

**WORLD FRIENDSHIP**

**End of Year Financial Statements**

**Year ending 31<sup>st</sup> December 2022**

**Registered Company number 1689847**

**Registered Charity number 513643**

**Report of the Council of Management for the year ended 31<sup>st</sup> December 2022 which includes the Directors Report required by the Companies Act and the Trustees Report required by the Charities Act**

**Objects and Activities**

The objects of World Friendship as set out in its Memorandum are to advance education among students from overseas studying in the diocese of Liverpool who need financial assistance, and to relieve need sickness and distress among them and their dependents.

In 2022, World Friendship made grants to assist 24 individual international students who were experiencing hardship due to unexpected changes in their circumstances.

**Public benefit**

In making these grants the Council had regard to:

1. Our objects
2. The Charity Commission's guidance on public benefit
3. The Charity Commission's guidance regarding the Charities Exception in Part 14 of the Equality Act 2010.

The Council considers that the offering of grants to assist students who are not from the EEA benefits a sufficient section of the public. The Charities Exception makes it lawful to restrict grants to these students because they are disadvantaged by their distance from home, lack of access to public student support in the UK, and vulnerability to international political, economic, and social events.

Grants are made without discrimination regarding faith or gender. Within the funds available grants are offered based on need, the likelihood of successful completion of studies, and the benefit to the students' countries of origin. Individual students benefit by being able continue or complete their courses, Wider benefits accrue to the universities whose students were helped. In addition, the home countries to which the students return will reap the benefits from well qualified graduates in a variety of fields.

Availability of our grants is advertised on our website, and we ensure that student welfare officers and university chaplaincies are aware of the process of application.

The aftermath of the Covid 19 Virus Pandemic and recent countries affected by earthquakes continues to give students many financial problems and we are pleased to be able to offer some help to supplement students' living costs to help them to continue with their studies.

The Charity meets and works closely with university international welfare staff to discuss students' needs and has had the opportunity, through social events, to meet with staff and students who have benefitted from the grants given.

We look forward to financially assisting students who are experiencing financial hardship during 2023 as the current economic climate and cost of living crisis continues.

We honour the memory of our former Chair, Joe Steen, and commit to carrying on the work he so believed in.

### **Achievements and Performance**

During 2022 we received 26 applications for grants in total from International students in the Higher Education Institutions within the Diocese of Liverpool. The majority of applicants are suffering in various ways from the effects of the pandemic. Most have lost their part time jobs or are unable to find work. Many have had to extend their courses and as a consequence have run out of money for living costs.

We received the following number of applications from:

Liverpool Hope University 3 Liverpool University 4 Liverpool John Moores University 16  
Liverpool School of Tropical Medicine 3

### **Countries of Applicants**

Nigeria 2 Bangladesh 3 China 1 Iraq 1 Myanmar 1 India 1 Pakistan 2 Somalia 1 Philippines 1  
Iran 5 Afghanistan 2 Ghana 1 Russia 1 Zimbabwe 1 Malawi 1 Libya 1 Nepal 1

### **Grants Allocated**

Twenty-four grants were made in 2022 totalling £20,900. One student withdrew her application, One further grant was not made because of an unsatisfactory reference. Following a review the committee decided to make half a grant and provided progress continued, the other half of the grant was awarded.

### **The Applications Committee**

The Committee work closely together to scrutinise all the applications. We are grateful to the University Chaplains, International Officers and tutors for all they do to help and support us. We met with the staff of the various International Departments and student representatives several times to discuss issues of concern and ways we might move forward together.

Two Afternoon Teas hosted in Liverpool Hope University Chaplaincy for the International Staff and the students who have received World Friendship Grants enabled students to discuss their own situations and ways in which World Friendship might help.

### **Financial Review**

World Friendship received a grant of £1,000 from Ravensdale Trust, which was added to the general fund to support our programme of grants to international students. The Ravensdale Trust was wound up during the year and World Friendship received a capital allocation of £7,500. This was added to World Friendship's Investment Capital Fund and invested in additional shares in the CBF Church of England Investment Fund. Due to weak investment markets the Investment Capital Fund decreased by £88,000 (last year it increased by £102,000). Income from investments increased by £728 (3%).

