

WORLD COMPASSION TRUST

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

Charity number 270063
62 High Street, Merthyr Tydfil, CF47 8DE

WORLD COMPASSION TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2019

The trustees present their report and the financial statements of the charity for the year ended 31 December 2019

CONTACT

The charity can be reached at 62 High Street, Merthyr Tydfil, CF47 8DE or online at www.worldcompassion.tv

OBJECTS OF THE CHARITY

The objects of the charity are to advance the Christian faith globally, encourage Christian mission activities through evangelism and humanitarian outreach, relieve the poor and needy, provide help and comfort to the sick, and to raise awareness of the needs of people worldwide.

The charity particularly seeks to provide assistance to people and places where it is difficult for western organisations to give such aid.

In pursuit of these objectives the trustees expend the charity's resources on:

- (a) grants given directly to projects that are being run overseas (Grants to Overseas Projects)
- (b) touring the UK making people aware of needs overseas and distributing literature to regularly update people on needs and how these are being met (Public Education and Issue Awareness)
- (c) necessary administration incurred in the running of the charity. (Management and Administration)

The charity operates a single unrestricted general fund which can be used for any purpose that meets the charity's objectives.

CONSTITUTION

The charity is a registered charity constituted by a trust deed dated 17th July 1975.

The charity is run by trustees who make additional or replacement appointments as they deem necessary.

The trustees meet regularly but have appointed a secretary to help them run the charity on a day to day basis utilizing volunteers and paid staff where necessary. J Geuder was appointed to this role since October 2013 and continues to serve in this role.

During the year ended 31 December 2019 the following people acted as trustees:

Mr M Harris

Mr J Law

Mr P Jenkins released on December 16, 2019

Ms D Weir resigned on August 21, 2019

Dr T Law released on December 16, 2019

RELATED PARTIES

The charity is actively involved in joint projects overseas with the USA organisation and jointly produces the various mission outreaches globally.

Mr T Law and Mr J Law are members of the board of the US organisation as well as being trustees of this charity.

REVIEW OF THE YEAR AND FUTURE DEVELOPMENTS

The Trust's activities during the year have been in the countries of Myanmar, China, Cuba, Iraq and Iran. We believe that our consistent work in these countries will help us to continue to build and develop successful outreach including training, discipleship, humanitarian efforts, church planting and distribution of Christian literature, as well as humanitarian efforts.

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Myanmar

During 2019 World Compassion continued to successfully operate the Children's Home with 52 children, which provides clothing, nutritious meals, education, health care, housing, Christian education and housing. The church and pastor in Twante oversee the operation of the facility and care of the children. Using the ABC curriculum, we continued to train and disciple students and leaders through local churches and pastors, with a total of 840 students completing the ABC curriculum. 480 new students are now studying ABC. This outreach will continue to expand in 2020 as funding permits. The Ministry Training Centre for mission students served 37 students for a nine month training session (August through April), and additional 35 students enrolled for the next nine months of training. The Charity continues to support church planting efforts in the country by supporting pastors. As part of the Charity's training and discipleship programs, additional Leadership Conferences were held in 2019, including the first men's conference and an ABC conference. There were over 400 men, pastors, leaders and students in attendance. Additional Leadership Conferences are planned for 2020 as well.

China

The Charity continued its training and discipleship programmes in China throughout 2019. There were 2,788 new students enrolled and studying in the ABC Discipleship and Leadership Training Programme. A total of 10,625 students have graduated from this 2 year program to date. We enrolled 379 new students in the CMS Mission School Programme. The ABC and CMS programmes continue to be a major outreach of World Compassion in spreading the Gospel in China along with significant training of believers throughout the nation. To further support the pastors and leaders of China, we held a Leadership Conference with 180 house church leaders in attendance. Additional Leadership Conferences are planned for 2020.

Iran

The Charity's work of placing Bibles into Iran continued successfully in 2019. World Compassion successfully delivered 22,420 Bibles into Iran in 2019, creating 22,420 connection points between Christians, new believers, and even Muslims seeking the truth in God's Word. To date 120,745 Bibles have been moved into the country through various means. We plan to continue placing Bibles into Iran. To further support the leaders and pastors of Iran, we held the first Iranian pastors conference in 2019, with 46 pastors in attendance, and hope to host another one in 2020.

Cuba

In 2019, the Charity continued to support church planting efforts in the country of Cuba. We helped a pastor with a growing church complete the construction of a brand new church facility. They held their first service in the building on Christmas day. We plan to continue to partner with pastors in Cuba to help their church planting efforts in 2020.

Iraq

In 2019, World Compassion worked with a local church in Mosul, Iraq to reach refugees, widows and orphans, visiting over 150 homes monthly. We provided them with a care package meeting their basic needs, as well as shared the Gospel and prayed with them. We partnered with another local church in Duhok, Iraq to reach refugees in Duhok. We provided them with blankets, clothes, food and shared the Gospel with families. We also helped a pastor launch a church in Sulaymaniyah, Iraq, which now has around 120 in attendance weekly. We started a sewing project for refugee women and hope to open a second location in 2020. Childcare is provided, the Gospel is shared and they are trained in sewing skills.

Donor Education and Issue Awareness

The Charity met with several donors and pastors in the United Kingdom as a means to further communicate the mission of the organization, as well as, present updates on the accomplishments and goals for the continued work of the Charity. Jason Law visited a couple churches in the region. These donor meetings and various church/pastor meetings were instrumental in communicating the financial needs of the Charity in

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order to fund the various mission works going forward. Additional donor and church meeting will be planned for 2020.

