Africa, with £12.3 million, followed by Asia/Middle East/Europe at £10.4 million, and Latin America and the Caribbean at £3.0 million. This allocation reflects CAFOD's commitment to prioritising areas of greatest need.

CAFOD remains committed to ensuring that its resources are used efficiently and effectively to maximise charitable impact. The proportion of total expenditure directed towards charitable activities demonstrates a continued focus on delivering public benefit. At the same time, the cost of raising funds remains proportionate and is carefully managed to ensure long-term sustainability.

External factors affecting financial performance

CAFOD's financial performance continues to be shaped by global economic and geopolitical developments, including inflation, conflict, and currency movements.

Fluctuations in the GBP/USD exchange rate impacted our operations. At 31 March 2026, CAFOD's forward currency contracts were secured at exchange rates between 1.32 and 1.35 USD/GBP, with the actual spot rate at 1.32. This strategy mitigated volatility risks, resulting in a unrealised gain of £108,000 (2024/25: £35,000 unrealised loss). As many of our programme disbursements are denominated in US dollars, maintaining cost predictability through forward contracts remains essential.

Inflationary pressures have also increased programme delivery costs. At the same time, ongoing conflicts in regions such as Ukraine, Sudan and the Middle East have significantly increased humanitarian need, placing additional demand on resources. These realities pose serious challenges for raising funds and programme cost control across the sector.

Furthermore, although CAFOD no longer directly receives EU humanitarian funds, we continue to access EU funding via partnerships with European Caritas agencies and other INGOs. Diversification of funding sources remains an operational priority, particularly in response to reductions in UK and US government aid budgets.

Reserves and financial position

At 31 March 2026, CAFOD held total funds of £21.2 million (2024/25: £19.1 million). These comprised:

- £10.3 million in general funds
- £8.7 million in designated fixed asset funds, representing the net book value of our head office, Romero House.
- £1.8 million in restricted funds
- £0.4 million in a restricted permanent endowment fund

CAFOD maintains a reserves policy designed to ensure financial resilience and continuity of operations. The Trustees wish to maintain sufficient free reserves to limit the risk of disruption to CAFOD's charitable programmes associated with financial and other risks the organisation faces. Based upon the known cost profile of the organisation and on a possible shortfall of up to 10% in the budgeted general income and the need for up to two years to adjust programmes, the Trustees have established the target level of free reserves at 20 per cent of the planned annual general income for the coming years, which equates to a range of £6.5 million – £7.5 million.

Trustees will continue to monitor reserve levels carefully, taking account of financial risks, future income uncertainty and planned strategic investment.

Looking ahead, CAFOD will continue to focus on strengthening and diversifying income streams while prioritising spend in high-impact programmes. Maintaining financial resilience and strong governance will remain central to its approach.

Despite an uncertain external environment, the Trustees are confident in CAFOD's ability to adapt and to continue delivering meaningful and lasting impact for vulnerable communities.

Investment strategy

CAFOD's investment policy is designed to ensure that financial assets are managed prudently while reflecting the charity's ethical values. The primary objectives are to preserve capital, maintain sufficient liquidity to meet operational needs, and generate modest returns to support charitable activities.

Funds are held mainly as deposits with UK-regulated financial institutions in sterling, alongside transactional balances in foreign currencies to support international operations. In addition, CAFOD holds a permanent endowment fund, the capital of which is maintained in perpetuity and invested in an ethically screened common investment fund. Income from this fund is applied to support programme work.

Oversight of the investment policy is delegated to the Finance, Legal, Audit and Risk Committee, which monitors performance and compliance every quarter. The policy is reviewed annually by the Board of Trustees. The Trustees confirm that, during the year, investment activities were conducted in accordance with the policy and its objectives were met.

Going concern

The Trustees have considered CAFOD's financial position, including its level of reserves and projected cash flows, and are satisfied that the charity remains a going concern. CAFOD has adequate resources to continue in operational existence and to meet its obligations as they fall due for the foreseeable future.

+ Stephen Wright

The Right Reverend Stephen Wright
Chair of Trustees

Below: Children's play and learning activities in Gaza provided by the Culture and Free Thought Association.

Independent auditor's report to the members of Catholic Agency for Overseas Development

Opinion

We have audited the financial statements of the Catholic Agency for Overseas Development ('the charitable company') for the year ended 31 March 2026 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2026 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the Directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the Directors' report included within the Trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report included within the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 41, the Trustees (who are also the Directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Above: Parishioners celebrate the Ugandan Martyrs at an annual mass in Ealing.

Auditor's responsibilities for the audit of the financial statements

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

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud.

The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), taxation legislations and anti-fraud, bribery and corruption legislation. We also considered compliance with local legislation for the group's overseas operating segments.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, grants made to partners and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, internal audit and the Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, review of overseas office audit reports and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed

Dipesh Chhatralia
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

8 September 2026

Below: Community members and families working together at the Nyamuwe nutritional garden in northern Zimbabwe.

Khadiza with some saplings, Bangladesh.

Statement of Financial Activities

(Incorporating the income and expenditure account) for the year ended 31 March 2026

	Note	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2026 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2025 £'000
Income and endowments from:							
Donations and legacies	2	31,883	8,289	40,172	30,974	11,225	42,199
Charitable Activities	3	343	11,697	12,040	510	12,971	13,481
Other trading activities		65	0	65	48	0	48
Investments	4	297	22	319	230	21	251
Other income		171	0	171	177	0	177
Total		32,759	20,008	52,767	31,939	24,217	56,156
Expenditure on:							
Raising funds	5	7,175	150	7,325	7,178	111	7,289
Charitable activities:							
International Development	5	12,156	8,103	20,259	13,668	9,091	22,759
Disaster Relief	5	4,367	15,032	19,399	3,054	13,610	16,664
UK Development education	5	1,806	67	1,873	1,827	76	1,903
Advocacy and campaigning	5	1,724	62	1,786	1,936	15	1,951
Total	5	27,228	23,414	50,642	27,663	22,903	50,566
Operating surplus/(deficit)		5,531	(3,406)	2,125	4,276	1,314	5,590
Net gains/(losses) on investments	11	0	(50)	(50)	0	(32)	(32)
Net income/(expenditure)	7	5,531	(3,456)	2,075	4,276	1,282	5,558
Reconciliation of funds:							
Total funds brought forward		13,513	5,611	19,124	9,237	4,329	13,566
Total funds carried forward		19,044	2,155	21,199	13,513	5,611	19,124

CAFOD did not change any of its principal activities during the above financial years and there were no gains and losses other than those included above. Restricted funds above include permanent endowment funds with a current value of £407,746 (see note 11). All the charity's income and expenditure is derived from continuing operations.

