

Company Registration Number: 02498199

Charity Number: 803575



# WorldShare

## Financial Statements

For the Year Ended 31 December 2019

### **Contents:**

Directors report	Page 2-16
Company information	Pages 17-19
Directors responsibilities	Pages 19-20
Independent examiner's report	Pages 21-22
Statement of financial activities	Page 23
Balance sheet	Page 24
Statement of cash flows	Page 25
Notes to the accounts	Pages 26-37

### **Report of the Directors' for the year ending 31 December 2019**

The Trustees are pleased to present their annual directors' report, together with the financial statements of the charity for the year ended 31st December 2019; 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 pleasure to introduce WorldShare's Annual Report for 2019. WorldShare supports local Christians in some of the World's neediest places to enable them to fulfil their vision to bring about social and spiritual transformation in their respective communities. We greatly value both our local supporters and our partners around the world that have continued to collaborate with us in this mission during 2019.

2019 has been particularly challenging on several fronts, staffing, financial and the political uncertainty that 'Brexit' posed. On behalf of my fellow trustees I want to acknowledge the diligence and hard work of our CEO, Alan Butler and all our staff over the year. Although a depleted team for much of 2019, they with occasional freelance and consultant assistance, kept WorldShare relevant, effective and solvent.

Two new members of staff joined in September, Vanessa Riley and Emily Hobbs. They greatly eased the pressure of work and allowed the organisation to develop its on-line profile and communication with current and prospective supporters.

During 2019, besides continuing to support its regular ministry partners around the World, WorldShare provided assistance to a number of disasters such as cyclones, floods and food insecurity, where ministry partners were involved in providing relief. These activities are described in the Directors' report.

In June we were pleased to welcome a new trustee, Matt Forsyth. I particularly want to thank my fellow trustees for their support of WorldShare during 2019. The board through different subcommittees have maintained a close watching brief on the financial status of the organisation, helped in the drafting of a new governance handbook, conducted a revision of the code of conduct to insure compliance, and carried out a review of operational policies.

**WorldShare**  
**Directors' Report**  
**For the Year Ended 31 December 2019**



I am writing this report as the current chair of WorldShare, though I only assumed the position at the end of January 2020. Geoff Hine resigned his trusteeship and chairmanship in January this year though he formally announced his intention to the board in December 2019. I along with my fellow Trustees and staff of WorldShare wish to extend our appreciation and thanks to Geoff for his many years of service to WorldShare as both a trustee and able Chair. His input and wisdom will be missed.

We, as the board of WorldShare feel privileged to have the opportunity to share in the work of God's people around the World as they seek to witness and bring transformation to their respective communities. We especially pray for the protection of WorldShare, our partners and supporters as we all face an uncertain future under the prevailing threat of COVID-19.

Kevin McKemey  
May 2020

## **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 childrens' 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 at the heart of their work.
- **Injustice** – a growing 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 actively working to have a 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 Board or staff members visit the ministry at an 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 partner ministry leaders and staff by email, phone and/or SKYPE and can monitor general progress and the progress of particular projects. In addition, to these contacts, visits by WorldShare staff and Board Members also take place and we also invite leaders of the ministries to visit supporters in the UK. This also gives us opportunities for in-depth discussions.

## **2. Achievements and Performance**

### **Achievements**

Following various developments during 2018, WorldShare has continued to move ahead in 2019; although for a number of reasons we were short of key staff for part of the year which has had an impact on income and grants paid.

The website continues to serve us well, helping us increase our digital communications and has enabled us to focus more on using social media to link with existing supporters, raise our profile and communicate effectively with potential supporters.

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 225 children through the ChildAid Scheme which provides access to education and much more.

