



**united
world
schools**



United World Schools

Financial Statements

For The Year Ended 31 December 2021

Charity registration number: 1187721

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United World Schools

Charity Reference and Administrative Details

Year Ended 31 December 2021

Charity registration number	1187721
Trustees	Peter Taylor (Chairman) Deborah Ball Nigel Cumberland Stuart Fletcher Ronald Graham Matthew Lester Janet Morris Vicky Unwin Nirmala Rao Jean-Paul Rigauadeau Boudewijn Peter Theodoor de Wit Gareth Weir
UK executive team	Lizz Munday (Chief Executive Officer) Nadia Adjeneff (Director of Finance) Peter Campling (Education Director)
Cambodia, Myanmar & Nepal teams	Nan Sitha (Cambodia Country Director) Surya Karki (Nepal Country Director) Kyaw Soe (Myanmar Country Director)
Registered office	Unit 138 Southbank House Black Prince Road London SE1 7SJ
Website	www.unitedworldschools.org
Email	info@unitedworldschools.org
Auditor	UHY Hacker Young Chartered Accountants 14 Park Row Nottingham NG1 6GR
Bankers	National Westminster Bank 151 High Street Guildford GU1 3AH

The Trustees present their report and the audited financial statements of the charity for the year ended 31 December 2021. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply 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 published in October 2019.

Trustees of the charity

The Trustees who have served during the period and since the period end were as follows:

- ◆ Peter Taylor (Chairman)
- ◆ Fergus Brownlee (resigned 09/12/2021)
- ◆ Deborah Ball
- ◆ Nigel Cumberland
- ◆ Stuart Fletcher
- ◆ Ronald Graham
- ◆ Janet Morris (resigned 25/04/2022) - (reappointed 15/08/2022)
- ◆ Matthew Lester
- ◆ Chris Outram (resigned 07/06/2021)
- ◆ Boudewijn Peter
- ◆ Theodoor de Wit
- ◆ Nirmala Rao
- ◆ Jean-Paul Rigaudeau
- ◆ Vicky Unwin
- ◆ John Siebert (resigned 02/09/2021)
- ◆ Gareth Weir

Objectives and activities

The objectives of the charity are to build schools and advance education and well-being in countries such as Cambodia, Myanmar, Nepal and Madagascar.

Public benefit statement

In meeting objectives and formulating future plans the Trustees have considered the Charity Commission's guidance on public benefit. The charity continues to build schools and advance well-being in countries such as Cambodia, Myanmar, Nepal and Madagascar.

Achievements and performance

The achievements and performance of the charity are outlined in detail on pages 11 to 28 of the Annual Report.

Financial review (including reserves policy)

A review of the charity's activities and financial position is summarised on pages 31 and 32 of the Annual Report.

In accordance with Charity Commission guidelines, the charity is required to ensure the sustainability of the organisation and maintain operating reserves to offset the impact of unforeseen events and operating cash flows. The charity's policy is to maintain free reserves above three months of running costs. Free reserves at 31 December 2021 of £853,894 exceeded this by £75,661.

United World Schools

Trustees' Annual Report

Year Ended 31 December 2021

Structure, governance and management

United World Schools was registered with the Charity Commission on 3 February 2020, under registered number 1187721. It is a Charitable Incorporated Organisation (CIO) and is governed by its constitution.

On the 31 December 2020 all the assets and liabilities of United World Schools, registered charity number 1129537, were transferred to United World Schools, registered charity number 1187721, under the terms of a Transfer Agreement dated 8 October 2020.

Following submission of the financial statements for the year ended 31 December 2020, United World Schools, registered charity number 1129537, was dissolved.

The employees of United World Schools, registered charity number 1129537, are now employed by United World Schools, registered charity number 1187721, in accordance with TUPE.

The charity is governed by a Board of Trustees which acts in an honorary capacity.

