

Company Registration Number: 02498199

Charity Number: 803575



# WorldShare

## Financial Statements

For the Year Ended 31 December 2020

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### **Report of the Directors for the year ending 31 December 2020**

The Trustees are pleased to present their annual directors' report, together with the financial statements of the charity for the year ended 31st December 2020; which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

### **Chair's Report**

It is a particular pleasure to introduce WorldShare's 2020 Annual report. Though faced with the fallout of Brexit and the threat posed by Covid-19, WorldShare has experienced one of its most encouraging years. We are particularly grateful for those supporters and donors that have responded and stood alongside WorldShare and its partner ministries during this unprecedented year. This provision has permitted WorldShare to continue to assist local Christians, in some of the World's neediest places, to provide both spiritual and material support to their respective communities.

At the beginning of the year the future seemed uncertain and the Trustees began to meet monthly in order to monitor the situation more closely. Staff members were also furloughed for a month and agreed to take a reduction in salary for a month. This action and the generosity of the staff certainly eased the initial pressure. However, income picked up in a remarkable and unexpected way, which has meant that the organisation has managed to meet its objectives and financial obligations, employed an additional, much needed, staff member and increased its fund balance by the end of the year. Overall, it has been a very positive year financially, especially when compared to 2019.

Though Covid-19 has posed a challenge for WorldShare and its supporters in the UK, many of WorldShare's ministry partners have faced and are continuing to face harrowing times as Covid-19 spreads, particularly in Brazil, India and Eastern Europe. Covid-19 has also had [and will have] a significant impact on food security in many areas. Finney Thomas, who heads up JKPS in India and who also lost his wife to the virus stated:

*"More people will die of starvation than from the virus."*

Although Covid-19 presented the greatest and most widespread challenge during 2020, WorldShare also responded to a number of other disasters during the year, e.g.:

- Cyclone Amphan (India)
- Beirut port explosion
- Hurricane Eta (Guatemala)

**WorldShare**  
**Directors' Report**  
**For the Year Ended 31 December 2020**



During the year two newest members of staff settled in and we give thanks that the office was able to function well, through staff working from home. Toward the end of 2020, we welcomed two new trustees to the board of WorldShare, Revd Dr Zoltan Biro and Peter Summerside.

Despite Covid-19, 2020 was a very encouraging year for WorldShare. I wish to thank and acknowledge the staff's significant contribution to this outcome, ably led by the CEO Alan Butler. I also want to thank my fellow trustees for their support of the organisation during 2020. The trustees have maintained a close watching brief on WorldShare's performance and financial status.

Kevin McKemey  
June 2021

## **1. Objectives and Activities**

### **Purposes of the charity**

WorldShare was founded in China in 1943 with the express intention of releasing Chinese Christians to share their faith through words of comfort and hope and through acts of compassion. The truly revolutionary act of our founders (in the context of that period) was the setting up of a Chinese indigenous organisation to direct and manage this work, and the commitment to support the Chinese leaders' vision and initiative.

Our office in the UK was founded in 1946 to support the work which was then spread to Hong Kong and other parts of East Asia.

In the intervening years, our work has grown to a global scale, but the intention has remained the same. This is re-expressed in our mission statement:

***"Our mission, in the world's neediest places, is to partner with local Christians in their vision to bring about social and spiritual transformation"***

And through our objectives to: -

- Work in the world's neediest places
- Work in partnership with local Christians
- Proclaim the Gospel of Jesus Christ
- Bring about transformation in communities
- Working with and being advocates for the poor, vulnerable and marginalised

And our priorities are: -

- The poor, the vulnerable and marginalised
- Christ-centred partnership with indigenous-led ministries
- The most difficult, least resourced, least reached parts of the world

Our work is not only aimed at funding specific projects (although that is highly significant) but also at being able: -

- to grow the capacity of our local partner organisations
- to encourage the scale and quality of their vision and planning
- to offer them a transfer of skills they need
- to help them make links with like-minded people and organisations
- to offer them an understanding friendship
- to offer them a voice in the wider world, to share their experiences



**Our purposes - Memorandum of Association (1990)**

To advance the Christian faith by: -

- (i) Proclaiming the Gospel of Jesus Christ to every nation in accordance with the Lord's Great Commission to the Church.
- (ii) Promoting co-operation within the worldwide Church (including the churches in developing nations) in evangelism within and across cultures.
- (iii) Encouraging the missionary work of the churches as a whole in established local churches and ministries throughout the world with a view to making their international and national witness more efficient and effective.
- (iv) Encouraging and assisting national churches in evangelism, establishment of churches, the growth of churches and the development of discipleship and leadership.
- (v) Giving advice and counsel to national churches and their members.
- (vi) Sponsoring indigenous churches and ministries for the purpose of recruiting national workers for evangelistic purposes.
- (vii) To relieve poverty, suffering and distress and prevent disease and ill health with a view to underpinning the spiritual ministry of the national churches.
- (viii) Providing food, clothing, medical assistance and educational help including Christian education to children in need, the distribution of all forms of Christian literature and material including Bibles, New Testaments, Gospels for the communication of the Christian Faith throughout the world.

**Main activities**

As the circumstances in which our partners find themselves vary widely, we have over time helped in many different kinds of projects. Some have occurred only once in our history. Some are repeated frequently, such as:

- the establishing and nurturing of churches in un-churched communities
- care for children, women & the elderly in impoverished communities
- the provision of medical care
- the provision of children's education
- the support of sustainable income-generation projects
- disaster relief and community support
- connecting the UK church to local Christians in the least reached, least resourced parts of the world

Although much of our work is through specific projects, there are some larger consistent areas in which we work, which are encapsulated in the following themes:

- **Education** – a commitment to the provision of education (and where needed shelter, food and medical care) for children from impoverished circumstances. Our hope is always that this opportunity will enable them to build a better life for themselves, their families and their communities.
- **Health** – a commitment to the provision of healthcare for children, families and individuals from impoverished backgrounds, and where affected by violence and warfare.
- **Community** – a commitment to support and develop impoverished families and communities around the world, in a practical and spiritual manner.
- **Church Planting** – a commitment to grow God's Kingdom, to show God's love and spread his word. WorldShare works with Christian partners in all that we do, and all of the projects and ministries that we support have Christian witness and Church Planting at the heart of their work.
- **Injustice** – an ongoing commitment to the victims of human trafficking, and those at-risk of being trafficked. But also more broadly, a commitment to the victims of modern day-slavery in whatever form.
- **Relief** – a commitment to the victims of emergencies caused by natural disaster or conflict.

#### **Public benefit**

In shaping our activities for the year and planning our activities, the Trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2)'.