- Child Sponsorship – Our ChildAid programme supports children in 10 ministries. 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), Evangelical Mission for Assistance to Fisherman (EMAF)(Brazil), Hope for Africa Mission (South Africa), HEAL Africa (DRC), JKPS (India), Bible Faith Mission (India), Word of Hope (Myanmar), Medical Ambassadors Foundation (Albania), Good Friends of Nepal (Nepal) and DUARS Rural Development (India).
- 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. Following on the success of the trip in 2018, WorldShare's partner school Bury CofE School is planning to make a further trip to Grace School in 2021, as part of a wider trip to South Africa.
- In Guatemala, our partner Potter's House, continues to work with the children from the shanty town community around the 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 eastern town of Chiquimula close to the border with Honduras and El Salvador, a very needy area.
- We continue to support the work of our partner in Haiti, who operates a number of Christian schools. Although we no longer run a child sponsorship scheme there, we continue to support the work of the schools and their feeding programme with general funding.
- Vacation bible studies and summer camps are run by several our ministry partners during the school holidays. These are 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, and man's inhumanity to man. We continue to support the training of medical staff at various levels including the support of a doctor on the family residency programme. 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 was unable to train further Chaplains this year due to the ongoing Ebola crisis in DRC. We were successful in obtaining generous funding for the next round of Chaplaincy training which is scheduled to commence in 2020. The Chaplains are able to help in providing holistic care in their communities traumatised by years of war and unrest where often the wounds that need healing are not physical ones. We are also working on a proposal to develop and enhance the programme through further training and supervision, this we expect to take place during 2020.
- 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 and we have been able to support the operation of these, providing basic healthcare and simple treatment in areas where the government provision is either poor or non-existent. We were excited to be involved in a fund raising initiative for a smaller vehicle to take these clinics into even more inaccessible and remote areas.

**Community:**

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

- 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 to start and run small businesses including provision of micro-loans.
- 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.

**Church Planting:**

- Key worker support for Pastors in the growing Evangelical Church in Northern Macedonia network which now has established a network of over 36 churches, with a vision to plant another 100. WorldShare has also supported the network in securing a strategic property in a southern town.
- 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 close by 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 2019 was support towards the refurbishment of a building for the fledgling church in one of the villages in which they have been working for a number of years.
- 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. Support to help in the funding and appointment of a social media manager. In addition, provision of bibles for the outreach work and support of 'programme making' for broadcasting on their channel.

**Injustice:**

We continued to work with our long-standing partners Beginning of life in Moldova and JKPS in Kolkata India, in their injustice work. During the year we continued to partner with a ministry in Pakistan, who work to release some of the bonded labour "slaves" from the brick manufacturing industry. To give them hope and help them take ownership of their situation and reduce or eliminate bonded labour to brick kiln owners. The challenges that this work faces and the difficulties it has to tackle again highlight how desperately needy these communities are.

- WorldShare supports a number of programmes at Beginning of Life, Moldova. These include 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.

- Following the visit of the leader of JPKS to the UK in late 2018, we continued to raise the profile of JPKS' work. We continued to promote and support their work of rehabilitation and skills education work amongst the sex workers (and their children) of Kolkata.
- Our ministry partner in Pakistan, works to release some of the 3 million bonded labourers in the brick kiln industry from their enslavement to kiln owners due to false contracts and forged accounting, which can lead to families working in the kilns for decades, unaware of the fact they have paid off their original debt many times over.

**Relief:**

During 2019 the relief needs addressed included: -

- Shelter for refugees in the Middle East
  - Communities in Southern Africa affected by Cyclone Idai
  - Communities in India affected by Cyclone Fani
  - Word of Hope and communities affected by flooding in Myanmar
  - Communities in Haiti affected by food security
- 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. The cold winter months are a challenge for those living these conditions and support with clothing and shelter is vital.
  - Cyclone Idai was one of the worst weather events to hit the southern hemisphere ever<sup>1</sup> and severely impacted the areas working in by our South African Partner Hope for Africa Missions. Bishop Hendrick's words highlight the severity of the situation. *"Our ministry is affected in all the three countries, Mozambique, Zimbabwe and Malawi. Of them all, the Beira region is the worst affected and we have people on the ground. Indeed, the need is great"*  
  
We were able to supply funds for emergency foodstuffs and provision of temporary shelter.
  - Cyclone Fani was much more limited in its impact than Cyclone Idai, but the communities affected were also helped to reconstruct damaged buildings.

