

# **LIVING WORD INTERNATIONAL**

**Charity No. 1165611**

**Company No. 09523029**

## **TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**For the 12 months ended 31<sup>st</sup> July 2019**

**LIVING WORD INTERNATIONAL****REPORT OF THE TRUSTEES****FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**

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## LIVING WORD INTERNATIONAL

### REPORT OF THE TRUSTEES

#### FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019

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The trustees (who are also directors for the purposes of company law) present their annual report and financial statements of the charitable company ('the charity') for the period ended 31<sup>st</sup> July 2019. The previous accounts covered a period of 15 months following the decision of trustees to change the reporting date from 30<sup>th</sup> April to 31<sup>st</sup> July each year to harmonise with the reporting dates of Living Word Uganda.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Articles of Association, the Charities Act 2011, the Companies Act 2006 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 on 16 July 2014.

#### OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The purposes of the Charity as set out in its governing Articles of Association can be summarised as:

**Object 1** - To advance the Christian faith in accordance with the Statement of Beliefs appearing in the Schedule in the United Kingdom and the World as the directors of the Charity may from time to time think fit and to fulfill such other purposes which are exclusively charitable according to the law of England and Wales and are connected with the charitable work of the Charity.

**Object 2** - To relieve sickness and financial hardship and to promote good health by the provision of funds, goods or services of any kind, including through the provision of counselling and support in the United Kingdom or the World as the directors from time to time think fit.

The organization achieves these objectives by:

**Activity 1** - To supply funding, subject to appropriate accountability, to "Living Word Uganda" a Ugandan registered charitable company, which provides free education to Ugandan University students by means of an annual conference and regional events throughout the period.

**Activity 2** - To supply funding, subject to appropriate accountability, for infrastructure projects and other essential needs to a school for pre- and primary school children in South West Uganda – The "Amazing Grace Pre-primary and Primary School" in Kisoro. The School is managed by a Ugandan charity: "Amazing Grace Advocacy and Support for the Vulnerable", not linked to "Living Word Uganda".

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the Charity's aims and objectives, in planning future activities and setting the grant making policy for the period. The Charity achieves its charitable purposes for the public benefit through its grant-making policy which aims at furthering the two objectives listed.

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### REPORT OF THE TRUSTEES

FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019

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#### GRANT MAKING POLICY

The Charity has established its grant making policy to achieve its objects listed above for the public benefit. The Charity's aim for each objective is:

Activity 1 to provide education regarding the Christian faith to undergraduate and postgraduate students throughout Uganda to the degree permitted by funds received by the Charity.

Activity 2 to provide infrastructure development to a pre and primary school in South West Uganda to the degree permitted by funds received by the Charity.

We review the grant making policy annually to ensure that it reflects the charity's objects and thereby advances public benefit.

#### DELIVERY OF PUBLIC BENEFIT AND MONITORING OF ACHIEVEMENT

**A review of our achievements and performance: How our grant and loan activities delivered public benefit.**

In the reporting period Living Word International ('LWI') provided public benefit through:

**Activity 1 - Providing funding with appropriate accountability to "Living Word Uganda" a Ugandan registered charitable company.**

During the period covered by this report a total of £39,338 (15 months to 31.7.2018: £34,658) was made as grants to "Living Word Uganda" ('LWU') and a further £3,244 (15 months to 31.7.2018: £3,857) was spent in the UK on goods and services for LWU at their request. This Ugandan registered charity provides education to undergraduate and post graduate students in Uganda.

The education is centered on the Christian faith and how it is to be lived out, particularly encouraging charitable acts to others regardless of tribe, culture, religion or ethnicity.

In January 2019, 220 participants attended the annual 5-day residential conference in Luweero which was also attended by Mr. Andrew Harker (Trustee) who spoke at the conference. In February Dr. Creed (Chair of Trustees) also visited Uganda whilst also visiting Rwanda. These visits allowed Dr. Creed and Mr. Harker to meet the 5 Directors of Living Word Uganda and 6 staff members (5 full time Ugandan nationals, 1 part-time German national, 1 part-time British national) to review and plan the year ahead.