#### **Policy on grant making**

As noted earlier, support to our partner ministries consists of much more than just financial transfers. However, where grants are given, they are given on the following basis:

- to existing partners with whom we have an existing (and often long-term) relationship. We are working to have a detailed written document signed by both ourselves and each partner which describes this partnership.
- on the basis of a specific proposal which describes the need and the associated costs. This proposal must be consistent with our understanding of the circumstances of the

partner and its potential. We must also be able to see how the funds for this project can be raised. There must also be a clear understanding of how the project will benefit the local community.

- all transfers are acknowledged once received.
- financial reporting and reports are submitted as the project is completed and at appropriate interim periods.
- these reports will be visibly confirmed as WorldShare trustees or staff members visit the ministry at appropriate points.
- there will be discussion of how the project fits into the partner's vision, how it will be maintained and will it increase further opportunities for projects.

Setting these projects in the context of long-term relationships allows us to be flexible as the circumstances in which projects are conducted change, meaning that the projects take longer or shorter to realise than expected, or need to be adjusted to fit into changing local circumstances. Each project is a contribution to a greater whole, as well as being complete in itself.

Our Chief Executive and staff are in frequent contact with ministry partner leaders and staff by email, phone and/or video call and can monitor general progress and the progress of particular projects. In addition, to these contacts, visits by WorldShare staff and trustees also take place and we also invite leaders of the ministries to visit supporters in the UK, when Covid-19 travel restrictions allow.

## **2. Achievements and Performance**

### **Achievements**

2020 has been a year like no other and the impact of the Covid-19 Pandemic has been felt by our office in the UK, but of course the impact has been felt far more significantly by our ministry partners and the communities they work with; the poor, vulnerable and marginalised. Although our office was closed for much of the year, with staff working from home (as required by HM Government), we have been able to function well as an organisation; especially during the second Lockdown, having learnt valuable lessons from the first.

We have had to deal with uncertainties and turbulence this year, but also have had the privilege of fantastic supporters and donors standing with us as we've endeavoured to stand alongside our ministry partners over this difficult, unexpected and challenging Covid-19 year. We have been able to send out £216,770 in grants to ministries, up 46% on 2019.



Partnerships with local Christians, in the world's least resourced places and working with the poor vulnerable and marginalised, continue to be our priority.

**Key achievements by theme:**

**Education:**

Our long-standing commitments, to a wide range of ministries to provide education to children from resource restricted backgrounds has continued. We support 192 children through the ChildAid Scheme which provides access to education and much more.

- Child Sponsorship – Our ChildAid programme supports children in 10 ministries reducing to 8, following structural changes at our Canadian Alliance Partner (PI Canada). The programmes provide support in various ways including education, daily nutrition meals, medical care, accommodation or help with clothing and school supplies. Sponsors receive letters from the sponsored children and are able to write to them and send small gifts at Christmas. The ministries where we support children through this sponsorship are:- Potter's House (Guatemala), Hope for Africa Mission (South Africa), HEAL Africa (DR Congo), Christian Fellowship Ministries (Uganda), JKPS (India), Bible Faith Mission (India), Word of Hope (Myanmar) and Medical Ambassadors Foundation (Albania). This has been a challenging year with many changes but encouraging, as we have raised funds to support children affected by Covid-19.
- We continue to support the work of Grace School in the township of Siyabuswa, in Mpumalanga province, north of Pretoria, South Africa. This school provides an extremely high standard of education and alongside the sponsored children, there are fee paying students who enable the school to continue to offer an education to those unable to pay through a scholarship programme. WorldShare also supports some of the general costs of running Grace School. Schooling has been interrupted by the Covid-19 pandemic and some has been continued on-line. Following on the success of the trip in 2018, WorldShare's partner school Bury C of E School was planning to make a further trip to Grace School in 2021, but this is now postponed.
- In Guatemala, our partner Potter's House, continues to work with the children from the shanty town community around the Guatemala City dump. They provide a daily nutritious meal, extra tuition classes and a place to study and do homework. Over recent years Potter's House has expanded its work outside Guatemala City, setting up similar programmes in the eastern town of Chiquimula close to the border with Honduras and El Salvador and in the western highlands, both desperately needy areas. These fledgling programmes have come of age, over the last year.
- We continue to support the work of our partner in Haiti. Following structural changes at our Canadian Alliance Partner (PI Canada) our partnership has grown closer with Pifo Haiti. Pifo Haiti now operates as a separate organisation and it is a great joy to work with and support the various schools.

- Vacation bible studies and summer camps are normally run by several of our ministry partners, in the school holidays. In 2020 the majority of these events were cancelled due to Covid-19. These are normally a great time for learning and development as well as an opportunity for children to deepen in their Christian faith or hear about the Christian faith for the first time.

#### **Health:**

- Our partner ministry HEAL Africa continues to operate the hospital and substantial out-patient facilities in Goma, in the Democratic Republic of Congo (DRC). It remains a beacon of light in an area troubled by war, violence, the recurrence of Ebola and of course the impact of Covid-19. Early in 2020, with the agreement of the funding trust, a grant for Chaplaincy work was re-purposed to help the hospital ready itself for the likely Covid-19 onslaught. In the event, to date, the impact of Covid-19 has been less than expected and manageable, but the challenge is not far away. We continue to support the training of medical staff at various levels including the support of a doctor on the family residency programme, as well as purchase of equipment for the hospital. We also support the Mercy Fund, which provides support to the very poorest and most needy who cannot afford even the normal modest charges.
- The chaplaincy training school at HEAL Africa resumed the training of further Chaplains following the suspension, due to Ebola in 2019. We were successful in obtaining generous funding for the further development of the Chaplaincy training – the Chaplaincy Follow Up project which is programmed in three phases over 2021. This facilitated follow up training will further equip the Chaplains to be able to help provide holistic care in their communities and develop their listening skills. The first phase will take place in April 2021, with the other phases to follow on.
- Our ministry partner Potter's House operates a small medical and dental clinic in the Community Centre close to the Guatemala City dump. Treatment is given to those who would be unable to access the government health system and for serious cases Potter's House will help individuals access the government health system.
- Our ministry partner JKPS in India operates mobile clinics in rural areas and we have been able to support the operation of these. They provide basic healthcare and simple treatment in areas where the government provision is either poor or non-existent.

#### **Community:**

In many ways, the Community theme embraces all that our ministry partners do, under our high-level objective of transforming communities. Whether that be through education, healthcare, tackling injustice or in disaster relief.



During the Covid-19 pandemic, a major focus has been in tackling food security for needy communities and we've been able to support all our ministry partners in reaching out to those in desperate need, due to lack of access to food due to:- loss of employment, income or sickness.