The Trustees administer the charity through the Chief Executive Officer (a non-Board member), who leads the UK Executive Team comprising the Global Education Director, the Director of Finance and The Country Directors for Cambodia, Myanmar and Nepal. Lines of responsibility within the charity are clearly drawn and communicated to all staff members.

The Trustees are appointed through the charity's Board recruitment procedure. The charity advertises Board vacancies from time to time and actively seeks suitable candidates. On appointment, new Trustees undergo an induction period during which their duties and responsibilities are explained to them. They receive a comprehensive pack of information including a copy of the Trust Deed, recent accounts and budgets, Board meeting minutes and a schedule of future meetings and events. Trustees are encouraged to attend meetings with the executive team to understand the day-to-day running of the charity.

The Board of Trustees operated two sub-committees during 2021 – the Audit and Risk Committee and the Remuneration and Nomination Committee.

The Audit and Risk Committee is responsible for:

- ◆ assisting the Board in its oversight of the integrity of the charity's financial reporting, including supporting the Board in meeting its responsibilities regarding financial statements and the financial reporting systems and internal controls;
 - ◆ monitoring the effectiveness and objectivity of external auditors; and
 - ◆ assisting the Board in its oversight of the charity's risk management framework and the use of its comprehensive risk register, including the charity's performance, to protect against and mitigate risks.
- ◆ The Audit and Risk Committee is chaired by a Trustee (currently Matthew Lester)

The major risks (and the plans to mitigate) which were discussed by Trustees at the Audit and Risk Committee and the full Board since the beginning of 2021 are as follows:

GLOBAL RISKS	ADDITIONAL COUNTRY RISKS
1. Child protection or safeguarding issues	1. Health and Safety risks (e.g. major traffic accidents impacting UWS staff or volunteers)
2. Lack of funding for core costs and in country running costs (including the mix of unrestricted vs restricted funding)	2. Health threats in country (e.g. impact of COVID-19 pandemic)
3. Slower than expected transition of schools to Government control	3. Criminality in the form of fraud, bribery and corruption
4. Capacity and capability to drive more growth and maximise funding opportunities from philanthropic funders (major donors, corporates)	4. Political instability leading to a disruption to activities (e.g. military coup in Myanmar)
5. Increased staff turnover alongside lack of leadership succession planning and diversity	5. The impact of natural disasters (e.g. landslides or earthquakes) in remote communities
6. Incomplete or inaccurate monitoring or evaluation of UWS projects	
7. Failure in IT security and / or data protection	

The Remuneration and Nomination Committee is responsible for assisting the Board and making recommendations on:

- ◆ the appointment and remuneration of the senior Executives of the charity; and
- ◆ where relevant agreeing any material changes to the terms of the service contracts of any senior Executives.
- ◆ This committee is chaired by a Trustee (currently Stuart Fletcher)

Trustees also regularly visit projects in the countries in which UWS operates, ensuring that the charity continues to meet its objectives by providing quality, cost effective education to children in remote communities in Cambodia, Myanmar and Nepal. This complements visits to our projects by the experienced Executive Team and by other key UWS stakeholders, for example a number of our major funding partners who have significant experience of supporting education in remote communities. This has been affected by recent travel restrictions but Trustee visits have resumed in 2022.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).


The law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 2019 (FRS 102);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable 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 charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board of Trustees



Peter Taylor, Chairman
Date: 22/08/2022

United World Schools

Independent Auditor's Report

Year Ended 31 December 2021

Independent Auditor's Report to the Trustees of United World Schools (continued)

Opinion

We have audited the financial statements of United World Schools for the year ended 31 December 2021 which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows 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 charity's affairs as at 31 December 2021 and of the incoming resources and application of resources 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 Charities Act 2011.

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 charity 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 statement 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 charity'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.