## LIVING WORD INTERNATIONAL

### REPORT OF THE TRUSTEES

#### FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019

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During the period multiple regional day events throughout Uganda covering 25 universities were held to provide further education to an estimated 1500 students. In June a six month “Apprenticeship Ministry Training Programme” began to cater for postgraduate students by providing more extensive training including church placements for 7 students.

In addition to the face to face visits made by Dr. Creed and Mr. Harker, regular skype meetings, phone and email correspondence have occurred between the Directors and staff of Living Word Uganda and trustees of Living Word International. In June 2019 Mr. Schwarz Manano (team leader of LWU) and his wife Mrs. Judith Manano (part time staff LWU) visited the UK for further training, and met supporters and had face to face meetings with all the trustees of LWI.

Satisfactory monthly account updates and activity reports have been received as has an annual financial report from Living Word Uganda, requirements specified in a partnership agreement between the Charity and Living Word Uganda in order for funding to be provided.

#### **Activity 2 - To supply funding, with appropriate accountability, for infrastructure projects and other essential needs to a school for pre- and primary school children in South West Uganda.**

During the period covered by this report approximately 440 children (aged 3-13) received high quality schooling at pre-primary and primary school level at “Amazing Grace Pre- and Primary School” in Kisoro, South West Uganda as proven by excellent Primary Leaving Examination results (2nd place in the district). 47% of these children were chosen from extremely poor backgrounds and most are orphans. The parents of the remaining children help by paying school fees to pay for the ongoing staff / running costs of the school, but this is not sufficient for the infrastructure / other essential facilities needed at the school.

During the reporting period financial support of £7,700 (15 months to 31.7.2018: £9,610) was sent to the school by Living Word International. The funds were spent on a variety of infrastructure projects including:

- a) Destruction of three wooden walled classrooms and replacement with construction of three new brick built classrooms with iron sheet roofs, doors and windows and internal plastering. (£6,700)
- b) A donation to the school “hardship fund” (£1,000) towards the support of particularly needy families including infrastructure repair to housing and provision of sundry items for the non-fee paying children including medical expenses, uniform, stationery, soap, toiletries and blankets.

Dr. Creed visited the school in February 2019 to inspect the accounts, bank statements and infrastructure projects and confirmed the funds have been spent as specified by the school. He was also able to speak to the staff at the school and reported a positive relationship with the Directors of the School. Dr. Creed acts as the UK Director for the school and was able to plan with the Ugandan Directors the school’s future infrastructure projects.

**LIVING WORD INTERNATIONAL****REPORT OF THE TRUSTEES****FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**

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**FINANCIAL REVIEW**

The financial statements for the 12 month period ended 31<sup>st</sup> July 2019 are specified below. These statements show how the funds have been applied in the period. The Trustees believe that the Charity is in a satisfactory financial position at the period end and is in a position to meet all its obligations. The Trustees confirm that the assets of the Charity are held solely for the charitable objectives set out in this report.

**FUND RAISING OBJECTIVES AND SOURCES**

Since the Charity's inception its target has been to raise sufficient funds to meet the agreed annual budget with Living Word Uganda and for the development and running of Amazing Grace School. The objective is primarily to raise what we can and pass the funds on in furtherance of the two activities stated above.

Donors express non-binding wishes regarding the use of their gifts to the charity and, as far as possible, the trustees endeavor to respect those wishes by designating income, in accordance with those wishes, to the Living Word Uganda fund, the Amazing Grace School fund or the General Fund. No restricted donations have been received. A target 'UK governance expenses to total expenditure ratio' of 10% is maintained (this year's actual: 8.4%) and to date the charity has operated well within this limit. The amounts designated in respect of each fund are specified in Note 5 to the accounts.

The Charity's work is dependent on a continuing flow of donations. The funding sources of the charity are from voluntary contributions from individuals, trusts and churches across the United Kingdom. The charity does not accept donations in cash.