- Potter's House - continues to work amongst the dump communities in Guatemala City. Aside from the child-based programmes (noted under Education) and health programmes (noted under Health) there are a wider scope of programmes for adults and community leaders, from training and support to help individuals to start and run small businesses (including provision of micro-loans) through to leadership training.
- Potter's House's work in the city of Chiquimula has become firmly established, being able to deliver some vital community programmes. These include medical clinics for both adults and children, provision of water filters and hygiene combos, business education, some work with local schools, teacher training and the provision of buildings and other facilities. Work in the western highlands has also significantly developed over the last year.
- Food Security – During this Covid-19 season (over 2020) we have been conscious of the vulnerable, who lack access to sufficient food. As the leader of our ministry partner in Kolkata (India) said "More people are going to die of starvation, than from the virus". We have been able to secure funds from several sources, including generous individual donors, to equip our ministry partners with funds to be able to tackle food insecurity.

#### **Church Planting:**

- Key worker support for Pastors in the growing Evangelical Church in Northern Macedonia network which now has established a network of over 37 churches, with a vision to plant another 100. Mircho Andreev the founder/leader of the network sadly succumbed to Covid-19 at the end of the year. In early January 2021 the search was on to appoint a new leader from amongst the network.
- Support of bible colleges (in Myanmar, India and South Africa) operated by several of our ministry partners, to enable them to train, equip and release the next generation of leaders into ministry.
- Our ministry partner in Albania continues to work with four nearby communities across a wide range of activities and community mobilisation as well as being one of the partners involved in our child sponsorship scheme (see Education). One particular aspect that WorldShare was involved in during 2020 was sourcing funding towards the purchase and refurbishment of a building for women and children to meet in (rather than renting the local bar) in a new village in which they have been working for a short time.



- Support of leadership training run by our ministry partner in Moldova, Beginning of Life, raising up a future generation of leaders to serve the needy but growing church.
- Support of the satellite broadcasting channel Kanal Hayat's, desire to engage more with its audience using digital technology. The appointment of a social media manager in late 2019 has led to an amazing impact of the broadcasts (over the lockdown's of 2020) with a 4-fold increase in connections compared with the year before.

**Injustice:**

We continued to work with our long-standing partners Beginning of life in Moldova, JKPS in Kolkata India and ChrisFon in Pakistan, in their injustice work.

- During the year the two year 'model brick kiln programme' with ChrisFon in Pakistan came to a conclusion. This programme seeks to minister amongst those who work to release some of the bonded labour "slaves" from the brick manufacturing industry. The programme is aimed to give them hope and help them take ownership of their situation and reduce or eliminate their bonded labour to brick kiln owners. The challenges that this work faces and the difficulties it has to tackle, highlight how desperately vulnerable and needy these communities are.
- WorldShare supports a number of programmes at Beginning of Life, Moldova. These include the Early Learning Centre, Way to Success (education work with schools), Psychological Arts Studio and Studio of Innovative Leadership. These programmes are all focussed towards addressing injustice and the impact of injustice.
- In a new venture, especially in this Covid-19 season, to link supporters with the work of Beginning of Life, we broadcast a live link with the ministry in autumn 2020, the second of our Ministry meet-up webinars, which proved to be an effective way in giving supporters and donors a special insight into the ministry.
- We continued the varied work of JKPS, which supports a series of programmes including work of rehabilitation and skills education work amongst the sex workers (and their children) of Kolkata. But also operates a series of homes for the rehabilitation of those rescued from trafficking by the Indian Government or by other agencies.

**Relief:**

During 2020 the relief needs addressed included: -

- Emergency relief for communities impacted by Covid-19
- JKPS' work in India affected by Cyclone Amphan
- Food Security (Hunger appeal) for communities affected by Covid-19
- Communities in Beirut massively impacted by the dockside explosion.

➤ Communities in Guatemala affected by Hurricane Eta

- Emergency Relief for Covid-19 affected communities across all our ministry partners. We launched two appeals under this heading. Both were focussed on helping those who were in desperate need with no resources fall back on, some daily wage earners who earn a day's pay to buy a day's food but were unable to work because of lockdowns and curfews. As ever in these situations, it is often women and children who suffer the most.
- Our ministry partner FEAL in Lebanon, continues to work amongst the Syrian refugees, who are temporarily living in both refugee camps and local towns and settlements in Lebanon. During this Covid season they were involved in providing essential supplies to many of these families. This was true of other ministry partners, who responded to needs within their communities as they were able with support from WorldShare.
- Cyclone Amphan affected Eastern India and Bangladesh, but very specifically affected the facilities of our ministry partner JKPS in Kolkata. Major damage was caused to the Premenand boys' hostel, with the roof being completely blown off. Mercifully, the boys who normally live in the hostel had been sent home earlier.
- Beirut explosion relief. In August two massive explosions wrecked the port area of Beirut and immediately left over 300,000 Lebanese homeless. Our ministry partner FEAL whose base in Beirut is just out the blast area, was able to mobilise and response to the immediate needs for food and temporary shelter, as well as ministry to those who had been affected by mental trauma.
- Hurricane Eta especially affected the Chiquimula area where our partner Potter's House is working. Over 150 people lost their homes and were forced to live in temporary shelters. Potter's House provided food and supplies to those who'd lost everything and then helped families rebuild homes and livelihoods.

**Achievements against objectives set**

With a large number and variety of projects it is of course impossible to impose a single measure or assessment for them all. Each project is carefully considered in terms of the specific goals reached against those intended (how many people helped, how great the increase in a relevant factor etc.) and in the wider terms of the benefit to the community and the contribution to the growth of the partner's capacity. The nature of the assessment reached will inform later projects with that partner, and in other similar circumstances elsewhere.

The following were included as specific activities for 2020 in 2019's financial report, progress is noted alongside.

- **Continue to acquire new donors and child sponsors - 15**
- **A special focus of linking with "millennials" through digital media – work in progress.**
- **Enhance information available through the WorldShare website, through a complete review and update of individual pages – review completed and changes implemented.**
- **Create further promotional, ministry specific videos – partially completed, impact of Covid-19 took our focus away from this area.**
- **Send out 6 major and 6 targeted appeals – partially delivered, our appeals were shaped around the Covid-19 Pandemic and so only 5 major and 3 targeted were sent out.**
- **Maintain and improve supporter/donor communications – continued to develop our communications, with increased pages in the magazine, a completely re-written freedom gifts being sent out as a separate mailing.**

#### **Future Plans**

Following developments and new staff recruited in late 2019, WorldShare has continued to make significant strides forward in 2020, even against the backdrop of the Covid-19 Pandemic. The strategic and annual planning process continues to be refined and key measures are now well established to allow a frequent review of progress against the plan(s).

