

WORLD COMPASSION TRUST

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016

Charity number 270063

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016

The trustees present their report and the financial statements of the charity for the year ended 31 December 2016.

CONTACT

The charity can be contacted via 62 High Street, Merthyr Tydfil, CF47 8DE or via the charity's website 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 projects overseas).
- (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).
- (d) 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 2014 the following people acted as trustees:

Mr R Bevan
Mr P Jenkins
Dr T Law
Mr J Law
Mr M Robins

continued.....

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, 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.

Myanmar

During 2016 World Compassion continued to successfully operate the Children's Home with 27 children (capacity 48). The church and pastor in Twante oversee the operation of the facility and care of the children. As funding permits during 2017 we will continue to distribute the ABC curriculum through local churches and pastors as part of the training and discipleship programs in Myanmar. This outreach will continue to expand in 2017 as funding permits. The Ministry Training Centre for mission students was completed in 2016 and serves up to 40 students for the nine month training session (August through April). The Charity continues to support church planting efforts in the country utilizing graduates of the Ministry Training Centre students was held in May 2016. A new class of students was begun in August 2016 for graduation set for May 2017. As part of the Charity's training and discipleship additional Leadership Conferences were held in 2016 with others planned for 2017.

China

The Charity continued its training and discipleship programmes in China throughout 2016. This was accomplished through growing the ABC Bible Training Programme to more than 2,000 students and expanding the CMS Mission School Programme with more than 400 students.

It is the Charity's goal to grow these programmes for training and discipleship in China as funds permit. 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.

Iran

With the continued presence and in many cases the escalation of terrorist activities in the Middle East the Charity's work of placing Bibles in to Iran has been more challenging. Nevertheless, World Compassion continues to seek means to distribute Bibles in the nation of Iran. To date over 60,000 Bibles have been moved into the country through various means. We will work diligently to reach our goal of 100,000 Bibles as channels of distribution are opened and funds are available to move the Bibles.

Northern Iraq, Kurdistan

In 2016 the Charity continued to provide humanitarian relief to portions of Northern Iraq. This included providing humanitarian relief items to refugees travelling across Europe. This work has been facilitated by working with local churches throughout the region. As the needs shift for relief work to transformation of lives the Charity will work diligently in 2017 to keep programmes relevant in fulfilling the mission of World Compassion. By partnering with other organisations the Charity will be able to better utilize funds available and increase the impact of gifts given by World Compassion donors.

Donor Education and Issue Awareness

The Charity held several donor dinners in the United Kingdom as a means to further communicate the mission of the organisation. Terry Law visited a number of churches in the region while Jason Law met with pastors and other leaders to present updates on the accomplishments and goals for the continued work of the Charity. These donor meetings and various church/pastor meetings were instrumental in communicating the financial needs of the Charity in order to fund the various mission works going forward.

Additional donor events along with church meetings and leadership meetings will be planned during 2017.

FINANCIAL REVIEW

The Trustees are pleased to report that over £166,000 in support of projects overseas was distributed in 2016. 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 31 October 2017 and signed on their behalf

Mr J Law
Trustee

A handwritten signature in black ink, appearing to read 'John Law', written in a cursive style.

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF WORLD COMPASSION TRUST
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2016**

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I report on the accounts of the Trust for the year ended 31 December 2016, which are set on pages 6 to 8.

Respective responsibilities of trustees and independent examiners

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

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

Basis of Independent examiners report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes review of the accounting records kept by the trust 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 examiners report

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 2011 Act and;
- to prepare accounts which accord with those accounting records and to comply with the accounting requirements of the 2011 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.

**GB Robinson BA FCA
ALPHA ACCOUNTANCY ABERAVON LIMITED
Chartered Accountants
68 Silver Avenue
Aberavon
Port Talbot
SA12 7RY
31 October 2017**

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RECEIPTS AND PAYMENTS ACCOUNT INCLUDING

**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 December 2016**

	2016	2015
Incoming resources		
General donations and gifts	154,057	117,413
Income tax recovered	5,880	10,844
Interest received	8	55
Total incoming resources	159,945	128,312
Resources expended		
Charitable expenditure		
Grants to projects overseas	166,352	230,705
Public education and issue awareness		
Freight and postage	1,044	1,156
Staff costs	7,376	9,720
Consultancy	11,940	14,700
Telephone	252	247
Printing and stationery		151
Travel costs	1,795	
Management and administration		
Bank charges	721	677
Computer costs	47	70
Accountancy fees	3,600	-
Total resources expended	193,127	257,426
Resources expended in excess of incoming resources	(33,182)	(129,114)
Total funds brought forward	42,287	171,401
Total funds carried forward	9,105	42,287

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STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2016

	<i>Notes</i>	2016	2015
		£	£
Cash funds			
Cash at bank and in hand		<u>9,105</u>	<u>42,287</u>
 Liabilities			
Accrued expenses		-	3,480

Approved by the trustees on 31 October 2017 and signed on their behalf

J Law
Trustee

A handwritten signature in black ink, appearing to read 'J Law', with a large, stylized loop at the beginning and a horizontal stroke at the end.

1 ACCOUNTING POLICIES

The accounts have been prepared on a receipts and payments basis.

Incoming resources

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

In order to perform its charitable activities the charity is dependant upon voluntary help provided by friends of the charity. The value of such help is impossible to quantify and is not included in the accounts.

Resources expended

Resources expended are recognised when paid by the Charity.

Fund accounting

The charity holds funds in a single general unrestricted fund.

These funds can be used in accordance with the objects of the charity at the discretion of the trustees.