The Trustees are encouraged that its supporting individuals, trusts and churches have demonstrated a loyalty to the Charity and expect their contributions to continue, but the Trustees will also continue to encourage voluntary contributions from other individuals and churches to allow the Charity to sustain its current activities.

At the period-end the Charity had a constructive obligation to make a grant payment for £2,500 in the new financial year and this has been included in these accounts; there were no other grant making obligations at the balance sheet date.

**LIVING WORD INTERNATIONAL****REPORT OF THE TRUSTEES****FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**

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**INVESTMENT POLICY AND PERFORMANCE**

The Charity ensures that its current bank account, which does not pay interest, holds all its received donations until they are either paid out to grant and loan beneficiaries or moved to an interest bearing savings account. The Charity does not receive or hold any monies as cash in hand. Funds for the two objectives are co-mingled in the two bank accounts, but the designated purpose for which the funds were donated is maintained.

**MANAGEMENT RESOURCES AND EXPENSES**

All the activities of the Charity are undertaken by unpaid volunteers. All payments of expenses were approved by the trustees and made against documented receipts of expenditure. Details of the expenditure are stated in note 3 to the accounts.

**RESERVES & INVESTMENTS POLICY**

On 30<sup>th</sup> April 2018, the trustees determined that the charity should aim to hold unrestricted cash equal to no less than three month's expenditure, which is estimated to be £14,000. This target has been achieved and the charity ended the year with just under £27,000 in cash. The charity's policy for holding cash reserves is reviewed annually in September and the charity's actual cash reserves are monitored throughout the year.

The Charity's investment policy is to hold its reserves as cash in bank. As at 31<sup>st</sup> July 2019 cash balances were £4,772 (2018: £8,433) in the current account with a further £22,032 (2018: £10,009) held in a savings account opened in July 2017. The Charity's total reserves of £24,696 were designated as £17,631 (2018: £16,702) to Living Word Uganda fund and £2,791 (2018: £2,453) to Amazing Grace School fund and General Fund £4,274 (2018: £0)

## LIVING WORD INTERNATIONAL

### REPORT OF THE TRUSTEES

FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019

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#### RISK ASSESSMENT

The Trustees carry out an annual review of the potential risks to the Charity and believe that there are satisfactory systems in place to identify and mitigate any material exposure. The Trustees regard the risk exposure as being low. The principal risks faced by the Charity are:

Activity	Risk	Mitigation
<b>Activity 1</b> - Living Word Uganda	a) Misappropriation of funds. b) The inherent risks of working in Uganda's financial, banking, ethical and legal climate.	<ul style="list-style-type: none"> <li>• The Charity does not pledge credit and its sole asset is cash held in a UK bank.</li> <li>• Close monitoring of the use of funds through visits, Skype conversations, reference take-up and emails.</li> <li>• Strong relationships are sustained with all parties supported by the Charity.</li> <li>• Financial controls – budget monitoring, monthly reporting, audits of bank accounts and financial practice.</li> <li>• Structural and ethical accountability of the LWU board and staff to the LWI board is explicit in the partnership agreement with LWU. (Activity 1 only)</li> </ul>
<b>Activity 2</b> - Amazing Grace School	a) Misappropriation of funds. b) The inherent risks of working in Uganda's financial, banking ethical and legal climate.	

#### PLANS FOR THE FUTURE

The Charity intends to continue with its support of Living Word Uganda and the Amazing Grace School at a level of financial commitment similar to that of this reporting period.

The Charity is increasing its volunteers' efforts in raising money from Churches in Britain in the expectation that at least the current level of donations will be maintained in future.

Since January 2018 the Charity has been in discussions with two other charitable works similar to Living Word Uganda, namely "Servants of the Word" in The Gambia and "Preach the Word" in Rwanda. Face to face meetings in the UK have been held between Dr. Creed and the key people driving these works, and a partnership agreement covering how the Charity might support these additional works has been agreed.