Key focus areas are: -

- Increase Income and broaden donor base
- Maintain supporter/donor experience
- Develop relationships with ministry partners
- Increase operational excellence

In addition to the strategic plan, we have also developed a much more detailed Annual Plan to cover our activities over the year.

#### **Some specific activities for 2021 include: -**

- Continue to acquire new donors and new child sponsors, move new supporters through the donor journey.
- Continue to link with prospective supporters and 'millennials' through digital media.
- Create further promotional, ministry specific videos.
- Send out 5 major and up to 4 targeted appeals.
- Maintain and improve supporter/donor communications.
- Further investigate updated CRM systems to enhance our office capabilities.



### **3. Financial Review**

Over the course of 2020, despite difficult circumstances for many, WorldShare's generous and committed donors have continued to support our various projects, appeals and ministry partners, allowing us to continue to fulfil our objectives in bringing both physical help and spiritual hope to those who are most in need around the world.

Our total income for the year was £462K, an increase on the amount received in 2019 of £91K (24%). This was achieved during the year through the commitment and dedication of both our supporters and staff, despite the impact of Covid-19.

Due to the generosity of our supporters, WorldShare was still able to pursue, where possible, its planned projects for the year. Additionally, we were able to respond to the impact of Covid-19 and the subsequent restrictions on our ministry partners, helping them to serve the most needy during this time, providing food, medical care and other assistance as needed.

Funds expended on charitable activities were £363K (84%) of total income, being £70K higher than in 2019. Monetary grant payments sent to our ministry partners were £68K (46%) higher than in 2019.

Expenditure, other than grants or gifts in kind sent to our ministry partners remained fairly static, falling by £4K (2%). The Finance Sub-Committee continues to meet regularly to review non-grant expenditure and look always to minimise it where it does not adversely impact on our ability to support our overseas partners.

Despite volatility across the year due to the impact of Covid-19, the investment fund set up in 2014 showed a small unrealised gain, with the fund increasing in value by £384 (1.6%) over the course of the year. These are invested in ethical funds only, with a primary objective of capital growth.

Reserve levels have increased over the year; however, they still remain slightly below desired levels. During 2020, we continued to exercise due diligence in order to ensure that sufficient reserves were available that allowed us to both continue to support our ministry partners and their projects throughout the world, as well as to fund our UK operations.

We continue to monitor our reserves to ensure that they are sufficient to support WorldShare's operations into the future, and we also continue with our strategies that look to raise income levels and to see where cost savings can be made. By focusing on all of these, the expectation is that WorldShare will be able to continue to support its many great ministry partners and projects well into the future.

## **Financial Position**

The total funds of the charity are made up of both Restricted and Unrestricted funds. At the end of the year these stood at £89K, an increase of £28K on the amount held at the end of 2019 (£60K).

Where funds are given for a specific project, these are classified as restricted. Relevant grants made, and expenditure incurred is allocated against these with the balance on these at the end of 2020 being the restricted funds figure for that period. At the end of 2020, total restricted funds were £48K, an increase of £13K on the balance at the end of 2019.

Unrestricted funds represent the balance of unspecified donations against relevant grants, expenditure and transfers to restricted funds. These are available to be used at the Trustees discretion towards any of the objectives of the charity. At the end of the year unrestricted funds totalled £40K, an increase of £15K on the balance at the end of 2019.

Free reserves are made up of unrestricted funds less fixed assets, unrestricted sales stock and unrestricted gifts in kind held as stock. At the end of 2020, free reserves totalled £34K an increase of £17K on 2019's figure of £17K.

## **Reserves Policy**

The Board of Directors regularly review the Reserves Policy, to ensure a balance between spending on the charitable needs of our ministry partners and ensuring that WorldShare maintains a sufficient level of free reserves so as to be able to continue its long-term operations.

The policy sets out a minimum level of free reserves to be held. This is reviewed on an annual basis, for reasonableness and for re-calculation. Currently this minimum level is set at WorldShare's wind-up costs plus 20%, being £41K as calculated on the 31st December 2019. Where free reserves are below this level, the board implement a policy of enhanced monitoring and, where practical, steps are taken to increase the levels of free reserves.

In addition to this, the Board have set an aspirational policy regarding the maximum level of free reserves to be held at any one point in time. This is currently set at a total of £120K and amounts in excess of this should not be held for any prolonged period of time, unless for a specific strategic reason previously agreed by the Board. The policy splits the desired level of reserves into two headings with the intention that they are viewed, and used, in differing ways.

- A "Desirable" amount of £60K was set which should equal the wind-up costs of the charity as well as 2 months running costs, to be used in the event of a catastrophic downturn in income or other unpredictable event, making a continuation of WorldShare's existence in its present form impossible. Where possible, WorldShare should aim to maintain this level of reserves.



- A "Contingency" amount of up to £60K was agreed upon, with this amount being available to be used in the event of a call on immediate resources, subsequently being replaced by the charity's day to day operations.

The "Contingency" amount is intended to be built up only when it can be done so without any adverse impact to our support of our partner ministries."

#### **Amount of Reserves held**

The current level of unrestricted reserves held is £40K, with free reserves available of £34K, which is marginally below that of the above level set by the trustees. During 2017 a number of strategic decisions were made by the Trustees regarding both investment into our infrastructure and a restructure of our UK operations that were felt to be vital to WorldShare's long term future. Whilst enabling significant cost savings, those decisions had the effect of reducing WorldShare's level of free reserves. A plan is in place and ongoing which has meant that over recent years we have been able to gradually rebuild these amounts. During 2020, despite sending out increased levels of grants, we were able to increase those levels by £17K.

Having reviewed the financial position, reserve levels and the principal risks facing WorldShare, the trustees feel that, whilst continuing to be a challenge, neither the income or reserve levels cast any doubt onto WorldShare's ability to continue its activities in the foreseeable future and that there are sufficient levels of both for WorldShare to continue its current operations without our partner ministries abroad being adversely affected. Accordingly, the accounts have been produced on a going concern basis.

#### **Principal Risks**

The Board maintains a register of the main risks faced by WorldShare. This was fully reviewed in September 2018 and will be subject to complete review on a 3-yearly basis going forward, meaning the next major review is in September 2021. Significant progress has been made to pro-actively address and reduce risks, since the risk register was first drawn up in 2015. The Board has defined a series of 'trigger points' - circumstances which (if they occur) require a meeting of Board members at short notice, to agree actions to prevent or minimise damage to WorldShare. These are reviewed annually along with the Business Continuity Policy. Other than the impact of Covid-19, as mentioned below, no other new risks were identified in 2020.

