



Ending poverty through education



ON THE COVER IS MERCEDES



Mercedes is 16. Originally one of 6 children, there are now 5 brothers and sisters after her mother lost a daughter in child birth. She says “The sad death of my sister was caused by a bad health status of my mother and also due to severe poverty”. Mercedes’ father died of ill health when she was still young and, as the sole provider for the family, his death was a disaster for them, leaving her mother alone to support them. She says “at home we can only eat once a day because most of the time we just depend on the generosity of our neighbours”.

When her mother met and married a second time, the whole family were subjected to violent abuse. She says my stepfather **“used to beat the whole family without reason and most of the time we were sleeping outside in destroyed houses owned by other people to escape from his cruelty”**. Eventually her step-father was arrested and jailed for three years leaving her mother hospitalised and Mercedes caring for her brothers and sisters alone.

In autumn 2021, Mercedes met the Sisters of Mary and thanks to the support of our donors they were able to offer her a place at their school for girls in Kisarawe. She says **“suddenly there was a miracle in my life. The day I entered the Sisters of Mary school was the day when great changes in my life happened”**.

Safe at school Mercedes is now thriving. She eats regular balanced meals, has new friends, learns new skills and she loves her studies, particularly biology and chemistry and everything else the school has to offer her.

Her chance at school will transform her life and she has big plans for her future. She hopes to be a **“doctor of medicine one day so I can help those women whose children die during birth because of the bad condition of the family and I can help many poor people around”**.

Thanks to you Mercedes now looks forward to a brighter future.

worldvillages.org.uk/stories/mercedes-story/

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Company Number: 3267479

UK Registered Charity Number: 1058973

New day-care centre in Kiluvya, Tanzania



youtu.be/ZA63xrTfRHM



World Villages
for Children

Company Information

Directors and Trustees

Sister Elena Grengia Belarmino

Sister D L Cho (Sister Maria), Chair of Trustees

Sister Teresita Mendoza Prudente

Nicola Lawson

John Graham, Treasurer (Appointed 18 April 2019)

Clare Bamberger (Appointed 4 July 2019)

**Sister Y Cheong (Sister Margie)
(Resigned 17th September 2019)**

Jo Ogilvie (appointed 12 April 2022)

Key Management Personnel

UK Manager

Website

www.worldvillages.org.uk

Registered Office and Charity address

Kings Buildings, 16 Smith Square, London SW1P 3HQ

Auditor

Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

Solicitor

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About World Villages for Children

Our Vision is a world where every child grows up free from poverty.

At World Villages for Children (WVC) we believe in a brighter future, created for and by children. A future where the course of a person's life is not dictated by the circumstances of their birth, and where there is genuine equality of opportunity, regardless of race, gender or beliefs.

We know that education is key to ending poverty and achieving sustainable, positive change and children can only learn effectively in a safe, secure and loving environment, where both their physical and emotional needs are met.

Founded in 1998, **Our Mission** is to support the Sisters of Mary to run live-in schools for the most deprived boys and girls across the world. We provide funds, help measure and report impact and engage with the wonderful supporters who make our work possible.

We help children who are orphans or from the very poorest and disadvantaged families in the communities and neighbourhoods of the Philippines, Mexico, Guatemala, Brazil, Honduras and Tanzania.

Young boys and girls who work long hours on the streets and in the slums of these regions to earn money, who risk disease, early marriage or a life of crime. Who lack the basic conditions for survival and access to a good education, without which they have no hope of a better future.

Quality and Equality

EQUALITY IS AT THE HEART OF OUR WORK. TOGETHER, WVC AND THE SISTERS OF MARY PROGRAMMES LIVE THE PRINCIPLES OF THE UNSDG, PROVIDING INCLUSIVE AND EQUITABLE EDUCATION FOR THE POOREST CHILDREN.



Through our work, the most deprived boys and girls can receive a good education to overcome poverty and their difficult start in life.

Younger children aged 3-5 receive health care, nutrition and learning support to reach early development goals. Secondary age children receive live-in accommodation, health care and good balanced nutrition. They study nationally accredited academic courses delivered by local teachers and learn technical skills relevant to local employment. As qualified child counsellors, the Sisters safeguard the boys and girls, support their wellbeing provide holistic care, and teach them values which help them to grow into happy, responsible and confident individuals.

The children make friends, enjoy celebrations like Christmas, Easter and birthdays, most for the first time. They learn hobbies, play sport, take exams, and at the end of their studies they graduate as well-rounded adults into secure, stable jobs, build productive lives and help their families out of poverty.

As independent members of society, the children have agency and ambition. They ensure the results of our work are multiplied when they nurture their families, support their parents and siblings financially and provide them (and sometimes generations of their children) with access to healthcare and education, breaking their lasting cycle of poverty.

Sustainable and efficient

WORKING FOR OVER FIFTY YEARS, THE SISTERS OF MARY HAVE SO FAR TAKEN CARE OF NEARLY 160,000 CHILDREN IN 13 SCHOOLS IN THE POOREST COUNTRIES.

Every year they travel to the poorest communities to reach the most deprived children and offer them a life-saving education at their schools. Where funding and support permits, the programmes respond to government requests and expand to take more children within country and to new communities in new countries (most recently Tanzania).

The programmes are low cost and sustainable, they generate significant efficiencies and ensure our funds go a very long way. It costs an average of just £1,000 to feed, care for and educate a child for a year at these schools.

Demand continues to be overwhelming, and in 2021 the levels of need were unprecedented. Worldwide, the sisters met almost 40,000 children desperate for a place with them. During the year, with increased capacity in Tanzania and Mexico, we were able to accommodate 10% of these children, 4,922 new children joined during the year and we cared for a total of 19,500 desperate and deprived boys and girls.

The Sisters use their dedication and compassion for the poor and in country expertise to ensure that in their care these poorest children receive a lifetime of kindness as well as a quality teaching experience.

Together, we deliver a truly life-changing education for the most vulnerable children, at a fraction of the cost.

In 2021 we cared for a total of 19,500 desperate and deprived boys and girls...



Where we work





Introduction from the Chair

WITH YOUR CONTINUOUS KINDNESS TOWARDS WORLD VILLAGES FOR CHILDREN AND THE SISTERS OF MARY IN 2021 WE WERE ABLE TO MAINTAIN SUPPORT FOR THE WORLD'S MOST IMPOVERISHED CHILDREN AND TO FUND MORE SCHOOL PLACES FOR THOSE INCREASING NUMBER WHO COME TO US IN DIRE NEED.

During the year, the Covid-19 pandemic continued to challenge our operations. Supplies of food and every day necessities were restricted and prices rose. Thanks to the loyalty of our friends, donors and many of our graduates, we were able to maintain care to the children at our schools and with ingenuity and determination by the staff and Sisters we provided 3 nutritious meals a day, full time care and an accredited education for nearly 19,500* children in our schools in 2021. Our boys and girls continued to thrive, pass exams and graduate into jobs.

During the year we were able to welcome 4,922 new children into our schools worldwide and this included 1,940 young boys and girls in the Philippines. We were particularly relieved to see these youngsters many of whom we met in 2019, who we were not able to accept in 2020 due to lockdown restrictions. Face to face lessons began to resume in most schools although we continued to adapt some classes for virtual learning where pandemic restrictions were limiting, to ensure learning was maintained. Towards the end of the year we were delighted to be included in the Covid-19 vaccination programme for all our staff, sisters and students in our countries of operation.

In 2021 we were thrilled to celebrate the inauguration of new buildings at the girls' school in Tanzania and the boys' school in Mexico which increase capacity there and to complete the construction of the new nursery and training centre in Kiluvya Tanzania, which supports the most disadvantaged young women there.

In many places, like Guatemala, our schools were the only ones to remain open in 2021 as many state schools remained closed and so we have seen unprecedented demand for our care and education. In 2021 we welcomed only 10% of the children who sought and deserved a place in our care. These are difficult decisions and spur us on to maintain the momentum of our work to support more of these children out of this crisis.

This lack of early learning has also had detrimental effects on ability and the new children now joining us need additional teaching support to reach the minimum standard. Many cannot speak their native language or achieve the basic levels of literacy and numeracy. Thanks to the unwavering support of our loyal donors we will be able to address these challenges and put these children on the path to a brighter future. I remain so grateful to these committed friends without whom our work would not be possible. I thank them sincerely for their longstanding kindness and humanitarian interest in the poor children in our care.

I also extend my sincerest thanks to the staff and board of WVC who have dedicated their time and skills to our mission in 2021. Their hard work and untiring commitment to raising funds for the care of the children at our programmes is appreciated by all our boys and girls, staff and Sisters at the programmes but particularly by me.

Sister Maria Cho

Sister Maria Cho
Chair of Trustees

*total at August 2021



Introduction from the UK Manager

AS THE DATA IS GATHERED ON THE EFFECTS OF THE PANDEMIC WORLDWIDE, THE STARK TRUTH OF ITS IMPACT ON THE POOREST MEMBERS OF SOCIETY IS REVEALED. COVID-19 HAS DEVASTATED THE POOREST LIVES AS ECONOMIES LOCKED DOWN AND JOBS PROVIDING THE MOST MENIAL INCOME WERE LOST. THE PANDEMIC WILL REVERSE YEARS OF PROGRESS ON POVERTY RELIEF AND GENDER EQUALITY BUT CHILDREN FROM THE POOREST COMMUNITIES HAVE BORNE THE LARGEST LOSSES.

State schools in our countries of operation have now been closed for nearly two years with an average of 250 days schooling lost over the period. The poorest children have little access to internet for remote learning and have been deprived of vital education together with the protections and care they relied on at school such as school feeding.

This prolonged interruption to education, now known as 'learning poverty' has been ruinous for millions of the poorest children and consequently, demand for places at the Sisters of Mary schools which remained open throughout, has never been higher. It was our challenge in 2021 to maintain vital funding to meet the needs of the children in our care and generate funding for new school places to meet this growing demand.

Thanks to the steadfast dedication of the team at WVC, our unstinting trustees and the generous commitment of our loyal supporters we produced a solid fundraising performance ahead of our targets for the year. In addition to the provision of vital, unrestricted regular income to fund the everyday costs of school places at all the schools, our fundraising focus for 2021 was prioritising projects which supported the teaching of vocational skills relevant to local employment and helping the programmes achieve greater overall sustainability and efficiency.

We were thrilled to help with the completion of new projects like the well for the Girlstown in Guatemala to create a more sustainable water supply for the school, the provisioning of the new women's training

centre in Tanzania and equipping the new Electronics workshop in Guatemala girlstown to make this vital technical skill an accredited subject for the school.

Maintaining commitment to our ongoing strategic objectives, we continued investment in fundraising and positioning of the charity for the future with a powerful new brand and articulation of our messaging. This key part of our 2021 planning will maximise our ability to fundraise, inform our donors, and support the Sisters of Mary programmes.

Through the year we were also delighted to work more closely with the alumni of the Sisters of Mary, to share their experiences and to be ever more inspired by the journey of their lives and the impact of their success.

We owe this continued progress to your commitment and support. Your generosity and compassion helps us to give these poorest children the chance of a better start, a new life and a brighter future for themselves and their families.

Thank you



Nicola Lawson
UK Manager and Trustee

Trustees' Report



STRATEGY

The Trustees of WVC present their annual report for the year ended 31 December 2021 under the Companies Act 2006, together with the audited accounts for the year. They confirm that the latter complies with the requirements of the Act, the Charities (Accounts and Reports) Regulations 2008 and the Charities SORP 2015.

The Charity Objects for WVC are to:

- **Provide financial support for the SoM humanitarian programmes**
- **To raise the profile of their poverty relief work through the provision of education**
- **To educate the public and promote understanding of childhood poverty and the work of the programmes to alleviate poverty amongst children, the most vulnerable group.**

Over the last year we have worked hard to increase the impact of our work by focusing on a number of specific objectives for governance, fundraising, impact measurement and quality. As in the past, our income targets align with the needs of the SoM programmes for the care of the existing children and our objectives were to support existing children, places for new children in the existing schools and school expansions within country.

Milestones were reached in the acceptance of new children in 2021 at 4,922. In addition, new buildings in Tanzania, at the existing girls' school and the new nursery and training centre, and the new building constructed in Guadalajara in Mexico, were completed ready to welcome more children. For the future our income objectives will also focus on supporting the Sisters with the proposed construction of a new boys' school in Dodoma, Tanzania which is in planning for 2023/24.



GOVERNANCE

Our strategic objectives for the governance of the charity are directed towards building a robust, diverse and multi-skilled board, representative of our beneficiaries and with the experience to oversee the charity and position it for future growth.

We continued to make good progress on this objective in 2021 starting the analysis of the skills and experience of the existing members and recruiting to build new expertise in certain areas. This activity culminated in a new advisory committee which supports the board and is comprised of graduates of the Sisters of Mary programmes including Arturo Guevara (graduate of the Mexican boys' school) and lead by a new ambassador for WVC.

The committee has a remit to drive the collection of experiential data on the Sisters of Mary programmes and the outcomes of the programmes. Our skills analysis has also resulted in the recruitment of a new trustee, Jo Ogilvie, who joined us on the board this April. Jo brings extensive digital skills and experience to our board and will oversee our digital strategy and advise and support on delivery of new initiatives in digital fundraising.

During the year we kept well informed on the progress and challenges at all the schools via monthly strategy and operational updates with the Sisters of Mary in each country and school. In 2021 this also included a specific update on the safeguarding processes in place at all the schools.

FUNDRAISING

Our strategic fundraising aims in 2021 were to maintain consistency in the areas of direct mail, committed giving and legacy income and to increase focus on developing income in the trust and foundation, major gift and digital income stream. Overall it was a difficult year for fundraising and whilst we exceeded our targets for the year (2.734m v 2.683m) and saw consistency in all income streams, we were behind our prior year performance.