Total income was £29,879 (previous year £21,651) out of which we made grants to international students of £20,900. After expenses, the general fund increased by £1,270.

The results for the year are shown on page 6.

### **Reserves Policy**

Reserves are needed to bridge the funding gaps between grants being paid to beneficiaries and receipt of resources through investment income. World Friendship has a target reserve level of three months normal spending, which is £6,000. The actual reserves on 31<sup>st</sup> December 2022 were £19,715. The excess will be reduced by increasing the budget for grants in 2023.

### **Going Concern**

World Friendship is a going concern. There are no funds in deficit.

### **Structure, governance and management**

World Friendship is a charitable company limited by guarantee.

The governing document is the Memorandum and Articles of Association dated 5<sup>th</sup> January 1983, as amended 11<sup>th</sup> December 1985 and 15<sup>th</sup> April 2021.

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles of Association are known as the Council of Management. Under the articles of association, the Bishop of Liverpool appoints one member as his representative, Liverpool Diocesan Board of Finance is entitled to appoint three members to the Council, and the trustees are also eligible, as the council of management, to appoint additional trustees.

### **Reference and administrative details**

**Charity Name:** World Friendship

**Charity Registration Number:** 513643

**Company Registration Number:** 1689847

**Principal Office and Registered Office:** 15 Dudlow Lane, Liverpool L18 0HH

### **Trustees:**

Mrs P J Addy

The Revd Canon P G Anderson

Mr R H Arden

Mr J F O Huthwaite

Miss P James

Dr A K Mondru (from 5 May 2022)

Canon Dr L S R Perera

Mrs E J Rayner

Dr F J Rayner

Mr J Steen (resigned 24 November 2022)

Dr P M Strickland

Dr J R S Wrightson (from 22 November 2022)

### **Trustees' responsibilities in relation to the financial statements**

Company and charity law require the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of its surplus or deficit for that year. In preparing those financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable Accounting Standards and Statements of Recommended Practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Audit Exemption Statement** The company is exempt for the financial year ending 31st December 2021 from the requirements of Part 16 of the Companies Act 2006 as to audit of accounts, and the trustees have resolved to take advantage of that exemption.

This report is prepared in accordance with the special provisions relating to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

This report was approved by the Council on 23<sup>rd</sup> March 2022 and signed on its behalf by Pauline Addy (Director)

A handwritten signature in black ink, appearing to read 'Pauline Addy', is written over the text of the signature line.

**Statement of Financial Activities including Income and Expenditure Account  
and Statement of Recognised Gains and Losses**

|   | Unrestricted<br>funds | Designated<br>funds | Restricted<br>funds | Endowment<br>funds | Total<br>funds  | Prior Year<br>funds total |
|---|-----------------------|---------------------|---------------------|--------------------|-----------------|---------------------------|
| <b>Income and endowments from:</b>                          |                       |                     |                     |                    |                 |                           |
| Donations and legacies                                      | 1,000                 | 7,500               | —                   | —                  | 8,500           | 1,000                     |
| Investments   | 21,379                | —                   | —                   | —                  | 21,379          | 20,651                    |
| <b>Total income</b>   | <b>22,379</b>         | <b>7,500</b>        | <b>—</b>            | <b>—</b>           | <b>29,879</b>   | <b>21,651</b>             |
| <b>Expenditure on:</b>                                      |                       |                     |                     |                    |                 |                           |
| Expenditure on charitable activities                        | 21,109                | —                   | —                   | —                  | 21,109          | 19,073                    |
| <b>Total expenditure</b>                                    | <b>21,109</b>         | <b>—</b>            | <b>—</b>            | <b>—</b>           | <b>21,109</b>   | <b>19,073</b>             |
| Gains / losses on investment assets                         | —                     | (95,457)            | —                   | —                  | (95,457)        | 102,150                   |
| <b>Net income / (expenditure) resources before transfer</b> | <b>1,270</b>          | <b>(87,957)</b>     | <b>—</b>            | <b>—</b>           | <b>(86,686)</b> | <b>104,728</b>            |
| <b>Other recognised gains / losses</b>                      |                       |                     |                     |                    |                 |                           |
| <b>Net movement in funds</b>                                | <b>1,270</b>          | <b>(87,957)</b>     | <b>—</b>            | <b>—</b>           | <b>(86,686)</b> | <b>104,728</b>            |
| <b>Total funds brought forward</b>                          | <b>18,445</b>         | <b>812,567</b>      | <b>—</b>            | <b>—</b>           | <b>831,012</b>  | <b>726,284</b>            |
| <b>Total funds carried forward</b>                          | <b>19,715</b>         | <b>724,610</b>      | <b>—</b>            | <b>—</b>           | <b>744,326</b>  | <b>831,012</b>            |
| <b>Represented by</b>                                       |                       |                     |                     |                    |                 |                           |
| <b>Unrestricted</b>   |                       |                     |                     |                    |                 |                           |
| General fund  | 19,715                | —                   | —                   | —                  | 19,715          | 18,445                    |
| <b>Designated</b>   |                       |                     |                     |                    |                 |                           |
| Investment Capital fund                                     | —                     | 454,270             | —                   | —                  | 454,270         | 446,770                   |
| Revaluation reserves  | —                     | 270,340             | —                   | —                  | 270,340         | 365,797                   |