#### **Impact of Covid-19 Pandemic**

Towards the end of 2019 the emergence of a new coronavirus, Covid-19, was identified, the world-wide implications of which were unclear at the time and continue to evolve. The impact of this on WorldShare's operations throughout 2020 were significant, and on the operations and needs of our ministry partner organisations around the world.



As an organisation, we have been well placed to temporarily move our staff from office to home working. Over 2020 and into 2021, some of our fundraising and operational plans have had to be put on hold or amended; however, these did not have a significant impact on WorldShare's income for 2020 or going forwards into 2021 and beyond. As our ministry partners are local to the communities they serve, although they have been impacted by local restrictions on movement, as well as by the disease itself, they have been able to continue to operate within those boundaries, responding to the increased needs the pandemic has caused.

The trustees continue to monitor the situation on a regular basis, and will, with management make the necessary operational changes, as required. Due to these factors, although the future impact of the pandemic continues to remain unclear, the trustees do not feel that this gives rise to any material uncertainties as to WorldShare's ability to operate on a going concern basis.

#### **4. Structure, Governance and Management**

##### **Governing documents**

WorldShare is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

The charity is governed by the Memorandum and Articles of Association of the company, dated 11<sup>th</sup> April 1990.

##### **Appointment of Trustees**

The Board takes responsibility for identifying when new Board members are to be recruited, and the skills they are seeking to add to the Board. They then search for the appropriate people. Where needed, they will take advice from appropriate individuals and organisations. During 2020 the trustees adopted a board handbook, which had been developed over the preceding two years. Two prospective trustees were interviewed (by trustees and CEO) and invited to observe a board meeting. Following this they were unanimously elected to board of trustees. A third person was interviewed but felt they were unable to make the time commitment required at this time. The board continues to search for suitable trustees to add to its number.

##### **Trustee induction and training**

An induction process is in place for prospective trustees, as outlined in the board handbook. Initially they are invited to attend one or more Board meetings as observers, and discussions with existing members and with staff will give them a great deal of contextual information. Should the Board and the candidate feel it is appropriate, they will be elected to the Board, and the process of familiarisation with our methods and activities will continue.

Wherever possible Board members (old and new) are given opportunities to visit our partners around the world, to see our work in action and its results.

### **Organisational structure**

The Board of trustees, which can have up to 15 members, oversees the charity. The Board met (virtually by Zoom) for standard meetings four times in 2020. In addition to this, five extraordinary board meetings were held over the early months of the pandemic to monitor finances. The Board are responsible for setting the strategic direction in which WorldShare travels, and the activities undertaken to achieve our goals and objectives. In addition, the board is responsible for WorldShare's compliance with all legal requirements. Many of these responsibilities are delegated to the Chief Executive or other members of staff.

The board has a number of sub-committees which carry out the work of the board between meetings and examine certain matters in greater detail than there is time for in the regular board meetings. During 2020, the Finance and Policy and Procedures sub-committees continued to meet as required between board meetings. Decisions made by the sub-committees are reviewed and confirmed at the next Board meeting. In addition, many Board members are actively involved in different parts of our work. The Chief Executive and other staff meet with the Chairman and other Board members at frequent intervals in-between Board meetings.

We have a number of experienced external professional advisors and consult them whenever appropriate matters arise.

### **Relationship with any related parties**

In addition to our memberships of the Evangelical Alliance and Global Connections, WorldShare is a member of the Global Partnership Alliance, an informal alliance of like-minded organisations, with members in Australia, Canada, Singapore and the USA (as well as ourselves in the UK) with whom we work closely, and which gives us reference to sources of advice and discussion with other experienced practitioners.

We often act in practical co-operation with other members of the Global Partnership Alliance allowing us to jointly apply many more funds to particular projects than simply those raised in the UK. The Alliance members raised a total of £8.7 million for worldwide ministry projects in 2020.

## 5. Reference and Administrative details

<b>Directors</b>	K R McKemey	<i>Chairman (from January 2020)</i>
	J Bunce	<i>Vice-Chair (from January 2020)</i>
	R Cartlidge	
	A C Fisher	
	S V Kelsall	
	M Forsyth	
	P Summerside	(from 10 <sup>th</sup> December 2020)
	Z Biro	(from 10 <sup>th</sup> December 2020)
<b>Chief Executive</b>	A C Butler	
<b>Company Secretary</b>	J H Hunt	
<b>Registered Office</b>	Armstrong House First Avenue Robin Hood Airport Doncaster DN9 3GA	
<b>Independent Examiners</b>	Smith Craven Chartered Accountants Sidings House Sidings Court Lakeside Doncaster DN4 5NU	
<b>Bankers</b>	National Westminster Bank plc & 27 High Road Chadwell Heath Romford RM6 6QD	HSBC Bank plc 1 High Street Doncaster DN1 1BS
<b>Solicitors</b>	Ellis Fermor & Negus 2 Devonshire Avenue Beeston Nottingham NG9 1BS	
<b>Registered Charity Number</b>	803575	
<b>Company Registration Number</b>	02498199	



### **Taxation status**

The company, being a registered charity, is exempt from any liability to taxation on its charitable income and capital gains.

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the surplus or deficit of the charitable company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation;

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Provision of information to the independent examiners**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

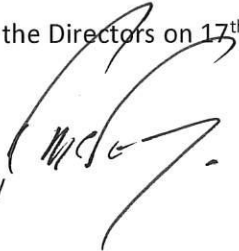
- So far as the directors are aware, there is no relevant information of which the charitable company's independent examiners are unaware, and
- Each director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the charitable company's independent examiners in connection with preparing their report and to establish that the charitable company's independent examiners are aware of that information.

**Independent Examiners**

It is intended that a resolution to re-appoint Smith Craven as independent examiners will be proposed at the forthcoming annual general meeting.

Approved by the Directors on 17<sup>th</sup> June 2021 and signed on their behalf by

K R McKemey  
Chairman



**WorldShare**  
**Independent Examiner's Report**  
**For the Year Ended 31 December 2020**



Report to the trustees of WorldShare on the accounts for the year ended 31 December 2020, Charity no 803575, which are set out on pages 24 to 37.

**Respective responsibilities of trustees and examiner**

The trustees (who are also the directors of the company for the purpose of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Institute of Chartered Accountants in England and Wales.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145 (5)(b) of the Charities 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 the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

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

1. which gives me reasonable cause to believe that in, any material respect, the requirements:

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act

have 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.