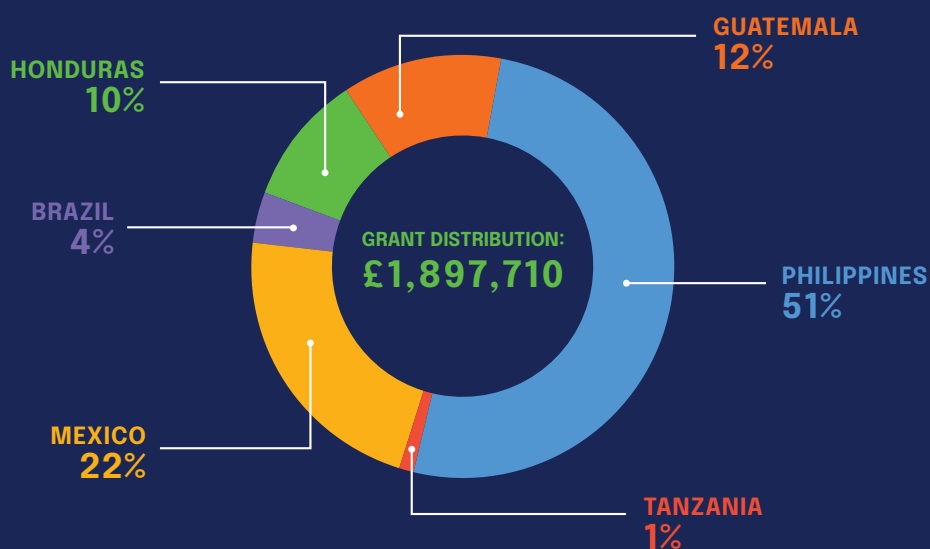
Trust and Foundation work remains at an early stage in its development but this income stream and digital fundraising performance were supported in the latter part of 2021 by investment in the review of our brand and the creation of a new, more modern brand identity which is focused on the children who are the core of our work. This new branding has been well received by donors.

As well as refreshing our visual identity, we have also developed new messaging to build consistency and awareness in our external communications and clarify the role between WVC and the Sisters of Mary and how our work impacts poverty relief. The brand refresh work has culminated in a new website for the charity which informs on our work, the schools, the lives of the children before during and after school and ultimately this will drive greater donor engagement and support across all income streams. This new brand approach and guidelines will be fully implemented in 2022.

Despite the difficulties in the fundraising environment we were pleased to keep a regular monthly flow of unrestricted and restricted funding to the SoM programmes and recorded a total grant figure of £1,897,710. This was again ahead of our forecasts for the year but behind 2020.

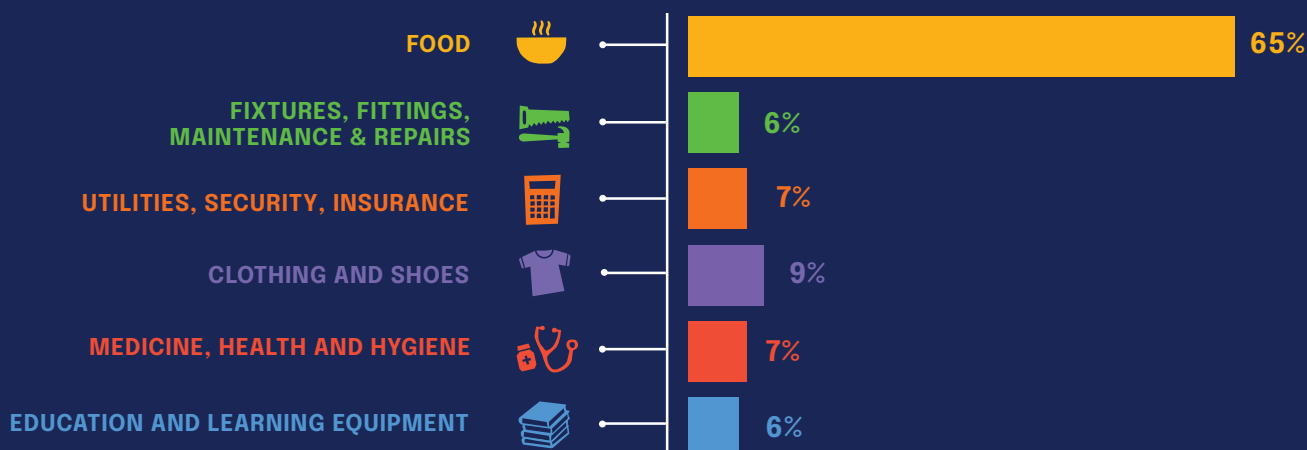
GRANT DISTRIBUTION BY COUNTRY

Income was distributed to the Sisters of Mary programmes as follows:



HOW OUR FUNDS WERE USED IN 2021

The majority of our funds are used to support the everyday needs of keeping the children well fed and healthy but in summary our funds in 2021 were utilised as follows:





OPERATIONS AND QUALITY

Cost effectiveness and efficiency remained a key part of our strategy for 2021 and we were pleased to see operating expenses below the forecast level for the year ensuring that our fundraising activities represented good value for money for our donors.

We maintained a proactive approach to operational resources and investment through the year managing our expenses closely whilst maintaining necessary investments for IT security and financial control throughout 2021. We continued to closely scrutinise the potential risks around cyber security and financial crime and manage these with preventative policies, training and software. Our constant focus remained ensuring our fundraising and stewardship activities were effective and well targeted and that our donor data is optimised for better engagement in fundraising and well protected.

We made greater use in 2021 of sector indicators to benchmark and improve our activity in terms of results and efficiency and instigated some additional consultancy to audit and benchmark our fundraising work to highlight strengths, weaknesses and areas for future development. This work is ongoing through 2022 as we implement our new brand image and focus on utilising all the opportunities offered to our fundraising by digital technology.

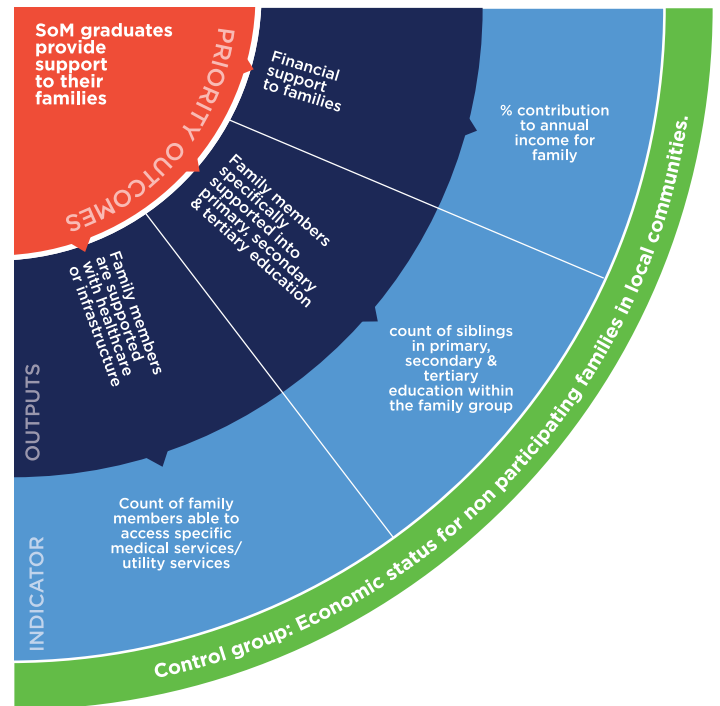
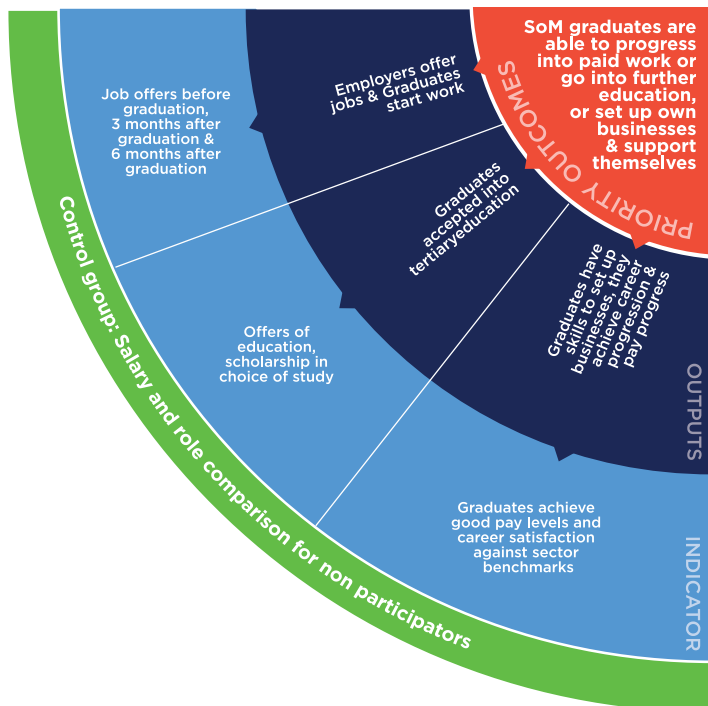
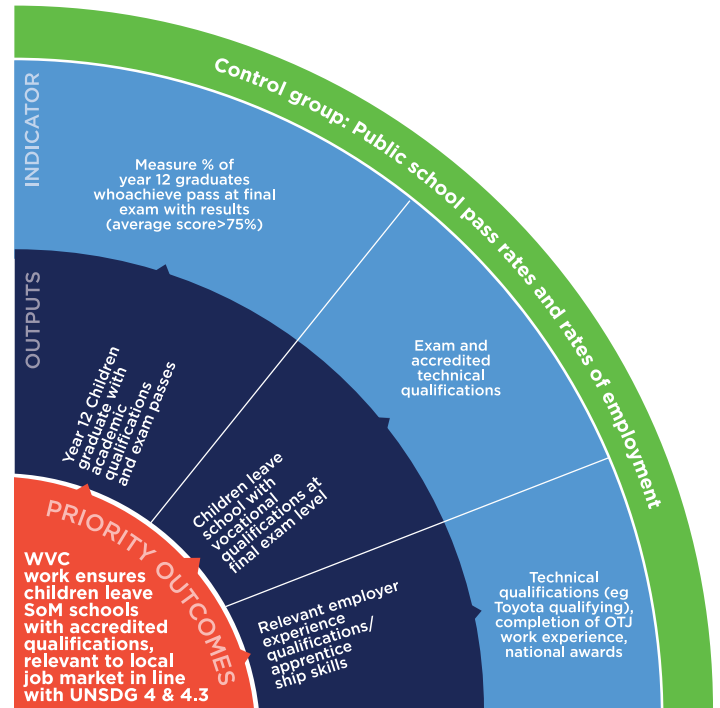
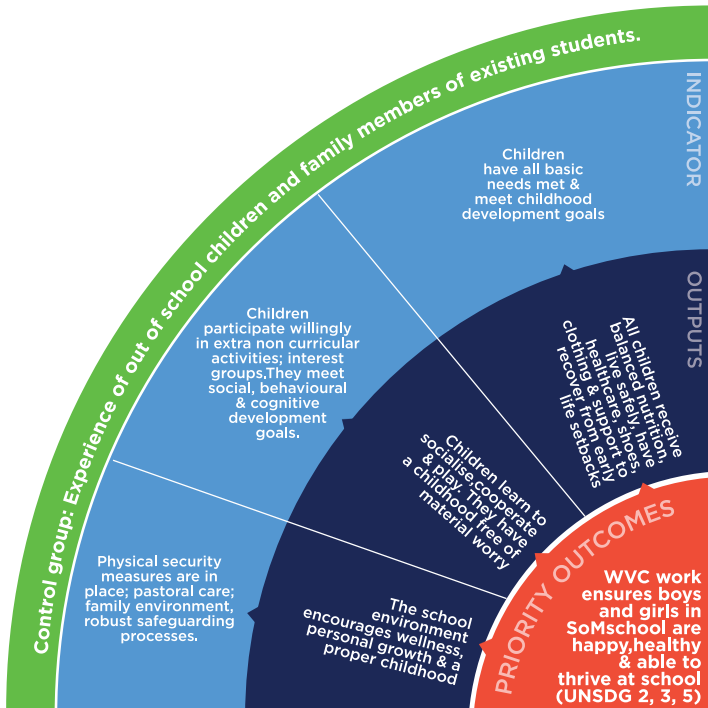
IMPACT MEASUREMENT

Progress continued with our Theory of Change project in 2021. We are extremely grateful to Clare Bamberger, our board member for setting out our pathway on this work. Throughout 2021 into 2022 we had extensive focus group meetings with members of the in-country teams at the SoM programmes and with students and graduates of the programmes to learn of their experience before, during and after school.

These meetings helped us to identify the intermediate and longer-term outcomes and impact of our work on the life of these children and the ultimate relief of their poverty and that of their families and communities.

These meetings also helped us to define the base line information which will identify the change we make with our interventions.

During the year we benefited from some consultancy from the Wageningen University, the Netherlands, on methods to use for evidencing outcome and impact. Work has now started on qualitative surveying amongst the student and graduate audience to measure these outcomes and assess long-term impact.



Good Relations with
local employers and HE

The order
Functions well with
enough sisters

SoM Income allows proper functioning of programmes

The schools have a good reputation

ENABLERS

2021 Highlights from our work with the Sisters of Mary programmes

Despite another year of disruption to education worldwide, our regular funding helped the SoM to care for 19,500 of the poorest children in six countries world-wide.

A staggering 4,922 new children were welcomed in 2021 in response to unprecedented demand for our help.



Through the year, 2,983 children graduated from school into work or further education. In the Philippines where employment has been especially challenging post lockdown, 65% of the children secured employment straight after leaving school.



Capacity was increased at the existing schools with new buildings at the schools in Mexico and Tanzania.



Construction of a brand-new multi-purpose training and nursery in Tanzania was completed.

It offers support for the most vulnerable out of work young mothers and their toddlers, where uneducated girls face the greatest challenge of extreme poverty.



2021 Highlights from our work with the Sisters of Mary programmes



We were pleased to mark the milestone first graduation of the boys in Amarateca.

This school opened in 2017 and in the autumn 2021 134 boys completed their studies and left school for work and independent life.



We funded the construction of a new well at the girls' school in Guatemala to provide cost saving and sustainable access to fresh water.



We were also delighted to celebrate the completion of a new workshop for the teaching of electronics for the girls at school in Guatemala.


Funded by our donors in 2020, this facility which was finished in 2021 will equip the girls with the right skills for good stable jobs in this sector in the country.



COUNTRY PROGRAMMES

In communities around the world where the poorest children have seen no state schooling for nearly two years, the commitment of our generous WVC donors ensured that the Sisters were able to keep their schools open to meet the needs of the most deprived boys and girls around the world.