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<sup>1</sup> *"This is shaping up to be one of the worst weather-related disasters ever to hit the southern hemisphere"*  
Clare Nullis, UN Weather Agency, March 2019

- In September, WorldShare's local ministry partner Haiti Christian Schools requested help as with political unrest, foodstuffs were in short supply and the cost had tripled. We were able to respond to the need by providing funds for provision of food.

### **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 2019 in 2018's financial report, progress is noted alongside.

- **Further acquire new donors and child sponsors** – achieved
- **A special focus of linking with “millennials” through digital media** – we further built on the enhanced social media offering started in 2018
- **Enhance information available through the WorldShare website** – achieved
- **Create further promotional videos, by ministry** – commenced with 2 x videos for Beginning of Life, as well as some short video interviews
- **Send out up to 6 major and up to 6 targeted appeals** - 11 appeals sent out; 6 major appeals, of these 3 related to world events and also a further 5 targeted appeals
- **Maintain improved supporter/donor communications** – even with reduced staffing able to maintain the standard of communications from 2018
- **Respond to changes in legislation and make necessary adjustments to systems and processes** – systems and processes updated as necessary
- **Further improve office processes and develop team capabilities** – As noted above, enhanced programme and processes to recruit and induct new staff

### **Future Plans**

Following developments and recruitment of new staff during late 2019, WorldShare is anticipating making significant strides forward in 2020. The strategic and annual planning process has been further refined and key measures now well established to allow a frequent review of progress against the plan(s).

Key focus areas are: -

- Increase Income and broaden donor base
- Enhance supporter/donor experience
- Deepen relationship 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 2020 include: -**

- Continue to acquire new donors and child sponsors
- A special focus of linking with “millennials” through digital media
- Enhance information available through the WorldShare website, through a complete review and update of individual pages
- Create further promotional, ministry specific videos,
- Send out 6 major and 6 targeted appeals
- Maintain and improve supporter/donor communications

### **3. Financial Review**

Over the course of 2019, WorldShare’s generous and committed donors continued to support our various projects, appeals and ministries, 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 £371K, a decrease on the amount received in 2018 of £92K (20%). During the year, there were some key staff positions vacant, which impacted on WorldShare’s ability to fundraise. As a result, income from trust granting bodies was £44K lower than in 2018, a fall of 64%.

Whilst the fall in income across the year was disappointing, WorldShare was still able to pursue, in the main, its planned projects for the year. Additionally, thanks to the generosity of our donors, we were able to respond to emergency situations as they arose, such as bringing aid to some of those devastated by Cyclone Idai, which hit countries in South East Africa.

Funds expended on charitable activities were £296K (80%) of total income, being £140K lower than in 2018. Whilst a significant part of this reduction relates to the reduced income across the year, 2018 was particularly high due to the timing of both grants and gifts in kind sent. Monetary grant payments sent to our ministry partners were £76K (33%) lower than in 2018, though more in line with previous years’ figures.

Expenditure, other than grants or gifts in kind sent to our partner ministries, fell by £32K (13%), in part due to staff vacancies, but also due to cost reductions made across the year. 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.

Following losses sustained in 2018, the investment fund set up in 2014 showed an unrealised gain, with the fund increasing in value by £3K (16%) over the course of the year. These are invested in ethical funds only, with a primary objective of capital growth

**WorldShare**  
**Directors' Report**  
**For the Year Ended 31 December 2019**



Whilst 2019 has been a challenging year financially, WorldShare has continued to honour commitments to its ministry partners, its donors, and to God, to help bring the good news of the Gospel to communities that need to hear of the Hope that we find in our salvation through Jesus Christ. It has been a challenge, however God's faithfulness has shone through, and although not as high as in 2018, our grants to our ministry partners, helping enable them in their Gospel work, have been at comparable levels to those sent in previous years, despite significant falls in income.

Reserve levels have increased slightly over the year; however, they continue to be lower than would be desired. The need 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 continues.

We continue to monitor our reserves to ensure that they are sufficient to support WorldShare's operations into the future, and we also continue to put strategies in place 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 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 £60K, an increase of £4K on the amount held at the end of 2018 (£56K).