Andrew Cribb FCA (Senior Statutory Auditor)

For and on behalf of Smith Craven Chartered Accountants

Sidings House

Sidings Court

Doncaster

DN4 5NU

Dated 17<sup>th</sup> June 2021

**WorldShare**  
**Statement of Financial Activities**  
**For the year ended 31 December 2020**



		Year ended 31 December 2020			Year ended 31-Dec-19 Total
	Notes	Unrestricted funds £	Restricted funds £	Total £	£
INCOME					
Voluntary and investment income					
Donation income		76,110	336,548	412,658	329,007
Legacies received		4,440	-	4,440	6,009
Income tax refunded		7,136	32,315	39,451	36,044
Interest received		30	-	30	294
Other income	2	5,658	-	5,658	-
Total income		93,374	368,863	462,237	371,354
EXPENDITURE					
Costs of generating funds		14,093	56,910	71,003	74,098
Charitable activities	3 & 4	59,764	303,688	363,452	296,254
Total expenditure		73,857	360,598	434,455	370,352
Unrealised gains on investments	11	550	-	550	3,159
Net incoming/(outgoing) resources before transfers		20,067	8,265	28,332	4,161
Transfers across funds	15	(5,000)	5,000	-	-
Net movement in funds	6	15,067	13,265	28,332	4,161
RECONCILIATION OF FUNDS					
Balances brought forward at 1 January 2020		25,397	34,963	60,360	56,199
Balances carried forward at 31 December 2020	14 & 15	40,464	48,228	88,692	60,360

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

**WorldShare**  
**Balance Sheet as at 31 December 2020**



	Notes	Year ended 31-Dec-20 Total £	Year ended 31-Dec-19 Total £
<b>FIXED ASSETS</b>			
Tangible assets for use by the charity	10	6,958	8,391
Investments	11	23,550	23,166
		<u>30,508</u>	<u>31,557</u>
<b>CURRENT ASSETS</b>			
Debtors	12	8,048	11,783
Cash at bank and in hand		59,157	28,013
		<u>67,205</u>	<u>39,796</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	13	(9,021)	(10,993)
<b>NET CURRENT ASSETS</b>		<u>58,184</u>	<u>28,803</u>
<b>NET ASSETS</b>		<u>88,692</u>	<u>60,360</u>
<b>THE FUNDS OF THE CHARITY:</b>			
Unrestricted income funds	14	40,464	25,397
Restricted income funds	15	48,228	34,963
<b>TOTAL FUNDS</b>		<u>88,692</u>	<u>60,360</u>

For the year ended 31 December 2020, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts in accordance with section 476 of the Companies Act 2006.

The notes on pages 27 to 37 form part of these accounts.

Approved by the Council of Directors on 17th June 2021 and  
signed on their behalf by:

K R McKemey  
**Director**

**WorldShare**  
**Statement of Cash Flows**  
**For the year ended 31 December 2020**



	Notes	Year ended 31-Dec-20 Total £	Year ended 31-Dec-19 Total £
Cash provided by operating activities	19	<u>34,012</u>	<u>7,467</u>
Cash flows from investing activities			
Interest income		30	294
Purchase of tangible fixed assets		(2,898)	(3,270)
Cash used in investing activities		<u>(2,868)</u>	<u>(2,976)</u>
Increase/(Decrease) in cash and cash equivalents in the year		<u>31,144</u>	<u>4,491</u>
Cash and cash equivalents at the beginning of the year		28,013	23,522
Total cash and cash equivalents at the end of the year		<u>59,157</u>	<u>28,013</u>

## **1 ACCOUNTING POLICIES**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP(FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The particular policies adopted by the Directors are described below.

### **a) Accounting convention**

WorldShare meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transactional value unless otherwise stated in the relevant accounting policy note(s).

### **b) Preparation of the accounts on a going concern basis**

The financial statements have been prepared on the assumption that the charity is a going concern. As at the date of approval, the trustees are satisfied that their ongoing approach as described in the directors' report, will assure the charity's ability to operate on a going concern basis.

### **c) Incoming resources**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income which is designated for specific projects and support is transferred to designated funds.

### **d) Gifts in kind**

Donated goods, services and facilities (gifts in kind), are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit by the charity or a project supported by the charity from the use of the item is probable and the economic benefit can be measured reliably. In accordance with the charity SORP (FRS102), general volunteer time is not recognised, however information about their contribution can be found in note 2 in the accounts.



**d) Gifts in kind (continued)**

On receipt, gifts in kind are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain the goods, services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of the gift in kind being delivered to a project, or becoming available for use by the charity (see note 2).

**e) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity. This is upon notification of the interest paid or payable by the bank.

**f) Funds accounting**

Funds held by the charitable company are classified as follows:-

- Unrestricted general funds are funds which can be used in accordance with the company objects at the discretion of the directors.
- Designated funds are unrestricted funds set aside by the directors out of general funds for specific future purposes or projects.
- Restricted funds are funds that can only be used for particular restricted purposes within the objects of the company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**g) Resources expended and basis of allocation of costs**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in relation to the charitable activities;
- expenditure incurred in generating funds; and
- expenditure incurred in the governance of the charity. Including independent examination fees, certain legal and professional fees and a proportion of management costs considered to be involved in governance issues.

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

**h) Apportionment of costs**

Costs are apportioned directly to the relevant charitable activities where possible or otherwise on the basis of income or staff time. Pension costs are apportioned in proportion to the relevant staffing costs incurred, and are charged to both unrestricted and restricted funds on the basis firstly of staff time, and secondly of income. Where funds hold a significant deficit, only direct costs relating to activities and staff time are apportioned to them.

**i) Grants payable**

Grants payable to WorldShare partner organisations are made in furtherance of the charity's objectives. Grants are recognised as expenditure when the payment is made to the partner organisation in accordance with WorldShare's partnership agreements and in line with partner performance.



**j) Tangible fixed assets and depreciation**

Tangible fixed assets are recognised where their cost is in excess of £100, and are stated at cost less depreciation. Depreciation is provided at rates to write off the cost less any residual value of each asset over its expected useful life as follows:

- Computer equipment      20% Straight line
- Furniture and fittings      20% Straight line
- Office equipment      20% Straight line
- Promotions equipment      20% & 33% Straight line

**k) Stock**

Stock is valued at the lower of cost and net realisable value.

**l) Stock - gifts in kind**

Gifts in kind held as stock awaiting use by the charity or delivery to projects are recognised at fair value which is the amount the charity would have been willing to pay on the open market.

**m) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discounts. Prepayments are valued at the amount prepaid net of any trade discounts due. Income tax recoverable is valued at the amount recoverable but not yet received on donations received during the year.