Together we continued to welcome them into school places, keep them safe, well fed and healthy and give them a vital education. Our 2021 achievements were as follows:

	COUNTRY	NUMBER OF CHILDREN	TEACHERS	ANCILLARY STAFF	DOCTORS & NURSES	SISTERS	NEW CHILDREN ACCEPTED IN 2021
	PHILIPPINES						
	Biga Girlstown	2,282	59	57		40	669
	dilas Boystown	1,673	51	54		26	424
	Talisay Girlstown	2,315	75	72		24	464
	Minglanilla Boystown	1,643	56	71		15	383
	Medical Centre Biga	60 Outpatients per day		8	3	2	
	Medical Centre Minglanilla	70 Outpatients per day ⁷		6	2	1	
	MEXICO						
	Chalco Girlstown	3,449	111	54	5	50	1016
	Guadalajara Boystown	2,226	72	38	3	16	768
	Day Care centre, Chalco	122 ⁷	7	7		2	
	GUATEMALA						
	Zona 13 Girlstown	780	27	29		15	202
	Zona 6 Boystown	867	35	45	4	11	300
	Day Care centre Zona 21 ⁸	95	3	4		2	
	Medical Clinic Zona 13	43		1	6	1	
	BRAZIL						
	Brasilia (Girlstown)	813	26	11	2	18	127
	Day care centre Brasilia	57	2			1	28
	Sao Paulo Elementary	292	12			2	35
	Sao Paulo day care	158	8	8		4	53
	HONDURAS						
	Tegucigalpa (Girlstown)	593	29	26	2	14	183
	Amarateca (Boystown)	763	27	24	1	9	194
	TANZANIA						
	Kisarawe (Girlstown)	469	22	12	2	21	164
	Training centre	22	1			4	

These year end totals move significantly during the year due to new arrivals and graduations.

One of our children, Angel, with her father and Sr Molina near Cavite, Philippines, 2021

Angel was welcomed into a place at school in July 2021. She says ...

"I am very grateful for this opportunity and here I learn a lot, I learn how to value my studies, and develop my skills. Someday, I want to become an engineer."

PHILIPPINES



COUNTRY OVERVIEW

Poverty incidence in the Philippines rose to 23.7% in the first half of 2021, which translated to 3.9 million more Filipinos living in poverty¹.

The poorest families suffered the most during lockdown as businesses closed, taking with them the menial but vital jobs on which the poorest families relied. As work and income dried up there was no money for food for these families and starvation forced the hungry and desperate urban poor to cope in unthinkable ways, scavenging on the roadside or in markets for scraps or leftover goods.

Access to education, the vital lifeline for the children of these poorest families, was again marred in 2021 by the almost complete closure of state schools during lockdown. Without access to the internet the poorest children have had no learning or the protections provided by school attendance since early 2020 and consequently this 'learning poverty'² is an added burden which has deeply affected the development of the most vulnerable children in the poorest communities.



PROGRAMME HIGHLIGHTS

The four Sisters of Mary schools in the Philippines remained open throughout the pandemic with a total of 7,913 children. In Biga and Adlas (Girlstown and Boystown) near Cavite, and Talisay and Minglanilla (Girlstown and Boystown) in Cebu, the poorest children received full time care, regular nutrition, medical support and an accredited vocational and academic education.

Early in 2021 with the help of graduates and local contact persons, the Sisters redoubled their efforts to locate the thousands of deprived children desperate for a place at school and in July, for the first time since 2019, we were able to begin welcoming new children into the school. These included those children who we had been prevented from accepting in 2020.

1,940 new children were accepted and began a life-saving education including a whopping 669 children at the girlstown in Biga.

As in 2020, strict health protocols continued to be adopted to keep the children safe at school and in November most of the children were able to receive their Covid-19 vaccination.



¹ Reuters, December 2021

² www.worldbank.org/en/topic/education/brief/learning-poverty



Overall more normality was possible at the schools during the year and the children benefited from a full range of academic and vocational subjects accredited by the Philippine Technical Education and Skills Development Authority (TESDA). The Sisters continued to evolve the timetable to respond to the needs of local employers and additional care giving courses were introduced in 2021 for the children in Adlas and Biga to equip them for local vacancies.

The new children arriving in 2021 have lost nearly two years of learning and consequently remedial support and extra lessons were needed in 2021 to bring them up to the national standard. The emotional support and mental wellbeing of these youngsters and all the children at school was also a special focus in the year, with all the youngsters at the schools benefiting from additional webinars and learning sessions on mental health throughout 2021.

There were again challenges with running the programmes in 2021. Food prices rose during the year, in some cases tripling, and supplies of vital components of the children's diet were difficult to obtain.

However, with our donors' regular support and even more crops grown locally by the Sisters at the schools, we were able to maintain a nutritious diet for the children and ensure they thrived at school.

In December, Typhoon Odette (Rai) ripped through the Philippines and caused extensive damage to the schools in Cebu, with destruction of the windows and roofs of the classrooms, dormitories, workshops and clinics in both schools in Talisay and Minglanilla.

Thanks to our donors we were able to provide the urgent funding to support the Sisters with the repairs required and to make the buildings watertight and safe for the children. Despite these difficulties, the children enjoyed their year at school safe in the care of the Sisters and kept up a busy schedule of sports, hobbies and extra-curricular activities. They were hopeful, ambitious for success and made the most of every opportunity. In late November, with lockdown released, most of the boys and girls were able to return home for a long overdue holiday with their families.



Class on Wellbeing, Feb 21, Minglanilla



Classroom destroyed by Typhoon, December 2021



EXAMS, GRADUATION AND EMPLOYMENT

Throughout the year the children studied hard and focused on a better future for themselves with a job and the ability to help their families. Exams took place on schedule, the Sisters organised careers

days and on the job work experience and, in July, 1,488 final year boys and girls graduated from the schools. 962 of these children have already secured good full-time employment with employers,³ including Regan Industrial, Meraki-Tech and Polaris and other children have gone on to further university education to prepare for work.

WVC FUNDING

During the year, WVC contributed 51% of its funding to support the four Philippine programmes. In 2021, this funding helped to pay for the full range of essentials needed to care for the children day to day. 70% of our grant was spent on food 7% on clothing and 12% on medical, health care and hygiene expenses. In addition, we provided funding for utilities and services for the school as well as learning equipment and supplies, emergency building repairs and long-term maintenance and improvements.



7,913
CHILDREN
in school
in 2021



1,940
CHILDREN
welcomed
in July 2021



1,488
CHILDREN
graduated



962
GRADUATES
already
employed

³ More than 28 companies took Adlas graduates, Sr Maria Cho, Annual report to the board, 2021

MEXICO



COUNTRY OVERVIEW

By the beginning of 2021, 3.8 million more Mexicans had fallen below the official poverty line to reach a total of nearly 56 million, compared with the end of 2018. Over 44% of the population continue to live in poverty and 8.5% in extreme poverty,⁴ deprived of the basic necessities for survival like adequate shelter, balanced nutrition and access to healthcare and education⁵. The Covid-19 pandemic has increased the challenges that face these communities and children are the most affected, particularly in regions like Guerrero, Oaxaca and Veracruz, where many of our school children originate.

The pandemic has deepened inequalities, particularly impacting girls, and early marriage is now a common outcome for the poorest girls, some as young as 13. It prevents girls from pursuing further education and limits their earning potential and long-term productivity⁶. Poor children are also vulnerable to involvement with gangs, drugs and violent crime and this further limits their access to education and its lifesaving pathway out of poverty.

In 2021 the greatest losses for those living in poverty continued to be lack of work opportunities to support themselves and the closure of schools due to lockdown.⁷ State schools were closed for more than 250 days⁸ over lockdown, depriving already poor children of the vital learning and protections school provides.



Maria, Guerrero Mountains, March 2021



PROGRAMME HIGHLIGHTS

The Sisters of Mary schools in Mexico responded to the urgent needs of these communities by remaining open throughout 2021. With the benefit of the newly constructed building at the boys' school, places were increased to welcome more children in need. A total of 5,675 of the country's poorest children aged 11-17 were cared for in Villa de las Niñas, Chalco (Girls) and Villa de los Niños, Guadalajara (Boys) and 122 toddlers aged 3-5 at the day-care centre in Chalco.

Day to day operations continued to be challenging for the Sisters. Maintaining a balanced regular diet for all the children despite rising prices was a constant concern. Robust healthcare and hygiene practices were put in place to ensure Covid-19 protection for the children, staff and sisters at the schools and teaching remained virtual for much

of the year until face to face teaching could be restarted in the autumn.

Despite these difficulties, the children flourished in school in 2021. With the help of our donors, the active boys and girls continued to receive a healthy and plentiful diet and teaching standard remained unaltered. The day care children gradually returned to face to face teaching, allowing their mothers to go back to work and at the secondary school, children studied the full range of academic subjects including maths, English, Spanish, biology, physics and chemistry to national level.

Technical subjects helped to prepare the children for employment and in 2021 these included computer programming, car mechanics, jewellery making, sewing and tailoring, accounting and entrepreneurship.

⁴ Extreme poverty is defined by the Mexican government as \$63 monthly in rural areas and \$88 for urban residents.

⁵ Reuters and Coneval August 2021

⁶ World Bank - Preventing Teenage Pregnancy: A priority for the wellbeing of women in Mexico, April 2022

⁷ World Bank Macro Poverty Outlook for Mexico: April 2022

⁸ UNICEF Mexico Country Office Annual Report 2021



School life was fulfilling for all the boys and girls who enjoyed sports to keep fit, successfully took part in a number of competitions and enjoyed a variety of hobbies and leisure activities.

In March 2021, the Sisters again conducted their community outreach virtually with the help of graduates in the regions and met thousands of children in need of care. In August 2021, the Sisters welcomed 1,784 of these most deprived children of Mexico into their care - Maria from Guerrero was one of the newest students.

Maria is 11 and comes from the mountains of Guerrero in Mexico. She has a younger sister aged 5 and lives with her mum who cleans for a living. The children's father abandoned them years ago and her mum struggles to support the girls alone. It is a poor existence and almost half of her salary goes to the landlord of the small plot of land on which she has built a basic shelter for her family.

Food is scarce and the cost has become such a burden that they often skip meals completely. The future looked very bleak for Maria until, thanks to your support, we were able to offer her a place at school and she started with us in August 2021.



Maria, fit & healthy, making friends & loving her time at school, October 2021



New girls joining the school, August 2021



1st place for the boys basketball team 2021-22 series



EXAMS, GRADUATION AND EMPLOYMENT

During the school year, exams were held on time in the summer and 737 of the oldest boys and girls graduated from school in July. The focus as always remained future employment for the children and the Sisters tailor the technical courses to the current needs of local employers.

Employment for our graduates continues to be difficult post pandemic but with their relevant skills the boys and girls are prepared for work, energetic in seeking it and ambitious for the future.

Many are now employed in local companies, or are teaching, some have started their own businesses, many go on to further education but all are occupied.

WVC FUNDING

WVC contributed 22% of our overall grants to the Mexican programmes. 87% of those grants were spent on food and vital nutrition in 2021. Hungry children cannot study and food forms an essential part of our care to ensure healthy and thriving children. Our grants helped the Sisters in Mexico to buy the essential foods they needed for the children like chicken, milk, rice and beans and most importantly to buy in bulk to preserve supply. This helped to maximise the food budget in 2021 and manage the rising food costs.

Our grants also helped the sisters with supplies of medicines, clothing, learning supplies and equipment and utilities for the school and day-care centre. As in previous years we also supplied modest Christmas Easter and birthday gifts for the boys and girls.



5,675
CHILDREN
in school
in 2021



1,784
CHILDREN
welcomed
in 2021



122
TODDLERS
in day care



737
CHILDREN
graduate

GUATEMALA



COUNTRY OVERVIEW

Guatemala is the largest economy in Central America but the country continues to experience significant poverty and inequality. The Covid-19 pandemic is estimated to have increased the poverty rate from 47% in 2019 to 52% at the beginning of 2021⁹

Children in the poorest communities remain the most vulnerable and poverty causes chronic malnutrition and stunting affecting 47% of all children in Guatemala under the age of 5¹⁰. This poor start in life affects their long-term health, development and future productivity.

The highest rates of poverty are seen in rural areas where children lack access to adequate nutrition,

healthcare and sanitation and are often required to work long hours in rural occupations to earn enough to feed themselves and their families. It is a hard existence and exposed to the additional impact of climate change where extreme weather events cause lost harvests, no work and no food.

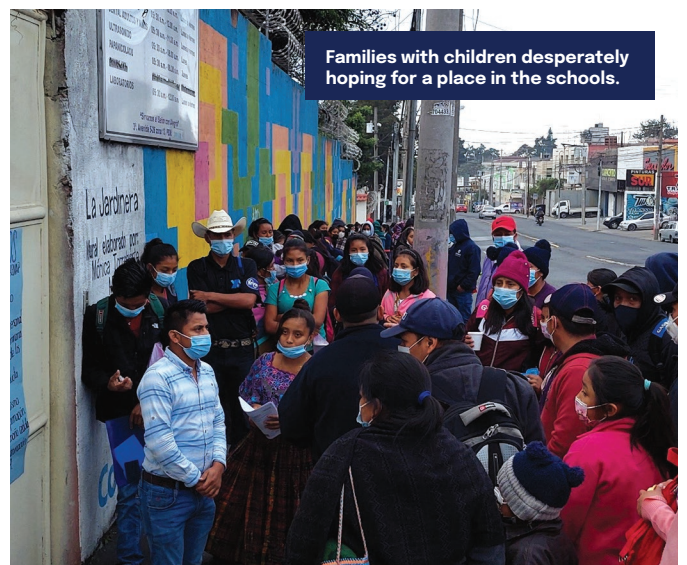
The situation for these deprived youngsters deteriorated in 2021 as most primary and secondary state schools remained closed and abandoned, offering no learning or protections to the poorest children. Additionally, medical services were unreachable for the poorest families who couldn't access first line medical support or treatment for chronic conditions. It was a devastating time for many families.¹¹



PROGRAMME HIGHLIGHTS

In Guatemala City, the Sisters of Mary maintained their focus on these poorest children and in 2021 they cared for 1,647 youngsters in their schools. 780 Girls in Zona 13 (Villa de las Niñas), 867 boys in Zona 6 (Villa de los Niños), and 95 youngsters in day care in Zona 21.

For much of the year the schools remained the only learning facilities open to children in Guatemala and so demand reached an unprecedented level.



Families with children desperately hoping for a place in the schools.

⁹ World Bank Review, 2022

¹⁰ World Bank Guatemala Overview October 2021

¹¹ Sr Lucia Yoo, Guatemala SoM Girlstown January 2022



Despite increased food costs and supply difficulties, regular support from our friends and donors helped the Sisters to maintain a healthy and nutritious diet for the children throughout 2021.

As in prior years, the boys and girls received a quality academic and technical education accredited by the Guatemalan Ministry of Education and enjoyed a full timetable of maths, science, Spanish, English, physics and art; 502 new boys and girls joined the schools at the start of the year in Jan 2021.

The older children received vocational training in carpentry, welding, dressmaking and tailoring, accounting, computer studies and computer hardware maintenance and in 2021 electronics

classes were increased for both boys and girls to meet the needs of local employers. They ensure that our children have the right skills and the best chance of a stable job when they leave school.

As at all the schools, the children made the most of their leisure time and enjoyed a variety of hobbies including music, arts, drawing and painting and continued their passion for all games and sports.