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 2018 being the restricted funds figure for that period. At the end of 2019, total restricted funds were £35K an increase of £8K on 2018's figure of £27K.

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 £25K, a decrease of £4K on the balance at the end of 2018.

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 2019, free reserves totalled £17K a decrease of £3K on 2018's figure of £20K.

**Reserves Policy**

The Board of Directors review the Reserves Policy annually, to ensure a balance between spending on the charitable needs of our partner ministries 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 £35K as calculated on the 31st December 2018.

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, 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 £25K, with free reserves available of £17K, which is 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 to gradually rebuild these amounts.

Whilst there was an increase of £7K during 2018, the significant transfer required from unrestricted into the Injustice fund during 2019, meant that these levels fell slightly in the year. Steps have been taken to help prevent restricted funds from falling into deficit, and the expectation is that free reserves will increase gradually over coming years. The Finance sub-committee continue to meet regular and monitor the level of free reserves closely.

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 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. No other new risks were identified in 2019.

### **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. As of June 2020, there has been a significant impact on the way that organisations, including WorldShare, have been able to operate, as well as impacts on the needs of our partner ministries around the world, and the economic environment in which we operate.

As an organisation, we have been well placed to temporarily, and if needed more permanently, move our staff from office to home working. Some of our fundraising and operational plans have had to be put on hold; however, these were not expected to make up a significant proportion of WorldShare's income for the year. As our ministry partners are local to the communities they serve, although they have been impacted by local restrictions on movement, they have been able to continue to operate within those boundaries, responding to the increased need the pandemic has caused. For the time being, our plans to visit our ministry partners, and our plans to have key personnel from them visit us, have been put on hold, however we have mitigated this by increasing our contact with them, using digital communication platforms.

The economic environment that we find ourselves in is uncertain, with many individuals in the UK, where our donor base is predominantly located, currently not working, and both the UK and global economies contracting. As of June 2020, WorldShare has been very encouraged by the continued generosity of our supporters, and thanks to them, our income levels are above where we had budgeted to be at this point in the year. There is obviously a greater demand from our ministry partners for funds because of the challenging situations that they find themselves in, particularly medical and food insecurities, and we cannot predict how the Covid-19 pandemic will affect our ministry partners' operations in the future.

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 remains 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 person(s). Where needed, they will take advice from appropriate individuals and organisations. During 2019 the trustees worked to establish a board handbook, and this was approved for use in early 2020.

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

An induction process is in place for potential candidate members. 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, administers the charity. The Board met four times in 2019. The Board are responsible for setting the strategic directions in which WorldShare travels, and the activities undertaken to achieve our goals and objectives. In addition, they are responsible for our compliance with all legal requirements. Many of these responsibilities are delegated to the Chief Executive or other members of staff.

The Board has a permanent Standing Committee and appoints sub-committees as required.

During 2019, the Finance and Policy Sub-Committees continued to meet as required between board meetings. In addition, a task specific Governance sub-committee was established to review the governance model and work to finalise a board handbook. 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 raise a total of over £18.0 million for ministry projects each year.

## **5. Reference and Administrative details**

<b>Registered Charity Name</b>	WorldShare	
<b>Directors</b>	P G Hine	<i>Chairman (until January 2020)</i>
	K R McKemey	<i>Vice-Chair (until January 2020)</i>
		<i>Chairman (from January 2020)</i>
	J Bunce	
	R Cartlidge	
	A C Fisher	
	S V Kelsall	
	M Forsyth	(from June 2019)
<b>Chief Executive</b>	A C Butler	
<b>Company Secretary</b>	J H Hunt	

**WorldShare**  
**Directors' Report**  
**For the Year Ended 31 December 2019**



<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 & HSBC Bank plc 27 High Road 1 High Street Chadwell Heath Doncaster Romford RM6 6QD 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 25<sup>th</sup> June 2020 and signed on their behalf by

K R McKemey  
Chairman

**WorldShare**  
**Independent Examiner's Report**  
**For the Year Ended 31 December 2019**



Report to the trustees of WorldShare on the accounts for the year ended 31 December 2019, Charity no 803575, which are set out on pages 23 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