In February 2019 and again in November 2019 Dr. Creed visited the work in Rwanda for further meetings and to finalize their partnership agreement. In January 2020 a visit to the work in The Gambia is planned. It is anticipated that once the necessary requirements in the partnership agreement have been achieved, expected for both organizations in early 2020, the Charity will inform the UK Charities Commission of its expansion and work in these additional countries.

## **LIVING WORD INTERNATIONAL**

### **REPORT OF THE TRUSTEES**

**FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**

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#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The trustees consider that the board of trustees and the chief executive comprise the key management personnel of the charity in charge of directing and controlling the charity, and running and operating the charity on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the period. Details of trustee expenses and any related party transactions are disclosed in note 2 to the accounts. Trustees are required to disclose all relevant interests and register them with the chief executive and in accordance with the Charity's policy withdraw from decisions where a conflict of interest arises.

New trustees are appointed by the existing trustees and serve for one year after which they may put themselves forward for re-appointment. The Articles of Association provides for a minimum of three trustees, but does not stipulate any maximum number. At the quarterly trustees' meetings, the trustees agree the broad strategy and areas of activity for the Charity, including consideration of grant making, investment, reserves and risk management policies and performance.

The trustees all share a united faith in the Lord Jesus Christ. It is the desire of the trustees to offer in service their experience to the Christian charitable work in which they become involved, making the charity a "behind the scenes" supporter for the majority of its work.

#### **REFERENCE AND ADMINISTRATIVE INFORMATION**

The charity was established by a charitable trust settlement dated 17<sup>th</sup> February 2016 and is registered with the Charity Commissioners as number 1165611. It is also registered as a private company limited by guarantee and not having a share capital as number 09523029. These financial statements cover the 3rd period of operation under a Memorandum and Articles of Association established on 1<sup>st</sup> April 2015. The charity became operational with the first donations it received in November 2015.

For the period to 31<sup>st</sup> July 2019 the Trustees were:

Dr. David Stuart Creed - Chair, Chief Executive, Treasurer and Trustee

Rev. Stephen Paul Smith - Trustee

Ms. Florence Louise Bosley Menzies – Secretary and Trustee (resigned 29 November 2019)

Mr. Andrew Harker – Trustee (appointed 28 June 2019)

Mr. Luke Brereton – Trustee (appointed 22 January 2020)

Mr. Jonathan Burgess – Trustee (appointed 6 December 2019)

The Bankers for the Charity are Barclays Bank, St. Andrew's Street, Cambridge, CB2 3AR.

The Independent Examiner is Ajay Rajani FCIE of Stewardship Services (UKET) Limited, 1 Lamb's Passage, London EC1Y 8AB.

The Charity's registered office and principal address is: Lytchett House, 13 Freeland Park, Wareham Road, Poole, Dorset, BH16 6FA.

**LIVING WORD INTERNATIONAL****STATEMENT OF TRUSTEE RESPONSIBILITIES****FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**

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**TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The charity trustees are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. 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 applicable Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures that must be 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and 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 in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements.