Balance Sheet

as at 31 March 2026

	Note	2026 £'000	2025 £'000
Fixed assets			
Tangible assets	10	**8,712**	8,924
Investments	11	**408**	724
		9,120	9,648
Current assets			
Stock		**0**	0
Debtors	12	**2,815**	4,051
Short term cash deposits	21	**13,135**	6,063
Cash at bank and in hand	21	**5,703**	10,085
		21,653	20,199
Current liabilities			
Creditors: amounts falling due within one year	13	**(9,508)**	(10,628)
Net current assets/(liabilities)		**12,145**	9,571
Total assets less current liabilities		**21,265**	19,219
Pension scheme liability	16	**(66)**	(95)
Total net assets	19	**21,199**	19,124
The funds of the charity:			
Endowment funds	17	**408**	724
Restricted income funds:			
General donations and legacies	17	**133**	(3)
Emergency appeals	17	**2,303**	4,350
Income from charitable activities	17	**(699)**	535
Investment Income	17	**10**	5
Unrestricted funds:			
Designated fixed asset fund	18	**8,712**	8,924
Designated programme fund	18	**0**	0
General funds	18	**10,332**	4,589
Total funds	19	**21,199**	19,124

The financial statements were approved and authorised for issue by the Trustees on 16th July 2026 and signed on their behalf by:

+ Stephen Wright

The Right Reverend Stephen Wright
Chair of the Trustees

George Fitzsimons

George Fitzsimons
Honorary Treasurer

Cash Flow Statement

for the year ended 31 March 2026

	Note	**2026 £'000**	2025 £'000
Cash flows from operating activities			
Net cash provided by/ (used in) operating activities	20	**2,253**	5,375
Cash flows from investing activities			
Dividends and interest from investments		**319**	251
Reduction in cash deposits held as fixed assets		**267**	0
Purchase of tangible fixed assets		**(149)**	(41)
Net cash provided by/(used in) investing activities		**437**	210
Change in cash and cash equivalents in the reporting period	21	**2,690**	5,585
Cash and cash equivalents at the beginning of the reporting period		**16,148**	10,563
Cash and cash equivalents at the end of the reporting period		**18,838**	16,148

Below: A community celebration and commissioning ceremony of a new solar-powered borehole in Plateau State, Nigeria.

Notes to the Financial Statements

1. Accounting policies

Basis of accounting

CAFOD is a charitable company limited by guarantee incorporated in the United Kingdom (company number 9387398, charity registration number 1160384) with the liability of members (five in number) of £1 each. The registered office is: Romero House, 55 Westminster Bridge Road, London SE1 7JB. The nature of the charity's operations and principal activities is described in the Trustees' Report accompanying the Financial Statements.

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) (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and applicable company and charity law in the UK.

Having reviewed the financial position and future plans for the charity, the Trustees have identified no material uncertainties related to events or conditions that cast significant doubt on the charity's ability to continue its activities for the foreseeable future. In light of the disruption to some normal activities during the coronavirus pandemic and with the short- and longer-term economic uncertainty as to funding levels this has entailed, CAFOD has undertaken a range of measures to ensure financial sustainability. This includes adapted budgets, scenario planning, financial modelling, risk analysis and ongoing cashflow forecasting and monitoring. CAFOD has the flexibility to adapt our financial management, including the utilisation of contingency reserves and to adjust expenditure as needed, in response to income levels.

Accordingly, the Trustees continue to adopt a going concern basis in preparing the financial statements.

The charity is a public benefit entity as defined in FRS102.

Income

Unrestricted income is available for expenditure approved by the Board. Restricted income is available for expenditure in accordance with the purpose specified by the donor. Income is credited to the Statement of Financial Activities when entitlement can be demonstrated, receipt is probable and the amount can be reliably measured.

Donations and legacies:

Donations from supporters are accounted for when received. Pecuniary legacies are recognised on notification provided there is no known dispute and evidence there are sufficient monies in the estate to make a distribution. Entitlement to other legacies is deemed to be at the earlier of payment being received or notification of a distribution or notification of the final estate accounts being approved by the executors.

Charitable activities:

In respect of income from governments and other institutional donors, entitlement is obtained when only administrative requirements exist and all disbursement and other entitlement conditions are satisfied.

Expenditure

Expenditure is included in the Statement of Financial Activities when incurred and includes attributable input VAT which cannot be recovered. Expenditure is categorised both by type (namely grants to partners, activity costs and support costs) and by purpose (namely raising funds and charitable activities); an analysis of total expenditure by type and by purpose is given in note 5.

Grants and programme payments:

Grants to third parties are charged to the Statement of Financial Activities when they have been approved and where a binding commitment has been made to the partner organisation. Grants represent funds made available to partner programmes and comprise either cash funds transferred to the partners or in-kind provision of goods and services procured on their behalf. Programme grants that have been approved but not yet disbursed at the balance sheet date are carried forward as programme creditors in the balance sheet.

Programme payments are CAFOD-managed programme activities made in support of partners.

Activity and support costs:

Activity costs include the costs of all teams in CAFOD, other than Finance, Facilities, the Directorate, Governance, IT and People and Performance functions, which are classified as support costs. Governance costs include the costs of internal and external audit, Board expenses and an apportionment of the salary costs of the senior executive team, relating to time spent by them on the governance of CAFOD's activities.