**WorldShare**  
**Independent Examiner's Report**  
**For the Year Ended 31 December 2019**



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 25<sup>th</sup> June 2020

**WorldShare**  
**Statement of Financial Activities**  
**For the year ended 31 December 2019**



	Notes	Year ended 31 December 2019			Year ended
		Unrestricted funds	Restricted funds	Total	31-Dec-18
		£	£	£	Total
					£
<b>INCOME</b>					
<b>Voluntary and investment income</b>					
Donation income		63,543	265,464	329,007	404,281
Legacies received		6,009	-	6,009	19,968
Income tax refunded		6,929	29,115	36,044	38,683
Interest received		294	-	294	36
Other income	2	-	-	0	36
<b>Total income</b>		<b>76,775</b>	<b>294,579</b>	<b>371,354</b>	<b>463,004</b>
<b>EXPENDITURE</b>					
<b>Costs of generating funds</b>		19,133	54,965	74,098	81,914
<b>Charitable activities</b>	3 & 4	66,705	229,549	296,254	436,525
<b>Total expenditure</b>		<b>85,838</b>	<b>284,514</b>	<b>370,352</b>	<b>518,439</b>
Unrealised (losses)/gains on investments	11	3,159	-	3,159	(1,677)
<b>Net incoming/(outgoing) resources before transfers</b>		<b>(5,904)</b>	<b>10,065</b>	<b>4,161</b>	<b>(57,112)</b>
Transfers across funds	16	2,228	(2,228)	-	-
<b>Net movement in funds</b>	6	<b>(3,676)</b>	<b>7,837</b>	<b>4,161</b>	<b>(57,112)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Balances brought forward at 1 January 2019</b>		29,073	27,126	56,199	113,311
<b>Balances carried forward at 31 December 2019</b>	15 & 16	<b>25,397</b>	<b>34,963</b>	<b>60,360</b>	<b>56,199</b>

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 2019**



	Notes	Year ended 31-Dec-19 Total £	Year ended 31-Dec-18 Total £
<b>FIXED ASSETS</b>			
Tangible assets for use by the charity	10	8,391	9,467
Investments	11	23,166	20,101
		<u>31,557</u>	<u>29,568</u>
<b>CURRENT ASSETS</b>			
Gifts in Kind	12	-	-
Debtors	13	11,783	12,158
Cash at bank and in hand		28,013	23,522
		<u>39,796</u>	<u>35,680</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	14	(10,993)	(9,049)
<b>NET CURRENT ASSETS</b>		<u>28,803</u>	<u>26,631</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>60,360</u>	<u>56,199</u>
<b>NET ASSETS</b>		<u><u>60,360</u></u>	<u><u>56,199</u></u>
<b>THE FUNDS OF THE CHARITY:</b>			
Unrestricted income funds	15	25,397	29,073
Restricted income funds	16	34,963	27,126
<b>TOTAL FUNDS</b>		<u><u>60,360</u></u>	<u><u>56,199</u></u>

For the year ended 31 December 2019, 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 26 to 37 form part of these accounts.

Approved by the Council of Directors on 25th June 2020 and signed on their behalf by:

K R McKemey  
**Director**

**WorldShare**  
**Statement of Cash Flows**  
**For the year ended 31 December 2019**



	Notes	Year ended 31-Dec-19 Total £	Year ended 31-Dec-18 Total £
<b>Cash provided by operating activities</b>	<b>20</b>	<u>7,467</u>	<u>(11,386)</u>
<b>Cash flows from investing activities</b>			
Interest income		294	36
Purchase of tangible fixed assets		(3,270)	(1,388)
<b>Cash used in investing activities</b>		<u>(2,976)</u>	<u>(1,352)</u>
<b>Increase/(Decrease) in cash and cash equivalents in the year</b>		<u>4,491</u>	<u>(12,738)</u>
<b>Cash and cash equivalents at the beginning of the year</b>		23,522	36,260
<b>Total cash and cash equivalents at the end of the year</b>		<u>28,013</u>	<u>23,522</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. These have been adopted early in accordance with the Charities Act 2011, section 135.