## Balance sheet

|  | General       | Designated     | Restricted | Endowment | This year      | Last year      |
|--|---------------|----------------|------------|-----------|----------------|----------------|
| <b>Fixed assets</b>                                |               |                |            |           |                |                |
| Investments  | —             | 724,610        | —          | —         | 724,610        | 812,567        |
|  | <b>—</b>      | <b>724,610</b> | <b>—</b>   | <b>—</b>  | <b>724,610</b> | <b>812,567</b> |
| <b>Current assets</b>                              |               |                |            |           |                |                |
| Cash at bank and in hand                           | 19,715        | —              | —          | —         | 19,715         | 18,445         |
|  | <b>19,715</b> | <b>—</b>       | <b>—</b>   | <b>—</b>  | <b>19,715</b>  | <b>18,445</b>  |
| <b>Net current assets less current liabilities</b> | <b>19,715</b> | <b>—</b>       | <b>—</b>   | <b>—</b>  | <b>19,715</b>  | <b>18,445</b>  |
| <b>Total assets less current liabilities</b>       | <b>19,715</b> | <b>724,610</b> | <b>—</b>   | <b>—</b>  | <b>744,326</b> | <b>831,012</b> |
| <b>Total net assets less liabilities</b>           | <b>19,715</b> | <b>724,610</b> | <b>—</b>   | <b>—</b>  | <b>744,326</b> | <b>831,012</b> |
| <b>Represented by</b>                              |               |                |            |           |                |                |
| <b>Unrestricted</b>                                |               |                |            |           |                |                |
| General fund                                       | 19,715        | —              | —          | —         | 19,715         | 18,445         |
| <b>Designated</b>                                  |               |                |            |           |                |                |
| Investment Capital fund                            | —             | 454,270        | —          | —         | 454,270        | 446,770        |
| Revaluation reserves                               | —             | 270,340        | —          | —         | 270,340        | 365,797        |
| <b>Funds of the charity</b>                        | <b>19,715</b> | <b>724,610</b> | <b>—</b>   | <b>—</b>  | <b>744,326</b> | <b>831,012</b> |

## Audit exemption statement

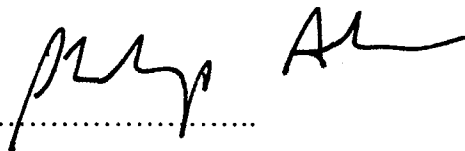
For the year ended 31<sup>st</sup> December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 (“the Act”) relating to small companies

## Directors’ responsibilities

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts
- These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies’ regime

Approved by the Council of Management on 23<sup>rd</sup> March 2023 and signed on its behalf by

Philip Anderson (Director) .....