Activity costs are attributed directly to expenditure purpose headings. Support costs are allocated to expenditure purpose headings on the basis of the full-time equivalent number of staff contributing towards each purpose. The expenditure purpose headings are:

Raising funds:

Raising funds costs are the costs of generating income for the charitable purposes of the charity;

Charitable activities:

International development: work with poor and disadvantaged communities in the global South to overcome poverty and bring about sustainable development and well-being;

Disaster relief: work to protect lives and relieve suffering during emergencies and reduce the risks to vulnerable communities as a result of conflict and natural disasters;

UK development education: work to raise understanding of the causes of poverty and injustice to inspire a commitment to lasting change;

Advocacy and campaigning: challenging those with power to adopt policies and behaviour that promote social justice and end poverty.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange ruling at the date of the transaction. Financial assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rate of exchange on that date and any gains/(losses) on exchange are credited/(debited) to the Statement of Financial Activities. Foreign exchange forward contracts are included on the balance sheet at their fair value and realised and unrealised gains/(losses) are credited/(debited) to the Statement of Financial Activities.

Pensions

CAFOD operates four contributory money purchase pension schemes. Scheme funds are independent of CAFOD's finances. Three schemes are administered by The Pensions Trust and the fourth by Pi Partnership Group (formerly Fairfield Pension Trustees Limited).

One of the schemes that CAFOD is a member of is the Pensions Trust's Growth Plan. The Growth Plan is a money purchase pension scheme which also has some historical guarantees. This is a multi-employer pension scheme for which it is not possible to identify separately the assets and liabilities of participating employers and, as such, CAFOD's regular payments in respect of this plan are charged in the Statement of Financial Activities on a defined contribution basis. A liability is recognised for the present value of agreed additional contributions payable to fund a deficit in this plan related to past service.

Fixed assets

(i) Tangible assets

Tangible assets costing £1,500 or more are capitalised. Depreciation on assets is charged from the date of first usage and provided on the straight-line method at the following annual rates in order to write off each asset over its estimated useful life:

- Leasehold land and buildings (subject to annual impairment review): 1-2% on cost

- Plant and machinery: over 15 years and refurbishment 10 years
- Computers, office furniture and equipment and motor vehicles: 20% on cost

(ii) Intangible assets

Software development costs are recognised as internally generated intangible assets.

Intangible assets costing £50,000 or more are capitalised.

Amortisation on intangible assets is charged from the date of first usage and provided on the straight-line basis in order to write off each intangible asset over its estimated useful life of five years.

Investments

Investments are included on the balance sheet at their market value at the end of the financial year. Realised and unrealised gains/(losses) are credited/(debited) to the Statement of Financial Activities in the year in which they arise.

Cash and cash equivalents

Cash and cash equivalents include deposits repayable on demand without penalty. Short term money market deposits and fixed term cash deposits which do not meet this criterion are held under current assets as short-term deposits. Cash and bank deposits are stated at the cash amount.

Other financial assets and liabilities

Debtors and creditors are stated at the settlement amount after any applicable discounts.

Fund accounting

Designated funds comprise funds set aside out of unrestricted funds for specific future purposes.

General reserves represent those monies that are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or contributions subject to conditions imposed by donors.

Endowment funds comprise monies that must be held indefinitely as capital. Income therefrom is credited to general funds and applied for general purposes unless under the terms of the endowment such income must be used for specific purposes, in which case it is credited to restricted funds.

Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the term of the lease.

Financial instruments

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand, short term cash deposits and the group's debtors excluding prepayments. Financial liabilities held at amortised cost comprise the group's short- and long-term creditors excluding deferred income. Other than the pension scheme liability, no discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial. The pension scheme deficit liability is expected to be settled over 24 months from the balance sheet date and is discounted appropriately.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The items in the accounts that are considered to involve the most significant judgements and sources of uncertainty through estimation, when applying CAFOD's accounting policies include:

- revenue recognition where judgement is required to appropriately apply the income accounting policies explained in accounting policy note 1 above, from governments and other institutional donors and for legacy income;
- whether a provision for disallowed expenditure under donor funding arrangements is judged to be appropriate;
- cost allocation methodology requires judgement as to the most appropriate bases to use to apportion support overheads and governance costs between raising funds and the charitable expenditure categories (see note 5).
- determining the appropriate discount rate for valuing the future pension deficit contributions for CAFOD's main pension liabilities (see note 16).

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date, are likely to result in a material adjustment to their carrying amounts in the next financial year.

2. Income from donations and legacies

	Unrestricted Funds £'000	**Restricted Funds £'000**	**Total Funds 2026 £'000**	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2025 £'000
General donations from supporters	**17,933**	**4,264**	**22,198**	15,615	4,521	20,136
Legacy income from supporters	**13,649**	**14**	**13,663**	14,935	0	14,935
Emergency donations from supporters	**185**	**1,619**	**1,804**	231	2,021	2,252
Emergency donations via Disasters Emergency Committee	**116**	**2,392**	**2,508**	193	4,683	4,876
Income from Donations and Legacies	**31,883**	**8,289**	**40,172**	30,974	11,225	42,199

Income from donations includes emergency donations received from the Disasters Emergency Committee (DEC), a group of 15 leading UK aid charities that come together in time of crisis and Emergency appeal donations from supporters.

