

ANGLO PERUVIAN CHILDREN'S CHARITY
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

ANGLO PERUVIAN CHILDREN'S CHARITY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs M L Siveroni de Page
Charity number	1085499
Principal address	48 Queen Street Exeter Devon EX4 3SR
Independent examiner	Darnells Chartered Accountants 3rd Floor The Forum Barnfield Road Exeter Devon EX1 1QR

ANGLO PERUVIAN CHILDREN'S CHARITY

CONTENTS

	Page
Trustees' report	1 - 2
Statement of financial activities	3
Balance sheet	4
Notes to the financial statements	5 - 10

ANGLO PERUVIAN CHILDREN'S CHARITY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The charity's objects are poverty alleviation, rescue, care and welfare of young children in Arequipa and Tacna, Peru.

How the activities of the charity deliver public benefit:

The focus of the activities of the charity therefore continued to be poverty alleviation, rescue, care and welfare of young children in Arequipa and Tacna, Peru.

The objects of the charity and its funding limit the number of young children who can be helped.

The trustees have paid due regard to guidance on public benefit issued by the Charity Commission when reviewing the charity's aims and objectives and in planning future activities.

Achievements and performance

The Charitable activity is entirely in Peru - trying to relieve the poverty situation in that country.

Around a thousand young children in extreme poverty participate, this being the maximum that the charity can support. Help is provided with food, clothing and study materials for their education and health service. Finally, children receive an adequate education until they finish primary school.

The charity is still centred in Arequipa, Peru although most of the charitable activities are now done in the city of Tacna, high Andean areas of extreme poverty, located in southern Peru, right next to the border with Chile.

The donations received are used to buy food, clothing, medicines, toiletries, study materials and provide medical care to children in need

The charity is involved in the lives of children, co-operating with their families, trying to ensure an adequate education, so that they have a better future.

The total cost can be very high and finding funds is difficult but the charity has built up good relationships with friendly donors over the years, who continue to support us.

Financial review

The income for the charity comes entirely from donors from the United Kingdom with whom a close relationship is maintained throughout the year.

The costs of food and materials have increased in price considerably over the years, however, despite this, our charity has been meeting the goals and objectives set.

The administrator and an assistant secretary are receiving a minimum salary from the charity.

One of the trustees receives a salary from the charity. Details are set out in note to the accounts.

ANGLO PERUVIAN CHILDREN'S CHARITY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Reserves policy:

It is the policy of the charity that free unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

The free reserves of the charity at 31 December 2020 (excluding fixed assets held for the use of the charity) are £8,977 (2019: £7,803) which is equivalent to approximately three months' expenditure.

Risk management:

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is an unincorporated trust, established by a charitable trust deed on 2 January 2001 as amended by a resolution dated 1 July 2010, and is a registered charity number 1085499 (England and Wales).

The trustees who served during the year were:

Mrs M L Siveroni de Page

Recruitment and appointment of trustees:

The charity has one trustees.

The Charity recognises that an effective board of trustees is essential for achieving the objects. Therefore constant efforts are made towards recruitment of new trustees taking into consideration their experience, empathy and knowledge of the charity and to keep the skills and composition of the Trustee body as a whole and succession planning under review. New trustees are sought by open advertisement or through dialogues with other institutions with similar objects

From time to time the charity employs paid workers for essential support work, but most help is provided by local volunteers.

The trustees organise the charity's efforts in Peru, and train local volunteers to take over the work.

Trustee induction and training:

Most trustees are already familiar with the work of the charity, having been encouraged to read literature prepared regularly by the charity and attend events throughout the year.

Covid-19 Implications

The activities of the charity have been severely affected by Covid-19. First cases of Covid were reported in Peru in March 2020 and the situation has worsened in the following months with shortage of hospital beds and oxygen. The poor health system combined with lack of crisis management resulted in deep crisis and Arequipa in particular has been badly affected. This circumstances have been very challenging for staff and volunteers and made delivery of vital services to children much more difficult.

The future of the charity is uncertain and Covid-19 pandemic made direct attempts at fundraising almost impossible. The Trustee is planning to visit the UK to raise the profile of the charity and try to raise vital funds but the date of this visit will depend on the future developments of the pandemic.

The Trustee also makes every effort to find and appoint additional Trustees but again, the impact of the pandemic makes this task very difficult.

The trustees' report was approved by the Board of Trustees.

Mrs M L Siveroni de Page

Trustee

Dated: 29 October 2021

ANGLO PERUVIAN CHILDREN'S CHARITY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	2	38,370	20,754
<u>Expenditure on:</u>			
Charitable activities	3	37,425	49,730
Net income/(expenditure) for the year/ Net movement in funds		945	(28,976)
Fund balances at 1 January 2020		8,719	37,695
Fund balances at 31 December 2020		<u>9,664</u>	<u>8,719</u>

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

All income and expenditure derive from continuing activities.

