

THE WORLD CHILDREN'S FUND

(A company limited by guarantee and not having a share capital)

Financial Statements
For the year ended 31 March 2022

Company Number: 03778493
Charity Number: 1079124

THE WORLD CHILDREN'S FUND

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THE WORLD CHILDREN'S FUND

Trustees' Report
For the year ended 31st March 2022

Company Number: 03778493 (incorporated in England and Wales)

Charity Number: 1079124

Registered Office: Second Floor Office
34 High Street
Bromley
Kent
BR1 1EA

Directors and Trustees: J. Lam
R. Kendrick
Y. Yakushev
N. Yakushev

Secretary: Broadway Secretaries Limited

Principal Bankers: HSBC Bank plc
Bromley Commercial Centre
184 High Street
Bromley, Kent
BR1 1HE

Auditors: Moore Kingston Smith LLP
6th Floor
9 Appold Street
London
EC2A 2AP

Solicitors: BDB Pitmans LLP
50 Broadway
London
SW1H 0BL

THE WORLD CHILDREN'S FUND

Trustees' Report

For the year ended 31st March 2022

The Trustees present their statutory report together with the accounts of The World Children's Fund ("WCF") for the year ended 31st March 2022.

The information contained on page 1 of the Annual Report forms a part of the Trustees' Report.

Structure, Governance and Management

Governing document

The World Children's Fund was incorporated on the 27th May 1999 and is governed by the provisions of its memorandum and articles of association, as amended on 12th May 2017.

Organisational structure

The organisational structure is detailed in the constitution of the Charity. The strategic direction of the Charity is the responsibility of the board of Trustees. In accordance with the constitution the board meets at least once a year. The day-to-day running of the Charity is carried out by the Chief executive, who is responsible to the board of trustees.

Connected & Related Parties

Two of the Trustees of the Charity (Joseph Lam and Ruth Kendrick) assisted in the establishment of other World Children's Fund and Medical Mission International charities throughout the world that share similar visions and purposes as The World Children's Fund and they are also on some of those other charities boards. However, the Charity does not consolidate these foreign entities in its financial statements, as they are separate legal entities with no one controlling party. Further details of transactions can be found in Note 14 to the financial statements.

WCF US is the programme department/organization for all the WCF charities that operate around the world. When a grantee requests assistance, WCF US will contact those affiliate organisations, who's aims coincide with the particular project in question, and are requested to fund such programmes. The programme co-ordinators within WCF US make site visits, along with the WCF EU Vice President, to the programmes supported, compiling reports and feeding information back to, for example, WCF UK. It is up to the board of WCF UK to determine on the basis of these reports whether to continue with on going funding.

Trustees, appointment, induction and training

New Trustees are appointed by existing Trustees should they be deemed appropriate and helping to fulfil any shortfall in the skill set of the board upon application. The charity shall hold an annual general meeting each year in addition to any other meetings. The Trustees have learned their duties as Trustees through information obtained from external consultants and the Charity Commission, and are responsible for the induction and training of new Trustees. Further training, consultation and information is made available to the Trustees on an on-going basis.

THE WORLD CHILDREN'S FUND

Trustees' Report For the year ended 31st March 2022

Risk Management

The Trustees have reviewed the major risks to which the charity is exposed and confirm that steps have been taken to mitigate those risks.

A fundamental risk to the charity is the potential for continued increases in expenditures on raising funds versus donation income received which would be the result of non-effective direct mailing mailshot results. To address this fundamental risk the charity is working with local marketing agencies to attempt to explore possible diversification of its current revenue stream as well as to look to achieve better returns on its mailshots. The goal is to drive down the cost of expenditure on raising funds while looking to boost and maximize donation revenues of its mailshots and other possible revenue streams which would mitigate this fundamental risk to the charity.

Remuneration Policy

The charity does employ one staff member whose pay is determined by the Board and is based on the hours worked and the prevailing market rates for the level of work that is being undertaken. Potential future increases in salary are decided and given to reflect increases in the cost of living.