3. Income from charitable activities

	Unrest-ricted Funds £'000	**Rest-ricted Funds £'000**	**Total Funds 2026 £'000**	Unrest-ricted Funds £'000	Rest-ricted Funds £'000	Total Funds 2025 £'000
Caritas and other Catholic agencies (a)	**101**	**4,775**	**4,876**	229	6,510	6,739
Government grants (b)	**152**	**3,350**	**3,502**	128	2,424	2,552
Institutional and other grants (c)	**90**	**3,572**	**3,662**	153	4,037	4,190
Income from charitable activities	**343**	**11,697**	**12,040**	510	12,971	13,481
(a) Caritas and other Catholic agencies:						
Caritas Australia	**23**	**422**	**445**	15	382	397
Caritas Belgium	**0**	**0**	0	(2)	(44)	(46)
Caritas Denmark	**2**	**42**	**44**	0	0	0
Caritas Finland	**1**	**122**	123	0	(3)	(3)
Caritas Germany	**0**	**120**	**120**	56	225	281
Caritas Internationalis	**3**	**64**	67	(2)	(74)	(76)
Caritas Italy	**4**	**170**	**174**	1	188	189
Caritas Japan	**0**	**0**	**0**	0	17	17
Caritas Korea	**0**	**76**	**76**	6	148	154
Caritas New Zealand	**0**	**0**	**0**	0	4	4
Caritas Poland	**0**	**77**	**77**	0	0	0
Caritas Norway	**5**	**347**	**352**	4	260	264
Caritas Spain	**0**	**47**	**47**	11	280	291
Caritas Sweden	**0**	**4**	**4**	2	84	86
Caritas Switzerland	**0**	**4**	**4**	0	0	0
Caritas Europe	**0**	**7**	**7**	0	0	0
Cordaid	**4**	**4**	**8**	0	84	84
Catholic Relief Services	**0**	**109**	**109**	6	406	412
Development & Peace	**36**	**1,004**	**1,040**	123	2,151	2,274
Danish Church Aid	**3**	**48**	**51**	0	0	0
Manos Unidas	**0**	**0**	**0**	0	68	68
Misereor	**0**	**198**	**198**	0	160	160
Scottish Catholic International Aid Fund	**0**	**15**	**15**	0	47	47
Norwegian Church Aid	**19**	**469**	**488**	0	0	0
Secours Catholique	**0**	**45**	**45**	9	301	310
Trócaire	**1**	**1,352**	**1,353**	0	1,826	1,826
Vastenactie	**0**	**29**	**29**	0	0	0
Income from Caritas and other Catholic agencies	**101**	**4,775**	**4,876**	229	6,510	6,739

3. Income from charitable activities (continued)

	Unrestricted Funds £'000	**Restricted Funds £'000**	**Total Funds 2026 £'000**	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2025 £'000
(b) Government grants:						
UK Aid Matched Funding	**29**	**857**	**886**	48	842	890
European Union	**(1)**	**(9)**	**(10)**	5	12	17
Government of Guernsey	**2**	**101**	**103**	0	50	50
Government of Isle of Man	**2**	**23**	**25**	4	51	55
Government of Jersey	**39**	**516**	**555**	0	46	46
Government of the Netherlands	**0**	**(10)**	**(10)**	3	65	68
Government of Sweden	**2**	**639**	**641**	39	524	563
Government of Switzerland	**0**	**15**	**15**	0	0	0
United Nations agencies	**79**	**1,218**	**1,297**	29	834	863
Government grants	**152**	**3,350**	**3,502**	128	2,424	2,552
(c) Institutional and other grants:						
Hollyhock Foundation	**0**	**0**	**0**	18	182	200
Karlsson Játiva Charitable Foundation	**(27)**	**225**	**198**	18	182	200
Oak Foundation	**0**	**322**	**322**	0	692	692
Climate emergency collab Advisors	**17**	**166**	**183**	8	130	138
The Church of Jesus Christ of Latter-day Saints	**16**	**476**	**492**	41	1,203	1,244
Christian Aid	**7**	**396**	**403**	0	0	0
Action Aid	**0**	**8**	**8**	0	0	0
START	**73**	**1,816**	**1,889**	65	1,539	1,604
Joseph Rowntree Charitable Trust	**0**	**17**	**17**	0	0	0
Denise Coates Foundation	**0**	**76**	**76**	0	0	0
The Passionists	**0**	**6**	**6**	0	0	0
Others	**4**	**64**	**68**	3	109	112
Institutional and other grants	**90**	**3,572**	**3,662**	153	4,037	4,190

There were no unfulfilled conditions or contingencies relating to grants existing at the year end.

4. Income from investments

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2026 £'000	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2025 £'000
Interest receivable	**297**	**0**	**297**	230	0	230
Dividends receivable	**0**	**22**	**22**	0	21	21
Income from investments	**297**	**22**	**319**	230	21	251

5. Expenditure

	Grants & programme payments £'000	Activity costs Staff costs £'000	Activity costs Non-staff costs £'000	Support Costs Staff costs £'000	Support Costs Non-staff costs £'000	Total 2026 £'000
Raising funds:	**0**	**4,477**	**1,825**	**563**	**460**	**7,325**
International development	**12,621**	**4,106**	**1,244**	**1,259**	**1,029**	**20,259**
Disaster relief	**13,853**	**2,813**	**1,040**	**932**	**762**	**19,399**
UK Development education	**30**	**1,321**	**214**	**170**	**139**	**1,873**
Advocacy and campaigning	**39**	**1,317**	**153**	**152**	**125**	**1,786**
Charitable activities:	**26,542**	**9,557**	**2,651**	**2,512**	**2,055**	**43,316**
Total expenditure	**26,542**	**14,034**	**4,476**	**3,075**	**2,515**	**50,642**

	Grants & programme payments £'000	Activity costs Staff costs £'000	Activity costs Non-staff costs £'000	Support Costs Staff costs £'000	Support Costs Non-staff costs £'000	Total 2025 £'000
Raising funds:	0	4,587	1,591	600	511	7,289
International development	13,155	4,969	1,599	1,614	1,422	22,759
Disaster relief	12,564	2,100	769	659	572	16,664
UK Development education	29	1,302	260	167	145	1,903
Advocacy and campaigning	53	1,396	167	179	156	1,951
Charitable activities:	25,801	9,767	2,795	2,619	2,295	43,277
Total expenditure	25,801	14,354	4,386	3,219	2,806	50,566

5. Expenditure (continued)

	2026 **£'000**	2025 £'000
Information technology	**1,859**	1,810
HR and organisational development and safeguarding	**1,521**	1,703
Financial management	**825**	964
Premises and facilities	**744**	832
Strategic leadership	**203**	176
Governance (analysed below)	**438**	540
Support costs:	**5,590**	6,025

	2026 **£'000**	2025 £'000
Senior management	**188**	181
Legal and professional services	**48**	47
Internal audit	**120**	215
External audit	**75**	86
Board training and meeting costs	**7**	11
Governance costs:	**438**	540

Below: Obayedul Molla from Barishal, Bangladesh, carrying crops just harvested from his floating garden on his boat.

