

LIVING WORD INTERNATIONAL

Charity No. 1165611

Company No. 09523029

TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the 12 months ended 31st July 2021

LIVING WORD INTERNATIONAL**REPORT OF THE TRUSTEES****FOR THE 12 MONTHS ENDED 31st JULY 2021**

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LIVING WORD INTERNATIONAL

REPORT OF THE TRUSTEES

FOR THE 12 MONTHS ENDED 31st JULY 2021

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 31st July 2021.

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.

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 fulfil 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 organisation achieves these objectives by:

Activity 1 - To supply funding, subject to appropriate accountability, to "Living Word Uganda" a Ugandan registered charitable company, which provides very highly subsidized education to adult students by means of an annual conference, a 6 month full-time training course and regional day / weekend events.

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".

Activity 3 - To supply funding, subject to appropriate accountability, to "Servants of the Word The Gambia" a Gambian registered charitable company, which provides highly subsidised education to adult students by means of a 9 month full-time or a variety of part-time training courses.

Activity 4 - To supply funding, subject to appropriate accountability, to "Word Increase Ministries" a Rwandan registered charitable company, which provides subsidised education to adult students by means of a 2 year part-time training course.

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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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 adult 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.

Activity 3 - To provide education regarding the Christian faith to adult students throughout The Gambia and West Africa to the degree permitted by funds received by the Charity.

Activity 4 - To provide education regarding the Christian faith to adult students throughout Rwanda 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 £30,145 (12 months to 31.7.2020: £46,263) was made as grants to "Living Word Uganda" ('LWU') and a further £758 (12 months to 31.7.2020 £300) 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 centred 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.

Owing to the coronavirus pandemic the national student's conference in January 2021 and multiple regional conferences had to be cancelled.

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Despite this, with the easing of restrictions some regional training events were possible in Kampala (60 students) and Mbabara (70 students), covering 20 universities. Furthermore a training day for 22 leaders from across the country was held in November 2022. These events were supported by the shipment of books to Uganda for distribution at the events and afterwards.

In January 2021 a six month “Apprenticeship Ministry Training Programme” for postgraduate students with 12 students was conducted and was almost completed before a further lockdown prevented this. The graduates finally completed their training in November 2021.

In addition whilst under lockdown, LWU has been able to provide online training through webinars and video / audio material on social media platforms each week and a books ministry, distributed via a motorcycle delivery service. Approximately 30 students also received one to one pastoral care and training online / via telephone.

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 particular Dr. Stuart Creed (CEO) and Mr. Andrew Harker). Dr. Creed was then able to visit Uganda to attend the National Student conference and meet the Directors and staff of LWU in January 2022.

Satisfactory quarterly account updates and activity reports have been received, 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.

Due to the coronavirus pandemic and subsequent government action the “Amazing Grace Pre and Primary School” in Kisoro, South West Uganda has been closed for the duration of the period covered by this report. An exception to this was that the Primary Leaving Examination class was allowed to continue. The results for the school were exceptional - the school came in 1st place for academic achievement in the district of approximately 110 schools.

As a result of the school closure, there was no local income to support the 30 teachers and other staff at the school. Furthermore particularly poor families at the school were hit with financial hardship because of the closing down of the Ugandan economy.

In response, the Charity raised support for a furlough payment of a subsistence £30 per staff member per month throughout the time covered by this report and up until December 2021. This was distributed as food aid and cash. The total distributed in the period covered by this report was £9,972. (This was in addition to £6,300 provided to 29 staff and approximately 150 particularly needy families provided in April 2020 distributed as food aid.)

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FOR THE 12 MONTHS ENDED 31st JULY 2021

In January 2022 the school was finally allowed to reopen. Owing to the closure of other schools (because of financial hardship / loss of teachers) the school then acquired more children, with the total number of children (aged 3-13) on 20th January being 520.

Of these children 40% were chosen from extremely poor backgrounds and many 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.

In addition, during the reporting period, financial support of £4,600 (12 months to 31.7.2020: £8,100) was sent to the school by Living Word International for infrastructure projects including:

- a) The completion of a brick built classroom (windows, doors, internal plastering and painting) (£1,200)
- b) The completion (heightening) of the walls surrounding the school for security purposes (£500).
- c) The laying of foundations for a large classroom / examination hall complex at the school (£2,300).
- d) Registering the land on which the school is situated with the Ugandan land authority for long term land security (£600).