Approved by the Board of Trustees on 12<sup>th</sup> March 2020

*David Stuart Creed*

And signed on their behalf by:  
**Dr. David S. Creed, Director**

## LIVING WORD INTERNATIONAL

## REPORT OF THE TRUSTEES – BALANCE SHEET (COMPANY NUMBER: 09523029)

FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019

**Living Word International**  
**Balance Sheet as at 31 July 2019**

	Designated funds		General	Total	Prior
	LWU	AG	funds	Funds	Period
	£s	£s	£s	31/07/2019	31/07/2018
<b><i>Current assets:</i></b>					
Debtors (Gift aid receipts due)	1,093	299	-	1,392	4,214
Cash at bank and in hand	19,893	2,637	4,274	26,804	18,442
<b>Total current assets</b>	<b>20,986</b>	<b>2,936</b>	<b>4,274</b>	<b>28,196</b>	<b>22,655</b>
<b><i>Creditors falling due within one year</i></b>					
Other creditors	3,355	145	-	3,500	3,500
<b>Net current assets</b>	<b>17,631</b>	<b>2,791</b>	<b>4,274</b>	<b>24,696</b>	<b>19,155</b>
<b>Net assets</b>	<b>17,631</b>	<b>2,791</b>	<b>4,274</b>	<b>24,696</b>	<b>19,155</b>
<b><i>The funds of the charity:</i></b>					
Unrestricted funds	17,631	2,791	4,274	24,696	19,155
<b>Total charity funds</b>	<b>17,631</b>	<b>2,791</b>	<b>4,274</b>	<b>24,696</b>	<b>19,155</b>

For the 12 month period ending 31<sup>st</sup> July 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006 however, in accordance with Section 145 of the Charities Act 2011 the accounts have been examined by an independent examiner whose report forms part of these financial statements. The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies. They were approved by the Board of Trustees on 12<sup>th</sup> March 2020 and were signed on its behalf by:

*David Stuart Creed*

**Dr. David S. Creed, Director**

The notes on pages 12 to 18 form part of these financial statements.

## LIVING WORD INTERNATIONAL

## REPORT OF THE TRUSTEES - STATEMENT OF FINANCIAL ACTIVITIES

FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019

**Living Word International**  
**Statement of Financial Activities**  
**Including Income and Expenditure Account**  
**for the 12 month period ending 31 July 2019**

	Note	Designated funds		General funds	Total Funds	
		LWU	AG		2019 12 months	2018 15 months
		£s	£s	£s	£s	£s
<b>Income</b>						
Donations	1	46,217	8,530	6,209	60,956	69,170
Investment income		-	-	23	23	9
<b>Total income</b>		<b>46,217</b>	<b>8,530</b>	<b>6,232</b>	<b>60,979</b>	<b>69,179</b>
<b>Expenditure</b>						
<i>Charitable Activities:</i>						
Governance and management	3	2,706	492	1,471	4,669	4,108
Direct expenditure on Education	7	42,583	7,700	487	50,770	48,124
<b>Total expenditure</b>		<b>45,289</b>	<b>8,192</b>	<b>1,958</b>	<b>55,439</b>	<b>52,232</b>
<b>Net income / (expenditure) and net movement in funds</b>		<b>929</b>	<b>338</b>	<b>4,274</b>	<b>5,541</b>	<b>16,947</b>
<b>Reconciliation of Funds</b>						
Total Funds brought forward		16,702	2,453	-	19,155	2,208
<b>Total Funds carried forward</b>		<b>17,631</b>	<b>2,791</b>	<b>4,274</b>	<b>24,696</b>	<b>19,155</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing operations.

The statement of financial activities also complies with the requirements for an income and expenditure account required by the Companies Act 2006.

The notes on pages 12 to 18 form part of these financial statements.

**LIVING WORD INTERNATIONAL****REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS****FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**

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**NOTES TO THE FINANCIAL STATEMENTS****1. Accounting Policies****(a ) Basis of preparation and assessment of going concern**

The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011. The charity constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

**(b) Funds structure**

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes.

Donors express non-binding wishes regarding the use of their gifts and, as far as possible, the trustees endeavor to respect those wishes by designating income, in accordance with those wishes, to the Living Word Uganda fund or the Amazing Grace School fund. Donors are made aware that a proportion of all donations may be used to meet the charity's governance and management costs. Governance and management expenses are charged, using an appropriate basis, to the relevant designated fund. The movements on each designated fund are disclosed in note 5.

The charity has not received any restricted income in either the current or preceding periods.

**(c ) Income recognition**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably. Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. No gifts or donations were received in the period other than as bank cheques and bank cash deposits, or bank transfers.

**LIVING WORD INTERNATIONAL****REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS****FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**

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**(d ) Expenditure recognition**

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 expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more detail on this attribution refer to note 3.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the charity. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award and the notification gives the recipient a reasonable expectation that they will receive the grant. Grant awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charity. Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty as to the timing of the grant or the amount of grant payable. Multi-year grants are not made.