6. Grants and programme payments

Grants and programme payments are made up of: 514 grants (2025: 465) to third parties totalling £23.49m (2025: £22.84m), plus 114 CAFOD-managed grants (2025: 96) for programme payments made in support of partners for programme activities totalling £2.95m (2025: £2.90m), plus realised and unrealised exchange losses of £0.1m (2025: plus realised and unrealised exchange losses of £0.06m).

Details of grants to third parties and partner payments are provided in a Report of Grants for 2025/26 published on CAFOD's website **cafod.org.uk**

	2026 Number	**2026 £'000**	2025 Number	2025 £'000
Capacity strengthening	**177**	**3,706**	173	3,826
Emergency preparedness, response and recovery	**170**	**13,803**	123	12,535
Governance, accountability and transparency	**126**	**3,801**	109	3,627
Livelihoods, resilience and environment	**113**	**4,147**	123	4,499
Peace and reconciliation	**42**	**990**	33	1,253
	628	**26,447**	561	25,740
Realised loss on Foreign Currency		**203**		26
Unrealised (gain)/losses on Forward Currency contracts		**(108)**		35
	628	**26,542**	561	25,801
Africa (a)	**260**	**12,262**	266	13,769
Latin America and Caribbean (b)	**107**	**3,085**	104	3,078
Asia, Middle East and Europe (c)	**215**	**10,383**	151	8,305
Global, policy and education	**46**	**717**	40	588
	628	**26,447**	561	25,740
Realised loss on Foreign Currency		**203**		26
Unrealised (gains) / losses on Forward Currency contracts		**(108)**		35
	628	**26,542**	561	25,801

See note 15 on Forward foreign currency contracts.

6. Grants and programme payments (continued)

(a) Africa	**2026 no. of grants**	**2026 £'000**	2025 no. of grants	2025 £'000
Democratic Republic of Congo	**46**	**1,957**	54	3,553
Eritrea	**5**	**661**	6	1,028
Ethiopia	**1**	**435**	2	493
Kenya	**9**	**244**	10	175
Liberia	**12**	**187**	6	185
Mozambique	**2**	**24**	5	307
Niger	**0**	**0**	0	0
Nigeria	**35**	**838**	25	463
Sierra Leone	**24**	**762**	25	414
Somalia	**0**	**0**	0	0
South Sudan	**47**	**2,219**	47	2,942
Sudan	**28**	**3,505**	26	2,381
Eswatini	**1**	**15**	1	15
Uganda	**5**	**219**	6	203
Zambia	**0**	**0**	0	0
Zimbabwe	**32**	**683**	34	1,056
Libya	**0**	**0**	2	80
Multi-Country	**13**	**513**	17	474
Africa	**260**	**12,262**	266	13,769

(b) Latin America & Caribbean	**2026 no. of grants**	**2026 £'000**	2025 no. of grants	2025 £'000
Bolivia	**8**	**293**	11	364
Brazil	**18**	**734**	20	1,062
Colombia	**25**	**564**	18	489
El Salvador	**7**	**119**	9	138
Guatemala	**6**	**165**	6	155
Haiti	**0**	**0**	0	0
Honduras	**12**	**622**	4	123
Nicaragua	**0**	**0**	1	25
Peru	**11**	**237**	10	254
Venezuela	**0**	**0**	0	0
Multi-country	**20**	**351**	25	467
Latin America and Caribbean	**107**	**3,085**	**104**	3,078

6. Grants and programme payments (continued)

(c) Asia and Middle East and Europe	**2026** **no. of grants**	**2026** **£'000**	2025 no. of grants	2025 £'000
Afghanistan	**21**	**824**	16	1,145
Bangladesh	**25**	**641**	26	577
Cambodia	**0**	**0**	0	(11)
Israel	**6**	**231**	7	148
Lebanon	**29**	**1,355**	13	567
Myanmar	**35**	**1,676**	23	553
Pakistan	**0**	**0**	4	124
Philippines	**0**	**0**	1	30
Sri Lanka	**30**	**439**	15	275
Syria	**19**	**1,111**	15	1,195
Ukraine	**18**	**2,102**	10	2,383
Romania	**2**	**91**	1	39
Yemen	**1**	**20**	1	200
West Bank and Gaza	**22**	**1,763**	11	948
Multi-country	**7**	**130**	8	132
Asia, Middle East and Europe	**215**	**10,383**	151	8,305

7. Net expenditure

	2026 **£'000**	2025 £'000
Net income/(expenditure) is stated after charging/(crediting):		
Depreciation of tangible fixed assets	**360**	368
Operating leases: land and buildings	**24**	206
Auditors' remuneration	**75**	86
Auditors' remuneration:		
Audit of CAFOD		
UK (primary auditors, Crowe U.K. LLP)	**44**	44
Overseas (secondary auditors)	**31**	42
Auditors' remuneration	**75**	86

8. Taxation

CAFOD is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities. All of its income falls within the various exemptions available to registered charities.