As noted elsewhere in the accounts, the Trustees and officers of the charity receive no remuneration or compensation for their time and services to the charity.

If the charity does decide to compensate its Trustees and officers in future years, then the recommendations of the NCVO enquiry will be taken into account.

Public Benefit

We have referred to the guidance in the Charity Commission's general guidance in Section 17 of the Charities Act 2011 on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

COVID-19 Uncertainties

The impact of COVID-19 has been considered by the trustees of the charity in regard to the charity's future plans and budgeting processes and the effect of the outbreak isn't a significant risk into the 31 March 2023 year end. It is expected that any potential decreases in revenues will be short lived and the charity's reserves and asset values will enable the charity to continue normal operations through fiscal year end 31 March 2023 and years beyond that.

Objectives and activities

The objects of WCF, in light of the Public Benefit guidance, continue to be:

- to relieve the distress, hardship and suffering and to advance the education of children anywhere in the world;
- to relieve suffering and distress caused by natural or man-made disasters; and
- to advance the education of children anywhere in the world.

To meet these objects, the charity has two primary aims and objectives, which have remained constant over the years of its operation:

- To identify children and families in need throughout less fortunate areas of the world, and provide help to relieve those identified needs.
- To raise funds as cost effectively as possible.

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Trustees' Report

For the year ended 31st March 2022

In practical terms, the Charity's principal charitable activities are:

- To provide emergency aid in the form of food and food products, clothing, medical supplies, educational materials and associated goods to children in disaster areas throughout the world. Having carefully considered the objects of the charity and the assets available to the Charity, the Trustees consider that this provides the most effective means of achieving the Charity's objects to provide benefit to the public.
- To provide financial assistance in the form of grants for specific capital projects and monthly operational support for orphanages, schools, clinics, refugee camps and other childcare programs throughout disaster, war torn, and other less fortunate areas of the world. All grants are made by the trustees in accordance with the grant making policy adopted by the trustees.

In order to fund these charitable programs, the charity continually employs these fundraising strategies.

- Direct mail fundraising, whereby appeal letters are mailed to current and potential donors in order to educate them about areas of need identified by the charity and solicit cash donations.
- Monthly giving, whereby donors are encouraged to enrol in a program of regular direct debit donations on the fixed schedule of their choosing. Generally, monthly giving is the norm, but quarterly, semi-annual, and annual pledges are also received. This program helps to reduce the cost of generating voluntary income in the long term.
- Planned giving, whereby our loyal donors are encouraged to include the charity in their estate plans.

Gift in Kind policy

WCF has been the recipient of significant donations of goods relevant to the charity's aims and objectives and ultimate target audience. These donations have been distributed as 'gifts in kind' to recipient groups/individuals following a request for humanitarian aid. Co-ordination of 'donations' and 'gifts in kind' is handled by a variety of agencies specialised in this area of distribution who are briefed by WCF as to the charity's aims and objectives and the types of goods that are acceptable and appropriate and similarly, suitable types of recipient of said 'donations'.

The Trustees believe that this activity furthers the charities objectives, in providing products appropriate to the needs of the recipients, to organisations/individuals that otherwise would not have access to these much needed items.

The Trustees review each year's Gift in Kind activities and decide on appropriate levels of 'donation' in comparison to shipping costs, for the forthcoming year.

Grant making policy

The trustees will continue to concentrate on the provision of emergency aid by making grants to support charitable projects providing emergency relief to assist children in disaster areas.

Applications for grants should be directed to:

The World Children's Fund
1 – 4 Archers Court,
(Suite C, first floor)
48 Masons Hill
Bromley, Kent
BR2 9JG

Applications are dealt with on receipt. All applications for grants are reviewed by the trustees before any decision is made. The Trustees may also require a visit to the applicant before deciding whether or not to make a grant.