Despite lockdown, the boys and girls continued to compete vigorously in all their favourite subjects and achieved numerous successes in competitions with other schools during the year.



EXAMS, GRADUATION AND EMPLOYMENT

Thanks to the dedication of the teachers and Sisters at the schools, exams took place on time in 2021 and 367 children graduated from school in October.

Whilst job opportunities are still difficult to secure, the children from the Sisters of Mary schools have the relevant skills to help them progress. In 2021 many of the children went onto further education with many girls awarded scholarships at the Rafael Landivar University, other children started work as

administrators or bookkeepers or used their skills to start small businesses and others secured technical employment with a variety of organisations including Mayeca Machinery.

Through autumn 2021, the Sisters were able to continue their community work and meet more children in need. 460 new children started this January 2022. Without almost two years of primary education, these first year children are struggling with the numeracy and literacy needed to reach the necessary levels. Many speak nothing other than their local dialects and so they are now receiving additional support to help them reach the national standards.

WVC FUNDING

In 2021, 12% of our overall grants were spent on the programmes in Guatemala and 42% of the monthly grants were dedicated to the provision of food, medicines, healthcare and vitamin supplies for the children to keep them healthy and well during the pandemic. Our funds also supported the purchase of clothes and shoes for the children, educational tools and equipment and teacher salaries, utilities and repairs and construction. We were particularly delighted to help with the construction of the new well for the girlstown school. This will provide a sustainable supply of fresh water to the school for drinking and washing and help with the water costs incurred by the programmes.



1,742
CHILDREN
in school
in 2021



502
NEW CHILDREN
welcomed
in July 2021



367
CHILDREN
graduated
in October



NEW
WATER WELL
constructed
for girlstown



Ryana, at home in Maranhão, Brazil, 2021

BRAZIL



COUNTRY OVERVIEW

The COVID-19 pandemic exposed Brazil to unprecedented health and economic difficulties. Despite additional government assistance for the poor communities in 2021¹², the poor and vulnerable in this already unequal country continued to be disproportionately affected. The informal job market on which they relied has contracted and unemployment persists at pre-pandemic levels. After some improvement in late 2020, by late 2021 the poverty rate was back at 15%. Families without work cannot feed themselves and without education they cannot find better employment. Their children are malnourished and severely neglected.

The country has also suffered one of the longest spells of state school closures and this has most affected the poorest communities who have no access to internet for virtual learning. These school closures are expected to raise 'learning poverty' from 48% to 70% of the population¹³.

Families in the North East of the country have been deeply affected by these problems. Hungry and desperate their children relied on the protections provided by school and they are vulnerable in its absence. Young girls in particular have suffered and instances of abuse inside and outside the family are common¹⁴. These children are a focus for the work of the Sisters of Mary.



PROGRAMME HIGHLIGHTS

In 2021, the Sisters of Mary maintained a secondary school in Brasilia for 813 of Brazil's most impoverished girls aged 11-17 and a day care centre for 57 toddlers. In São Paulo the Sisters run an elementary school for 292 primary children aged 6 to 11 and a day care centre for 158 toddlers aged 3-5.

At the day care centres in Brasilia and São Paulo, the face to face classes gradually resumed over the year allowing mothers to search for work. The toddlers received three healthy meals each day, playtime and early learning opportunities. At the elementary school, physical teaching also resumed and the school continued its programme offering half-day sessions for local children 7.30 am to 12.30 pm and 1 pm to 5.45 pm with a range of academic studies including maths, Portuguese, history, geography and computing.



¹² Bolsa Familia Conditional Cash Transfer (CCT) program and Auxílio Emergência (emergency social transfers)

¹³ World Bank Brazil Overview Oct 2021

¹⁴ Sr Theresa Shin, Brazil Girlstown, February 202



At the secondary school, despite the chaos within the country, it was business as usual for the girls who received live-in accommodation, medical support, 3 nutritious meals a day, a full timetable of academic subjects and a range of relevant technical skills including nursing, secretarial, dental hygiene, culinary arts and dressmaking. In Brasília, the Sisters of Mary programme is recognised as a full technical school (similar to the programme in the Philippines) and seen as a model for other schools in the country.

The girls made friends at school, grew in confidence and ability during the year and enjoyed a variety of sports and hobbies including singing, dancing and reading. Due to lockdown restrictions no family visiting days were possible in 2021 but in their spare time the girls kept in regular touch with their families by phone and at the end of the year were able to go home for the Christmas holidays.

Ryana is aged. 12 and from Maranhão in North Eastern Brazil, she comes from a very poor, broken family. She has two other siblings. Her parents separated when she was young and her father left. Ryana lives with her mother, who does whatever she can to earn a little money to feed her family including farm labouring or cleaning jobs.

Like so many children, Ryana, has missed nearly 2 years of education during the COVID-19 pandemic and her future looked bleak until she met the Sisters. Her new place at school gives her joy. For the first time she is optimistic for her future and has ambitions for a career as a doctor when she finishes school, able to support her mother, siblings and her community.

"I am so grateful to our friends who care for me in my new home. Thank you so much for giving me the hope to reach my dream and help my family."



EXAMS, GRADUATION AND EMPLOYMENT

The final year girls were able to take part in work experience during the year and in September enjoyed an internship helping at the Covid Vaccine campaign in the local community. Exams took place in the Autumn and in December, 81 final year girls graduated from school. 60% of these are already employed, many as nurses in hospitals and clinics. Many others are working and also studying

for further education qualifications determined to become independent and able to help their families

With the relaxation of lockdown restrictions the Sisters were able to make more in person community visits in October 2021 and reach more girls in need. They met hundreds of young girls facing very troubling situations and desperate families in need of care. With the help of our supporters, they were able to offer school places to 183 new girls who joined us this January 2022, Ryana is one of these girls.

WVC FUNDING

In 2021, 4% of our overall grant funding was dedicated to the programmes in Brazil and of these distributions, 56% was spent on food and clothing. As with the other country programmes, food prices increased in 2021 and the sisters experienced challenges with sourcing certain items including vegetables. Our regular funding helped to support the Sisters in managing the food budget and ensuring the children received a plentiful diet of healthy and nutritious food. We were also pleased to support the sisters with the purchase of healthcare and hygiene items to support the girls, provide education supplies, help with utility bills and to fund new furniture items including the purchase of vital beds for the toddlers at the day care centre in São Paulo courtesy of our friends at the Tula Trust.



183
NEW GIRLS
welcomed
in January
2022



813
GIRLS
in school
in 2021



507
CHILDREN
in elementary
& day care
places



81
GIRLS
graduated in
December,
60% already
employed

HONDURAS



COUNTRY OVERVIEW

The poorest communities in Honduras have been devastated by the effects of the Covid-19 pandemic and the extreme weather events caused by climate change, most recently hurricanes Eta and Iota.

Already struggling pre-pandemic, a further 400,000 people lost their jobs in 2020-2021 and these losses affected the poorest the most, especially mothers of young children, those less educated, and the children of rural families.¹⁵

Without work, families cannot afford food and face multiple deprivations with their young children experiencing the worst effects. Many schools in Honduras have been closed during the lockdowns and hungry and neglected children have been exposed to safety threats inside and outside the home.

Isolated from the protections provided by school, more children than ever have become vulnerable to the gang related violence which plagues this country.



PROGRAMME HIGHLIGHTS

To address the unprecedented demand for education we support two secondary schools in Honduras and in 2021 numbers were increased for places at the Sisters of Mary school for girls in Tegucigalpa and school for boys in Amarateca with a total of 1,356 children in school. The children aged 11-17 received full time care, medical and dental support and three nutritious meals a day giving them a safe place to thrive and the best possible start in life.

Unlike most other schools in Honduras, all the Sisters of Mary schools remained open in 2021 although, as with the other SoM programmes, there were numerous operational challenges caused by the rising food prices.

The Sisters managed the budget by growing more of their own produce at the schools and, with the commitment of our generous donors, together we were able to maintain funding to support a plentiful and nutritious diet for all the children throughout the year and they continued to flourish.



¹⁵ World Bank Honduras MPO 2022



Teaching mostly returned to face to face classes in 2021 and the children studied a full curriculum of academic subjects which are accredited and overseen by the Honduran Ministry of Education and include maths, Spanish, English, physics, chemistry and computing. The boys and girls continued to be ambitious and hardworking students and particularly loved science and maths.

They also studied technical and vocational subjects including sewing and tailoring, culinary arts, electronics, computing, business bookkeeping and administration, car mechanics and welding.

These subjects are relevant to local job vacancies and will help the children learn the skills they need to find work when they finish school.

Outside of class, the children kept fit. They loved their playtime and hobbies and were highly competitive at all games and sports including football, volleyball and handball.

They kept in touch with their families throughout the year and then were able to return home for the Christmas holidays in late December.



EXAMS, GRADUATION AND EMPLOYMENT

Thanks to the hard work of the teaching staff, exams again took place on time at both schools and in November 2021, 222 final year students graduated from school. This included 134 of our first graduates from the boys' school. Many children have already found jobs and the children are active in seeking employment although many need to wait until they are 18 before securing their desired roles. In the meantime, they work hard in a variety of occupations, pursue further studies and many have started their own small businesses.

The alumni association are helpful in connecting the children with job vacancies and Toyota was a big employer of the boys in 2021.



In October 2021, the Sisters were finally able to resume normal in person community outreach and visit the poorest communities in person.

They met thousands of children in need of their care. Thanks to our generous supporters we were able to offer places to 346 of these children who joined us on 4th January this year.

WVC FUNDING

In 2021 we contributed 10% of our grant funding to support the Honduran schools. Of this, 63% was spent on food and clothing for the children. We also purchased tools and equipment for the welding and mechanics workshops, provided learning supplies for the academic classes, paid for maintenance and

plumbing repairs at both schools, the construction of a cold store, supplied medicines and medical/dental equipment for the schools and kitchen equipment.

Small Christmas, Easter and birthday gifts were also provided for the children.



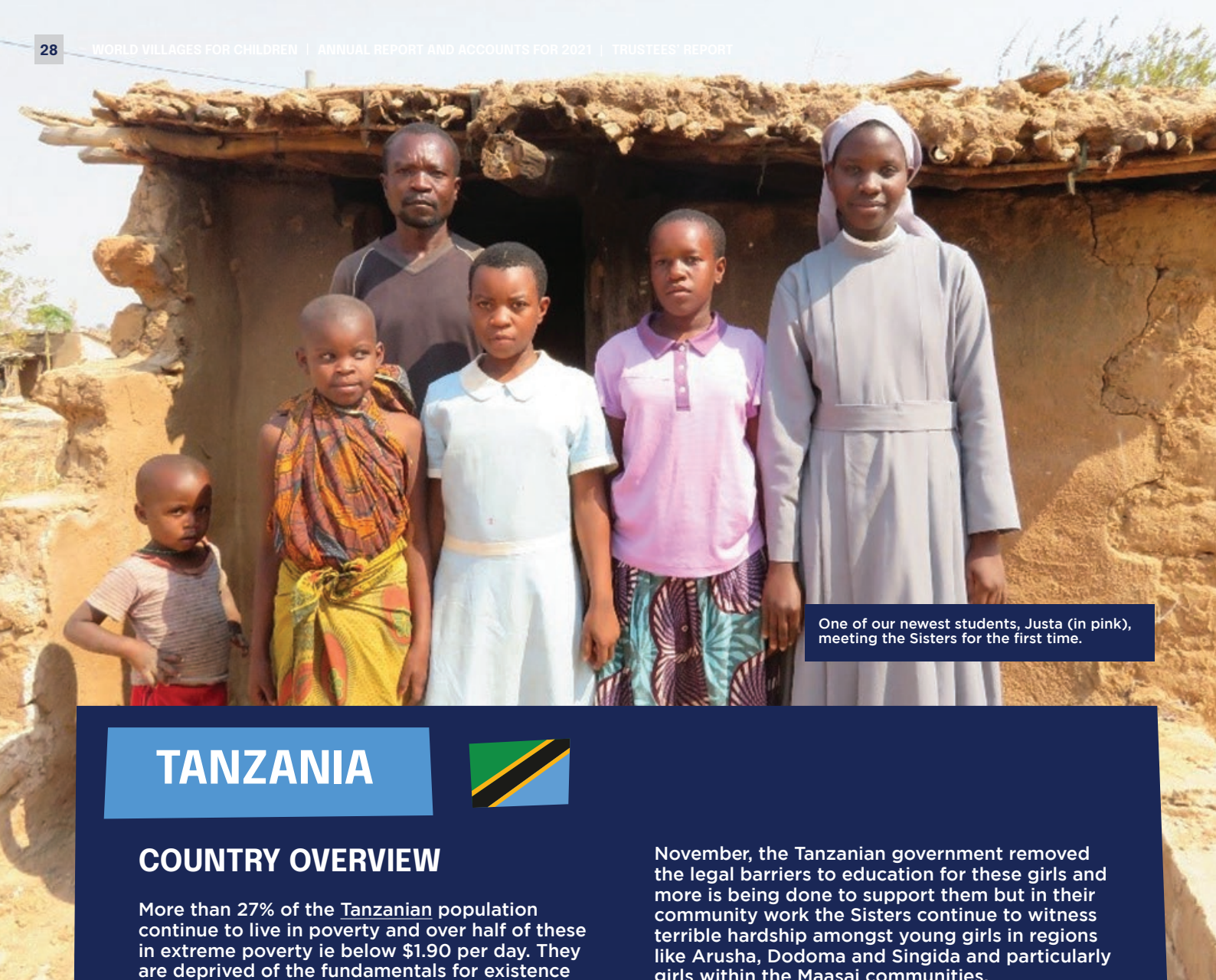
1,356
CHILDREN
in school
in 2021



346
NEW
CHILDREN
welcomed in
January 2022



134
GRADUATES
First ever from
Amarateca
Boystown



One of our newest students, Justa (in pink), meeting the Sisters for the first time.

TANZANIA



COUNTRY OVERVIEW

More than 27% of the Tanzanian population continue to live in poverty and over half of these in extreme poverty ie below \$1.90 per day. They are deprived of the fundamentals for existence including regular nutrition, water for drinking and sanitation, adequate shelter and access to quality education. The Covid-19 pandemic has deeply impacted these people and many livelihoods have been badly affected, particularly the most impoverished who rely on the informal economy for work.

Children in rural areas, particularly girls, are the worst affected. They are vulnerable to abuse in the home, pregnancy and early marriage which robs them of their childhood and makes access to education difficult¹⁶. More than 120,000 girls drop out of school every year, 6,500 of them because they are pregnant or have young children.¹⁷ In

November, the Tanzanian government removed the legal barriers to education for these girls and more is being done to support them but in their community work the Sisters continue to witness terrible hardship amongst young girls in regions like Arusha, Dodoma and Singida and particularly girls within the Maasai communities.