9. Employees, Trustees and Volunteers

	2026 Employees average full-time equivalent number	**2026 Employees cost £'000**	2025 Employees average full-time equivalent number	2025 Employees cost £'000
Generating funds	**94**	**5,040**	98	5,187
International development	**115**	**5,364**	148	6,583
Disaster relief	**85**	**3,745**	60	2,759
UK Development education	**28**	**1,491**	28	1,469
Advocacy and campaigning	**25**	**1,469**	30	1,575
Total	**348**	**17,109**	363	17,573
Salaries		**13,868**		14,515
Employer's social security contributions		**1,602**		1,449
Employer's pension contributions		**1,638**		1,609
		17,109		17,573

The total average number (by headcount) of employees in the year was 365 (2025: 378).

Included in the above are costs relating to redundancy and compensation for loss of office of £493,783 (2024: £337,089) all of which were settled during the year.

The number of employees whose emoluments (excluding employer's national insurance and pension contributions) amounted to over £60,000 in the year was as follows:

	2026 Number	2025 Number
£60,001 - £70,000	10	13
£70,001 - £80,000	2	2
£80,001 - £90,000	6	5
£90,001 - £100,000	1	1

Total remuneration and benefits received during the year by CAFOD's highest paid member of staff was £97,332 (2025: £97,120) salary, £13,849 (2025: £12,147) employer's national insurance and £9,924 (2025: £9,924) employer's pension contribution. The total remuneration and benefits received during the year by the other key management personnel (2 persons) who have delegated responsibility for the Strategy and Performance Committee and the Finance Legal Audit and Risk Committee was £164,925 (2024: £169,484) salary, £23,237 (2025: £20,878) employer's national insurance and £22,834 (2025: £19.407) employer's pension contribution.

9. Employees, Trustees and Volunteers (continued)

Trustees

The Trustees do not receive any remuneration for their services. In the year, CAFOD paid £734 on travel for Trustees, £243 on catering during meetings. (2025: £560 on travel for Trustees, £689 for accommodation and £135 on training).

One residential meeting was held in this financial year. There are no other related party transactions requiring disclosure within the financial statements.

Volunteers

In addition to employed staff and Trustees, CAFOD relied on the services of 2,088 volunteers (2025: 2,048) who carried out a total of 4,265 assignments (2025: 3,776); 2,167 Parish-based assignments (2025: 2,095), 1,817 school-based assignments (2025: 1,368) and 281 other assignments in a range of volunteer roles such as campaigning, fundraising, media, office support and youth work (2025: 313).

10. Tangible fixed assets

	Leasehold land and buildings £'000	Office equipment £'000	Motor vehicles £'000	Total tangible fixed assets £'000
Cost at 1 April 2025	11,562	324	665	**12,551**
Additions	64	30	55	**149**
Disposals	0	(60)	(18)	**(78)**
Cost at 31 March 2026	**11,626**	**294**	**702**	**12,622**
Depreciation at 1 April 2025	2,847	260	520	**3,627**
Charge for the year	255	29	76	**360**
On disposals	0	(60)	(17)	**(77)**
Depreciation at 31 March 2026	**3,102**	**229**	**579**	**3,910**
Net book value at 31 March 2026	**8,524**	**65**	**123**	**8,712**
Net book value at 31 March 2025	8,715	64	145	8,924

Leasehold land and buildings held at 31 March 2026 relates to Romero House net book value of £8.5m

11. Investments held as fixed assets

	2026 £'000	2025 £'000
Permanent endowment fund	**408**	724
Investments held as fixed assets	**408**	724

The permanent endowment fund is invested in CCLA Charities Ethical Investment Fund Income Units at a historic cost of £261,255 (as at 31 March 2025 £449,024). The movement on investments during the year was:

	2026 £'000	2025 £'000
Market value at 1 April	**724**	756
Expenditure in the Year	**(266)**	0
Unrealised gains/(losses)	**(50)**	(32)
	408	724

The Permanent Endowment relates to the Sister Laura Tanti Foundation for which CAFOD has received cumulative donations as of 31 March 2026 of £261,255 (2025: £421,155) held under trust deeds. The Trustees of CAFOD agreed to release £266,302 during the year as permitted by the endowment agreement.

12. Debtors

	2026 £'000	2025 £'000
Interest receivable	**32**	15
Taxation recoverable	**269**	499
Accrued income	**1,604**	2,740
Prepayments	**695**	692
Other debtors	**107**	105
Forward foreign currency contracts (note 15)	**108**	0
Debtors	**2,815**	4,051

Included in accrued income above is an amount of £1,051,873 (2025: £918,224) relating to legacies. As at 31 March 2026, CAFOD also has entitlement to a number of legacies from estates for which the administration has yet to be finalised. The future income from these legacies is estimated at £14,174,953 (2025: £11,772,928), though we do not expect all of this to be received in the next financial year.

13. Creditors: amounts falling due within one year

	2026 **£'000**	2025 £'000
Programme creditors	**7,729**	8,387
Taxation and social security	**339**	403
Other creditors and accruals	**1,411**	1,773
Interest free loans from supporters	**29**	30
Forward foreign currency contracts (note 15)	**0**	35
Creditors	**9,508**	10,628

Other creditors and accruals include pension contributions of £66,000 (2025: £95,000).

Programme creditors represent grants approved that are yet to be paid to partners. Some grants for partners are approved in principle for two or three years. Second- and third-year grants represent planned future commitments but are not recognised as a liability when they are approved, as payment is conditional upon satisfactory progress. As at 31 March 2026 planned future commitments under formal multi-year funding cycle approvals amounted to £1.6m; £0.8m due within one year and a further £0.8m due within two years (2025: £1.4m; £0.9m due within one year and a further £0.5m due within two years).

14. Operating lease commitments

At 31 March 2026, the total future minimum lease payments under non-cancellable operating leases in respect of operating leases for land and buildings were:

	2026 **£'000**	2025 £'000
Within one year	**8**	9
In the second to fifth years inclusive	**0**	0
Later than five years	**0**	0
Operating lease commitments	**8**	9

15. Forward foreign currency contracts

CAFOD mitigates the risk of having to change or cut planned activities because of the financial implications of a rapid change in the value of Sterling against the US Dollar and other currencies. To achieve this CAFOD purchases a proportion of its US Dollar requirements on forward contracts. The fair value of these contracts is calculated at the balance sheet date by comparison between the rate implicit in the contract and the exchange rate at that date. The unrealised gain on these contracts at 31 March 2026 was £108,000 which has been included in debtors and grant expenditure (2025: unrealised loss included in creditors and grant expenditure was £35,000).