Dr. Creed visited the school in January 2022 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 approve an updated and improved Safeguarding Policy. 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.

Activity 3 - Providing funding with appropriate accountability to "Servants of the Word" a Gambian registered charitable company.

During the period covered by this report a total of £10,000 (12 months to 31.7.2020: £5,878) was made as grants to "Servants of the Word" ('SOW') (with £1,000 specifically for the purchase of a printer and a fridge / freezer). The Gambian registered charity provides education to adult students throughout The Gambia, with students also attending from across West Africa.

Despite ongoing challenges because of the Covid pandemic, Servants of the Word (SOW) successfully completed another academic year, which finished on 10 July 2021. Part-time courses continue at the Fajara site, as well as the residential courses on the Tubakuta campus. This campus, with gradual ongoing areas of premises development, is a significant asset and a great place to host conferences (such as an Alumni Conference, 18-20 June 2021) and events (such as graduation ceremonies and open days).

The latest building work on the Tubakuta campus has been on the library and reading room, which (at the time of writing) are now ready for use. SOW is about to purchase and install some batteries and an inverter, which will allow for guaranteed power in one of the classrooms even during the frequent

power cuts. This will allow the teaching staff to make better use of the laptop projector during classes. The farm (used for the practical teaching of farming techniques and skills) is currently being prepared for rainy season. A second hectare of land for use on the farm is currently being cleared and fenced off.

Mr. Jonathan Burgess (LWI trustee and former faculty member at SOW) remains in close contact with Steven Musa Kormayea (SOW Director) and other SOW faculty and alumni in the Gambia. Steven has recently had a UK visa approved to visit supporters in the UK and will be hosted by Jonathan and his family in London. Steven's health has been suffering lately, and the intention is that he will have good rest and refreshment in a cooler climate and away from the pressures of his work and ministry in the Gambia.

Activity 4 - Providing funding with appropriate accountability to "Word Increase Ministries" a Rwandan registered charitable company.

During the period covered by this report a total of £16,000 (12 months to 31.7.2020: £2,900) was made as grants to "Word Increase Ministries" ('WIM'). This Rwandan registered charity provides education to undergraduate and post graduate students in Rwanda. The education is centred 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.

Owing to the coronavirus pandemic the face-to-face adult education classes run by Word Increase Ministries had to be closed for a period, though in May 2021 these were again opened with a total of 18 students. During the period of closure the classes were able to continue successfully online. In January 2022 a new face-to-face class begun with a total of 30 students.

Dr. Creed was able to visit the Word Increase Ministries classes in Kigali in January 2022 and was able to confirm the funds have been spent as specified by WIM. He was able to speak to the WIM staff and Directors and talk through plans for the development of the work.

In addition, Dr. Creed was able to visit the work of Mr. Vedaste Habarurema in the north of Rwanda, an ex-student of the WIM classes. In 2022 it is planned that students of the classes will be provided with short term placements with Mr. Habarurema's work to gain practical exposure and experience to complement their classroom teaching.

Regular skype meetings, phone and email correspondence have occurred between the Directors and staff of Word Increase Ministries and trustees of Living Word International (in particular Dr Stuart Creed (CEO) and Mr. Loots Lambrechts (who acts an advisor to the LWI Board).

Satisfactory quarterly account updates and activity reports have been received, requirements specified in a partnership agreement between the Charity and Word Increase Ministries in order for funding to be provided.

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FOR THE 12 MONTHS ENDED 31st JULY 2021

FINANCIAL REVIEW

The financial statements for the 12 month period ended 31st July 2021 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 agreed annual budgets for the indigenous organisations it supports. The exception to this is the support for Amazing Grace School where the objective is primarily to raise what the Charity can and pass the funds on in furtherance of infrastructure development at the school.

In addition to the existing partnership agreement between LWI and Living Word Uganda (LWU), in November 2019 a partnership agreement was signed with Word Increase Ministries Rwanda (WIM) and in February 2020 a partnership agreement was signed with Servants of the Word, The Gambia (SOW).