The Sisters' school in Kisarawe, and the new training centre established in Kiluvya, are focused on these girls and giving them the tools they need for an independent, poverty free future.

With the support of our generous donors in 2021 we cared for 469 secondary age girls at the school in Kisarawe. They enjoyed full time care, access to medical and health support, three balanced meals a day and an academic and vocational education accredited by VETA (Vocational Education and Training Authority).



PROGRAMME HIGHLIGHTS

The girls studied English, Maths, Kiswahili, geography, biology, chemistry and physics and their vocational studies included dressmaking, contact centre skills, cookery, bread and pastry making and electrical/solar panel installation.

During the year, the girls flourished, studied hard, built their confidence and enjoyed everything school had to offer including all types of games, sports and hobbies.



¹⁶ Child Marriage in Eastern and Southern Africa June 2022, UNICEF

¹⁷ World Bank Country Overview Tanzania April 2022



They had a wonderful time celebrating their birthday in August.



Then in September the girls were thrilled to catch up with their families and enjoyed the visit of parents, brothers and sisters on visiting day.



Justa, now happy at school.



EXAMS, WELCOMING NEW CHILDREN AND NEW PROGRESS

The girls studied hard through the year and passed the year end exams which took place in November. 2022 will be a busy year for the senior students who will be the first to face their Ordinary level national exams. If they pass they will progress to advance level at school or if not they will graduate into work in early 2023. The Sisters spent much of 2021 establishing relationships with future employers for these girls ensuring jobs exist for those with good technical skills.

In July 2021, the Sisters were able to continue their outreach work throughout Tanzania. They met over

3,000 girls in need of a place at the school and were able to offer 160 girls a place at school. These girls joined us this January 2022 taking the total in school to 627.

In late 2021 the Tanzania programme achieved two milestones; the completion and inauguration of the third school building at the girls school in Kisarawe and the construction and completion of the new nursery and training centre in Kiluvya. The training programme offers lessons in tailoring, bread and pastry making and electrical and solar installation to 110 of Tanzania's most impoverished, out of school girls, teaching them skills which will help them find work or set up their own businesses. The nursery school cares for 90 toddlers aged 3-5 allowing their young mothers to work, giving them regular nutrition, opportunities for play and early learning. It is a lifeline for the women of this region.

WVC FUNDING

Our funding for the Tanzanian programmes in 2021 made up 1% of our total grants and was focused on the additional expenses of the new nursery and training centre. This included support for the construction of the training centre building, help with the cost of play and learning equipment for the nursery children and the provision of sewing machines for the ladies in the training centre. We are most grateful to our supporters for giving specific gifts towards this project and for those who helped us via the Big Give appeal in 2021.



469
GIRLS
in school
in 2021



new
SCHOOL BUILDING
and new training & day
care centre completed



200
WOMEN & TODDLERS
receive learning & care



We couldn't do any of our vital poverty relief work without the support of our donors.

We continue to be blessed and delighted by the generosity of our individual donors, regular Guardian Angels, organisations and Trusts and Foundations who, through their commitment and interest during the year, have enabled us to continue our work. Only with their help are we able to maintain funding to the Sisters of Mary schools to continue the care of the poorest boys and girls and to help them onto an independent life out of poverty.

We thank them all for their donations and grants to us in 2021 including:

- C & K Sommer Trust
- Coles Medlock Foundation (for their support with our Big Give appeal for Tanzania)
- Daughters of the Heart of Mary
- David Fryer Charitable Trust
- Ecton Trust
- Forest Hill Charitable Trust
- Gordillo Coleridge Charitable Trust
- Hall Hunter Foundation
- Help the Poor Trust
- Marsh Charitable Trust
- Nora Smith Charitable Settlement
- Soloway Charitable Trust
- Souter Charitable Trust
- The Carmela & Ronnie Pignatelli Foundation
- The Cork of Ashbourne Trust
- The Haddad Foundation
- The Tula Trust (for the day care beds for our toddlers in Sao Paulo, Brazil)
- The Van Mesdag Fund
- UBS UK Donor Advised Foundation
- William Jerome Charitable Trust



Our impact



This year, thanks to our supporters we have



WELCOMED A
TOTAL OF
19,500

children who learnt the
skills they needed to
transform their lives



SUPPORTED THE
SISTERS OF MARY
TO HELP THE
POOREST
BOYS & GIRLS IN **6**
countries worldwide



PROVIDED
FUNDING
TOWARDS

12 SECONDARY SCHOOLS
1 ELEMENTARY SCHOOL
5 DAY-CARE CENTRES
3 MEDICAL CENTRES
1 TRAINING CENTRE



HELPED
WITH
FOOD FOR

58,500

meals a day so all the children
at school could thrive



ENABLED
4,922

new boys and
girls to have a new
place at school

SUPPORTED

2,983



children to graduate from
school into work or further
education equipped and able
to help their families and
generations of their loved ones.



PROVIDED

EDUCATION EQUIPMENT & MATERIALS,
MEDICINES, HEALTHCARE & HYGIENE
SUPPLIES, CLOTHING & SHOES,
UTILITIES, TOOLS, BUILDINGS, REPAIRS
AND MAINTENANCE

to keep the children safe and help
them grow and learn.

Our children



GRAZIELA THE PHILIPPINES

The work of World Villages for Children ensures a brighter future for the most impoverished children. The chance to learn transforms lives and makes a lasting impact not just on the life of the individual child but on the generations of their families they are able to help out of poverty. We call this the multiplier effect and the stories of our children show the generational impact of our work.

Children like Graziela, are now safe in school in the care of the Sisters.

Graziela was just thirteen when she started working on the infamous 'Smokey Mountain', a toxic landfill site in the Philippines where thousands of desperately poor Filipinos struggle to earn money by picking through the rubbish to find items that they can sell.

As the second child of five siblings, the vulnerable young girl was prepared to do anything to help put food on the table but more often than not the food was rotten and the water contaminated. The family would sometimes go without food entirely.

Graziela's home-life was chaotic; her father was prone to drunken, violent outbursts and Graziela would try everything she could to protect her brothers and sisters during these times. One day in a rage her father stabbed her in the shoulder with a knife. Bleeding and in a great deal of pain, Graziela's mother could do nothing to help her daughter as there was no money to pay for hospital treatment.

Graziela slowly recovered and, though terrifying, this episode shaped Graziela and toughened her resolve to ensure the future protection of her mother and siblings. During their community work on Smokey Mountain in 2017, the Sisters of Mary met Graziela. They were concerned at her obvious poverty and neglect. They offered her a place at their school in Biga.

She says "my heart skipped a beat at the opportunity".

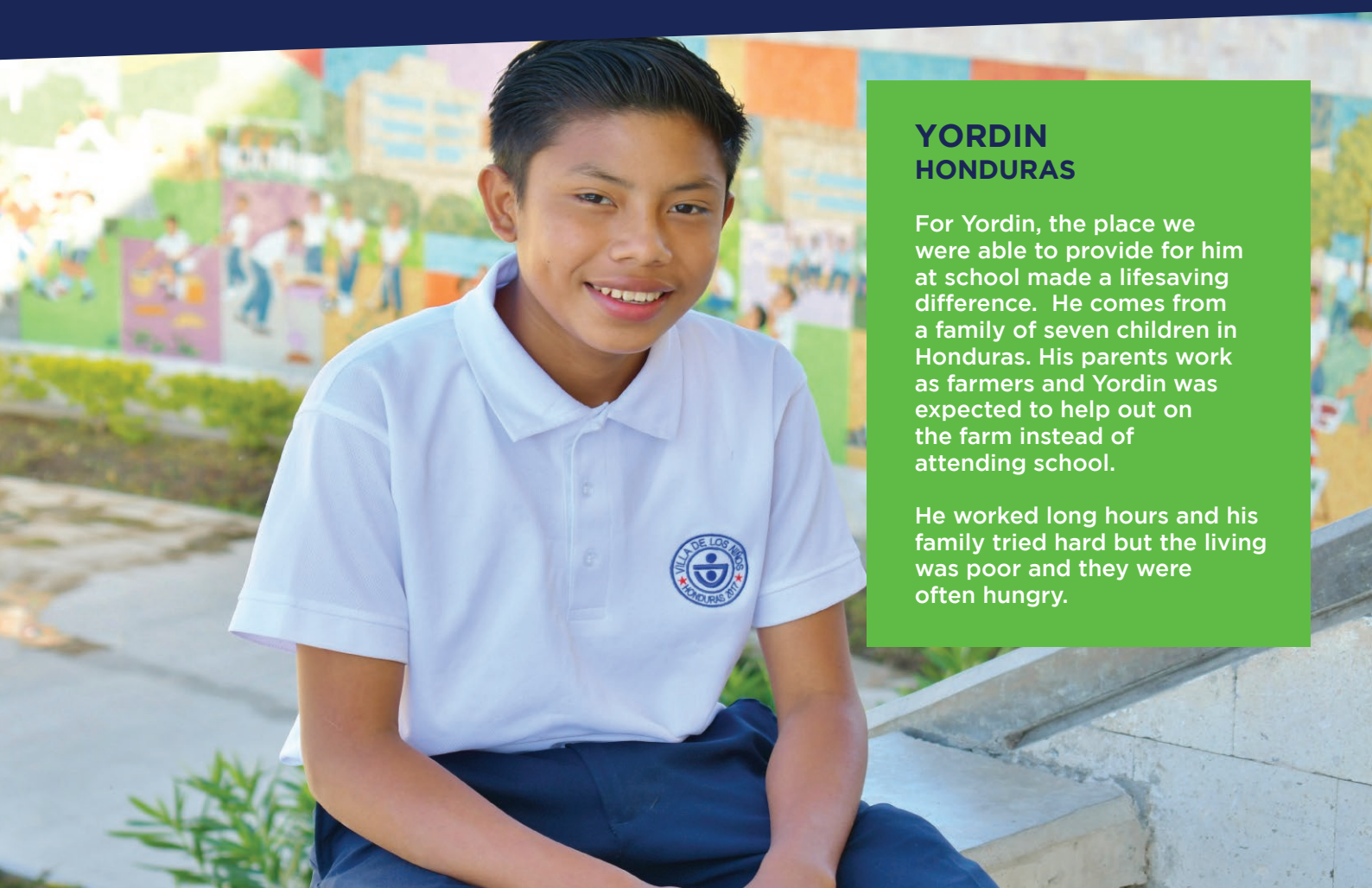
On entering the school Graziela was amazed, she says, "this was the first time I had seen a place with a wide area to play and clean air to breathe."

Over the last four years she has flourished at school. She has found the love and attention she needed and new friendships that have given her confidence and helped her to reach her potential. She has worked hard in class, challenged herself and has been rewarded by becoming an honour student.

"Being able to experience this has made a big impact on my life. I am not just focusing on myself but I want to help my family with the best of my might."

Graziela's dream is to be a doctor. "I want to pursue this dream because I believe that I will be able to restore the lives of many people, not only those who are suffering from diseases, but also people who are penniless and poverty-stricken."





YORDIN HONDURAS

For Yordin, the place we were able to provide for him at school made a lifesaving difference. He comes from a family of seven children in Honduras. His parents work as farmers and Yordin was expected to help out on the farm instead of attending school.

He worked long hours and his family tried hard but the living was poor and they were often hungry.

Thanks to the kindness of our donors we have been able to offer Yordin a place at our school for boys in Amaratéca and he is now safe in the care of the Sisters of Mary and receiving a full-time education.

He is thrilled to be able to study and for the first time he has hopes for a brighter future not just for himself but for all his family.

He says “my heart is so happy having a new opportunity to study, I imagine myself as a graduate with a profession helping my family, having my own company. Many thanks to all of you our dear donors for this opportunity, for your kind heart helping each poor child from my country.”

With their chance in school these children grow from vulnerable youngsters into grounded, resilient and independent adults. They graduate from our schools with confidence, skills and the maturity to find stable work and develop lasting careers.

He says “Many thanks to all of you our dear donors for this opportunity, for your kind heart helping each poor child from my country.”



Our graduates

ROSSYLE THE PHILIPPINES

Demonstrating the transformative power of the Sisters of Mary education programmes, our graduates take the opportunity provided by our donors and use it to profoundly change the lives of their families and communities, lifting them out of poverty permanently.

Ross, running with the Desert Roses



Graduates like Rossyle (Ross) who is the middle child of five from a poor rural farming family in the Philippines, near Manila.

In 2002, Ross met the Sisters of Mary during their work in her community. They were moved by her difficulties and offered her a place at their Girlstown. She loved her time at the school. For the first time she was free from hunger and her worries at home and she excelled academically and vocationally. She believes that she learnt so many skills from the Sisters that helped prepare her for life beyond Girlstown.

She said of her time there that **“from the time management, focus and the energy I learned there. I managed to apply it all in the outside world.”**

On graduating, Ross joined a dressmaking company in the Philippines for a couple of years before attending La Concordia College on a full scholarship and completing a Bachelor of Science and Commerce, graduating with honours.

After moving to Qatar to specialise in a career in logistics management she was able to support her family back home in the Philippines. She has put her youngest brother through college thanks to her education and the impact is still felt by their whole family today. She believes that **“education is really the key to ending poverty and achieving sustainable, positive change in society.”**

She gained great success with her career however she struggled with the monotony of life as an expat worker, so she took up running. Soon, Ross was entering races and starting to win ultra-marathons. She connected with three other expat women, two from the UK and one from Canada, who formed a group called the Desert Roses. The four women became the first female group to circumnavigate the 500km of Qatar. This coming October, Ross plans to run the virtual London Marathon in support of World Villages for Children, to raise awareness for our programmes around the world and the positive impact they have on the lives of impoverished children.

Knowing how much education has transformed her life and what it can bring to young girls, she is passionate about sharing her experience and encouragement for young women advising them to

“be brave, stand up, be seen and be heard”

and for the girls currently studying at the Sisters of Mary schools she says

“to my younger sisters in the Sisters of Mary Schools, study well because that is the only way that no one can take away from us and from my experience it became my passport to where I am now.”

DAVID GUATEMALA

David is from a small town in Coatepeque, Quetzaltenango, Guatemala. Everyone in his community was dedicated full time to farming and agriculture and his family were extremely poor.



David is from a small town in Coatepeque, Quetzaltenango, Guatemala. Everyone in his community was dedicated full time to farming and agriculture and his family were extremely poor.

With no education, his parents had no other options for work. David says access to school was difficult for him and his twin sister and “there were many days when I didn’t go to class as I had to help my Dad, and instead I worked during the whole day.”