THE WORLD CHILDREN'S FUND

Trustees' Report For the year ended 31st March 2022

Achievements and performance

The World Children's Fund raised in excess of £2.16m during the year ended 31 March 2022 (2021: £4.27m). The majority of those resources were obtained as a result of our direct mail fund raising efforts and gifts in kind.

During the year mailings were sent to individuals who've been supporting World Children's Fund for several years as well as sending mailings to those individuals who've never heard of or contributed to The World Children's Fund in the past. Cash donations for 2022 from donors increased compared with donations from year ended 31 March 2021 and World Children's Fund did receive legacies in the amount of £61,864 in year end 31 March 2022 (2021: £162,782).

During year ended 31 March 2022, generous United Kingdom donors enabled WCF (UK) to expend £1,750,993 (2021: £3,765,814) on program grants and disaster relief supplies.

The programs supported during year end 31 March 2022 were:

	£
Asian Center Foundation - Thailand	21,884
BESTWA, Inc - Liberia	750,601
Children of God Relief Institute - Kenya	8,100
Doctors for Life Trust -	3,761
ICF Fathers House - Ukraine	10,800
Kama Outreach Ministries - Congo	4,466
Local Initiatives for Education - Yemen	13,464
New Life Ministry - South Sudan	857,367
Reencentro - Mozambique	3,910
Slavic International Fund - Ukraine	10,500
Slavic International Ministries, Inc. - Ukraine	27,608
Transformation & Restoration Initiative - Uganda	38,532
	<u>1,750,993</u>

The World Children's Fund wishes to thank our loyal contributors whose financial assistance allows us to help children throughout the world. Without their support none of what we've been able to accomplish in our short time of existence would be possible.

Fundraising Approach

The charities trustees are fully aware of their individual responsibility and accountability to ensure that the charity fundraises legally, ethically, responsibly and effectively.

The charity is a levy paying member of the Fundraising Regulator and subscribe to the associated fundraising codes and practice. In addition the charity is also registered with the Information Commissioner's Office and is fully compliant with the newly enacted General Data Protection Regulation (GDPR).

The charity suppresses individual supporter records against the Mailing Preference Service, Telephone Preference Service and the Fundraising Preference Service which helps to ensure that the charity doesn't approach individuals who have expressly requested that we don't contact them, including vulnerable people. During the fiscal year Fundraising Preference Service suppression requests totalled 11.

The charity doesn't engage with any professional fundraiser or commercial participator.

The charity has a published complaint procedure, available on its website. Although no complaints have been received, the charity will respond to enquiries and complaints in a timely fashion. As a member of the Fundraising Regulator we are required to provide annual figures on the number of complaints received during the year (none in the current financial year). The enquiries received tend to be requests to opt-out of charity communications by existing supporters. These opt-out requests are administered and handled straight away to reduce any perception of unreasonable intrusion or undue pressure to support the charity.

THE WORLD CHILDREN'S FUND

Trustees' Report

For the year ended 31st March 2022

The charity continues to diversify its income generating activities so as to reduce reliance on any single income stream. The main revenue stream for the charity is its direct mail fund raising programme coupled with gifts in kind. Regular giving programmes and legacy income are other diversified revenue streams for the charity.

Financial review

During the year, incoming resources decreased by (£2,108,721), to £2,163,207 due to a decrease in gifts in kind income. Resources expended decreased by (£2,049,752, to £2,090,063 due to a decrease in gifts in kind expense.

The final result was a net increase in funds of £73,144, taking total reserves to £1,051,392 (2021: £978,248).

The objectives that were set out at 31 March 2021, to be achieved in 31 March 2022 year end, were partially met. WCF increased its donor base; however due to the economic conditions facing all charities we were unable to increase the income received from monthly giving donors and the income from such actually declined by (£15,161) as compared to 31 March 2021. In addition the charity did receive £61,864 during the year from legacies. As a result of these items and the decrease in gifts in kind income the charity did increase the amount spent on grants paid to institutions as compared to 31 March 2021 and this enabled the charity to also increase its reserves.