The Charity's target has now therefore been extended to raise sufficient funds to meet the agreed annual budgets of LWU, WIM and SOW. In addition the Charity seeks to raise what it can for the infrastructure development at Amazing Grace School and for the infrastructure development for the teaching campus on land owned by SOW at Tubakuta, The Gambia.

Donors express non-binding wishes regarding the use of their gifts to the charity and, as far as possible, the trustees endeavour to respect those wishes by designating income, in accordance with those wishes, to the Living Word Uganda fund, the Amazing Grace School fund, the Word Increase Ministries fund, the Servants of the Word 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: 3.0%) (2020: 5.7%) and to date the charity has operated well within this limit. The amounts designated in respect of each fund are disclosed in the accompanying 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 31st JULY 2021**

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 30th April 2018, the trustees determined that the charity should aim to hold unrestricted cash equal to no less than three month's projected expenditure, which is estimated to be £23,500. This target has been achieved and the charity ended the year with just over £76,500 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 31st July 2021 cash balances were £44,533 (2020: £14,108) in the current account with a further £32,079 (2020: £32,063) held in a savings account opened in July 2017. The Charity's total reserves of £75,121 were designated as £17,370 (2020: £10,587) to Living Word Uganda fund, £4,138 (2020: £1,062) to Amazing Grace School fund, £21,470 (2020: £7,875) to Word Increase Ministries fund, £11,603 (2020: £5,801) to Servants of the Word fund and General Fund £20,540 (2020: £17,707).

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FOR THE 12 MONTHS ENDED 31st JULY 2021

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
Activities 1,3 and 4 - Living Word Uganda Servants of the Word The Gambia, Word Increase Ministries	a) Misappropriation of funds. b) The inherent risks of working in Africa's financial, banking, ethical and legal climate.	<ul style="list-style-type: none"> • The Charity does not pledge credit and its sole asset is cash held in a UK bank. • Close monitoring of the use of funds through visits, Skype conversations, reference take-up and emails. • Strong relationships are sustained with all parties supported by the Charity. • Financial controls – budget monitoring, monthly reporting, audits of bank accounts and financial practice. • Structural and ethical accountability of the LWU, WIM and SOW boards and staff to the LWI board is explicit in partnership agreements. (Activity 1, 3 and 4 only)
Activity 2 - 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 (Uganda), the Amazing Grace School (Uganda), Word Increase Ministries (Rwanda) and Servants of the Word (The Gambia) at a level of financial commitment similar to that of this reporting period. With the exception of the Amazing Grace School (which receives funds for new infrastructure projects and hardship support only when raised) LWI's support is based on aspiration payments (not pledges) based on estimated income to the Charity. This is based on analysis of past, current and expected future donor support.

In the period covered by the report, the Charity started a "Support a Student" scheme (a sponsorship scheme) to raise funds for adult educational support. With the coronavirus pandemic opportunities for advertising this new scheme have been limited, but the success of the scheme is expected to improve as the situation improves.

For 2022, two sustainability project proposals under development will be considered with LWU and WIM with the aim of lessening their financial dependency on the Charity.

LIVING WORD INTERNATIONAL**REPORT OF THE TRUSTEES****FOR THE 12 MONTHS ENDED 31st JULY 2021**

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 3 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 17th 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 5th period of operation under a Memorandum and Articles of Association established on 1st April 2015. The charity became operational with the first donations it received in November 2015.

For the period to 31 July 2021 the Trustees were:

Mr. Mark Vernon – Chair (Appointed 16 November 2020)

Dr. David Stuart Creed – Chief Executive Officer and Trustee (Appointed 1 April 2015)

Rev. Stephen Paul Smith - Trustee (Appointed 24 November 2015)

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, 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**REPORT OF THE TRUSTEES - STATEMENT OF TRUSTEE RESPONSIBILITIES****FOR THE 12 MONTHS ENDED 31st JULY 2021**