“We also didn’t have access to electricity, TV or even a radio. If I made it to school and there was an activity which required money, we would not participate as we did not have enough to pay and we felt very bad. When I met the Sisters of Mary (SoM) in 2007 it transformed my life.”

The Sisters were moved by David’s plight and with sufficient funding they were able to offer him a place at the Boys school in Guatemala. He joined them in late 2007. At the beginning it was a challenge for him because he was not used to being away from his family. However, he developed a passion for English and other languages and also joined the school Taekwondo team.

He grew up at school and learned a lot and suddenly he had hope for the future. He says “I wanted to continue studying, get a job and help my family to change their life as well. At SoM, I learned lots of values such as perseverance, punctuality, accountability, kindness and hard work, and these have helped me outstand everywhere I go, in college and at work as well.”

“When I graduated, I found a job very quickly. That gave me the chance to also study for a college degree. As I worked I was able to pay rent, college and provide a certain percentage of my salary for my parents. After a few years, I graduated with a degree as CPA & CA in 2018. Now, I’ve been working for TELUS International as a Financial Analyst for the past

3 years and I’m in the process of becoming a SOX Internal Auditor in the same company.

So far I’ve provided support to my parents by helping them economically. They now have access to electricity as I help them pay the bill and they now own a refrigerator. We were able to build our house with bricks and a proper roof. I have also helped my siblings, especially my older brother who was able only to complete elementary school. I’ve also contributed directly to my community where my parents live, with cash donations. My family, together with my wife & two kids have access to a good life and better opportunities thanks to the SoM.

I want to continue supporting my parents and siblings as much as possible, continuing with my personal projects and helping the new children now at school with the Sisters in the Villa de los Niños. In ASEVIGUA -(the Sisters of Mary Alumni Association in Guatemala)- I have helped and done voluntary work since 2014, as treasurer, inspector, president and legal representative.

I owe my success to the Sisters of Mary, they are a great part of my life and I know that without them I wouldn’t be where I am now and I wouldn’t be able to help my family and get them out of poverty.”



David, on the right, as a very young boy

Summary of future aims, objectives and activities



OUR PLANS FOR 2022 AND BEYOND

Our work underpins the mission of the Sisters of Mary schools to bring education to the poorest children and to rectify the inequalities they experience. In 2022 we will focus on the following:

INTERRUPTED EDUCATION

The interruption to education caused by the Covid-19 pandemic has been disastrous for the poorest children. For many, the impact will be lifelong, not just for them but for their families and communities. Children from the poorest regions had only a tenuous grip on education before the pandemic but with multiple lockdowns many have lost two years of schooling, two years of development opportunity but worse than this they have forgotten what they previously learnt. Without intervention, they will never catch up and girls have been most affected. Consequently, demand for places at the Sisters of Mary schools has never been higher.

In 2022 we will work to ensure that funding is available for the Sisters to meet this demand, and provide extra places at the schools for new children. We will also help with the additional learning needed by these new children to bring them to the national standards needed for success in 2022 and beyond.

INEQUALITIES

Impoverished children experience deep inequality in access to education and future productivity but out of school poor girls are at increased risks. They are exposed to abuse and the prospect of early marriage which puts an end to any possibility of education or a productive future.

The education programmes of the Sisters of Mary directly address this inequality of provision and are focused on a better outcome for all children, especially girls. In 2022 and beyond we will fund the new facilities and new educational programmes needed to equip the poorest children, for work and a poverty free life and it will be our priority to ensure adequate funding for the education of girls.

The newest such programme completed in January 2022 is the multi-purpose training and nursery in Kiluvya, Tanzania which begins 2022 oversubscribed by 50%. It addresses a desperate need in the region for vocational education of girls, particularly those who have dropped out of school, to help them into work, as well as childcare to allow them to go out to work. Planning is also ongoing to support the young uneducated boys in the region with a school in Dodoma and our funding will support the progress on these projects through 2022 - 2024.



SUSTAINABILITY

All the SoM schools remained open throughout the pandemic. However, in 2021 it was an operational challenge to maintain the services in the face of rising costs and supply issues. With the regular funding commitments of our generous donors we were able to provide continuous grants to the sisters to fund the everyday costs incurred in caring for the children and to invest in new equipment and processes to support sustainable practices at the schools like the new water well in Guatemala..

This will be a priority for our work in 2022. At every step we will continue to underpin the work of the Sisters; to provide the income needed for day to day child care and education, to provide new funding for new facilities for boys and girls in existing countries and help with new programmes in new countries to achieve our mission and end poverty through education.

OUR KEY OBJECTIVES TO DELIVER THIS STRATEGY ARE AS FOLLOWS

FUNDRAISING TO MAXIMISE OUR INCOME

In 2022 we will continue to diversify our funding model to maximise our resources. We will maintain our 2021 progress on trusts and foundations building new relationships with funding partners who might want to support our vital work and who share our values on the importance of education to the relief of poverty.

2022 will also see the development of our engagement with our more committed donors and the introduction of a giving circle focused on greater involvement with the Sisters of Mary programme delivery and the change we can create together for the children in our care.

Digital will form a significant part of our fundraising activity for 2022. The major upgrade of our website in 2021, the digital audit undertaken and the brand refresh will all support our fundraising objectives to improve income generated through the website, enhance user experience, inform and engage audiences in our work in 2022.

Our objectives for the year also focus on appeals for awareness raising and acquisition of new supporters via digital. The new family sponsorship programme to be launched in 2022 aims to help youngsters in each country through their school life, and will be delivered digitally. We hope it will reach a new audience that might want to learn more and support our vital work to help the poorest children grow up safe, healthy and productive.

GOVERNANCE

As in the last two years, good robust governance of the charity continues to be a priority into 2022. Our board has been enriched by the addition of new trustee, Jo Ogilvie, who specializes in digital and digital product delivery and who joins to help the charity with embracing new digital skills in fundraising and other areas of its work. In the coming year we will utilize the varied experiences of all our trustees in our strategic development, making use of their vast array of talents to guide us in our engagement with donors, help us innovate the way we work and to maintain good control and oversight in all areas of the charity's activities.

We will continue to reflect on our skills as a trustee group and recruit for further experience and expertise which we feel is missing and which will contribute to making us a dynamic force in driving the charity forward.

2022 will see the formalization of the new board advisory group initiated in 2021 chaired by our new Ambassador. His work is helping to promote our activities and aims and the new advisory group will include donors and alumni of the Sisters of Mary schools. The group will help us to reach new audiences and define and collect the data we need for impact measurement. It will further support us with strategy development and the beneficiary involvement will add great insight on how we grow the charity.



Sister Elena & Sister Gertrude of the Sisters of Mary and our trustees John and Clare, 2022, Outcomes Measurement workshop.

REVITALISED BRAND

In 2022 we will implement our new WVC brand and messaging. Over the last year we have undertaken a refresh of our identity and created a powerful and unifying brand which helps us inform, engage and fundraise. With input and feedback from UK staff and trustees, the Sisters of Mary, our alumni, the children in our care and our supporters, our new look better reflects the children we care for. It is forward looking and focused on their (and our) future and it demonstrates the joy experienced by all the children in our schools. They are at the heart of our activity and therefore our brand.

The updated logo and brand proposition also bring greater clarity on our work, our relationship with the Sisters of Mary and greater impact to our external communications.

It forms a key part of our objective to maximise income and will help build awareness, understanding of WVC and propensity to support us in the year ahead.

MEASURING OUR IMPACT

Our project to measure the impact of our work and the sustainable change we create is ongoing in 2022. The year will see further progress, stakeholder consultations and the first outcomes defined and measured for the Sisters programmes.

The measures will enable us to account for our social performance. They will help our funders and supporters to understand the value of their contribution to our global education and poverty relief work and help us generate further interest from new funders.

Financial Review for 2021



Financial information for the year 2021 is set out in the attached statement of financial activities. Total income for the year was £2,748,808.

2021 continued to be a challenging year for our fundraising due to the operational difficulties presented by the Covid -19 pandemic. Although lower than FY 2020 by 9%, 2021 income was ahead of our forecasts for the year and retained its efficiency generating £7.40 for every £1 invested.

29% of our annual income comes in via direct mail appeals and we are so grateful to every single donor who took the time to respond to our appeals in 2021. Our regular committed givers, the 'Guardian Angels' of our work continued to support us loyally in 2021, making up 37% of our income and we were especially touched to receive their unstinting support and interest during the year. Regular support is vital to the operation of the schools and managing the recurring cost of child care, like food, hygiene and medical supplies.

We are also grateful to our many supporters who helped optimise the tax benefits available to us by completing a gift aid form or notifying us of their eligibility in 2021. We recovered £351,818 in gift aid in 2021.

Progress on the trust and foundation income stream was consistent but still at a low level in 2021 and this remains a focus for 2022. We were however delighted during the year to make new partnerships and receive support and grants from new trusts and foundations,
www.worldvillages.org.uk/how-you-can-help/trusts/

We were again touched to be supported by the Coles Medlock foundation as our match funder during the Big Give digital appeal through the year. In general our digital income continues to grow. It grew again in 2021 supported by new event fundraising and inclusion in digital only fundraising platforms like Global Giving. This fundraising remains a focus for 2022 and is a key part of our planning for the acquisition of new donors. This work can be progressed now that the brand refresh and new website are complete. The new brand and website have been well received by donors and our new presence positions us well for digital engagement with new audiences.

We continued to be touched by our inclusion in the final gifts of our donors and Gifts in Wills and in memory donations accounted for 19% of our funding in 2021. Any gift left to us in a will is well used by us in the care of the children and we are so grateful for each and every one. In 2021, we saw our highest ever number of legacy notifications but delays in administration throughout the year affected the distribution and the recognition of some legacy gifts and means that some of this income remained to be distributed at our year end.

Where possible we continue to focus our fundraising on unrestricted income so that it can be spent on the variety of needs of the children at the school particularly the day to day requirement for food, clothing, health and hygiene supplies. In 2021, we saw a very slight increase in restricted income to 2.6% of the whole however we continue to attract mostly unrestricted funds and we are so very grateful to our donors for giving us these unrestricted gifts so that the Sisters can apply the funding across the array of needs of the children in our care.

EXPENDITURE

Expenditure in 2021 was £2,734,592 against a 2020 total of £2,875,248, a 4.8% reduction. This lower expenditure reflects a small decrease in the grants sent to the Sisters which despite being ahead of our forecast for the year were £1,897,710 in 2021 v £2,070,024 in 2020.

It also reflects cost reductions and greater efficiencies in some operating expenses and functions. Specific cost of raising funds is increased slightly by 6.5% which reflects our investment in fundraising, oversight and management of the fundraising activity, recruitment of new donors and stewarding the generous gifts received. Note 3 to the accounts illustrates this.

We continue to keep close scrutiny on the costs and efficiency of our operating model to ensure we represent good value for our donors' investment and trust in us and ensure our funds are distributed quickly each month to the point of use for the children in our care.

During 2021 we maintained our reserves at 2020 levels in line with our perception of the pandemic operating risk to which the charity remained exposed for much of the year and challenges in fundraising. The reserves policy was last reviewed in March 2021 and, at six months expenses (not including grants to the Sisters of Mary) we consider it still represents a prudent approach to the level of risk perceived.



RISK MANAGEMENT

Proactive risk management contributes to our strategy development and allows us to anticipate and respond to challenges in our operating environment. Throughout 2022 we continue to scan and identify the risks facing the charity and develop strategies to manage and mitigate them.

The risks we identify are in the following categories:

Environment/External, Finance, Government & Management, Operational and Compliance.

RISK	RISK MANAGEMENT STRATEGY
OPERATIONAL RISK IT Security/ Cyber Security	<p>WVC manages donor data closely and monitors the IT Security and cyber risk involved in its processing and management systems but it remains a potential threat. This risk is managed as follows:</p> <ul style="list-style-type: none"> ■ IT Security and all technology systems are overseen by full time contract with ISO accredited support company. ■ MFA is in place for remote working and remote access to emails. ■ Cyber Essentials accreditation was renewed for WVC again this year. ■ Cyber Insurance covers key risks and potential losses and also provides guidance on best practice for IT processes and training. ■ Investment continues in business continuity planning for a number of contingencies. ■ Investment continues in IT security via training and software. ■ Investment continues in penetration testing for PCI compliance.
OPERATIONAL RISK Absence/ loss of key staff	<p>With a core team of 5 staff members any prolonged absence is immediately operationally significant. WVC minimises the impact of this on its activities by:</p> <ul style="list-style-type: none"> ■ Documenting processes and guidelines for essential activities. (particularly those relating to stewardship and income generation). ■ Staff are cross trained to supplement and cover key skills. ■ Succession planning is ongoing for the senior management role.
OPERATIONAL RISK Supplier dependence	<p>WVC outsources some of its key services to a small number of dedicated suppliers. As in 2020 the economic environment remains difficult and risk of supplier failure and service level disruption is increased, particularly around areas like response handling. We manage this risk by:</p> <ul style="list-style-type: none"> ■ Making new relationships for certain services ■ Regularly testing with new suppliers. ■ Exploring and testing in house provision of some of the services
FINANCIAL RISK Fundraising - lack of diversity in funding, or decline in income	<p>WVC is moving from a limited range of income sources to a more diverse portfolio of income and so our ongoing fundraising strategy for addressing this risk continues as follows:</p> <ul style="list-style-type: none"> ■ Investment in new fundraising methods, skills and capabilities to build a range of funding sources. ■ New techniques to deliver our fundraising - building the resilience of our funding model. ■ More proactive stewardship of legacy gifts to smooth out potential delays in administration which can impact on cash flow. ■ Acquisition activity to engage new audiences to support long term income growth.
FINANCIAL RISK Fraud	<p>Stewardship and processing of income is a big part of the work of WVC and the charity is constantly alert to the risk of Fraud. We put in place robust control and oversight processes and manage the risk as follows:</p> <ul style="list-style-type: none"> ■ Separate responsibilities and dual oversight for post opening and income and banking procedures. ■ Controls on signing levels and account access with auditable trail of user activity. ■ Comprehensive record of income and expenditure. ■ Reconciliation and testing on processing and accounting for these items. ■ Documented processes on income processing (particularly for cash) which are regularly reviewed, signposted for staff and where training is regularly provided. ■ Staff internal policies and best practice guidance on whistleblowing, understanding how to recognise and prevent fraud, money laundering and gift acceptance.
GOVERNMENT & MANAGEMENT Lack of Board Diversity and skill mix.	<p>A diverse board with a mix of skill sets is essential for governance. WVC has been growing its governance function but acknowledges a risk around lack of diversity, skill set mix and beneficiary representation. The risk is managed as follows:</p> <ul style="list-style-type: none"> ■ Skills audit to identify essential but missing skills and experience ■ Recruitment activities to fill the gaps ■ Recruiting additional experience and representation and involving in governance, not necessarily at board level

GOING CONCERN

In order to make the going concern assessment the Trustees have scrutinised the income and expenditure figures for 2022 and the cash flow projections into 2023 – one year from the date of signing of these accounts and conclude there are no material uncertainties relating to events or conditions that would cast doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

In making this assessment the trustees considered a number of factors including the level of unrestricted reserves and the risks facing the charity contained within the risk register, particularly the risks relating to fundraising income in an uncertain economic environment. Our fundraising planning specifically addresses this risk.

