

PRACTICAL COMPASSION FOR DESTITUTE CHILDREN

Registered Charity No.1076588

c/o Rev. M.S.Jones  
13 Valeside  
Throckley  
Newcastle upon Tyne  
NE15 9LA

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FINANCIAL ACCOUNTS FOR THE  
YEAR ENDED 31 AUGUST 2021

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T.W.Tasker F.C.A.  
Chartered Accountant

PRACTICAL COMPASSION FOR DESTITUTE CHILDREN

FINANCIAL ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2021

CONTENTS

1. Trustees Annual Report
2. Independent Examiner's Report
3. Statement of Financial Activities
4. Balance Sheet
5. Notes to the Accounts
6. Detailed Statement of Financial Activities

TRUSTEES ANNUAL REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021

We present our Annual Report with the Accounts for the above year.

REFERENCE AND ADMINISTRATIVE DETAILS

We are a Registered Charity (No 1076588) and continue to operate successfully under the terms of our Trust Deed dated 22 November 1998. Our Bankers are Barclays Bank Plc, Leicester, LE87 2BB, CCLA Investment Management Limited, Senator House, 85 Queen Victoria Street, London, EC4V 4ET, HSBC, 2-6 Gallowtree Gate, Leicester, LE1 1DA and The Co-operative Bank plc, PO Box 101, 1 Balloon Street, Manchester, M60 4EP. We appoint Solicitors as necessary.

OBJECTS AND POLICIES

Our objects continue to be for the relief of children under the age of 18 years, (or in exceptional circumstances, young people over 18 but under 25), living in the Lands of the Bible, who are destitute through the death of one or both parents, or have been abandoned by their relatives, through family breakdown, illness, or physical or mental handicap, and are in the care of Christian homes or attending Christian schools.

Our policies to achieve our objects continue to be:-

- i, to raise funds and invite and receive contributions.
- ii, to co-operate with other bodies operating in furtherance of the objects or of similar charitable purposes and to exchange information and advice with them.
- iii, to establish or support any charitable trusts, associations or institutions formed for the objects or any of them.
- iv, to appoint and constitute such advisory committees as the trustees may think fit.
- v, to delegate to any of the trustees the transaction of any business or the performance of any act required to be transacted or performed in the execution of the trusts of PCDC and which is within the professional or business competence of such trustee(s), provided that the trustees shall exercise reasonable supervision over trustee(s) acting on their behalf under this provision and shall ensure that all their acts and proceedings are fully and promptly reported to them.
- vi, to do all such other lawful things as are necessary for the achievement of the objects.

We refer to Charity Commission guidance on Public Benefit when reviewing our aims and objectives, and ensure that future plans remain focused on their achievement. Funding limits our activities, but no beneficiaries appropriate to our aims are excluded. Equal access to our services is important to us, and we promote understanding of our work.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trustees

The Trustees during the year were: Rev.M.S.Jones, J.P.Kenyon, H.G.Harris (Resigned March 2021), P.G.Thompson, J.A.Shave, S.Allen (Resigned January 2021), J.Cannings (Resigned August 2021), B.McNamara, H.Ince, A.McNamara (Appointed August 2021) and R.Hill (Appointed August 2021). All Trustees give their time voluntarily and receive no benefit.

Recruitment and Appointment of Trustees

The Trustees seek to ensure that the users needs are reflected through the diversity of the trustee body. To enhance the potential pool of Trustees, selected individuals who may wish to become Trustees are approached as necessary. Trustees are re-appointed annually. All concerned give their time voluntarily and receive no benefit.

Trustee Induction and Training

New Trustees are actively encouraged by the existing Trustees, having regard to any specialist skills required. New Trustees are briefed on their obligations under charity law, our Trust Deed, the Committee and the decision making process, future plans and recent performance. They are encouraged to attend appropriate training, and made aware of Charity Commission Publications. Feedback is encouraged.

Continued ...



TRUSTEES ANNUAL REPORT  
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (Continued)

Risk Management

We have assessed (and reviewed regularly) the major risks to which we are exposed, in particular those related to our operations and finances, and are satisfied that systems are in place to mitigate our exposure. No major risks have been identified. A key element in our management of financial risk is the setting and regular review of our Reserves policy.

RESERVES POLICY

Free reserves are those funds not tied up in Fixed Assets or Designated/Restricted Funds. We forecast the level of reserves required to sustain operations, should income-generating activities be curtailed. Free reserves increased from £105,684 to £142,192 during the year, however considerable amounts are already earmarked for immediate use. Whilst the current level of reserves may prove sufficient, it is our view that it is prudent to ensure that there are sufficient free reserves to ensure financial flexibility over the course of the forthcoming challenges.

DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

To 31 August 2021, we have raised in excess of £2,568,000, continuing to work for the welfare of our sponsored children and their destitute or broken families, including medical treatment, and care of the deaf and blind. The continuing Covid 19 pandemic has continued to disrupt our activities both at home and in the region we serve, as well as making it impossible to travel between the two areas.

FINANCIAL REVIEW

Our assets continue to be adequate and available to fulfil our obligations, as detailed in these financial statements.

FUTURE DEVELOPMENTS

We continue to strive to maintain the necessary high level of our award-winning assistance. We look forward to re-establishing our full range of support, as we emerge into a post-Covid world.