The notes and statements on pages 8 to 13 form part of these accounts

## Statement of assets and liabilities

|  | General       | Designated     | Restricted | Endowment | This year      | Last year      |
|--|---------------|----------------|------------|-----------|----------------|----------------|
| <b>Fixed assets - Investments</b>                |               |                |            |           |                |                |
| CBF Investment Income Fund 776102001S -          | —             | 724,610        | —          | —         | 724,610        | 812,567        |
| <b>Totals</b>                                    | <b>—</b>      | <b>724,610</b> | <b>—</b>   | <b>—</b>  | <b>724,610</b> | <b>812,567</b> |
| <b>Current assets - Cash at bank and in hand</b> |               |                |            |           |                |                |
| Lloyds Bank current account -                    | 19,687        | —              | —          | —         | 19,687         | 18,445         |
| CBF Deposit Fund Account -                       | 28            | —              | —          | —         | 28             | 0              |
| <b>Totals</b>                                    | <b>19,715</b> | <b>—</b>       | <b>—</b>   | <b>—</b>  | <b>19,715</b>  | <b>18,445</b>  |
| <b>Grand total</b>                               | <b>19,715</b> | <b>724,610</b> | <b>—</b>   | <b>—</b>  | <b>744,326</b> | <b>831,012</b> |

## Fund movement by type

|                                       | Opening        | Incoming      | Outgoing      | Transfers | Gains/<br>losses | Journals | Closing        |
|---------------------------------------|----------------|---------------|---------------|-----------|------------------|----------|----------------|
| <b>General - General fund</b>         |                |               |               |           |                  |          |                |
| Unrestricted                          | 18,445         | 22,379        | 21,109        | —         | —                | —        | 19,715         |
| <b>Sub-total for General</b>          | <b>18,445</b>  | <b>22,379</b> | <b>21,109</b> | <b>—</b>  | <b>—</b>         | <b>—</b> | <b>19,715</b>  |
| <b>Capital - Investment Capital f</b> |                |               |               |           |                  |          |                |
| Designated                            | 446,770        | 7,500         | —             | —         | —                | —        | 454,270        |
| <b>Sub-total for Capital</b>          | <b>446,770</b> | <b>7,500</b>  | <b>—</b>      | <b>—</b>  | <b>—</b>         | <b>—</b> | <b>454,270</b> |
| <b>ZReval - Revaluation reserves</b>  |                |               |               |           |                  |          |                |
| Designated                            | 365,797        | —             | —             | —         | (95,457)         | —        | 270,340        |
| <b>Sub-total for ZReval</b>           | <b>365,797</b> | <b>—</b>      | <b>—</b>      | <b>—</b>  | <b>(95,457)</b>  | <b>—</b> | <b>270,340</b> |
| <b>Grand total</b>                    | <b>831,012</b> | <b>29,879</b> | <b>21,109</b> | <b>—</b>  | <b>(95,457)</b>  | <b>—</b> | <b>744,326</b> |

## Analysis of income and expenditure

|   | <u>Unrestricted</u> | <u>Designated</u> | <u>Restricted</u> | <u>Endowment</u> | <u>This year</u> | <u>Last year</u> |
|---|---------------------|-------------------|-------------------|------------------|------------------|------------------|
|   | <b>Total</b>        |                   |                   |                  |                  |                  |
| <b>INCOME AND ENDOWMENTS</b>                |                     |                   |                   |                  |                  |                  |
| <b>Donations and legacies</b>               |                     |                   |                   |                  |                  |                  |
| Grants received                             | 1,000               | 7,500             | —                 | —                | 8,500            | 1,000            |
| Total                                       | 1,000               | 7,500             | —                 | —                | 8,500            | 1,000            |
| <b>Investments</b>                          |                     |                   |                   |                  |                  |                  |
| CBF Investment Income Fund                  | 21,351              | —                 | —                 | —                | 21,351           | 20,649           |
| Dividend                                    |                     |                   |                   |                  |                  |                  |
| CBF deposit interest                        | 28                  | —                 | —                 | —                | 28               | 2                |
| Total                                       | 21,379              | —                 | —                 | —                | 21,379           | 20,651           |
| <b>INCOME TOTAL</b>                         | <b>22,379</b>       | <b>7,500</b>      | <b>—</b>          | <b>—</b>         | <b>29,879</b>    | <b>21,651</b>    |
| <b>EXPENDITURE</b>                          |                     |                   |                   |                  |                  |                  |
| <b>Expenditure on charitable activities</b> |                     |                   |                   |                  |                  |                  |
| Print postage and stationery                | 4                   | —                 | —                 | —                | 4                | 2                |
| Website                                     | 24                  | —                 | —                 | —                | 24               | 58               |
| Meetings                                    | 168                 | —                 | —                 | —                | 168              | —                |
| Grants to beneficiaries                     | 20,900              | —                 | —                 | —                | 20,900           | 19,000           |
| Company return                              | 13                  | —                 | —                 | —                | 13               | 13               |
| Total                                       | 21,109              | —                 | —                 | —                | 21,109           | 19,073           |
| <b>EXPENDITURE TOTAL</b>                    | <b>21,109</b>       | <b>—</b>          | <b>—</b>          | <b>—</b>         | <b>21,109</b>    | <b>19,073</b>    |
| <b>GRAND TOTAL</b>                          | <b>1,270</b>        | <b>7,500</b>      | <b>—</b>          | <b>—</b>         | <b>8,770</b>     | <b>2,578</b>     |