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.

No gifts in kind were received during the period (2018 - 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 2019, the value given to this time was estimated to be £670 (2018 - £962)

**3 SUMMARY ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

	Note	Year ended 31 December 2019			Year ended
		Unrestricted funds	Restricted funds	Total	31-Dec-18
		£	£	£	Total
					£
<b>Assistance in ministry resources</b>	<b>8</b>				
ChildAid and related grants		-	51,275	51,275	53,204
Ministry, project and emergency relief grants		-	97,265	97,265	171,369
Gifts in Kind		-	-	-	39,909
		-	148,540	148,540	264,482
<b>Other Charitable Expenditure</b>					
Direct ministry costs	<b>4</b>	-	2,676	2,676	8,799
Ministry support costs	<b>4</b>	35,267	78,333	113,600	130,505
Governance & support costs	<b>5</b>	31,438	-	31,438	32,739
		66,705	229,549	296,254	436,525

**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-19</b>	<i>Year ended 31-Dec-18</i>
	<b>£</b>	<i>£</i>
Grants/Gifts in Kind sent	148,540	264,482
Staff costs	103,812	113,526
Travel	774	1,601
Premises costs	12,943	13,023
Office expenses (including computer & telephone costs)	8,131	7,765
Postage, printing, stationery &, photocopying costs	5,273	8,660
Promotional expense (including exhibitions, publicity & website costs)	4,086	7,637
Establishment costs (including costs of Board meetings)	9,292	10,818
Deputations	-	929
Ministry visits and set up costs	1,022	3,284
Advocacy/consultancy for ministries	22	36
Ministry infrastructure improvements/Other direct costs	36	94
Costs of sending gifts in kind	-	1,930
Depreciation (including profit/loss on disposal of fixed assets)	2,323	2,740
<b>Total Resources Expended</b>	<b>296,254</b>	<i>436,525</i>

**5 ANALYSIS OF GOVERNANCE & SUPPORT COSTS**

	<b>Year ended 31 December 2019</b>			<i>Year ended 31-Dec-18</i>
	<b>Support Costs</b>	<b>Governance</b>	<b>Total</b>	<i>£</i>
	<b>£</b>	<b>£</b>	<b>£</b>	
Staff costs	11,843	7,462	19,305	17,543
Travel	346	-	346	224
Premises costs	1,798	-	1,798	1,923
Office expenses	1,078	-	1,078	1,647
Postage, printing & stationery	924	178	1,102	2,487
Establishment costs	1,075	-	1,075	1,126
Professional Fees - Independent Examination	-	2,000	2,000	1,860
Professional Fees - HR	1,146	-	1,146	1,080
Professional Fees - Pension	400	-	400	-
Professional Fees - Legal	39	-	39	526
Professional Fees - Other	118	-	118	711
Board meeting costs (inc. board training)	-	2,793	2,793	3,311
Depreciation	238	-	238	301
	<b>19,005</b>	<b>12,433</b>	<b>31,438</b>	<i>32,739</i>

**WorldShare**  
**Notes to the financial statements**  
**For the year ended 31 December 2019**



**6 SURPLUS/DEFICIT FOR THE PERIOD**

	<b>Year ended 31-Dec-19</b>	<i>Year ended 31-Dec-18</i>
	<b>£</b>	<i>£</i>
The surplus for the period is stated after charging:		
Depreciation of owned tangible fixed assets	4,346	4,647
Loss on disposal of fixed assets (see also Note 10)	0	546
Independent Examiners' remuneration	2,000	1,900
Operating leases:		
Office equipment	2,864	4,565
Land and buildings	14,280	14,280
	<u>14,280</u>	<u>14,280</u>

**7 STAFF COSTS**

	<b>Year ended 31-Dec-19</b>	<i>Year ended 31-Dec-18</i>
	<b>£</b>	<i>£</i>
Wages and salaries	106,346	130,658
Social security costs	7,386	9,718
Pension costs	8,565	10,436
Freelance/consultancy costs	18,642	-
Other staff costs	10,304	6,072
	<u>151,243</u>	<u>156,884</u>

During the year, the average head count of staff employed was 4 (2018 - 5), with there being on average 3 members of staff employed on a full time basis (2018 - 4), and 1 member of staff employed on a part time basis (2018 - 1).