Reserves policy

The Board has examined the requirement for free reserves which are those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed. The Trustees review its reserves policy annually and consider that the free reserves held by the charity should be broadly equivalent to two years of the yearly on-going annual expenditures (exclusive of GIK). The Trustees decided that WCF's long-term target level of free reserves, (those funds not designated or tied up in fixed assets), should be approximately £1,000,000 which would give the charity flexibility to cover temporary timing differences for donation receipts, adequate working capital for core costs, and would allow WCF to respond quickly to emergencies where immediate relief is needed.

At 31 March 2022, the free reserves of the charity amounted to £1,040,733. The Board acknowledge that this falls in line with the target free reserve minimum.

Investment policy

The investment strategy is set by the Trustees. In the light of the Trustees policy on reserves the trustees have reviewed their investment policy and seek to both maximise return on the core deposits, whilst ensuring sufficient liquidity to enable the Charity's funds to be expended for charitable purpose as soon as possible.

Plans for future periods

The principal source of funding is expected to remain as voluntary income generated from direct mail appeals to the public. The charity plans to vigorously continue its focus on:

- expanding its donor base, in order to increase the total amount of charitable programs that can be funded
- increasing the number of donors who give to the Charity on a fixed schedule, in order to further reduce the
- encouraging donors to consider including the Charity in their estate plans.

The Charity will continue its emergency aid shipments and financial grant programs.

THE WORLD CHILDREN'S FUND

Trustees' Report

For the year ended 31st March 2022

Statement of Trustees' responsibilities

The Trustees (who are also directors of The World Children's Fund for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and Financial Reporting Standards (FRS 102).

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the 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;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether a Statement of Recommended Practice (SORP) applies and has been followed, subject to any material departures which are 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Moore Kingston Smith 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.

Small Company Exemption

These financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting 102 (effective 1 January 2015).

Approved by the Trustees on 3 Aug 2022 and signed on their behalf by:



Joseph Lam
Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WORLD CHILDREN'S FUND UK

Opinion

We have audited the financial statements of World Children's Fund UK ('the company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow 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 FRS 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 March 2022 and of its incoming resources and application of resources, including 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 trustees' 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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 course of 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 there is 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 the audit:

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the trustees' annual report and from preparing a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

.....
Luke Holt (Senior Statutory Auditor)
 for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date: 4 August 2022

6th Floor
 9 Appold Street
 London
 EC2A 2AP

THE WORLD CHILDREN'S FUND

Statement of Financial Activities (Incorporating the Summary Income and Expenditure Account) For the year ended 31st March 2022

		Unrestricted Funds	
	Note	2022 £	2021 £
Income			
Donations and appeals		500,999	448,796
Legacies and bequests		61,864	162,782
Gifts in kind		1,600,197	3,660,035
Investment income		147	315
Total Income		2,163,207	4,271,928
Expenditure on:			
Raising funds	3	140,754	136,435
Charitable activities	4	1,949,309	4,003,380
Total Expenditure		2,090,063	4,139,815
Net movement on funds		73,144	132,113
Total Funds Brought Forward		978,248	846,135
Total Funds Carried Forward	11	1,051,392	978,248

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure is unrestricted.

All income and expenditure derives from continuing activities.

The notes on the accompanying pages form an integral part of these accounts.

THE WORLD CHILDREN'S FUND

Balance Sheet as at 31st March 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed Assets					
Tangible fixed assets	8		10,659		10,873
Current Assets					
Debtors	9	23,764		18,379	
Cash at bank and in hand		<u>1,039,666</u>		<u>969,997</u>	
		1,063,430		988,376	
Creditors: Amounts falling due within one year	10	<u>(22,697)</u>		<u>(21,001)</u>	
Net Current Assets			<u>1,040,733</u>		<u>967,375</u>
Total Net Assets			<u><u>1,051,392</u></u>		<u><u>978,248</u></u>
Funds					
Unrestricted funds	11		<u><u>1,051,392</u></u>		<u><u>978,248</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on the accompanying pages form an integral part of these accounts.