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 8th April 2022

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 31st JULY 2021

Living Word International
Balance Sheet as at 31 July 2021

	Designated funds				General funds	Total Funds 31/07/2021	Prior Period 31/07/2020
	LWU	AG	WIM	SOW			
	£s	£s	£s	£s	£s	£s	£s
Current assets:							
Debtors (Gift aid receipts due)	1,335	531	125	40	38	2,069	361
Cash at bank and in hand	18,535	3,607	21,345	11,563	21,562	76,612	46,171
Total current assets	19,870	4,138	21,470	11,603	21,600	78,681	46,532
Creditors falling due within one year							
Other creditors	2,500	-	-	-	1,060	3,560	3,500
Net current assets	17,370	4,138	21,470	11,603	20,540	75,121	43,032
Net assets	17,370	4,138	21,470	11,603	20,540	75,121	43,032
The funds of the charity:							
Unrestricted funds	17,370	4,138	21,470	11,603	20,540	75,121	43,032
Total charity funds	17,370	4,138	21,470	11,603	20,540	75,121	43,032

For the 12 month period ending 31 July 2021 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 8th April 2022 and were signed on its behalf by:

Stuart Creed

Dr. David S. Creed, Director

The notes on pages 14 to 21 form part of these financial statements.

LIVING WORD INTERNATIONAL

REPORT OF THE TRUSTEES - STATEMENT OF FINANCIAL ACTIVITIES

FOR THE 12 MONTHS ENDED 31ST JULY 2021

Living Word International
Statement of Financial Activities
Including Income and Expenditure Account
for the 12 month period ending 31 July 2021

	Note	Designated funds				General funds	Total Funds	
		LWU	AG	WIM	SOW		2021 12 months	2020 12 months
		£s	£s	£s	£s	£s	£s	
Income								
Donations	2	32,187	17,648	26,595	14,802	14,512	105,744	92,193
Investment income		-	-	-	-	17	17	31
Total income		32,187	17,648	26,595	14,802	14,528	105,760	92,225
Expenditure								
<i>Charitable Activities:</i>								
Governance & management	3	-	-	-	-	2,197	2,197	4,146
Direct expenditure on Education	7	30,903	14,572	16,000	10,000	-	71,475	69,741
Total expenditure		30,903	14,572	16,000	10,000	2,197	73,672	73,888
Net income / (expenditure)		1,284	3,076	10,595	4,802	12,331	32,088	18,337
Transfers between funds		5,500	-	3,000	1,000	(9,500)	-	-
Net movement in funds		6,784	3,076	13,595	5,802	2,832	32,088	18,337
Reconciliation of Funds								
Total Funds brought forward		10,587	1,062	7,875	5,801	17,708	43,032	24,696
Total Funds carried forward		17,370	4,138	21,470	11,603	20,540	75,121	43,032

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 14 to 21 form part of these financial statements.

LIVING WORD INTERNATIONAL**REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS****FOR THE 12 MONTHS ENDED 31st JULY 2021**

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) 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 (who are the charitable company's directors for the purposes of company law) have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charity's forecasts and projections and the possible implications should projected income and / or expenditure vary unexpectedly. The trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue to operate for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements. In making this assessment the trustees have considered how Covid-19 might affect projections.

(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 endeavour to respect those wishes by designating income, in accordance with those wishes, to the Living Word Uganda fund, the Amazing Grace School fund, the Word Increase Ministries fund, the Servants of the Word fund or the General fund. Donors are made aware that usually 10% of donations (to all funds except the General Fund) are allocated to the General Fund to meet the charity's governance and management costs. Any excess in the General Fund is used to fund one off projects or proportionally reallocated to the designated funds which would have otherwise benefitted according to a General Fund policy statement. The movements on each designated fund are disclosed in the notes that follow.

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

LIVING WORD INTERNATIONAL**REPORT OF THE TRUSTEES – NOTES TO THE FINANCIAL STATEMENTS****FOR THE 12 MONTHS ENDED 31st JULY 2021**

(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.

(d) Expenditure recognition

Expenditure is recognised 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 notes 3 to 5.

(g) Charitable activities

Costs of charitable activities include grants made, governance costs and an apportionment of support costs as shown in notes 3 to 7.

LIVING WORD INTERNATIONAL

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FOR THE 12 MONTHS ENDED 31st JULY 2021

(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.

2. Income from donors

Donations received in the reporting periods to 31st July 2021 and to 31th July 2020 are listed below. Most donations were designated, after taking account of donors' wishes, to one or the other of the five active funds.