United World Schools

Independent Auditor's Report

Year Ended 31 December 2021

Independent Auditor's Report to the Trustees of United World Schools (continued)

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 financial statements. 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 or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters where the Charities Act 2011 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 39, the trustees 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 group's and the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

United World Schools Independent Auditor's Report Year Ended 31 December 2021

Independent Auditor's Report to the Trustees of United World Schools (continued)

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.

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:

Based on our understanding of the charity and the sector in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the charity, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to occurrence and accuracy of expenditure on charitable activities.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, analytical review and sample transaction testing of expenditure of charitable activities, enquiries of management, testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.


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

United World Schools Independent Auditor's Report Year Ended 31 December 2021

Independent Auditor's Report to the Trustees of United World Schools (continued)

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



UHY Hacker Young LLP
 Chartered Accountants and Statutory Auditor
 Date: 26 August 2022

UHY Hacker Young is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

United World Schools
Statement of Financial Activities (Including Income and Expenditure Account)
Year Ended 31 December 2021

		2021		2020 (*)	
		Unrestricted funds	Restricted funds	Total	Total
	Note	£	£	£	£
Income and endowments from:					
Donations and legacies	2	1,964,423	1,154,134	3,118,557	2,624,190
Charitable activities	3	-	-	-	3,896
Other trading activities	4	99,458	10,696	110,154	43,046
Investments	5	295	240	535	302
Total income		2,064,176	1,165,070	3,229,246	2,671,434
Expenditure on:					
Charitable activities	6	672,671	2,034,642	2,707,313	2,436,993
Raising funds	7	632,890	220	633,110	393,447
Total expenditure		1,305,561	2,034,862	3,340,423	2,830,440
Net income / (expenditure)		758,615	(869,792)	(111,177)	(159,006)
Transfers between funds	17	(820,722)	820,722	-	-
Net movement in funds	17	(62,107)	(49,070)	(111,177)	(159,006)
Reconciliation of funds:					
Total funds brought forward	17	1,009,777	132,547	1,142,324	1,301,330
Total funds carried forward	17	947,670	83,477	1,031,147	1,142,324

(*) Combination of United World Schools, registered charity number 1129537, see note 21 for details.

All income and expenditure derive from continuing activities.
The notes on pages 47 to 60 form part of these financial statements.

United World Schools

Balance Sheet

Year Ended 31 December 2021

		2021	2020 (*)
	Note	£	£
Fixed assets			
Tangible assets	13	87,077	94,478
Current assets			
Debtors	14	71,546	13,464
Cash at bank and in hand		933,442	1,092,988
		1,004,988	1,106,452
Creditors: amounts falling due within one year	15	(60,918)	(58,606)
Net current assets		944,070	1,047,846
Net assets		1,031,147	1,142,324
Charity Funds			
Restricted funds	17	83,477	132,547
Unrestricted funds	17	947,670	1,009,777
Total charity funds	17	1,031,147	1,142,324

(*) Combination of United World Schools, registered charity number 1129537, see note 21 for details.

The notes on pages 47 to 60 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Trustees on 22/08/2022.

Signed on behalf of the Board of Trustees



Peter Taylor, Charman

Charity registration number: 1129537

United World Schools
Statement of Cash Flows
Year Ended 31 December 2021

	2021	2020 (*)
	Note £	£
Net cash flow from operating activities	19 (116,429)	(87,809)
Cash flow from investing activities		
Payments to acquire tangible fixed assets	(29,205)	(13,860)
Net cash flow from investing activities	(29,205)	(13,860)
Net increase/(decrease) in cash and cash equivalents	(145,634)	(101,669)
Cash and cash equivalents at 1 January 2021	1,092,988	1,232,645
Exchange differences	(13,912)	(37,988)
Cash and cash equivalents at 31 December 2021	933,442	1,092,988
Cash and cash equivalents consists of:		
Cash at bank and in hand	933,442	1,092,988
Cash and cash equivalents at 31 December 2021	933,442	1,092,988

(*) Combination of United World Schools, registered charity number 1129537, see note 21 for details.