The contracts are to purchase US Dollars (USD) and sell Sterling (GBP) for a period of up to 12 months in duration, at USD/GBP rates between 1.32 and 1.35 At the balance sheet date, a purchase value of USD 6.2 million remained on these contracts representing approximately 31% of the estimated currency exposure on project creditors and salary and expense commitments for the coming year. The actual rate of exchange at 31 March 2026 was 1.32.

16. Pensions

The charity operates four contributory money purchase pension schemes. Scheme funds are independent of the charity and are all administered by independent Trustees. (Three schemes are administered by The Pensions Trust. The fourth scheme is administered by PI Partnership Group (formerly Fairfield Pension Trustees Limited).)

For all these schemes, CAFOD paid contributions at the basic rate of 10% during the year and members paid contributions at a basic rate of 5% during the year. For members with more than 10 years' service, CAFOD paid 12.5% and matched any additional members' contributions up to a maximum employer's contribution of 17.5%.

One of the schemes that CAFOD participates in is the Pensions Trust's Growth Plan, a multi-employer pension plan which also has some historical guarantees. As at the balance sheet date there were 192 active members of the Growth Plan (31 March 2025: 206). CAFOD intends to continue to offer membership of the Growth Plan (Series 4) to its employees along with the Pensions Trust's Flexible Retirement Plan.

Contributions paid into the Growth Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement date. From October 2001 contributions were invested in personal funds which have a capital guarantee, and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity. Current contributions to Series 4 of the Growth Plan are entirely money purchase.

The Trustee of the Growth Plan commissions an actuarial valuation every three years to determine the funding position of the Plan by comparing the assets with the past service liabilities at the valuation date and the rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met.

The triennial actuarial valuation results at 30 September 2023 were finalised during the year ended 31 March 2025 and are the most recent results announced. The valuation of the Plan was performed by a professionally qualified actuary. The market value of the Growth Plan's assets at the valuation date was £515 million and the Plan's technical provisions (i.e. past service liabilities) were £531 million, which is equivalent to a funding level of 97%. The shortfall in assets compared with the value of liabilities was £16 million (£32 million at the 2020 valuation). The reduction in the deficit in this valuation resulted in a revised recovery plan being issued by the Actuary. The length of the recovery plan was unchanged and still extends to 31 March 2028. The Trustees of the Growth Plan have included future provision for the scheme expenses in the calculation of liabilities. Contribution amounts were adjusted depending on the Actuary's calculations of each employer's relative share of the liabilities. The deficit contributions are fixed from 1 April 2025 until the end of the recovery plan with no annual increase.

CAFOD's additional deficit contribution amount for the year ending 31 March 2026 was £29,116 plus one payment of £2,647 to be paid in April 2026 and contributions for the following 24 months, starting on 1st April 2026, remained fixed at £31,763 per annum, with £95,290 payable for the period to the end of March 2028 current recovery plan. CAFOD's ongoing scheme expense contribution for the year to 31 March 2026 was £64,283 and this sum will increase by 3% compound per year.

CAFOD's obligation to pay additional deficit contributions over the period of a recovery plan are recognised as a specific balance sheet provision. The movements on this provision are as follows:

	2026 **£'000**	2025 £'000
Provision at start of year	**95**	38
Payments made during the year	**(29)**	(38)
Provision increase during the year	**0**	95
Provision at end of year	**66**	95

The Trustees have determined that the appropriate discount rate to apply to the future cash liability is that published by actuaries from time to time for single employer pension schemes. There was no rate applied at 31 March 2026 because of the short-term nature of the latest recovery plan.

For the year ended 31 March 2026, CAFOD's regular pension contributions for all its pension arrangements are estimated to be £1,638,000.

17. Restricted funds

	Balance Apr-25 £'000	Income £'000	Expend-iture £'000	Loss £'000	Transfers £'000	Balance Mar-26 £'000
Endowment funds:						
Sr. Laura Tanti Foundation	**724**	**0**	**(266)**	**(50)**	**0**	**408**
Restricted income funds:						
General donations and legacies	**(3)**	**4,279**	**(4,143)**	**0**	**0**	**133**
Emergency appeals donations	**4,350**	**4,010**	**(6,057)**	**0**	**0**	**2,303**
Income from charitable activities	**535**	**11,697**	**(12,931)**	**0**	**0**	**(699)**
Investment income	**5**	**22**	**(17)**	**0**	**0**	**10**
Restricted fund movement 2025/26	**5,611**	**20,008**	**(23,414)**	**(50)**	**0**	**2,155**

	Balance Apr-23 £'000	Income £'000	Expend-iture £'000	Loss £'000	Transfers £'000	Balance Mar-24 £'000
Endowment funds:						
Sr. Laura Tanti Foundation	756	0	0	(32)	0	724
Restricted income funds:						
General donations and legacies	14	4,521	(4,538)	0	0	(3)
Emergency appeals donations	3,313	6,704	(5,667)	0	0	4,350
Income from charitable activities	225	12,971	(12,661)	0	0	535
Investment income	21	21	(37)	0	0	5
Restricted fund movement 2024/25	4,329	24,217	(22,903)	(32)	0	5,611

The balances on restricted funds represent amounts raised for specific purposes less amounts spent on those purposes by the year end. As at 31 March 2026 the balances held were for the following purposes:

	2026 £'000	2025 £'000
Africa Programme	**(331)**	1,219
Asia, Middle East and Europe	**2,128**	3,757
Programme Latin America Programme	**(59)**	(103)
General Programme	**8**	14
Permanent endowment	**408**	724
Restricted funds	**2,155**	5,611