Approved by the Board of Trustees, authorised for distribution, on *3 Aug 2022*
and signed on their behalf by:


.....
Trustee, Joseph Lam

Company Registration No. 03778493

THE WORLD CHILDREN'S FUND

CASH FLOW STATEMENT
AS AT 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net Income	73,144	132,113
Adjustments for:		
Depreciation	4,676	3,560
(Increase) Decrease in debtors	(5,385)	1,432
Increase (Decrease) in creditors	1,696	788
Net cash generated by operating activities	<u>74,131</u>	<u>137,893</u>
Cash flows from investing activities		
Cost of purchasing fixed assets	(4,462)	-
Net cash from investing activities	<u>(4,462)</u>	<u>-</u>
Change in cash and cash equivalents in the year	69,669	137,893
Cash and cash equivalents at beginning of year	969,997	832,104
Cash and cash equivalents at end of year	<u><u>1,039,666</u></u>	<u><u>969,997</u></u>

Analysis of changes in net debt

	At 1 April 2021 £	Cashflows £	Foreign exchange movements £	At 31 March 2022 £
Cash at bank and in hand	969,997	69,669	-	1,039,666
Overdrafts	-	-	-	-
Total cash and cash equivalents	<u>969,997</u>	<u>69,669</u>	<u>-</u>	<u>1,039,666</u>

1 Accounting Policies

A summary of the principal accounting policies adopted, judgements and key sources of estimation uncertainty, is set out below.

Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The charitable company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee and therefore has also prepared its financial statements in accordance with 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 (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity, rounded to the nearest pound.

Going concern

The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions, including the latest Covid-19 pandemic, that might cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. In particular, the trustees have considered the charitable company's forecasts and projections and have taken account of pressures on donations. The incidence of COVID has not had a significant effect on the level of donation income and the charitable company has been able to carry on its activities as normal. Any further fluctuations in donation income are expected to be short-lived. The charitable company has significant unrestricted reserves which will enable it to continue its activities in the event of a temporary decrease in donations. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charitable company has adequate resources and there are no material uncertainties not to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Incoming Resources

Voluntary incoming resources received in cash by way of donations are included in full in the Statement of Financial Activities as soon as they are received. Bank interest receivable is also included on a receipts

Legacies are recognised in the statement of financial activities when there is reasonable probability and reliability of receipt, and their value can be accurately measured.

Gifts in Kind

Incoming resources in the form of gifts in kind are included in the Statement of Financial Activities only when assets donated to the charity are distributed. Gifts in kind are donations of commodities directly usable in charitable programmes such as food, clothing and medical supplies. The charity has a monitoring programme in place to ensure that commodities are appropriately valued at wholesale or less, culturally appropriate for the designated programme, and can be both properly shipped and distributed free of charge to the intended beneficiaries.

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 more probable than not.

Resources Expended

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly in the effort to raise voluntary contributions (raising funds); and
- expenditure incurred directly to the fulfilment of the charity's objectives (charitable expenditure).
- governance costs

Charitable activities comprises all the expenditure incurred by the charity in meeting its charitable objectives and is further analysed between:

- grants payable in the furtherance of the charity's objectives
- costs of activities in furtherance of the charity's objectives
- support costs of the charity

Where items of expenditure involve more than one cost category these costs have been apportioned on a reasonable basis as determined by the trustees. One particular area where the cost is material to the charity is in the production and distribution of direct mailings.

Expenditure has been allocated on the basis of whether the educational content of the individual mailing is significantly high enough so as to be material. When this holds true, the cost of the mailing is allocated on a pro-rata basis comparing the educational content (costs in furtherance of the charity's objects) to the fund raising content (raising funds). The educational content is determined by the amount of text and space on each mailing that is dedicated to material of an educational nature.