STATEMENT OF TRUSTEES RESPONSIBILITIES

Law applicable to charities in England & Wales requires us to prepare financial statements for each financial year which give a true and fair view of our financial activities during the year and of our financial position at the end of the year. In preparing financial statements giving a true and fair view, we should follow best practice and:


- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that we will continue in operation.

We are responsible for keeping accounting records which disclose with reasonable accuracy our financial position and which enable us to ascertain our financial position and which enable us to ensure that the financial statements comply with applicable law. We are also responsible for safeguarding our assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed

Signed

  
Rev. M. S. Jones  
Trustee

  
J. A. Shave  
Trustee  
10 February 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
PRACTICAL COMPASSION FOR DESTITUTE CHILDREN (PCDC)

I report on the accounts of the charity for the year ended 31 August 2021 which are set out on pages 3 to 6.

**Respective responsibilities of trustees and examiner**

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

It is my responsibility to:

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


**Basis of independent examiner's report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with the records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent examiner's statement**

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

1. which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with Section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met, or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



T.W. Tasker F.C.A.  
Chartered Accountant  
52A Station Road  
Ashington  
Northumberland

10 February 2022

PRACTICAL COMPASSION FOR DESTITUTE CHILDREN

STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021

		<u>2021</u>	<u>2020</u>
	Notes	£	£
<b>INCOME FROM:</b>			
Donations and Legacies			
Donations Received		153,247	114,119
Income from Investments			
Interest Received		-	13
<b>TOTAL INCOME</b>		153,247	114,132
<b>EXPENDITURE ON:</b>			
Operating Expenditure		116,739	143,309
<b><u>NET MOVEMENT IN FUNDS</u></b>	3	36,508	(29,177)
Funds Brought Forward		105,684	134,861
Funds Carried Forward		£ 142,192	£ 105,684

None of our activities were acquired or discontinued and there were no recognised gains or losses other than as shown above during the above two financial years.

The notes on page 5 form part of these accounts.



PRACTICAL COMPASSION FOR DESTITUTE CHILDREN

4.

BALANCE SHEET  
AS AT 31 AUGUST 2021

	<u>2021</u>		<u>2020</u>	
	£	£	£	£
<b>FIXED ASSETS</b>		Nil		Nil
<b>CURRENT ASSETS</b>				
Gift Aid Claim Due	1,165		1,931	
Bank Deposit Account : CCLA	1,000		1,000	
Bank Current Accounts : Barclays	74,578		78,868	
HSBC	21,005		16,732	
Co-op	44,754		7,433	
	<u>142,502</u>		<u>105,964</u>	
<b>CREDITORS : Amounts Becoming Due And Payable Within One Year:</b>				
Accrued Charges	310		280	
<b>NET CURRENT ASSETS</b>		<u>142,192</u>		<u>105,684</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	£	<u>142,192</u>	£	<u>105,684</u>
<b>ACCUMULATED UNRESTRICTED FUNDS</b>				
Total Funds	£	<u>142,192</u>	£	<u>105,684</u>

Approved:

Approved:



Rev.M.S.Jones  
Trustee



J.A.Shave  
Trustee

These financial statements were authorised for issue by the Management Committee on 10 February 2022.

The notes on page 5 form part of these accounts.

NOTES TO ACCOUNTS  
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

Basis of Accounting

The principal accounting policies adopted and judgements made in the preparation of the financial accounts are:

- a, The financial accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), and the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).
- b, As we meet the definition of a public benefit entity, assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated.

Income

All Income is included in the Statement of Financial Activities when we are entitled to the Income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of Income:

- Income received by way of Donations, Legacies etc is included in the Statement of Financial Activities when receivable. Where entitlement is not conditional on the delivery of a specific performance by ourselves, monies are recognised when we become unconditionally entitled to them. Monies related to performance and specific deliverables are accounted for as we earn the right to consideration by our performance.
- Income from Investments is included when received.
- The value of services provided by volunteers has not been included in these accounts.

Expenditure

Expenditure is recognised on an accruals basis, including VAT. It comprises those costs incurred in the delivery of our activities and services. It includes both costs that can be allocated to such activities and those costs of an indirect nature necessary to support them.

2. TAXATION

As a Registered Charity, we have no liability to taxation.

3. NET MOVEMENT IN FUNDS

	<u>2021</u>	<u>2020</u>
This is stated after charging:	£	£
Staff Costs	-	-
Trustees Remuneration	-	-
	<u>          </u>	<u>          </u>



PRACTICAL COMPASSION FOR DESTITUTE CHILDREN

DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021

	<u>2021</u>		<u>2020</u>	
	£	£	£	£
<b>INCOME FROM:</b>				
Donations Received		153,247		114,119
Interest Received		-		13
		<hr/>		<hr/>
		153,247		114,132
<b>EXPENDITURE ON:</b>				
Support for Destitute Children and Young People	116,023		142,611	
Travelling Expenses	150		-	
Printing and Stationery	41		119	
Bank Charges	225		309	
Accountancy Fees	300		270	
		<hr/>		<hr/>
		116,739		143,309
<b><u>NET MOVEMENT IN FUNDS</u></b>		36,508		(29,177)
Total Funds Brought Forward		<hr/>		<hr/>
		105,684		134,861
Total Funds Carried Forward		<hr/>		<hr/>
	£	142,192		£ 105,684
		<hr/>		<hr/>

None of our activities were acquired or discontinued and there were no recognised gains or losses other than as shown above during the above two financial years.

The notes on page 5 form part of these accounts.