Our Finance and Operations sub-committee meets fortnightly to scrutinise performance of fundraising, evaluate efficiency of certain income activities, review operations and monitor overall liquidity. These meetings are in addition to the quarterly full board scrutiny of forecasts and liquidity assessments.

The charity's monthly financial statements, fortnightly cash flow forecasts and planning show sufficient unrestricted funds and liquidity and that it is appropriate to adopt the going concern basis of accounting preparing these financial statements.



FUNDING SOURCES & FUNDRAISING PRACTICE

FUNDING SOURCES

In 2021 we continued the process of diversifying our fundraising income and engaging with new audiences including Trusts and Foundations and new digital donors whilst maintaining income raising through direct mail appeals, regular committed giving from our Guardian Angel donors and gifts in wills.

We were really touched to see our direct mail donors continue to respond to our appeals and specifically were pleased with the response to the emergency appeal for the new Well at the Girls school in Guatemala and again at the end of the year in response to our Typhoon Rai (Odette) appeal for the two schools in Cebu, the Philippines.

Digital fundraising grew in momentum in 2021 and we were delighted to exceed our target for the Big Give appeal for our Tanzanian Training Centre and Nursery at the end of the year. These appeals grow in ambition and achievement year on year, they appeal to existing

and new donors and help us with our understanding of digital engagement. Overall, we are optimistic for this income stream once the new brand and website are established in 2022.

We have been blessed with the support received from new Trusts and Foundations in 2021 and continue to invest in this type of funding, building long term, transparent partnerships with these new supporters and inspiring others to contribute to our cause.

Gifts in wills remained a significant source of funding for WVC in 2021 and we are so touched to be remembered by these donors. Their generosity lives on in the lives of the children who have a brighter future because of their support. Notifications of gifts in wills, both residuary and pecuniary, were again the highest we had ever seen but receipt of income was still unreliable because of probate delays although this improved at the end of the year.

FUNDRAISING PRACTICE

The relationships we form with our supporters and their generous donations are essential to our work. Many of our supporters sacrifice to maintain their support for our work and we are blessed by this and driven to ensure we achieve the highest standards in all our fundraising and communications.

We aim to inspire people to support us and be transparent with how we have used their funds. We ensure that our fundraising operations are modest and efficient, that fundraising costs are minimised and return on investment maximised. That our work is clear for our supporters so they can see we use the majority of our funds for our charitable endeavours and represent excellent value for our supporters' funds. Our fundraising is guided by the following specific principles

- We steward our supporters' gifts carefully and thank quickly and appropriately, demonstrating the difference their donations make.
- We keep supporters' data secure, do not sell or share it for marketing purposes and protection of our supporters' data is integral to all our fundraising planning. Our cyber essentials accreditation reinforces our dedication to privacy. Our published privacy policy covers how we use our donor data and provides opportunities for all donors to opt out of contact or make a complaint.
www.worldvillages.org.uk/privacy-policy/
- We maintain membership of the NCVO, the DMA and the CloF to stay current with accreditation and training on the best practice standards required for fundraising and marketing.
- We are proudly registered with the Fundraising Regulator and the Code of Fundraising Practice underpins all our fundraising activities. The board of trustees monitor the activity closely to ensure compliance with the code and with CC20.
- Our fundraising is designed in house with content received directly from the Sisters of Mary programmes. External agencies produce our direct mail appeals, collect and bank responses. We manage these relationships closely and demand high standards of them to ensure accuracy and quality of fundraising output and efficiency of processing through banking, thanking and reconciliation. We continue to make regular visits and mystery shop these suppliers to ensure this standard is maintained.
- We take great care to protect the interests of our more vulnerable donors. We follow the guidance issued by CloF. Our vulnerable donors' policy which is part of our overall privacy policy, ensures that any donor notified to us as vulnerable, or who we believe may lack capacity, is not contacted for fundraising purposes.
- The charity has a complaints policy which is available within the privacy policy on our website. Hard copy is available if required. We were pleased to note there were no complaints received in 2021 (2020 none). Enquiries to the charity are actioned within 48 hours and all feedback good or bad is appreciated to help us progress and improve.



RESERVES

The charity's reserve policy forms an essential part of our risk management approach. When planning our fundraising activity and grant giving we consider the level of reserves held so we can strike a balance between utilising our funds promptly in support for the Sisters of Mary programmes and nearly 20,000 children in our care each year and the need for prudent management of our commitments, as well as providing for contingencies.

The reserves policy agreed annually by the trustees is based on level of core costs, specific risk around each element of income and the quality of income for its contribution to surplus.

In 2021 the majority of our income (97.4%) remained unrestricted and risk profile to this income remained largely the same as for 2020 and so a level of reserves which is determined as six months' expenditure, excluding the grants to the Sisters of Mary. This total is £305,525.

The reserves continued to be retained as follows: minimum of £225,000 held in liquid assets which can be accessed within 95 days and the remainder held on the balance sheet as a legacy debtor.

At 31 December 2021, the total reserves figure was £711,822 of which £704,927 is represented by unrestricted reserves and £6,895 is represented by restricted reserves. Free reserves at year end, taking into account assets that are not readily available, were £244,241 – for the purposes of this calculation both fixed assets and accrued legacy income are not deemed readily available.

The board note that the free reserve total at 31 December 2021 is slightly below the level stated by the policy, however post year end several significant amounts within the accrued legacies have now been realised, increasing the free reserves.

STRUCTURE, GOVERNANCE & MANAGEMENT

ORGANISATIONAL STRUCTURE

World Villages for Children was incorporated on 23rd October 1996. Our Governing document is the Memorandum and Articles of Association which was revised in September 2017.

World Villages for Children is governed by our Board of Trustees. The Board meets regularly and is responsible for setting our strategic direction, as well as for our overall governance, including signing the Trustees' Annual Report. The Board oversees WVC's management, with day-to-day responsibility delegated to Nicola Lawson as UK Manager who, with the authority of the Charity Commission, also serves as a trustee on the board.

The trustees commit to maintaining a high standard of corporate governance and scrutiny. They define overarching objectives for mission delivery, manage risk, oversee performance to objectives and manage grant making and compliance with the regulatory standards and requirements.

Potential conflicts relating to the board activities or in regard to the appointment of the UK Manager as a trustee are managed in accordance with the conflicts of interest policy. Declarations of interest, related party transactions and conflicts register are updated annually and reviewed regularly.

GRANT MAKING

WVC funds are granted to the Sisters of Mary programmes and grants are made monthly based on WVC agreed budgets and the need of the children in our care. Grant expenditure and the grant making process are governed by an overarching grant making policy. Expenditure and performance at the SoM programmes is monitored closely by the UK Manager and board to ensure grants are spent appropriately, in line with our charitable objectives.

CHARITY GOVERNANCE CODE

WVC is well placed to fulfil its vision with the engagement and presence of a dedicated and effective board. We have adopted the Charity Code of Governance and together with our governance review of 2016, continue to assess ourselves against these benchmarks to build a solid foundation in governance

which effectively oversees and serves the charity in the delivery of its mission.

We have one sub-committee of the board which monitors Finance and Operations. Set up in 2020 to manage risk during the pandemic, the committee will be formally constituted in 2022 and it closely monitors the financial performance of our charity, potential risk items to operations and cash flow position. It reports directly to the board.

The WVC board provide good collective leadership of our charity, clear direction on strategy and give generously of their time to ensure sufficient oversight and attention to this responsibility. They act with integrity, with the special interests of the charity and our beneficiaries at the heart of everything they do for WVC.

As a governing group, we continue to strive for greater diversity of skill and experience. Recent recruitment brings the board to 7 members with a mixture of expertise, age, race, gender and experience. In 2022, the introduction of a new advisory group will provide even more diversity and variation in our governance skill set. The inclusion of graduates from the schools within this group gives them a clearer voice in our work and brings the board real insight and growth in knowledge.

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

Trustees are recruited based on consideration of their skills, experience and knowledge as well as their interest and understanding of the work and values of the charity and our obligations towards good governance in achieving our aims.

New Trustees have an induction to familiarise themselves with their statutory responsibilities, their role within the board, the governance framework, our charity objects and work and the detailed work of the Sisters of Mary. It is mandatory for all trustees, regardless of role, to be DBS screened and to be fully compliant with our safeguarding policy.

www.worldvillages.org.uk/what-we-do/safeguarding/

New trustees have the opportunity to travel to view the implementation of the programmes and to meet with the children and alumni of the programmes. Those not wishing to travel maintain close contact with the SoM programmes and the destination of our funding through zoom meetings and physical meetings with alumni based in the UK or the Sisters when they visit the UK.

SAFEGUARDING

WVC does not tolerate abuse, maltreatment or neglect of any kind. The charity and its trustees are committed to safeguarding, protecting and fulfilling our duty of care to those we work with in the UK and the children in our care overseas.

In line with best practice, our WVC safeguarding policy is designed to keep safe all our staff, volunteers and all those immediately involved in our charity work in the UK. Our Safeguarding Officer maintains conduct guides and reporting procedures which cover staff and volunteers in the UK and where they work directly with the children overseas.

We train and update to support awareness and capacity in safeguarding. We also monitor the Sisters' safeguarding practices and procedures at the schools as part of our governance duties and safeguarding responsibilities. Together these safeguarding practices ensure a safe environment for our staff, volunteers, stakeholders and all our vulnerable beneficiaries at home and overseas at all times.

Throughout 2021, we continued to sharpen our focus on best practices in safeguarding within our UK operation and within the Sisters of Mary programmes worldwide, holding reviews with the Sisters on their detailed processes, procedures and training for all schools worldwide. There are no incidents to report.

RELATIONSHIPS WITH RELATED (CONNECTED) PARTIES

Throughout 2021 WVC continued to work closely with the family of independent affiliated charities based in the EU and US. Income from these charities together sustains the Sisters of Mary programmes and the 19,500 children in school and day care places with them in 2021.

These include Wereld Doorpen voor Kinderen in Belgium and the Netherlands, Villages du Monde pour Enfants in France, Asian Relief (trading as World Villages for Children) in the US and Die Schwestern Maria in Germany. These charities all share similar aims as World Villages for Children for the relief of poverty through education but they are separate, independent legal entities and there is no one controlling party.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

Our aim is to reward employees fairly and enable WVC to recruit and retain staff in order to achieve our objectives, in keeping with our status as a charity.

Pay rates are aligned to the median market rate for the role using benchmarking data and taking into account factors such as job role, responsibility and experience.

As with all staff remuneration, WVC reviews and benchmarks management remuneration levels with sector standards. Trustees are not remunerated with the exception of the UK Manager, who with the authority of the Charity Commission, became a trustee in 2016 and continues to receive a salary for her day to day management role.

PUBLIC BENEFIT

In setting the objectives for the charity and planning its activities, the Board has given careful consideration to the Charity Commission's guidance on the public benefit requirement under the Charities Act 2011.

The humanitarian poverty relief programmes that we fund support those children in greatest need and no charges are made for any care provided, therefore the board considers that the charity meets the following four important principles of the Public Benefit requirements in its work:

- Relief of poverty through the funding of free education for children which enables them to access a vocation and to acquire employment – to break free from the cycle of poverty and assist their family
- Advancement of education, by ensuring all the children attend one of our schools or day-care facilities
- Advancing health and welfare – ensuring all the children at the schools receive medical support, proactive health care, regular food and nutrition and extra supplements where needed.
- Enabling children in the countries where we operate to access a better, poverty free future.



We can't achieve our vision without you, and there are many ways you can help us make a real difference, such as supporting our campaigns or appeals, becoming a regular Guardian Angel, giving a grant or leaving a gift in your will. Find out more about our work and how you can help at worldvillages.org.uk

Statement of Trustees Responsibilities'

The Trustees (who are also directors of World Villages for Children for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- 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 charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, 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 and the provisions of the charity's constitution.

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.

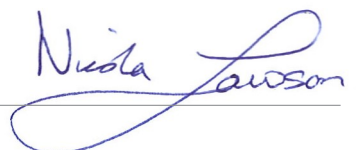
In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Crowe UK LLP have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487 (2) of the Companies Act 2006.

Signed on behalf of the Trustees 16th August 2022.



N Lawson
Trustee

Independent Auditor's Report to the Members of World Villages for Children



OPINION

We have audited the financial statements of World Villages for Children ('the charitable company') for the year ended 31 December 2021 which comprise Statement of Financial Activities, Balance sheet, Cashflow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 50, the trustees, (who are also the directors of the charitable company for the purposes of company law), are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and Employment legislation.

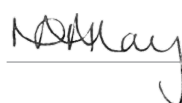
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Board of Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May
Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP
Statutory Auditor
London

Date 22 August 2022

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 DECEMBER 2021



	Notes	Unrestricted 2021 £	Restricted 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOME FROM					
Donations and legacies					
Donations and grants	2	2,141,333	72,707	2,214,040	2,397,175
Legacies	2	534,648	-	534,648	621,382
Interest income		120	-	120	627
Total		2,676,101	72,707	2,748,808	3,019,184
EXPENDITURE ON					
Raising Funds		373,022	-	373,022	350,015
Charitable Activities		2,275,860	85,710	2,361,570	2,525,233
Total	3	2,648,882	85,710	2,734,592	2,875,248
Net (Expenditure)/ Income		27,219	(13,003)	14,216	143,936
Net movement in funds		27,219	(13,003)	14,216	143,936
Total Funds Brought Forward		677,708	19,898	697,606	553,670
TOTAL FUNDS CARRIED FORWARD 16,17		704,927	6,895	711,822	697,606

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing operations.