Fund raising expenditure i.e. text that may induce a donation from the recipient, is allocated upon the basis of the volume of the text and space that is not related to text of an educational nature.

Support costs comprise all other overhead costs for the running of the charity as an organisation and the costs primarily associated with the constitutional and statutory requirements.

Foreign Currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction, the average rate being used as an approximation to this rate. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. All exchange differences are dealt with through the statement of financial activities.

Depreciation of Tangible Assets

All assets costing more than £400 are capitalised.

Tangible fixed assets are stated at cost, less depreciation.

Depreciation is provided at rates calculated to write off each asset over its estimated remaining life on a straight line basis at the following annual rates:

Computer equipment	over 3 years
Office equipment and furniture	over 4 years
Leasehold improvements	over 10 years

Fund Accounting

All the funds held by the Charity are unrestricted funds, being funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

Critical accounting estimates and areas of judgement

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

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.

ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price.

THE WORLD CHILDREN'S FUND

Notes to the Accounts (Continued) For the year ended 31st March 2022

2 Net movement in funds	2022	2021
	£	£
Movement in funds stated after charging:		
Foreign exchange loss	1,144	977
Depreciation	4,676	3,560
Operating lease rentals	25,069	23,740
Auditors' remuneration (note 5)	17,147	20,068
	<u>17,147</u>	<u>20,068</u>
3 Raising Funds	2022	2021
	£	£
Postage	15,747	17,515
Printing and mailshop	47,363	62,054
Phone solicitation fees	-	357
Database maintenance	44,709	41,068
Production fees	22,502	4,979
Allocated support costs (note 5)	10,433	10,462
	<u>10,433</u>	<u>10,462</u>
	<u>140,754</u>	<u>136,435</u>
4 Charitable Activities		
Grants Programme	2022	2021
	£	£
Gifts in kind	1,600,197	3,660,035
Grants paid to institutions	150,796	105,779
	<u>150,796</u>	<u>105,779</u>
	<u>1,750,993</u>	<u>3,765,814</u>
Please refer to the Trustees' Report for details of significant grants paid.		
Costs of activities in furtherance of the charity's objectives	2022	2021
	£	£
Education and development	128,444	164,698
Support costs of education and development (note 5)	69,872	72,868
	<u>69,872</u>	<u>72,868</u>
	<u>198,316</u>	<u>237,566</u>
Total Charitable activities	<u>1,949,309</u>	<u>4,003,380</u>

THE WORLD CHILDREN'S FUND

Notes to the Accounts (Continued)
For the year ended 31st March 2022

5 Support costs

	Fundraising £	Education and Development £	2022 £
Salaries (See note 7)	2,080	18,720	20,800
Depreciation	468	4,208	4,676
Occupancy costs	3,308	29,774	33,082
Travel and similar expenses	-	23	23
Sundry	2,344	-	2,344
Governance costs:			
Legal and professional fees	2,233	-	2,233
Auditors remuneration: For current year	-	10,179	10,179
Auditors remuneration: In respect of prior year	-	6,968	6,968
	<u>10,433</u>	<u>69,872</u>	<u>80,305</u>

Support costs

	Fundraising £	Education and Development £	2021 £
Salaries (See note 7)	2,067	18,604	20,671
Depreciation	356	3,204	3,560
Occupancy costs	3,424	30,812	34,236
Travel and similar expenses	-	180	180
Sundry	1,902	-	1,902
Governance costs:			
Legal and professional fees	2,713	-	2,713
Auditors remuneration: For current year	-	9,834	9,834
Auditors remuneration: In respect of prior year	-	10,234	10,234
	<u>10,462</u>	<u>72,868</u>	<u>83,330</u>

THE WORLD CHILDREN'S FUND

Notes to the Accounts (Continued) For the year ended 31st March 2022

7 Staff Costs

	2022 £	2021 £
Wages and salaries	20,800	20,671
Social Security costs	-	-
	<u>20,800</u>	<u>20,671</u>

The key management personnel are the Trustees.
The total remuneration paid to key management personnel was £nil (2020: £nil).