ANGLO PERUVIAN CHILDREN'S CHARITY

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	7		687		916
Current assets					
Debtors	8	2,039		2,039	
Cash at bank and in hand		10,025		8,503	
		<u>12,064</u>		<u>10,542</u>	
Creditors: amounts falling due within one year	9	<u>(3,087)</u>		<u>(2,739)</u>	
Net current assets			8,977		7,803
Total assets less current liabilities			<u>9,664</u>		<u>8,719</u>
Income funds					
Unrestricted funds			9,664		8,719
			<u>9,664</u>		<u>8,719</u>

The financial statements were approved by the Trustees on 29 October 2021

Mrs M L Siveroni de Page
Trustee

ANGLO PERUVIAN CHILDREN'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

Anglo Peruvian Children's Charity is a an unincorporated trust, established by a Trust Deed on 2 January 2001 as amended by a resolution dated 1 July 2010, and is a registered charity number 1085499 (England and Wales).

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The accounts are prepared in sterling, which is the functional currency of the company as donations are received in this currency. Most expenses are paid in Peruvian Sol. Monetary amounts in these financial statements are rounded to the nearest £1.

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

There are no restricted or endowment funds held by the charity.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Assets for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable. Stocks of undistributed donated goods are not valued for balance sheet purposes.

ANGLO PERUVIAN CHILDREN'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as expenditure as soon as:

- there is a legal or constructive obligation committing the charity to that expenditure;
- it is probable that settlement will be required; and
- the amount of the obligation can be measured reliably.

All expenses, including support costs and governance costs, are allocated or apportioned to the appropriate expenditure headings.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be accurately attributed to a particular heading they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	25% reducing balance
Fixtures, fittings & equipment	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

1.8 Financial instruments

Financial instruments are recognised when the charity becomes party to the contractual provisions of the instrument.

Financial assets are offset, with the net amounts presented in the accounts when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

ANGLO PERUVIAN CHILDREN'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Donations and legacies

	2020 £	2019 £
Donations and gifts	38,370	20,754
Unrestricted funds	38,370	20,754

Income from donations and gifts represents donations from UK donors who have a close association with the charity.

ANGLO PERUVIAN CHILDREN'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

3 Charitable activities

	Relief of Poverty £	Total £	2019 £
Staff costs	7,292	7,292	8,097
Depreciation and impairment	229	229	305
Provision of food, clothing & medical attention to young children in Peru	16,700	16,700	27,867
Medical & health costs	728	728	821
Motor expenses	885	885	1,275
	<u>25,834</u>	<u>25,834</u>	<u>38,365</u>
Share of support costs (see note 4)	8,577	8,577	7,875
Share of governance costs (see note 4)	3,014	3,014	2,981
	<u>37,425</u>	<u>37,425</u>	<u>49,221</u>
Analysis by fund			
Unrestricted funds	<u>37,425</u>	<u>37,425</u>	
For the year ended 31 December 2019			
Unrestricted funds	<u>49,221</u>		<u>49,221</u>

4 Support costs

	Support costs £	Governance costs £	2020 £	2019 £
Building expenses	1,854	-	1,854	2,654
Postage and stationery	5	-	5	37
Cost of UK office	1,602	-	1,602	1,338
Repairs and renewals	-	-	-	457
Medical & health costs	1,348	-	1,348	1,389
Sundry expenses	265	-	265	217
Independent Examiner's fees	-	1,673	1,673	2,372
Legal and professional fees	-	847	847	47
Rent	-	494	494	562
	<u>5,074</u>	<u>3,014</u>	<u>8,088</u>	<u>9,073</u>

ANGLO PERUVIAN CHILDREN'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

5 Trustees

One of the trustees received a salary of £2,472 (2019: £2,810).

None of the trustee were reimbursed any expenses (2019: none).

6 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	3	3
	<u>3</u>	<u>3</u>
Employment costs	2020	2019
	£	£
Wages and salaries	7,292	8,097
	<u>7,292</u>	<u>8,097</u>

7 Tangible fixed assets

	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost			
At 1 January 2020	6,195	1,542	7,737
	<u>6,195</u>	<u>1,542</u>	<u>7,737</u>
At 31 December 2020	6,195	1,542	7,737
	<u>6,195</u>	<u>1,542</u>	<u>7,737</u>
Depreciation and impairment			
At 1 January 2020	5,303	1,518	6,821
Depreciation charged in the year	223	6	229
	<u>5,303</u>	<u>1,518</u>	<u>6,821</u>
At 31 December 2020	5,526	1,524	7,050
	<u>5,526</u>	<u>1,524</u>	<u>7,050</u>
Carrying amount			
At 31 December 2020	669	18	687
	<u>669</u>	<u>18</u>	<u>687</u>
At 31 December 2019	892	24	916
	<u>892</u>	<u>24</u>	<u>916</u>

8 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	2,039	2,039
	<u>2,039</u>	<u>2,039</u>

ANGLO PERUVIAN CHILDREN'S CHARITY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

8 Debtors

(Continued)

The above amount relate to advances to the family of Mr P T V Page in connection with funeral expenses. All amounts are to be repaid.

9 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,440	1,320
Other creditors	87	99
Accruals and deferred income	1,560	1,320
	<u>3,087</u>	<u>2,739</u>

10 Related party transactions

Remuneration of key management personnel

The key management personnel of the charity comprise the trustee. The total remuneration of key management personnel during the period was:

	2020 £	2019 £
Aggregate compensation	<u>2,472</u>	<u>2,810</u>