**(e ) Irrecoverable VAT**

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

**(f ) Allocation of support and governance costs**

All centrally incurred costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory independent examination and legal fees. Governance costs and support costs relating to charitable activities have been apportioned to the funds supported by the charity based on the purpose of the expenditure. The allocation of support and governance costs is analysed in note 3.

**(g ) Charitable activities**

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in note 3.

**(h ) Contingent liabilities**

A contingent liability is identified and disclosed for those grants resulting from: (1) a possible obligation which will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustees' control; or (2) a present obligation following a grant offer where settlement is either not considered probable; or (3) the amount has not been communicated in the grant offer and that amount cannot be estimated reliably.

## LIVING WORD INTERNATIONAL

## REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS

FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**2. Income from donors**

Donations received in the reporting periods to 31<sup>st</sup> July 2019 and to 31<sup>th</sup> July 2018 are listed below. Most donations were designated, after taking account of donors' wishes, to one or the other of the two active funds.

Donors are encouraged to give through tax-efficient Gift Aid schemes. Gift Aid tax receipts are reviewed and allocated to Living Word Uganda or Amazing Grace School. Unclaimed potential Gift Aid tax rebates at the period end were accrued at £1,392 (2018: £4,214). The accrued rebate was received on 13<sup>th</sup> August 2019. Donor debtors at the period-end were £nil (2018: £nil).

Donor Source	Analysis of Donor Sources		Fund
	2019 12 months £s	2018 15 months £s	
Trustees of LWI	-	500	Living Word Uganda
Charitable Trusts	5,030	19,192	Living Word Uganda
Individual donors	34,468	35,614	Living Word Uganda
Gift Aid received	8,663	-	Living Word Uganda
Easifundraising	172	143	Living Word Uganda
Increase/(decrease) in unclaimed gift aid	(2,116)	3,209	Living Word Uganda
<b>Total Living Word Uganda</b>	<b>46,217</b>	<b>58,658</b>	
Trustees of LWI	2,422	500	Amazing Grace School
Charitable Trusts	3,245	2,000	Amazing Grace School
Individual donors	2,273	7,007	Amazing Grace School
Gift Aid received	1,296	-	Amazing Grace School
Increase/(decrease) in unclaimed gift aid	(706)	1,005	Amazing Grace School
<b>Total Amazing Grace School</b>	<b>8,530</b>	<b>10,512</b>	
Trustees of LWI	-	-	General Fund
Charitable Trusts	5,100	-	General Fund
Individual donors	1,064	-	General Fund
Easifundraising	45	-	General Fund
<b>Total General Fund</b>	<b>6,209</b>	-	
<b>Total all Sources</b>	<b>60,956</b>	<b>69,170</b>	

## LIVING WORD INTERNATIONAL

## REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS

FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**3. Expenses reimbursed to the trustees and other costs**

The trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2018: £nil). Expenses paid to the trustees and other costs incurred in the period were £8,400 (2018: £7,965). These expenses comprised:

<b>Expenses reimbursed to the trustees and other costs</b>			
	<b>Payee</b>	<b>2019 12 months £s</b>	<b>2018 15 months £s</b>
<b>Direct Expenditure on Education (expended in accordance with donors' wishes):</b>			
Books purchase	10ofthoseLtd	2,050	-
Shipment of Books to Uganda	David S. Creed	763	759
Flight to UK and visa for LWU staff member	David S. Creed	-	853
Flights for conference speakers within Africa	Ebury Transfer	362	585
3 Return flights Kampala/ Johannesburg	David S. Creed	-	742
Conference attendance for J. Manano	David S. Creed	80	-
Flight rearrangement cost: Rogers and Prossie	David S. Creed	-	121
Travel / Health costs for foreign visitors	David S. Creed	176	-
Expenses paid on behalf of LW Uganda	R Holyome	300	375
IT hardware sent to Uganda	David S. Creed	-	422
<b>Total</b>		<b>3,731</b>	<b>3,857</b>
<b>Expenditure on managing the Charity:</b>			
Business cards	David S. Creed	11	-
Transport & refreshments for Trustees for UK meetings	David S Creed and Flo Menzies	655	262
Uganda conference accommodation and local costs	David S Creed	-	426
Flight to Uganda and visa for Andy Harker	Andrew Harker	869	-
Flights to Uganda / Rwanda, taxi and visa for DS. Creed	David S. Creed	925	567
Internal flight within Uganda to visit AG School	David S. Creed	364	-
Website creation and development	Ninefootone	720	-
Website maintenance and charity registration	David S. Creed	84	67
Training Conference	David S. Creed	201	-
International bank funds transfer charges	Barclays Bank	-	568
Professional fees	Stewardship	840	2,218
<b>Total</b>		<b>4,669</b>	<b>4,108</b>

<b>Total for reimbursed expenses and other costs</b>	<b>8,400</b>	<b>7,965</b>
<b>LIVING WORD INTERNATIONAL</b>		

**REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**

**4. Expenses reimbursed to the trustees and other costs continued**

Rachael Holyome is a missionary in Kampala who works for Living Word Uganda for one day a week.

All payments of expenses were approved by the trustees and made against documented receipts of expenditure.

A professional fee of £840 (2018: £2,218) was incurred in the period as a cost of complying with the Charities SORP and having the 2018 Report and Accounts examined by an independent examiner. A provision of £1,000 (2018: £1,000) has been made in respect of the same service to be paid for the examination of this Report and Accounts.

**5. Allocation of expenses reimbursed to trustees and other costs to amongst the charity's various unrestricted funds**

The expenses shown in note 3 were allocated to the two active objectives' funds and the general fund according to the origin and purpose of the expense.

	<b>2019</b>	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>12 months</b>	<b>12 months</b>	<b>12 months</b>	<b>12 months</b>
<b>Allocation of expenses reimbursed to trustees and other costs:</b>	<b>LWU</b>	<b>AG</b>	<b>General Fund</b>	<b>Total</b>
	<b>£s</b>	<b>£s</b>	<b>£s</b>	<b>£s</b>
Direct expenditure on Education	3,244	-	487	3,731
Expenditure on managing the Charity	2,706	492	1,471	4,669
	<b>5,950</b>	<b>492</b>	<b>1,958</b>	<b>8,400</b>

	<b>2018</b>	<b>2018</b>	<b>2018</b>
	<b>15 months</b>	<b>15 months</b>	<b>15 months</b>
<b>Allocation of expenses reimbursed to the trustees and other costs:</b>	<b>LWU</b>	<b>AG</b>	<b>Total</b>
	<b>£s</b>	<b>£s</b>	<b>£s</b>
Direct expenditure on Education	3,857	-	3,857
Expenditure on managing the Charity	3,542	566	4,108
	<b>7,399</b>	<b>566</b>	<b>7,965</b>

## LIVING WORD INTERNATIONAL

## REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS

FOR THE 12 MONTHS ENDED 31<sup>ST</sup> JULY 2019**6. Analysis of grants payable**

The charity undertakes its charitable activities through grant making to Living Word Uganda and the Amazing Grace School. Grants made in the period and the purposes of the grants were:

<b>Analysis of Charitable Expenditure</b>	<b>2019</b>	<b>2018</b>
	<b>12 months</b>	<b>15 months</b>
	<b>£s</b>	<b>£s</b>
<b>Living Word Uganda</b>		
Uganda conference expenses	5,000	11,758
Apprenticeship Ministry Training programme	-	2,000
Day-to-day running costs	31,138	17,900
Flight subsidy for Manano	-	500
Derrick Rugamba's visa and Insurance Heath Charge	700	-
Provision year end grant commitment (paid August)	2,500	2,500
<b>Total</b>	<b>39,338</b>	<b>34,658</b>
<b>Amazing Grace School</b>		
Bursar's office and meeting room	-	2,000
School boundary wall	-	1,200
Solar panels and lighting	-	2,410
New dormitory	-	2,000
Concrete yard and paint entrance	-	1,000
Construction of three new classrooms	6,700	-
Hardship fund	1,000	-
Sundry items	-	1,000
<b>Total</b>	<b>7,700</b>	<b>9,610</b>
<b>Total grant payable</b>	<b>47,038</b>	<b>44,268</b>