The notes on pages 47 to 60 form part of these financial statements.

United World Schools

Notes to the Financial Statements

Year Ended 31 December 2021

1 Summary of significant accounting policies

(a) General information and basis of preparation

United World Schools is an charitable incorporated organisation, registered in England & Wales under registration number 1129537. The address of the registered office is given in the charity information on page 35 of these financial statements. The nature of the charity's operations and principal activities are building schools and advancing education and well-being in countries such as Cambodia, Myanmar and Nepal.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) published in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and UK Generally Accepted Practice.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) published in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Merger accounting

The comparative period for these financial statements covers the charity's first accounting period, from registration with the Charity Commission on 3 February 2020 to 31 December 2020. However, in accordance with the merger accounting rules set out in the Charities SORP, comparative amounts are stated which reflect the results of the combining charity, United World Schools, registered charity number 1129537 (since dissolved). Further details are included in note 21.

(c) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(d) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have received the funds. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. No income was deferred as at the year end.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Income from fundraising events is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Income from grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income from volunteers represents the contributions made by volunteers towards the cost of their visits to the schools.

Interest income is recognised using the effective interest method on a receivable basis.

(e) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds
- Expenditure on charitable activities

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

The construction of new schools, wells, teacher accommodation and the related furnishings and equipment is viewed by the trustees as charitable activities expenditure as it is incurred in delivering the objects of the charity. As such this expenditure is included within charitable activities resources expended within the statement of financial activities and not capitalised.

(f) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a pro rata basis to the percentage of staff time spent working in each area.

The analysis of these costs is included in note 8.

(g) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Equipment	25% on cost
Motor vehicles	25% on cost

We build schools on land owned by the community, and the schools are gifted to the community on completion. Whilst we agree to repair and maintain the schools, we do not capitalise them on our balance sheet as we do not own them or the land.

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

To facilitate the budgeting process of the charity all USD transactions are translated into the functional currency at a fixed rate across the accounting period. This represents a departure from UK Generally Accepted Practice.

This departure has no impact on the net income or expenditure for the year as monetary assets and liabilities denominated in a foreign currency are re-translated at the balance sheet date into the functional currency using the closing rate.

Net foreign exchange gains or losses are charged or credited to the Statement of Financial Activities (SoFA) as outlined in note 9 to the financial statements.

(j) Operating leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.

(k) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Redundancy payments are recognised immediately as an expense when the charity is demonstrably committed to make an employee redundant or to provide redundancy benefits.

The charity operates a defined contribution pension plan for the benefit of its employees. Pension contributions are expensed as they become payable.

Under FRS 102, the charity is required to accrue for all short-term compensated absences as holiday entitlement earned but not taken at the balance sheet date. As the charity's holiday year is co-terminous with the balance sheet date accrual is only made within the financial statements where material.

(l) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(m) Judgements and key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

Central office support costs are allocated to expenditure on raising funds or charitable activities as a percentage of a person(s) time spent on those activities or a percentage usage of goods or services relating to those activities.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2 Income from donations and legacies

	2021	2020
	£	£
Individuals	1,355,791	794,191
Partner schools	284,369	228,283
Corporate	956,316	864,090
Trusts & foundations	444,164	827,953
Digital	77,917	-
	<u>3,118,557</u>	<u>2,714,517</u>

Income from donations and legacies was £3,118,557 (2020 - £2,714,517) of which £1,154,134 (2020 - £1,806,978) was attributable to restricted funds and £1,964,423 (2020 - £907,539) was attributable to unrestricted funds.

3 Income from charitable activities

	2021	2020
	£	£
Income from volunteers	-	3,896
	<u>-</u>	<u>3,896</u>

Income from charitable activities was £Nil (2020 - £3,896) of which £Nil (2020 - £3,896) was attributable to restricted funds and £Nil (2020 - £nil) was attributable to unrestricted funds.