**Trustees' remuneration and benefits**

None of the trustees have been paid any remuneration or received any other benefits from an employment with World Friendship or a related entity.

**Trustees' expenses** No trustee expenses have been incurred.

**Related party transactions** There have been no transactions with related parties.

**Employees** The company has no employees.

**Public benefit entity** World Friendship is a public benefit entity.

**Accounting Policies**

The financial statements have been prepared under the historical cost convention except for investments which are shown at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2015), the Companies Act 2006 and applicable accounting standards FRS102 section 1A.

The company has taken advantage of the exemption in FRS102 from the requirements to prepare a cash flow statement on the grounds that it is a small company. The accounts include all transactions, assets and liabilities for which World Friendship is held responsible in law.

**Funds**

General funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Funds designated for a particular purpose by the trustees are also unrestricted.

**Incoming resources**

Voluntary income received by way of grants, donations and gifts is included in the Statement of Financial Activities in the year in which it is received by or on behalf of the charity.

Grants, where entitlement is conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Dividends and interest are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Realised gains and losses are recognised when investments are sold. Unrealised gains or losses are accounted for on revaluation of investments at 31st December.

**Resources expended**

Grants and donations are accounted for when paid over, or when awarded, if that award creates a binding obligation on the charity.

**Costs of generating voluntary income**

All expenses relating to fundraising, publicity, public relations and investment management charges are charged to this heading

**Charitable activities.** Charitable activities comprise those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both the costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Governance costs**

These costs relate to the governance of the company itself, as opposed to the management of charitable activities or fundraising and publicity, and are primarily associated with constitutional, statutory and legal requirements.

**Tangible fixed assets and depreciation**

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life. All equipment, fixtures and fittings with an original cost of less than £1,000, are written off in the year in which the expenditure was incurred on the basis that due to the nature of the company's activities, there is no expectation that the cost of the assets will be recovered in the way of future revenues.

**Investments**

Investments are valued at market bid value at 31st December as notified by the investment manager. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. Investments are in Common Funds established under The Church Funds Investment Measure 1958.

**Current assets**

Amounts owing to the charity at 31st December in respect of income are shown as debtors less provision for amounts that may prove uncollectable. Short-term deposits include cash held on deposit at the bank.

**Charitable status and taxation**

World Friendship is a private company limited by guarantee and registered in England and Wales.

As a registered charity, the company benefits from rates relief and is generally exempt from capital gains tax and corporation tax.



Section A

Independent Examiner's Report

Report to the trustees

Charity Name  
World Friendship

On accounts for the year ended

31<sup>st</sup> December 2022

Charity no (if any) 513643

Set out on pages

1 - 11

(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/12/2022

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

[The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of [insert name of applicable listed body]]. Delete [ ] if not applicable.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below \*) which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

\* Please delete the words in the brackets if they do not apply.

Signed:

Date: 27<sup>th</sup> March 2023

Name: Mrs Gillian Chamberlain

Relevant professional qualification(s) or body

Retired Bank Manager

(if any):

|  |
|--|
|  |
|--|

Address:

26 Stonecrop  
Liverpool  
L18 3LU

|  |
|--|
|  |
|  |

**Section B**

**Disclosure**

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

No items require disclosure