The day to day running costs of Living Word Uganda include a provision of £2,500 (2018: £2,500) for a year end grant commitment, which was paid in August.

## LIVING WORD INTERNATIONAL

## REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS

FOR THE 12 MONTHS ENDED 31<sup>st</sup> JULY 2019**7. Direct expenditure on Education**

All the charity's activity in objects are directed towards education. Funding for this purpose is provided either directly as grants sent to bank accounts in Uganda for draw down by Living Word Uganda or Amazing Grace School. In addition certain expenses are incurred by trustees in the UK at the request of LWU or AG in providing services and materials sourced in the UK and made available to LWU and AG personnel.

	<b>2019</b> <b>12 months</b> <b>LWU</b> <b>£s</b>	<b>2019</b> <b>12 months</b> <b>AG</b> <b>£s</b>	<b>2019</b> <b>12 months</b> <b>General Fund</b> <b>£s</b>	<b>2019</b> <b>12 months</b> <b>Total</b> <b>£s</b>
<b>Direct expenditure on Education</b>				
Grants payable (see note 6)	39,338	7,700	-	47,038
Other direct expenditure (see note 5)	3,244	-	487	3,731
	<b>42,583</b>	<b>7,700</b>	<b>487</b>	<b>50,770</b>

	<b>2018</b> <b>15 months</b> <b>LWU</b> <b>£s</b>	<b>2018</b> <b>15 months</b> <b>AG</b> <b>£s</b>	<b>2018</b> <b>15 months</b> <b>Total</b> <b>£s</b>
<b>Direct expenditure on Education</b>			
Grants payable (see note 6)	34,658	9,610	44,268
Other direct expenditure (see note 5)	3,857	-	3,857
	<b>38,515</b>	<b>9,610</b>	<b>48,124</b>

**8. Movements on designated funds in the previous year**

	<b>Balance</b> <b>b/forward</b> <b>£s</b>	<b>Donated</b> <b>Income</b> <b>£s</b>	<b>Investment</b> <b>Income</b> <b>£s</b>	<b>Allocated</b> <b>Costs</b> <b>£s</b>	<b>Grants</b> <b>Made</b> <b>£s</b>	<b>Funds</b> <b>c/forward</b> <b>£s</b>
<b>2018 - 15 months</b>						
Living Word Uganda	92	58,658	9	7,399	34,658	16,702
Amazing Grace School	2,117	10,512	-	566	9,610	2,453
<b>Total</b>	<b>2,208</b>	<b>69,170</b>	<b>9</b>	<b>7,965</b>	<b>44,268</b>	<b>19,155</b>

The charity's designated funds will, for the most part, be used to make grants to Living Word Uganda and Amazing Grace School over the coming financial year. In the previous year all of the charity's net assets were in respect of designated funds.

**INDEPENDENT EXAMINER'S REPORT  
TO THE TRUSTEES OF  
Living Word International  
(‘the Company’)**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2019 on pages 10 to 18 previously shown, which have been prepared on the basis of the accounting policies set out on pages 12 to 13 previously.

**Responsibilities and basis of report**

As the charity’s trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (‘the 2006 Act’).

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity’s accounts as carried out under section 145 of the Charities Act 2011 (‘the 2011 Act’). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner’s statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

Ajay Rajani FCIE  
Stewardship  
1 Lamb's Passage  
London, EC1Y 8AB

19<sup>th</sup> March 2020