Partner schools visit our schools in country, and the students and teachers volunteer to help teaching in school. These costs are their funding of the in-country travel which we arrange, and also a contribution to the local administrative costs.

4 Income from other trading activities

	2021	2020
	£	£
Fundraising events	110,154	43,046
	<u>110,154</u>	<u>43,046</u>

Income from other trading activities was £110,154 (2020 - £43,046) of which £10,696 (2020 - £nil) was attributable to restricted funds and £99,458 (2020 - £43,046) was attributable to unrestricted funds.

5 Income from investments

	2021	2020
	£	£
Interest – deposits	535	302
	<u>535</u>	<u>302</u>

Income from investment was £535 (2020 - £302) of which £240 (2020 - £nil) was attributable to restricted funds and £295 (2020 - £302) was attributable to unrestricted funds.

6 Analysis of expenditure on charitable activities

	2021	2020
	£	£
Building costs	531,493	403,778
Building maintenance	147,831	170,149
Upgrades to WASH facilities	856	184,014
Local country salaries	628,309	484,467
Educational resources	178,543	172,132
Teachers' salaries	261,759	251,024
UWK project costs (Cambodia)	47,200	11,441
Travel & subsistence in country	58,797	102,352
Administrative costs in country	42,809	37,283
UK programmes and operations salaries	375,365	311,858
Volunteer costs	-	10,578
Vehicle hire, maintenance & running costs	64,967	74,523
Telephone / internet	14,494	19,069
Rent in country	37,339	34,825
Foreign exchange losses / (gains)	14,596	35,255
Depreciation of motor vehicles	29,730	36,680
PR materials	96,859	-
Consultancy	19,328	-
Pensions	13,265	24,131
Support and governance costs (see note 8 overleaf)	143,773	86,366
	<u>2,707,313</u>	<u>2,449,925</u>

£2,034,642 (2020 - £1,962,532) of the above costs were attributable to restricted funds, and £672,671 (2020 - £487,393) of the above costs were attributable to unrestricted funds.

7 Analysis of expenditure on raising funds

	2021	2020
	£	£
Charity portal fundraising fees	6,101	2,919
Fundraising event costs	7,326	14,162
UK salaries	402,739	324,241
PR materials	78,250	-
Support and governance costs (see note 8 overleaf)	138,694	52,125
	<u>633,110</u>	<u>393,447</u>

£220 (2020 - £Nil) of the above costs were attributable to restricted funds, and £632,890 (2020 - £393,447) of the above costs were attributable to unrestricted funds.

8 Allocation of support and governance costs

2021	Raising funds	Charitable Activities	Total
	£	£	£
UK rent	16,861	16,281	33,142
Travel & subsistence	9,801	9,464	19,265
Foreign exchange losses / (gains)	(349)	(336)	(685)
Consultancy fees	31,200	-	31,200
Auditor's remuneration (see note 10 below)	5,692	5,468	11,160
Recruitment fees	30,285	29,098	59,383
Legal fees	5,002	4,807	9,809
Bank charges	365	351	716
Office supplies	25,854	24,840	50,694
Telephone and internet	1,870	1,805	3,675
Insurance	1,084	1,046	2,130
Contractor fees	5,019	45,176	50,195
Other	2,503	2,404	4,907
Depreciation of office equipment	3,507	3,369	6,876
Total	138,694	143,773	282,467

2020	Raising funds	Charitable Activities	Total
	£	£	£
UK rent	11,038	9,265	20,303
Travel & subsistence	4,371	3,669	8,040
Foreign exchange losses / (gains)	3,993	3,347	7,340
Consultancy fees	5,523	12,141	17,664
Auditor's remuneration (see note 10 below)	6,365	5,335	11,700
Recruitment fees	5,627	4,723	10,350
Legal fees	2,467	6,237	8,704
Bank charges	750	3,405	4,155
Office supplies	5,273	18,906	24,179
Telephone and internet	4,214	7,213	11,427
Insurance	1,129	10,972	12,101
Depreciation	1,375	1,153	2,528
Total	52,125	86,366	138,491

Support and governance costs are allocated on the basis of staff time spent on each activity except for consultancy fees which are allocated on a direct basis and country related costs which are all classified as charitable activities.