Donors are encouraged to give through tax-efficient Gift Aid schemes. Gift Aid tax receipts are reviewed and allocated to the relevant fund. Unclaimed potential Gift Aid tax rebates at the period end were accrued at £2,069 (2020: £361). The accrued rebate was received on 11th August 2021. Donor debtors at the period-end were £nil (2020: £nil).

Analysis of Donor Sources

Donor Source	2021	2020	Fund
	12 months £s	12 months £s	
Trustees of LWI	0	9,900	Living Word Uganda
Charitable Trusts / Churches	14,670	6,989	Living Word Uganda
Individual donors	14,113	13,067	Living Word Uganda
Gift Aid received	2,251	5,474	Living Word Uganda
Increase/(decrease) in unclaimed gift aid	1,152	(911)	Living Word Uganda
Total Living Word Uganda	32,187	34,519	
Trustees of LWI	1,980	100	Amazing Grace School
Charitable Trusts / Churches	500	860	Amazing Grace School
Individual donors	12,444	9,352	Amazing Grace School
Gift Aid received	2,364	2,487	Amazing Grace School
Increase/(decrease) in unclaimed gift aid	360	(128)	Amazing Grace School
Total Amazing Grace School	17,648	12,671	
Trustees of LWI	0	900	Word Increase Ministries
Charitable Trusts / Churches	23,825	9,250	Word Increase Ministries
Individual donors	2,483	500	Word Increase Ministries
Gift Aid received	163	125	Word Increase Ministries
Increase/(decrease) in unclaimed gift aid	125	0	Word Increase Ministries
Total Word Increase Ministries	26,595	10,775	

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Trustees of LWI	83	900	SOW The Gambia
Charitable Trusts /Churches	12,255	10,779	SOW The Gambia
Individual donors	2,432	0	SOW The Gambia
Gift Aid received	0	0	SOW The Gambia
Increase/(decrease) in unclaimed gift aid	32	0	SOW The Gambia
Total SOW The Gambia	14,802	11,679	
Trustees of LWI	498	1,850	General Fund
Charitable Trusts /Churches	8,267	5,803	General Fund
Individual donors	5,269	12,286	General Fund
Easyfundraising	131	109	General Fund
Gift Aid received	310	2,502	General Fund
Increase/(decrease) in unclaimed gift aid	38	-	General Fund
Total General Fund	14,512	22,550	
Total all sources	105,744	92,193	

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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 (2020: £nil). Expenses paid to the trustees and other costs incurred in the period were £2,955 (2020: £4,446). These expenses comprised:

Expenses reimbursed to the trustees and other costs	Payee	2021	2020
		12 months	12 months
		£s	£s
Direct Expenditure on Education			
(expended in accordance with donors' wishes):			
Shipment of Books to Uganda	David S. Creed	458	0
Expenses paid on behalf of LW Uganda	R Holyome	300	300
Total		758	300
Expenditure on managing the Charity:			
Advertising / Business cards	David S. Creed	-	56
Transport & refreshments for Trustees for UK meetings	David S Creed	18	58
Hotel for Derrick Rugamba (with covid rules)	Ebury	977	-
Flight to Rwanda, visa, transport + malaria tablets	David S. Creed	-	694
Company House renewal	David S. Creed	13	-
Flight to The Gambia, taxi and visa for DS. Creed	David S. Creed	-	689
Accommodation with The Gambia	David S. Creed	-	152
Refreshments / gifts at SOW Board meeting	David S. Creed	-	35
Books (Shipment, UK transport and packing)	David S. Creed	-	888
Website creation and maintenance	David S. Creed	193	420
Website maintenance and charity registration	David S. Creed	-	88
Stationary	David S. Creed	-	10
International bank funds transfer charges	Barclays Bank	-	60
Independent examination	Stewardship	996	996
Total		2,197	4,146
Total for reimbursed expenses and other costs		2,955	4,446

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FOR THE 12 MONTHS ENDED 31st JULY 2021

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 £996 (2020: £999) was incurred in the period as a cost of complying with the Charities SORP and having the Report and Accounts examined by an independent examiner. A provision of £1,000 (2020: £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.