**n) Foreign currencies**

Revenues and costs expressed in foreign currencies are translated into sterling at ruling on the dates on which the transactions occur, except for monetary assets and liabilities which are translated at the rate ruling at the balance sheet date.

Differences arising on the translation of such items are dealt with in the statement of financial activities.

**o) Operating leases**

Rentals payable under operating leases are charged on a straight line basis over the terms of the leases.

**p) Taxation**

The company, being a registered charity, is exempt from any liability to taxation on its charitable income and capital gains.

Income tax recoverable on donations is treated as being receivable in the year in which the corresponding income is received.

**q) Pension costs**

The pension costs charged in the financial statements represent the contributions payable by the company during the year (see note 18).

## 2 OTHER INCOME

Where gifts in kind are received, these amounts are included in other income.

Included in other income is the amount received from HMRC as a furlough grant in the year. This totalled £5,658 (2019 - nil).

WorldShare recognises the time given up by volunteers, and the benefit of this to the charity itself. Although not included as income in the financial statements, an attempt has been made to put a value on this time. For 2020, given the impact of the Covid-19 pandemic, there were no voluntary hours given, and hence the value of that time was nil (2019 - £670).

## 3 SUMMARY ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Note	Year ended 31 December 2020			Year ended
		Unrestricted funds	Restricted funds	Total	31-Dec-19
		£	£	£	Total £
<b>Assistance in ministry resources</b>	<b>8</b>				
ChildAid and related grants		-	68,060	68,060	51,275
Ministry, project and emergency relief grants		-	148,710	148,710	97,265
		-	216,770	216,770	148,540
<b>Other Charitable Expenditure</b>					
Direct ministry costs	4	-	202	202	2,676
Ministry support costs	4	30,837	86,716	117,553	113,600
Governance & support costs	5	28,927	-	28,927	31,438
		59,764	303,688	363,452	296,254

### Assistance in ministry resources

The above amounts for assistance in ministry resources indicate grants paid in cash or in kind to individual partner ministries to enable their activities to fulfil their and our charitable purposes (see also note 8).

### Direct ministry costs

Indicates the direct cost of activities conducted to the specific benefit of our partner ministries, other than the making of grants.

### Ministry support costs

Indicates the cost of all other activities in support of our partner ministries. These activities are focused on building their capacity to increase the scale or quality of their work.

### Governance & Support costs

Indicates the direct cost of activities that enable WorldShare to continue to operate as a charitable company, but do not directly undertake charitable activities. These costs include Governance costs incurred, as well as costs relating to finance, payroll HR, professional fees, and a proportion of costs relating to staff time, premises and other office based costs. These are allocated on a basis of time spent or resources used.

**4 ANALYSIS OF RESOURCES EXPENDED ON CHARITABLE EXPENDITURE**

	<b>Year ended 31-Dec-20 £</b>	<b>Year ended 31-Dec-19 £</b>
Grants/Gifts in Kind sent	216,770	148,540
Staff costs	109,417	103,812
Travel	(4)	774
Premises costs	13,237	12,943
Office expenses (including computer & telephone costs)	7,936	8,131
Postage, printing, stationery &, photocopying costs	3,834	5,273
Magazine costs	4,032	3,221
Promotional expense (including exhibitions, publicity & website costs)	70	865
Establishment costs (including costs of Board meetings)	6,218	9,292
Ministry visits and set up costs	136	1,022
Advocacy/consultancy for ministries	-	22
Ministry infrastructure improvements/Other direct costs	66	36
Depreciation (including profit/loss on disposal of fixed assets)	1,740	2,323
<b>Total Resources Expended</b>	<b>363,452</b>	<b>296,254</b>

**5 ANALYSIS OF GOVERNANCE & SUPPORT COSTS**

	<b>Year ended 31 December 2020</b>			<b>Year ended 31-Dec-19 £</b>
	<b>Support Costs £</b>	<b>Governance £</b>	<b>Total £</b>	
Staff costs	13,329	7,054	20,383	19,305
Travel	7	-	7	346
Premises costs	1,968	-	1,968	1,798
Office expenses	1,148	-	1,148	1,078
Postage, printing & stationery	522	143	665	1,102
Establishment costs	824	-	824	1,075
Professional Fees - Independent Examination	-	1,960	1,960	2,000
Professional Fees - HR	1,056	-	1,056	1,146
Professional Fees - Pension	-	-	-	400
Professional Fees - Legal	-	-	-	39
Professional Fees - Other	166	-	166	118
Board meeting costs (inc. board training)	-	501	501	2,793
Depreciation	249	-	249	238
	<b>19,269</b>	<b>9,658</b>	<b>28,927</b>	<b>31,438</b>



**6 SURPLUS/DEFICIT FOR THE PERIOD**

The surplus for the period is stated after charging:

	<b>Year ended 31-Dec-20 £</b>	<i>Year ended 31-Dec-19 £</i>
Depreciation of owned tangible fixed assets	4,331	4,346
Independent Examiners' remuneration	1,960	2,000
Operating leases: Office equipment	2,094	2,864
Land and buildings	14,720	14,280
	<u>14,720</u>	<u>14,280</u>

**7 STAFF COSTS**

	<b>Year ended 31-Dec-20 £</b>	<i>Year ended 31-Dec-19 £</i>
Wages and salaries	134,035	106,346
Social security costs	8,463	7,386
Pension costs	10,942	8,565
Freelance/consultancy costs	225	18,642
Other staff costs (including holiday pay accrual movement)	(99)	10,304
	<u>153,566</u>	<u>151,243</u>

During the year, the average head count of staff employed was 5 (2019 - 4), with there being on average 3 members of staff employed on a full time basis (2019 - 3), and 2 members of staff employed on a part time basis (2019 - 1).

The average number of full time equivalent persons employed by the company during the year was as follows:

	<b>Year ended 31-Dec-20 Number</b>	<i>Year ended 31-Dec-19 Number</i>
Representation	1	-
Administration	3	3
	<u>4</u>	<u>3</u>

No employees had employee benefits in excess of £60,000 (2019 - nil).

The key management personnel of the charity comprises the Directors, the Chief Executive Officer and the Finance Manager. Total employee benefits of key management personnel were £84,680 (2019 - £86,129).