9 Net income / (expenditure) for the year

Net income / (expenditure) is stated after charging / (crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	36,606	39,208
Net losses on foreign exchange	13,911	42,595

10 Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £11,160 (2020 – £11,700).

11 Trustees' and key management personnel remuneration and expenses

The Trustees neither received nor waived any remuneration during the year (2020: £Nil).

The Trustees did not have any expenses reimbursed during the year (2020 - £Nil).

The Trustees donated a total of £298,577 to the charity during the year (2020 - £51,577).

The total amount of employee remuneration received by key management personnel were £394,418 (2020 - £302,859)

The charity considers its key management personnel comprise the UK Executive Team and the Cambodia, Myanmar & Nepal Country Directors.

12 Staff costs and employee benefits

The average monthly number of employees on the central office payroll during the year was as follows:

	2021	2020
	Number	Number
Raising funds	9	9
Charitable activities	11	10
	20	19

12 Staff costs and employee benefits (continued)

The total staff costs and employees benefits for the central office payroll were as follows:

	2021	2020
	£	£
Wages and salaries	709,373	606,844
Social security	71,293	58,899
Defined contribution pension costs	27,268	24,131
Government grants: Job retention scheme	-	(29,275)
	<u>807,934</u>	<u>660,599</u>

The number of employees whose total employee compensation (excluding employer pension costs) exceeded £60,000 was:

	2021 Number	2020 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	1	1
	<u>3</u>	<u>2</u>

13 Tangible fixed assets

	Office Equipment	Motor vehicles	Total
	£	£	£
Cost or valuation:			
At 1 January 2021	17,075	265,218	282,293
Additions	17,667	11,538	29,205
At 31 December 2021	<u>34,742</u>	<u>276,756</u>	<u>311,498</u>
Depreciation:			
At 1 January 2021	8,109	179,706	187,815
Charge for the year	6,876	29,730	36,606
At 31 December 2021	<u>14,985</u>	<u>209,436</u>	<u>224,421</u>
Net book value:			
At 31 December 2021	<u>19,757</u>	<u>67,320</u>	<u>87,077</u>
At 31 December 2020	<u>8,966</u>	<u>85,512</u>	<u>94,478</u>

We build schools on land owned by the community, and the schools are gifted to the community on completion. Whilst we agree to repair and maintain the schools, we do not capitalise them on our balance sheet as we do not own them or the land.

Vehicles represent motorbikes, boats and 4x4 trucks owned in Cambodia, Myanmar and Nepal, which staff use locally to travel to the remote school locations.

14 Debtors

	2021	2020
	£	£
Prepayments	15,305	3,737
Accrued income	53,008	-
Other debtors	3,233	9,727
	<u>71,546</u>	<u>13,464</u>

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals	28,950	20,146
Other tax and social security	27,415	24,432
Pensions	4,553	5,910
Deferred income	-	8,118
	<u>60,918</u>	<u>58,606</u>

16 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	6,599	12,883
	<u>6,599</u>	<u>12,883</u>

17 Funds reconciliation Unrestricted funds General funds – 2021

	Brought forward	Income	Expenditure	Transfers	Gains / (losses)	Closing balance
	£	£	£	£	£	£
General	1,009,777	2,064,176	(1,305,561)	(820,722)	-	947,670
	1,009,777	2,064,176	(1,305,561)	(820,722)	-	947,670

General funds – 2020

	Brought forward	Income	Expenditure	Transfers	Gains / (losses)	Closing balance
	£	£	£	£	£	£
General	1,301,330	859,387	(866,735)	(284,205)	-	1,009,777
	1,301,330	859,387	(866,735)	(284,205)	-	1,009,777