The notes on the accompanying pages form a part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER 2021



	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Intangible fixed assets	9		15,308		6,546
Tangible fixed assets	8		59,298		68,087
			74,606		74,633
CURRENT ASSETS					
Stock		10,353		15,458	
Debtors	10	448,187		458,975	
Cash at bank and in hand		404,043		239,843	
		862,583		714,276	
Creditors: Amounts falling due within one year	11	(218,648)		(75,968)	
Net Current Assets			643,935		638,308
Creditors: Amounts falling due in more than one year	12	(6,719)		(15,335)	
Total Net Assets			711,822		697,606
The funds of the charity					
Restricted funds			6,895		19,898
Unrestricted funds			704,927		677,708
Total Funds			711,822		697,606

Approved by and authorised for distribution, the Board of Trustees on16th August 2022.....
and signed on their behalf by:

.....Nicola Lawson.....
Nicola Lawson
Trustee
Company Registration No. 3267479

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021



	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Expenditure)/ income for the year	14,216	143,936
Adjustments for:		
Depreciation of tangible fixed assets	15,347	16,798
Interest received	(120)	(627)
Decrease / (increase) in debtors	10,788	135,407
(Decrease) / increase in creditors	142,680	(361,368)
(Decrease) / increase in creditors	(8,616)	(17,903)
Decrease / (increase) in Stock	5,105	6,309
Net cash generated by operating activities	179,400	(77,448)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	120	627
Purchase of fixed assets	(15,320)	(783)
Net cash from investing activities	(15,200)	(156)
Change in cash and cash equivalents in the year	164,200	(77,604)
Cash and cash equivalents at beginning of year	239,843	317,447
Cash and cash equivalents at end of year	404,043	239,843

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



1. ACCOUNTING POLICIES

Status of the charity

World Villages for Children is registered as a company limited by guarantee in England and Wales (company number 03267479) and its registered office is Kings Building, 16 Smith Square, London, SW1P 3HQ. World Villages for Children is a Public Benefit Entity registered with the Charity Commission (Charity number 1058973).

Basis of Preparation of the Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the 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) second edition - effective 1 January 2019.

The functional currency of the charity is Pound Sterling. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these accounts. The Trustees of the Charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

The Trustees have considered a number of factors when forming their conclusion as to whether the use of the going concern basis is appropriate. They take into account the budget forecast for up to December 2023, cash flow forecast to December 2023 and the review of risks facing the charity, particularly the impact of the COVID-19 pandemic for the period to the end of 2023 and beyond, as well as the ongoing cost of living crisis. Key current risk is the decline in income due to economic slowdown resulting from the pandemic and the ongoing conflict in the Ukraine.

Our fundraising planning addresses this risk and since year end fundraising has continued consistently, overseen fortnightly by the board sub-committee to monitor performance and liquidity. Expenditures and operating efficiency continue to be closely scrutinised by management and the whole board quarterly with forecasts adjusted for different outcomes to assess liquidity and going concern status.

Our forward planning beyond 2023 takes into consideration the changing fundraising context and the economic climate and its potential impact on the various sources of income and planned expenditure.

The Charity's monthly financial statements, along with a cash flow forecast and scenario planning, show that the Charity has sufficient funds and liquidity and having regard to all of the above it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Legacies

Legacies are recognised in the statement of financial activities when there is entitlement, adequate probability and reliability of receipt and their value can be accurately measured. For both pecuniary and residuary legacies this is when probate has been granted and a reasonable estimate calculated for this income.

Donations

Donations are accounted for when conditions for their receipt are met, it is probable that the amounts will be received and the amount receivable can be reliably estimated.

Critical accounting estimates and areas of judgement

The key sources of uncertainty in our estimations that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

■ *Residuary legacies*

The charity recognises residuary legacies once probate has been granted, which therefore requires an estimation of the amount receivable.

Pensions

Pension contributions are made for all employees and recorded as they fall due. These are defined contributions paid to approved private pension schemes for each employee.

Taxation

World Villages for Children is a registered charity and all of its income falls within the exemptions under part 11 of the Corporation Tax Act 2010.

Gift Aid Repayments

Income from gift aid repayment claims is only included for claims which have been submitted for tax periods ending on or before the year end and when the receipt of this income is certain.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



Expenditure

Expenditure is recognised when a liability is incurred. Grant payments are recognised when a constructive obligation arises that results in the payment being required.

Raising funds are those costs incurred in attracting voluntary income.

The costs of appeals are matched where possible with the income generated. The accounting effect of this policy means that, at the balance sheet date, a proportion of the cost of the December mailing is carried forward as a prepayment as part of the response anticipated in January.

Support costs including central functions and costs primarily associated with constitution and statutory requirements have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff cost by work done, office costs by floor area, return mail processing and finance costs by work done. The staff costs which relate specifically to fundraising for the charity have been apportioned within support costs on the basis of time calculated as spent on this activity.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements over the term of the lease

Plant and equipment 20% on cost

All assets are capitalised at a cost.

Intangible Fixed Assets

Amortisation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Website development and software 20% on cost

All assets are capitalised at cost

Fund accounting

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or donations subject to conditions imposed by donors.

Designated funds comprise funds set aside out of unrestricted funds for a specific purpose.

Leasing Commitments

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Foreign currency transactions

Transactions denominated in a foreign currency are translated into sterling at the rates of exchange ruling at the date of the transaction or at an average rate for the relevant month where that provides a close approximation.

Stock

The stock held is used for the direct marketing appeals, all the stock is held at the printers and valued at cost price.

Other Financial Instruments

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less. As at 31st December 2021, total cash held was £404,042 (2020: £239,843).

ii. Debtors and Creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest, are measured at the present value of the expected future receipts or payment discounted at a market rate of interest. Balances for 2019 and 2020 are set out in notes 10 to 12.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



2. VOLUNTARY INCOME

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £	Total 2020 £
Donations received (including recoverable gift aid)	2,141,333	72,707	2,214,040	2,397,175
Legacies and bequests	534,648	-	534,648	621,382
Total	2,675,981	72,707	2,748,688	3,018,557

3. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Costs £	Support Costs £	Total 2021 £	Total 2020 £
COST OF GENERATING FUNDS:				
Fund raising and publicity	245,020	128,002	373,022	350,015
CHARITABLE EXPENDITURE:				
Grant to the Sisters of Mary	1,897,710	-	1,897,710	2,070,024
Other Charitable Expenditure	261,483	202,377	463,860	455,209
TOTAL CHARITABLE EXPENDITURE	2,159,193	202,377	2,361,570	2,525,233
TOTAL RESOURCES EXPENDED	2,404,213	330,379	2,734,592	
31 December 2020	2,533,653	341,595		2,875,248

FUNDRAISING AND PUBLICITY EXPENSES HAVE BEEN INCURRED ON THE FOLLOWING:	2021	2020
Direct Mail	245,020	229,743
Support Costs	128,002	120,272
	373,022	350,015

Support Costs consist of two main elements: management and staff costs and office costs. These costs have been apportioned across the work of the charity on the basis in Note 1 and allocated to each of the charity's activity as set out in the table below.

	Management & Staff (Staff) (Note 4) £	Office Costs (Area) £	Total 2021 £	Total 2020 £
BASIS OF APPORTIONMENT				
Fund raising and Publicity	91,916	36,086	128,002	120,272
Charitable Activities	150,766	51,611	202,377	220,029
Total costs allocated	242,682	87,697	330,379	
31 December 2020	253,899	86,402		340,301

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



4. NET MOVEMENT IN FUNDS

	2021 £	2020 £
NET MOVEMENTS IN FUNDS		
Net movement in funds is stated after charging:		
OPERATING LEASE PAYMENTS	48,840	48,840
AUDITORS REMUNERATION:		
- Audit services	18,000	18,000
- Accountancy and other professional services	34,221	4,959

5. LEGACY INCOME

World Villages for Children is aware of legacies of which the charity's share is estimated at £nil (2020: £62,000). This has not been included in these financial statements as it does not reach the necessary recognition criteria as laid out by the charity's accounting policy.

6. STAFF COSTS

	2021 £	2020 £
STAFF COSTS COMPRISE:		
Wages and salaries	220,823	224,555
Social security costs	19,774	20,146
Pension costs	4,627	4,472
Total salary costs	245,224	249,173
Holiday accrual	(3,459)	3,459
Employee Seminars & Training	185	299
Employee Travel	152	388
Recruitment	580	580
Total management & staff cost	242,682	253,899
Average number of full time equivalent employees	6	6

Key management personnel includes the Trustees.

Total remuneration paid to such personnel amounted to £55,243 (2020: £56,713).

There are no higher paid employees earning £60,000 per annum or more (2020: none).

7. TRUSTEES REMUNERATION

A total of £257 (2020: £1,293) expenses were paid by the charity in the year. This was for one of the trustees and covered the cost of accommodation and travel required to fulfil their duties. Nicola Lawson, who became a trustee in July 2016, received remuneration of £48,500 (2020: £49,750) and pension of £1,268 (2020: £1,306) during the year, in her capacity as an employee of the charity. This has been discussed and agreed with the Charity Commission. No other trustee receives remuneration (2020: £nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



8. TANGIBLE FIXED ASSETS

	Improvements £	Equipment £	Total £
COST			
At 1st January 2021	75,556	19,730	95,286
Additions	0	0	0
Disposals	0	0	0
At 31 December 2021	75,556	19,730	95,286
DEPRECIATION			
At 1st January 2021	11,953	15,246	27,199
Charge for the year	7,493	1,296	8,789
Accum Depreciation on Disposals	0	0	0
At 31st December 2021	19,446	16,542	35,988
NET BOOK VALUE			
At 31st December 2021	56,110	3,188	59,298
At 31st December 2020	63,603	4,484	68,087

The fixed assets are used wholly for the activities of the charitable company.

9. INTANGIBLE FIXED ASSETS

	Website development & software costs	Total £
COST		
At 1st January 2021	33,311	33,311
Additions	15,320	15,320
At 31 December 2021	48,631	48,631
AMORTISATION		
At 1st January 2021	26,765	26,765
Charge for the year	6,558	6,558
Disposal	-	-
At 31st December 2021	33,323	33,323
NET BOOK VALUE		
At 31st December 2021	15,308	15,308
At 31st December 2020	6,546	6,546

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



10. DEBTORS

	2021 £	2020 £
Legacies receivable	386,080	370,699
Gift aid receivable	29,019	27,304
Prepayments	26,138	41,553
Other debtors	6,950	19,419
	448,187	458,975

11. CREDITORS DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	59,528	68,983
HMRC payable	4,120	6,985
Grants due to the Sisters of Mary	155,000	-
	218,648	75,968

12. CREDITORS DUE IN MORE THAN ONE YEAR

	2021 £	2020 £
OTHER CREDITORS	6,719	15,335

13. LEASE COMMITMENTS

	LAND AND BUILDINGS	
	2021 £	2020 £
At 31st December, the charity has total future minimum commitments under operating leases as follows:		
Within one year	48,838	48,838
Between one and five years	64,225	113,062
	113,063	161,900

14. CONNECTED PARTIES

World Villages for Children based in the United Kingdom pays on behalf of, and has had paid on its behalf, various expenses related to the charity as a whole by other affiliates based overseas.

The charity made grants totalling £1,897,710 to The Sisters of Mary in the year (2020: £2,070,024), which while not a strict affiliate is closely aligned to the ideals of the charity.

Balances between other affiliates have been settled before the balance sheet date except for those balances due to, and from, such affiliates as disclosed in Notes 10 and 11 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



14. CONNECTED PARTIES (CONTINUED)

Two trustees of the charity, Sister D.L Cho and Sister Elena Grengia Belarmino also sit on the boards of four other humanitarian entities that all share similar visions and purposes as World Villages for Children; these entities are in France, Netherlands, Belgium and the U.S.A. In addition, one former trustee, Sister Y Cheong, also sits on the board of the U.S entity. However, World Villages for Children does not consolidate these foreign entities in its financial statements, as they are separate legal entities with no one controlling party. They were no other financial dealings with these entities during the year, apart from those transactions, and year end balances already disclosed below (and as shown within Notes 8 and 9 of the financial statements).

Of the foreign entities mentioned above, the following transactions occurred:

	Country	2021 Balance	2020 Payments (to)/from	2020 Balance
DEBTORS / (CREDITORS)				
Asian Relief, Inc.	USA		(151,636)	

15. MEMBERS' LIMITED LIABILITY

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up while they are a member. This contribution, not exceeding £10, covers the payment of debts and liabilities of the company contracted before each individual ceased to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves.

16. ANALYSIS OF CHARITABLE FUNDS

	Balance @ 01.01.2021 £	Income £	Expenditure £	Transfers £	Balance @ 31.12.2021 £
Unrestricted	677,708	2,676,101	(2,648,882)	0	704,927
Restricted	19,898	72,707	(85,710)	0	6,895
Total	697,606	2,748,808	(2,734,592)	0	711,822

	Balance @ 01.01.2020 £	Income £	Expenditure £	Transfers £	Balance @ 31.12.2020 £
Unrestricted	536,943	2,951,389	(2,810,624)	0	677,708
Restricted	16,727	67,795	(64,624)	0	19,898
Total	553,670	3,019,184	(2,875,248)	0	697,606

The restricted funds relate to a number of smaller amounts for programmes in Guatemala, Tanzania, Philippines and Honduras.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021



17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Intangible fixed assets	15,308	-	15,308
Tangible fixed assets	59,298	-	59,298
Cash at bank and in hand	397,148	6,895	404,043
Other net current assets	239,892	-	239,892
Creditors falling due in more than one year	(6,719)	-	(6,719)
	704,927	6,895	711,822
	Unrestricted Funds 2020	Restricted Funds 2020	Total 2020
Intangible fixed assets	6,546	-	6,546
Tangible fixed assets	68,087	-	68,087
Cash at bank and in hand	219,945	19,898	239,843
Other net current assets	398,465	-	398,465
Creditors falling due in more than one year	(15,335)	-	(15,335)
	677,708	19,898	697,606

18. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted 2020 £	Restricted 2020 £	Total Funds 2020 £
INCOME FROM				
Donations and legacies				
Donations and grants	2	2,329,380	67,795	2,397,175
Legacies	2	621,382	0	621,382
Interest income		627	0	627
Total		2,951,389	67,795	3,019,184
EXPENDITURE ON:				
Raising Funds		350,015	0	350,015
Charitable Activities		2,460,609	64,624	2,525,233
Total	3	2,810,624	64,624	2,875,248
Net (Expenditure)/ Income		140,765	3,171	143,936
Net movement in funds				
Total Funds Brought Forward		536,943	16,727	553,670
Total Funds Carried Forward	16, 17	677,708	19,898	697,606





"I would like to say thank you very much to our dear donors and benefactors for their generous heart especially to the poorest of the poor like me because without God in them and through our beloved Sisters I could not be here.

May God bless all our donors and have longer life because as it is said "In giving we receive". I promise that I will do my best in my studies to reach my future goals and help my family"

www.worldvillages.org.uk/stories/mercedes-story/

Ending poverty through education



**World Villages
for Children**

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