

WORLD COMPASSION TRUST

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

WORLD COMPASSION TRUST
REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2018

The trustees present their report and the financial statements of the charity for the year ended 31 December 2018

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 2018 the following people acted as trustees:

Mr M Harris
Mr P Jenkins
Dr T Law
Mr J Law
Ms D Weir

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.

WORLD COMPASSION TRUST

Myanmar

During 2018 World Compassion continued to successfully operate the Children's Home with 24 children (capacity 48). 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 572 students and leaders through local churches and pastors. This outreach will continue to expand in 2018 as funding permits. The Ministry Training Centre for mission students served 38 students for a nine-month training session (August through April). The Charity continues to support church planting efforts in the country, we helped build a new building for a Church plant in Northern Myanmar. As part of the Charity's training and discipleship programs, additional Leadership Conferences were held in 2018 with around 220 pastors and leaders in attendance. Additional Leadership Conferences are planned for 2019 as well.

China

The Charity continued its training and discipleship programmes in China throughout 2018. There were 1,003 new students enrolled and studying in the ABC Discipleship and Leadership Training Programme, with 166 students graduating from the 2 year program. We had 500 CMS Mission School Programme students graduate in 2018, and enrolled 261 new students to train with CMS. 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. To further support the pastors and leaders of China, we held a Leadership Conference with 120 house church leaders in attendance. Additional Leadership Conferences are planned for 2019.

Iran

The Charity's work of placing Bibles into Iran was challenging, yet successful in 2018. World Compassion successfully delivered 36,200 Bibles into Iran in 2018, creating 36,200 connection points between Christians, new believers, and even Muslims seeking the truth in God's Word. With this diligent work, we have reached our goal of distributing over 100,000 Bibles into the country of Iran. To date 105,245 Bibles have been moved into the country through various means. We plan to continue placing Bibles into Iran.

Cuba

In 2018, the Charity began to support church planting efforts in the country of Cuba. We helped a growing church plant break ground on a brand new church facility. We plan to continue helping this church plant finish the building of their new facility in 2019.

Iraq

In 2018 World Compassion helped finish building and open a Safe House in a village near Erbil, Iraq for Yazidi women who were former ISIS survivors. This home can house up to 28 women, helping to bring restoration through counselling and training them in practical skills to help empower the women to integrate back into society. The Charity sponsored 15 women and 3 children to live in the Safe House throughout 2018. We also worked with a local church in Mosul, Iraq to reach widows and orphans whose husbands and fathers were killed by ISIS by providing them with a care package meeting their basic needs, as well as sharing the Gospel and praying with them.

Donor Education and Issue Awareness

The Charity held a couple donor dinners in the United Kingdom as a means to further communicate the mission of the organisation. Terry Law visited a couple 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 for 2019.

WORLD COMPASSION TRUST

FINANCIAL REVIEW

The Trustees are pleased to report that over £80,000 in support of projects overseas was distributed in 2018. 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 ensure 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 2019 and signed on their behalf

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Mr J Law
Trustee

WORLD COMPASSION TRUST
INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES ON THE UNAUDITED FINANCIAL
STATEMENTS OF WORLD COMPASSION TRUST FOR THE YEAR ENDED 31 DECEMBER 2018

I report on the accounts of World Compassion Trust for the year ended 31 December 2018 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: 29 October 2019

WORLD COMPASSION TRUST
STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2018

	Note:	2018	2017
Incoming Resources			
General Donations and Gifts		£ 101,023	£ 101,277
Gift Aid Reclaimed		£ 35,797	£ -
Total Incoming Resources		<u>£ 136,820</u>	<u>£ 101,277</u>
Resources Expended			
Grants to Overseas Projects	2	£ 80,945	£ 67,269
Public Education and Issue Awareness			
Freight and Postage		£ 839	£ 370
Staff Costs		£ 7,191	£ 4,297
Consultancy		£ 26,674	£ 25,523
Telephone		£ 102	£ 242
Management and Administration			
Bank Charges		£ 678	£ 719
Computer Costs		£ -	£ -
Accountancy Fees		£ 3,394	£ 2,485
Total Resources Expended		<u>£ 119,823</u>	<u>£ 100,906</u>
Resources Incoming in Excess of Resources Expended		<u>£ 16,997</u>	<u>£ 371</u>
Total Funds Brought Forward		£ 9,477	£ 9,106
Total Funds Carried Forward		<u>£ 26,474</u>	<u>£ 9,477</u>

WORLD COMPASSION TRUST
BALANCE SHEET AS AT 31 DECEMBER 2018

	Note:	2018	2017
FIXED ASSETS			
Fixed Assets		£ -	£ -
CURRENT ASSETS			
Cash at Bank and In Hand		£ 25,474	£ 9,477
TOTAL ASSETS		<u>£ 25,474</u>	<u>£ 9,477</u>
CURRENT LIABILITIES			
Accounts Payable		£ -	£ -
Accruals		£ -	£ 1,000
TOTAL LIABILITIES		<u>£ -</u>	<u>£ 1,000</u>
NET ASSETS		<u>£ 25,474</u>	<u>£ 8,477</u>
FUNDS			
Unrestricted Funds	3	£ 25,474	£ 8,477
Restricted Funds	4	£ -	£ -
TOTAL FUNDS		<u>£ 25,474</u>	<u>£ 8,477</u>

Notes in pages 8 to 9 form part of these accounts

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

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Mr J Law
Trustee



WORLD COMPASSION TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

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

	2018	2017
Burma	£ 22,750	£ 23,196
China	£ 12,886	£ 17,896
Cuba	£ 2,789	£ -
Iraq	£ 30,265	£ 26,177
Iran	£ 12,255	£ -
	<u>£ 80,945</u>	<u>£ 67,269</u>

WORLD COMPASSION TRUST**3. Unrestricted Funds**

	As at 31 December 2018	Outgoing Resources	Incoming Resources	As at 31 December 2017
Unrestricted Funds	£ 25,476	-£ 113,723	£ 130,722	£ 8,477

4. Restricted Funds

	As at 31 December 2018	Outgoing Resources	Incoming Resources	As at 31 December 2017
Restricted Funds	£ -	-£ 6,099	£ 6,099	£ -

5. Transactions with Trustees

There were no transactions with the Trustees during the year