FINANCIAL REVIEW

The Trustees are pleased to report that over £96,000 in support of projects overseas was distributed in 2019. The Trustees are confident in the management of resources and work towards the continued growth in number of donors, legacy gifts, church and business relationships, as well as new ministry opportunities.

The Charity maintains a cash reserve as a means to address possible fluctuations in the monthly revenues and to insure the ongoing operations of the Charity in the UK. The financial stability and integrity of the organisation is very important to the trustees in order to continue to fulfil the mission of the Charity globally.

RISK REVIEW

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen those risks.

RESERVES POLICY

It is the policy of the Charity to maintain unrestricted funds at a level that will enable the charity to continue its day to day activities and to plan ahead.

RESPONSIBILITIES OF THE TRUSTEES

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure for the financial year.

In preparing those financial statements the trustees should follow best practice and

- select suitable accounting policies and apply them consistently
- make judgments and estimates that are reasonable and prudent and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue on that basis.

The trustees are responsible for maintaining proper accounting records which disclose at any time the financial position of the charity and to enable them to ensure that the financial statements comply with charity legislation. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 29 October 2020 and signed on their behalf

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Mr J Law
Trustee



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INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL
STATEMENTS OF WORLD COMPASSION TRUST FOR THE YEAR ENDED 31 DECEMBER 2019

I report on the accounts of World Compassion Trust for the year ended 31 December 2019 set out on pages 2 to 9.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND INDEPENDENT EXAMINER

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 144(2) of the Charities Act 2011 (the Act) does not apply and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

BASIS OF INDEPENDENT EXAMINER'S STATEMENT

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

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

- 1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep proper accounting records in accordance with section 130 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or
- 2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



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Mr Ian Wheeler
Your Business Hub Services Ltd
Independent Examiner
1st Floor
62 High Street
Merthyr Tydfil
CF47 8DE

Date: 20 September 2020

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STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Unrestricted Funds £	Restricted Funds £	2019 Total £	2018 Total £
Incoming resources					
General Donations and Gifts		94,163	5,151	99,314	101,023
Gift Aid Reclaimed		13,026	782	13,808	35,797
Total incoming resources		107,189	5,933	113,122	136,820
Resources expended					
Grants to Overseas Projects	2	90,773	5,933	96,706	80,945
Public Education and Issue Awareness					
Freight and Postage		590	0	590	839
Staff Costs		13,179	0	13,179	7,191
Consultancy		18,614	0	18,614	26,674
Telephone			0	0	102
Management and Administration					
Bank Charges		659	0	659	678
Accountancy Fees		2,097	0	2,097	3,394
Total resources expended		125,912	5,933	131,845	119,823
Net incoming/(outgoing) resources before transfers		(18,723)	0	(18,723)	16,997
Transfer between funds		0	0	0	0
Net incoming/(outgoing) resources for the year		(18,723)	0	(18,723)	16,997
Total funds brought forward		25,474	0	25,474	9,477
Total funds carried forward		6,751	0	6,751	26,474

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BALANCE SHEET AS AT 31 DECEMBER 2019

	Notes	31 December 19 £	31 December 18 £
Current Assets			
Cash at bank and in hand		7,753	25,474
Total Current Assets		7,753	25,474
Current Liabilities			
Creditor amounts falling due within one year		0	0
Net Current Assets		7,753	25,474
Fixed Assets			
Tangible Assets		0	0
Total Assets less Current Liabilities		7,753	25,474
Non-Current Liabilities			
Creditor amounts falling due after more than one year		0	0
Net assets		7,753	25,474
Funds			
Restricted Funds	3	0	0
Unrestricted Funds	4	7,753	25,474
Total funds		7,753	25,474

Notes in pages 8 to 9 form part of these accounts

Approved by the Trustees on 29 October 2019 and signed on their behalf



 Mr J Law
 Trustee

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

1.1. Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102); and the Charities Act 2011.

The accounts have been prepared on a receipts and payments basis

1.2. Cashflow

The charity has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small charity

1.3. Fund Accounting

Funds held by the charity are either:

1. **Unrestricted Funds** - these are funds which can be used in accordance with the charity's objectives, at the discretion of the trustees.
2. **Designated Funds** - these are funds set aside by the trustees out of unrestricted general funds for a specific future purpose or projects
3. **Restricted Funds** - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.4. Incoming resources

All income is included in the accounts when actually received by the Charity.

Voluntary help provided by friends of the charity is not included in a quantified way within the accounts.

1.5. Resources expended

Resources expended are recognised when paid by the Charity.

Expenditure includes any VAT which cannot be fully recovered is reported as part of the expenditure to which it relates.

2. Grants to Overseas Projects

	Unrestricted Funds	Restricted Funds	2019 Total	2018 Total
	£	£	£	£
Burma	26,313	2,699	29,012	22,750
China	19,948	1,327	21,275	12,886
Cuba	2,871	30	2,901	2,789
Iraq	18,416	925	19,341	30,265
Iran	23,224	952	24,176	12,255
Total	90,772	5,933	96,705	80,945

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3. Restricted Funds

	At 1st January 2019	Incoming resources	Outgoing resources	Transfers	At 31st December 2019
	£	£	£	£	£
Restricted Funds	0	5,933	(5,933)	0	0
Total	0	5,933	(5,933)	0	0

4. Unrestricted Funds

	At 1st January 2019	Incoming resources	Outgoing resources	Transfers	At 31st December 2019
	£	£	£	£	£
Unrestricted Funds	26,474	113,122	(131,845)	(18,722)	7,753
Total	26,474	113,122	(131,845)	(18,722)	7,753

5. Transactions with Trustees

There were no transactions with the Trustees during the year