## 8 GRANTS MADE (INCLUDING GIFTS IN KIND)

Organisation	County	Number of Grants	Total £
Beginning of Life	Moldova	41	27,780
Bible Faith Mission	India	9	7,950
Evangelical Church of North Macedonia (prev. MMB)	Macedonia	11	13,170
Free Evangelical Association of Lebanon	Lebanon	4	19,200
HEAL Africa	DR Congo	10	33,310
Hope for Africa Missions	South Africa	28	20,500
Jatiyo Kristyo Prochar Samity	India	14	26,650
Medical Ambassadors Foundation (prev. BWD)	Albania	19	10,900
PiFo Haiti (prev. Haiti Christian Schools)	Haiti	8	10,200
Potter's House (Casa Del Alfarero)	Guatemala	18	19,000
Word of Hope	Myanmar	15	11,700
Other (less than £5,000 each)	Various	31	16,410
		<u>208</u>	<u>216,770</u>

Grants are made in accordance with the policy disclosed in the Directors' Report.

## 9 DIRECTORS' INTERESTS

The Articles of Association forbid directors from receiving any remuneration. None of the Directors have been paid any remuneration or received any other benefits from an employment with the Charity (2019 - nil).

No related party transactions were identified during 2020 (2019 - none).

During the year expenses paid on behalf of directors, which may include the direct costs of Director's visits to partner projects as well as travel costs relating to attendance as board meetings, were as follows:

	Visiting Projects	Board Meeting	Other	Total	Total
	Overseas	Expenses	Expenses	2020	2019
	£	£	£	£	£
J Bunce	-	-	-	-	178
R Cartlidge	-	-	-	-	376
M Forsyth	-	-	-	-	274
P G Hine	-	-	-	-	85
S Kelsall	-	-	-	-	140
K McKemey	-	-	-	-	140
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,193</u>

# **10 TANGIBLE FIXED ASSETS**

	Computer Equipment £	Furniture & Fittings £	Office Equipment £	Promotions Equipment £	Total £
<b>COST</b>					
At 1 January 2020	33,082	11,850	3,835	11,787	60,554
Additions	1,532	-	922	444	2,898
Disposals	(379)	-	(199)	-	(578)
As at 31 December 2020	<u>34,235</u>	<u>11,850</u>	<u>4,558</u>	<u>12,231</u>	<u>62,874</u>
<b>ACCUMULATED DEPRECIATION</b>					
At 1 January 2020	28,452	11,794	3,835	8,082	52,163
Charge for the period	2,246	56	185	1,844	4,331
Eliminated on disposal	(379)	-	(199)	-	(578)
As at 31 December 2020	<u>30,319</u>	<u>11,850</u>	<u>3,821</u>	<u>9,926</u>	<u>55,916</u>
<b>NET BOOK VALUE</b>					
As at 1 January 2020	<u>4,630</u>	<u>56</u>	<u>-</u>	<u>3,705</u>	<u>8,391</u>
As at 31 December 2020	<u>3,916</u>	<u>-</u>	<u>737</u>	<u>2,305</u>	<u>6,958</u>

# **11 CASH HELD AS INVESTMENTS**

	<b>Year ended 31-Dec-20 £</b>	<i>Year ended 31-Dec-19 £</i>
<b>VALUE</b>		
At 1 January 2020	23,166	20,101
Investment management costs	(166)	(94)
Unrealised gain on investment	550	3,159
As at 31 December 2020	<u>23,550</u>	<u>23,166</u>



**12 DEBTORS**

	<b>Year ended 31-Dec-20 £</b>	<i>Year ended 31-Dec-19 £</i>
Income tax recoverable	1,734	2,112
Prepayments	5,827	8,421
Other debtors	487	1,250
	<u>8,048</u>	<u>11,783</u>

**13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Year ended 31-Dec-20 £</b>	<i>Year ended 31-Dec-19 £</i>
Accruals	2,274	2,592
Trade Creditors	1,750	1,926
Wages control	4,683	4,823
Other	314	1,652
	<u>9,021</u>	<u>10,993</u>

**14 UNRESTRICTED FUNDS**

	<b>Year ended 31-Dec-20 £</b>
As at 31 December 2018	29,073
(Deficit) for the year	<u>(3,676)</u>
As at 31 December 2019	25,397
Surplus for the year	20,067
Transfers in/(out)	<u>(5,000)</u>
As at 31 December 2020	<u>40,464</u>

The unrestricted fund is available for the directors to use at their discretion to add to the funds of partners, where those funds need special support.

## 15 RESTRICTED FUNDS

	Balance	Movement in funds		Restricted	Unrestricted	Balance
	1 January 2020	Incoming	Outgoing	fund	fund	31 Dec 2020
	£	£	£	Transfers	Transfers	£
Funds held in respect of projects in the following thematic areas:						
Education	(1,067)	134,083	(126,427)	-	-	6,589
Health	12,134	53,528	(46,300)	-	-	19,362
Community	4,020	35,827	(32,895)	-	-	6,952
Church Planting	1,410	58,775	(52,602)	-	-	7,583
Injustice	(200)	12,343	(16,986)	-	5,000	157
Emergency Relief	18,666	74,307	(85,388)	-	-	7,585
	<u>34,963</u>	<u>368,863</u>	<u>(360,598)</u>	<u>-</u>	<u>5,000</u>	<u>48,228</u>

The balances on restricted funds represent those amounts received from donors for specified purposes or regions that have not been expended at the balance sheet date. These are collated thematically by the nature of the ministry or project.

During 2020, the trustees approved a transfer of £5,000 to be made from General Funds to the Injustice Fund to be used where expenditure was in excess of income.

## 16 ANALYSIS OF ASSETS BETWEEN FUNDS

	Year ended 31 December 2020			Year ended 31-Dec-19
	Unrestricted funds	Restricted funds	Total	Total
	£	£	£	£
Tangible fixed assets	6,958	-	6,958	8,391
Fixed asset investments	23,550	-	23,550	23,166
Current assets	18,877	48,228	67,105	39,796
Current liabilities	(8,921)	-	(8,921)	(10,993)
	<u>40,464</u>	<u>48,228</u>	<u>88,692</u>	<u>60,360</u>

## 17 PENSION COST

The company operates a defined contribution personal pension scheme for employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

The pension cost charge includes contributions payable by the company to the fund which during the year amounted to £10,942 (2019 - £8,565).

## 18 OTHER FINANCIAL COMMITMENTS

As at 31 December 2020 the company was committed to making the following payments under non-cancellable operating leases.

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Total payable within one year	5,412	4,982
Total payable within one to five years	1,745	3,278
Total payable after five years	-	-
	<u>7,157</u>	<u>8,260</u>

## 19 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	<b>2020</b>	<b>2019</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Net movement in funds	28,332	4,161
Depreciation charge	4,331	4,346
Interest income	(30)	(294)
(Increase)/decrease in value of investments	(384)	(3,065)
Decrease in debtors	3,735	375
Increase/(decrease) in creditors	(1,972)	1,944
Net cash used in operating activities	<u>34,012</u>	<u>7,467</u>