Included in other staff costs are recruitment costs incurred across the year totalling £7,291.

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

	<b>Year ended 31-Dec-19</b>	<i>Year ended 31-Dec-18</i>
	<b>Number</b>	<i>Number</i>
Representation	-	1
Administration	3	3
	<u>3</u>	<u>4</u>

No employees had employee benefits in excess of £60,000 (2018 - 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 £86,129 (2018 - £84,490).

**8 GRANTS MADE (INCLUDING GIFTS IN KIND)**

Organisation	County	Number of Grants	Total £
Beginning of Life	Moldova	35	39,640
Bible Faith Mission	India	4	5,130
Evangelical Church of Macedonia (MMB)	Macedonia	15	18,200
Hope for Africa Missions	South Africa	16	19,750
Jatiyo Kristyo Prochar Samity	India	13	15,440
Potter's House (Casa Del Alfarero)	Guatemala	12	20,400
Word of Hope	Myanmar	13	10,050
Other (less than £5,000 each)	Various	41	19,930
		149	148,540

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 (2018 - nil).

No related party transactions were identified during 2019 (2018 - 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 Overseas £	Board Meeting Expenses £	Other Expenses £	Total 2019 £	Total 2018 £
J Bunce	-	178	-	178	-
R Cartlidge	-	376	-	376	601
M Forsyth	-	274	-	274	-
P G Hine	-	85	-	85	124
S Kelsall	-	140	-	140	165
K McKemey	-	140	-	140	110
	-	1,193	-	1,193	1,000

**10 TANGIBLE FIXED ASSETS**

	<b>Computer Equipment</b>	<b>Furniture &amp; Fittings</b>	<b>Office Equipment</b>	<b>Promotions Equipment</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST</b>					
At 1 January 2019	32,692	11,850	3,835	10,568	58,945
Additions	1,071	-	-	2,199	3,270
Disposals	(681)	-	-	(980)	(1,661)
As at 31 December 2019	<u>33,082</u>	<u>11,850</u>	<u>3,835</u>	<u>11,787</u>	<u>60,554</u>
<b>ACCUMULATED DEPRECIATION</b>					
At 1 January 2019	26,804	11,739	3,835	7,100	49,478
Charge for the period	2,329	55	-	1,962	4,346
Eliminated on disposal	(681)	-	-	(980)	(1,661)
As at 31 December 2019	<u>28,452</u>	<u>11,794</u>	<u>3,835</u>	<u>8,082</u>	<u>52,163</u>
<b>NET BOOK VALUE</b>					
As at 1 January 2019	<u>5,888</u>	<u>111</u>	<u>-</u>	<u>3,468</u>	<u>9,467</u>
As at 31 December 2019	<u>4,630</u>	<u>56</u>	<u>-</u>	<u>3,705</u>	<u>8,391</u>

**11 CASH HELD AS INVESTMENTS**

	<b>Year ended 31-Dec-19</b>	<b>Year ended 31-Dec-18</b>
	<b>£</b>	<b>£</b>
<b>VALUE</b>		
At 1 January 2019	20,101	21,929
Investment management costs	(94)	(151)
Unrealised gain/(loss) on investment	3,159	(1,677)
As at 31 December 2019	<u>23,166</u>	<u>20,101</u>

**WorldShare**  
**Notes to the financial statements**  
**For the year ended 31 December 2018**



<b>12 STOCK - GIFTS IN KIND</b>	<b>Year ended 31-Dec-19 £</b>	<i>Year ended 31-Dec-18 £</i>
<b>VALUE</b>		
At 1 January 2019	-	39,909
Donations	-	-
Purchased for Ministries	-	-
Delivered to Ministries	-	(39,909)
As at 31 December 2019	<u>-</u>	<u>-</u>

<b>13 DEBTORS</b>	<b>Year ended 31-Dec-19 £</b>	<i>Year ended 31-Dec-18 £</i>
Income tax recoverable	2,112	1,708
Prepayments	8,421	5,450
Other debtors	1,250	5,000
	<u>11,783</u>	<u>12,158</u>

Other debtors include £1,250 of accrued income relating to a legacy awaiting disbursement (2018 £5,000).