	2021 12 months LWU £s	2021 12 months AG £s	2021 12 months WIM £s	2021 12 months SOW £s	2021 12 months General Fund £s	2021 12 months Total £s
Allocation of expenses reimbursed to trustees and other costs:						
Direct expenditure on Education	758	0	0	0	0	758
Expenditure on managing the Charity	0	0	0	0	2,197	2,197
	758	0	0	0	2,197	2,955

	2020 12 months LWU £s	2020 12 months AG £s	2020 12 months General Fund £s	2020 12 months Total £s
Allocation of expenses reimbursed to trustees and other costs:				
Direct expenditure on Education	300	-	-	300
Expenditure on managing the Charity	-	-	4,146	4,146
	300	0	4,146	4,446

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FOR THE 12 MONTHS ENDED 31st JULY 2021

6. Analysis of grants payable

The charity undertakes its charitable activities through grant making. Grants made in the period and the purposes of the grants were:

Analysis of Charitable Expenditure	2021	2020
	12 months	12 months
	£s	£s
Living Word Uganda		
Uganda conference expenses	-	5,000
Ministry van	-	9,000
Day-to-day running costs (staff, office, rent, administration etc.)	23,065	29,500
Laptops	1,050	263
Printer	1,450	-
Camera	1,200	-
Tents	750	-
Bookshelves	130	-
Provision year end grant commitment (paid August/ September)	2,500	2,500
Total	30,145	46,263
Amazing Grace School		
Flush Toilet construction	-	3,000
Construction of three new classrooms	1,200	5,100
Hardship fund (Furlough for staff at £30/month each)	9,972	6,300
Land registration	600	-
Accommodation block	2,300	
Wall to secure site	500	
Total	14,572	14,400
Word Increase Ministries, Rwanda		
Training Course (staff, office, rent, administration etc.)	15,250	2,900
Ministry placement scheme	750	
Total	16,000	2,900
Servants of the Word, The Gambia		
Training Course (staff, office, rent, administration etc.)	9,000	4,600
Bathrooms building project	-	1,278
Printer and Fridge Freezer	1,000	
Total	10,000	5,878
Total	70,717	69,441

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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 for draw down by LWU, AG, WIM or SOW. In addition certain expenses are incurred by trustees in the UK at the request of LWU, AG, WIM and SOW in providing services and materials sourced in the UK and made available to LWU, AG, WIM or SOW.

	2021 12 months LWU £s	2021 12 months AG £s	2021 12 months WIM £s	2021 12 months SOW £s	2021 12 months General Fund £s	2021 12 months Total £s
Direct expenditure on Education						
Grants payable (see note 6)	30,145	14,572	16,000	10,000	-	70,717
Other direct expenditure (see note 5)	758	0	0	0	0	758
	30,903	14,572	16,000	10,000	0	71,475

	2020 12 months LWU £s	2020 12 months AG £s	2020 12 months WIM £s	2020 12 months SOW £s	2020 12 months General Fund £s	2020 12 months Total £s
Direct expenditure on Education						
Grants payable (see note 6)	46,263	14,400	2,900	5,878	-	69,441
Other direct expenditure (see note 5)	300	0	0	0	0	300
	46,563	14,400	2,900	5,878	0	69,741

8. Movements on designated funds in the previous year

	Balance b/forward £s	Donated Income £s	Investment Income £s	Allocated Costs £s	Grants Made £s	Funds c/forward £s
2020 - 12 months						
Living Word Uganda	17,631	34,519	-	-	46,563	10,587
Amazing Grace School	2,791	12,671	-	-	14,400	1,062
Word Increase Ministry		10,775	-	-	2,900	7,875
Servants of the Word		11,679	-	-	5,878	5,801
General Fund	4,274	22,550	31	4,146	-	17,708
Total	26,696	92,193	31	4,669	69,741	43,032

The charity's designated funds will, for the most part, be used to make grants to LWU, AG School, WIM and SOW over the coming financial year. General funds were represented by cash £18,700, a gift aid debtor for £8 and creditor for £1,000; the rest of the charity's net assets belonged to 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 2021 on pages 12 to 21 previously shown, which have been prepared on the basis of the accounting policies set out on pages 14 to 16 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

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

19th April 2022