17. Restricted funds (continued)

Some restricted funds are in surplus where amounts already received are yet to be fully spent and some in deficit where amounts already spent on those specific purposes are receivable from the donor after the year end. Restricted fund balances at 31 March 2026, shown net above, comprise:

	2026	2025
	£'000	£'000
Programme grants in surplus	**4,236**	7,274
Programme grants in deficit	**(2,081)**	(1,663)
Restricted funds	**2,155**	5,611

18. Unrestricted funds

	Balance Apr-25 £'000	**Income £'000**	**Expend-iture £'000**	**Gain/Loss £'000**	**Transfers £'000**	**Balance Mar-26 £'000**
Designated funds:						
Fixed asset fund	**8,924**	**0**	**0**	**0**	**(211)**	**8,712**
Programme fund	**0**	**0**	**0**	**0**	**0**	**0**
General funds:	**4,589**	**32,759**	**(27,228)**	**0**	**211**	**10,332**
Unrestricted fund movement 2025/26	**13,513**	**32,759**	**(27,228)**	**0**	**0**	**19,043**

	Balance Apr-24 £'000	Income £'000	Expend-iture £'000	Gain/Loss £'000	Transfers £'000	Balance Mar-25 £'000
Designated funds:						
Fixed asset fund	3,717	0	0	0	5,207	8,924
Programme fund	318	0	(318)	0	0	0
General funds:	5,203	31,939	(27,345)	0	(5,207)	4,589
Unrestricted fund movement 2024/25	9,237	31,939	(27,663)	0	0	13,513

18. Unrestricted funds (continued)

Designated fixed assets fund:

The designated fixed assets fund represents the net book value of the charity's tangible fixed assets at the balance sheet date. The fund is therefore not readily available for other purposes.

Designated programme fund:

This fund represents available funds which the Trustees have designated for expenditure on specific programme activities within the detailed budget for the coming years.

General funds:

General funds are available unrestricted funds in hand, over and above those set aside for designated purposes and are generated as planned or because more general income has been received than was expected or because budgeted expenditure has not been incurred. General funds are 'reserves', as defined in the Charities SORP (FRS 102).

Below: Shorai and Hamunyare, a married couple who work together at the Nyamuwe nutritional garden in northern Zimbabwe.

19. Analysis of net assets between funds

	Fixed assets £'000	**Invest-ments £'000**	**Net current assets £'000**	**Pension provision £'000**	**Total net assets £'000**
Endowment funds:					
Sr. Laura Tanti Foundation	**0**	**408**	**0**	**0**	**408**
Restricted income funds:					
General donations	**0**	**0**	**133**	**0**	**133**
Emergency appeals	**0**	**0**	**2,303**	**0**	**2,303**
Income from charitable activities	**0**	**0**	**(699)**	**0**	**(699)**
Interest	**0**	**0**	**10**	**0**	**10**
Designated funds:					
Fixed asset fund	**8,712**	**0**	**0**	**0**	**8,712**
General funds:	**0**	**0**	**10,398**	**(66)**	**10,332**
Total net assets at 31st March 2026	**8,712**	**408**	**12,145**	**(66)**	**21,199**

	Fixed assets £'000	Invest-ments £'000	Net current assets £'000	Pension provision £'000	Total net assets £'000
Endowment funds:					
Sr. Laura Tanti Foundation	0	724	0	0	724
Restricted income funds:					
General donations	0	0	(3)	0	(3)
Emergency appeals	0	0	4,350	0	4,350
Income from charitable activities	0	0	535	0	535
Interest	0	0	5	0	5
Designated funds:					
Fixed asset fund	8,924	0	0	0	8,924
General funds:	0	0	4,684	(95)	4,589
Total net assets at 31st March 2025	8,924	724	9,571	(95)	19,124

20. Reconciliation of net income to net cash provided by operating activities

	2026	2025
	£'000	£'000
Net income/(expenditure)	**2,075**	5,558
Depreciation	**360**	368
Loss on disposal of fixed assets	**0**	0
Income from investments	**(319)**	(251)
Loss on investments	**50**	32
Decrease in stock	**0**	14
Decrease in debtors	**1,236**	502
Increase in pension scheme liability	**(29)**	57
Decrease in creditors	**(1,120)**	(905)
Net cash provided by/(used in) operating activities	**2,253**	5,375

21. Analysis of changes in cash and cash equivalents

	Opening balance	Movement	Closing balance
	£'000	**£'000**	**£'000**
Short term cash deposits	6,063	7,072	**13,135**
Cash at bank and in hand	10,085	(4,382)	**5,703**
Cash and cash equivalents	16,148	**2,690**	**18,838**

Photos

Achuoth Deng, Amit Rudro, Arab Educational Institute (AEI), Ben White, CAFOD, Caritas Lebanon, Centro Amazónico de Antropología y Aplicación Práctica (CAAAP), Clare McGill-Sharpe, Culture and Free Thought Association (CFTA), Cynthia Matonhodze, Depaul Ukraine, Jonathan Gonyok, Kasim Jibril, Lacides Villazón Mójica/Communication Commission of Wiwa People, Louise Norton, Mazur/catholicnews.org.uk, Nana Anto-Awuakye, Thom Flint, Tres Marias, Union de Jeunes Congolais pour le Changement, Women Now.

Lord, you love everything you have created,
and nothing exists outside the mystery of your tenderness.
Every creature, no matter how small,
is the fruit of your love and has a place in this world.

Through the beauty of creation,
you reveal yourself as a source of goodness. We ask you:
open our eyes to recognise you,
learning from the mystery of your closeness to all creation
that the world is infinitely more than a problem to solve.
It is a mystery to be contemplated with gratitude and hope.

Help us to discover your presence in all creation,
so that, in fully recognising it,
we may feel and know ourselves to be responsible for this common home
where you invite us to care for, respect, and protect
life in all its forms and possibilities.

Above: Chan and Moksed tending to their floating gardens, Bangladesh.

CAFOD
A better world needs all of us

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