<b>14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>Year ended 31-Dec-19 £</b>	<i>Year ended 31-Dec-18 £</i>
Accruals	2,592	2,465
Trade Creditors	1,926	2,435
Wages control	4,823	3,492
Other	1,652	657
	<u>10,993</u>	<u>9,049</u>

<b>15 UNRESTRICTED FUNDS</b>	<b>Year ended 31-Dec-19 £</b>
As at 31 December 2017	61,625
(Deficit) for the year	<u>(32,552)</u>
As at 31 December 2018	29,073
 (Deficit) for the year	 (3,676)
 As at 31 December 2019	 <u><u>25,397</u></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.

	<b>Balance</b>		<b>Movement in funds</b>		<b>Restricted</b>	<b>Unrestricted</b>	<b>Balance 31 Dec 2019 £</b>
	<b>1 January 2019 £</b>	<b>£</b>	<b>Incoming £</b>	<b>Outgoing £</b>	<b>fund Transfers £</b>	<b>fund Transfers £</b>	
Funds held in respect of projects in the following thematic areas:							
Education	470	113,852	(115,389)	-	-	-	(1,067)
Health	6,019	23,813	(16,769)	-	(929)	-	12,134
Community	3,715	22,708	(22,488)	-	86	-	4,021
Church Planting	(9,894)	68,044	(55,736)	-	(1,005)	-	1,409
Injustice	(11,173)	27,736	(27,763)	11,000	-	-	(200)
Emergency Relief	37,989	38,426	(46,369)	(11,000)	(380)	-	18,666
	<u>27,126</u>	<u>294,579</u>	<u>(284,514)</u>	<u>0</u>	<u>(2,228)</u>	<u>-</u>	<u>34,963</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 2019, a transfer of £11,000 was made from the Emergency Relief fund, to the Injustice fund, in respect to funds that were re-designated for use as permitted by the fundraising documentation.

In addition, a review of obsolete balances held within the thematic funds was carried out. Where these related to excess/deficit balances on funds and projects where there had been no movement for over 5 years, these excess funds were transferred to unrestricted funds as permitted by the fundraising documentation. The net amount written off was £2,228.

**17 ANALYSIS OF ASSETS BETWEEN FUNDS**

	Year ended 31 December 2019			Year ended
	Unrestricted	Restricted	Total	31-Dec-18
	funds	funds		Total
	£	£	£	£
Tangible fixed assets	8,391	-	8,391	9,467
Fixed asset investments	23,166	-	23,166	20,101
Current assets	4,720	35,076	39,796	35,680
Current liabilities	(10,880)	(113)	(10,993)	(9,049)
	<u>25,397</u>	<u>34,963</u>	<u>60,360</u>	<u>56,199</u>

**18 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 £8,565 (2018 - £10,436).

**19 OTHER FINANCIAL COMMITMENTS**

As at 31 December 2019 the company was committed to making the following payments under non-cancellable operating leases.

	2019	2018
	£	£
Total payable within one year	4,982	5,136
Total payable within one to five years	3,278	405
Total payable after five years	-	-
	<u>8,260</u>	<u>5,541</u>

**20 RECONCILIATION OF NET MOVEMENT IN FUNDS TO  
NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2019</b>	<i>2018</i>
	<b>Total</b>	<i>Total</i>
	<b>£</b>	<i>£</i>
Net movement in funds	4,161	(57,112)
Depreciation charge	4,346	4,647
Loss on disposals	0	546
Interest income	(294)	(36)
(Increase)/decrease in value of investments	(3,065)	1,828
Decrease in stock	-	777
Decrease/(Increase) in gifts in kind held for disbursement	-	39,909
Decrease in debtors	375	311
Increase/(decrease) in creditors	1,944	(2,256)
Net cash used in operating activities	<u>7,467</u>	<u>(11,386)</u>