The average number of employees during the year was 1 (2021: 1). No employee earned £60,000 per annum or greater in the year (2021: none)

No trustee received remuneration in the year (2021: none), nor were any trustees re-imbursed for travel expenditure (2021: none)

8 Tangible Fixed Assets

	Leasehold Improvements £	Computer Equipment £	Office Equipment and Furniture £	Total £
Cost				
As at 1st April 2021	21,402	14,956	2,567	38,925
Additions	-	4,462	-	4,462
As at 31st March 2022	<u>21,402</u>	<u>19,418</u>	<u>2,567</u>	<u>43,387</u>
Depreciation				
As at 1st April 2021	11,949	13,536	2,567	28,052
Charge for the year	<u>2,141</u>	<u>2,535</u>	<u>-</u>	<u>4,676</u>
As at 31st March 2022	<u>14,090</u>	<u>16,071</u>	<u>2,567</u>	<u>32,728</u>
Net Book Value				
As at 31st March 2022	<u>7,312</u>	<u>3,347</u>	<u>-</u>	<u>10,659</u>
As at 31st March 2021	<u>9,453</u>	<u>1,420</u>	<u>-</u>	<u>10,873</u>

9 Debtors

	2022 £	2021 £
Other debtors	9,405	5,326
Prepayments and accrued income	<u>14,359</u>	<u>13,053</u>
	<u>23,764</u>	<u>18,379</u>

Other debtors are financial instruments measured at present value.

THE WORLD CHILDREN'S FUND

Notes to the Accounts (Continued) For the year ended 31st March 2022

10 Creditors: Amounts falling due within one year	2022	2021
	£	£
Trade creditors	8,442	12,209
Accruals	14,255	8,792
Other creditors	-	-
Other taxes and social security	-	-
	<u>22,697</u>	<u>21,001</u>

All creditors except for other taxes and social security are financial instruments measured at present value.

11 Unrestricted Funds	Balance at 1 April 2021	Net increase for the period	Balance at 31 March 2022
	£	£	£
General reserve	<u>978,248</u>	<u>73,144</u>	<u>1,051,392</u>

12 Operating Leases

At 31 March 2022 the charity had annual commitments under non-cancellable leases as follows:

Expiry date:	Land and Buildings	
	2022	2021
	£	£
Within 1 year	15,948	15,948
Between 2 and 5 years	38,541	63,792
More than 5 years	-	6,645
	<u>54,489</u>	<u>86,385</u>

13 Legal Status of the Charity

The charity is a company limited by guarantee and, at 31st March 2022, had 4 members (2021: 4 members). In the event of winding up, the liability of each member to contribute to the assets of the charity is limited to £10.

THE WORLD CHILDREN'S FUND

Notes to the Accounts (Continued)
For the year ended 31st March 2022

14 Connected Party Transactions

Two Trustees of the Charity (Joseph Lam and Ruth Kendrick) assisted in the establishment of other World Children's Fund and Medical Mission International charities throughout the world that share similar visions and purposes as The World Children's Fund and they are also on some of those other charities boards. However, the Charity does not consolidate these foreign entities in its financial statements, as they are separate legal entities with no one controlling party. Neither were there any financial dealings with these entities during the year, apart from those transactions, and year end balances already disclosed below in accordance with FRS 102.

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

	2022 Payments / (Receipts)	2022 Balance £	2021 Balance £
Creditors			
Medical Mission International (UK)	-	-	-

As stated previously in Note 7 of the Financial Statements, no World Children's Fund UK Trustee receives any salary or compensation from the Charity.

Joseph Lam and Ruth Kendrick are also Trustees of Medical Mission International UK and receive no compensation for those services.