Restricted funds – 2021

	Brought forward	Income	Expenditure	Transfers	Gains / (losses)	Closing balance
	£	£	£	£	£	£
Cambodia	59,517	646,082	(1,051,729)	346,130	-	-
Myanmar	-	109,637	(293,080)	183,443	-	-
Nepal	73,030	306,554	(572,119)	192,535	-	-
UWK	-	16	(98,630)	98,614	-	-
Madagascar	-	102,781	(19,304)	-	-	83,477
	132,547	1,165,070	(2,034,862)	820,722	-	83,477

64% of the income received in 2021 (2020: 34%) was unrestricted, meaning the charity can use them as we see fit to further our aims. Where needed, we transferred the funds to the appropriate restricted pots where the activity was greater than the specific restricted funds.

18 17 Funds reconciliation (continued) Restricted funds – 2020

19

	Brought forward	Income	Expenditure	Transfers	Gains / (losses)	Closing balance
	£	£	£	£	£	£
Cambodia	-	911,720	(852,203)	-	-	59,517
Myanmar	-	81,977	(308,822)	226,845	-	-
Nepal	-	338,700	(265,670)	-	-	73,030
UWK	-	16,415	(65,796)	49,381	-	-
COVID Appeal	-	462,062	(470,041)	7,979	-	-
	-	1,810,874	(1,962,532)	284,205	-	132,547

34% of the income received in 2020 (2019: 49%) was unrestricted, meaning the charity can use them as we see fit to further our aims. Where needed, we transferred the funds to the appropriate restricted pots where the activity was greater than the specific restricted funds.

20 Analysis of net assets between funds

2021

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	87,077	-	87,077
Net current assets	860,593	83,477	944,070
Total	947,670	83,477	1,031,147

2020

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	94,478	-	94,478
Net current assets	915,299	132,547	1,047,846
Total	1,009,777	132,547	1,142,324

21 Reconciliation of net income to net cash flow from operating activities

	2021	2020
	£	£
Net (expenditure) for year	(111,177)	(159,006)
Depreciation of tangible fixed assets	36,606	39,208
(Increase) / decrease in debtors	(58,082)	6,411
Increase / (decrease) in creditors	2,312	(12,410)
(Gains) / losses on foreign exchange	13,912	37,988
Net cash flow from operating activities	<u>(116,429)</u>	<u>(87,809)</u>

22 Pensions and other post-retirement benefits

Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £27,071 (2020 - £24,131).

23 Merger accounting

On 3 February 2020, with the agreement of the Trustees, a Charitable Incorporated Organisation (CIO) was approved and registered by the Charity Commission.

United World Schools, registered charity number 1187721, was established as a Charitable Incorporated Organisation (CIO) on 3 February 2020 to take on the charitable activities, assets and liabilities of United World Schools, registered charity number 1129537, as at 31 December 2020.

The operations of United World Schools, registered charity number 1129537, ceased on 31 December 2020, with all assets and liabilities effectively transferred to United World Schools, registered charity number 1187721, as at that date.

The net value of assets transferred to United World Schools, registered charity number 1187721, was £1,142,324.

21 Merger accounting (continued)

Analysis of the principal Statement of Financial Activities components for the period ended 31 December 2020

	United World Schools #1129537 (Pre Merger)	United World Schools #1187721 (Post Merger)	Combined Total
	£	£	£
Total income	2,671,434	-	2,671,434
Total expenditure	(2,830,440)	-	(2,830,440)
Net (expenditure)	(159,006)	-	(159,006)
Net movement in funds	(159,006)	-	(159,006)

Analysis of net assets as at the date of merger

	United World Schools #1129537 (Pre Merger)	Combined Total
	£	£
Net assets	1,142,324	1,142,324
Restricted funds	132,547	132,547
Unrestricted funds	1,009,777	1,009,777
Total funds	1,142,324	1,142,324



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