

LIVING WORD INTERNATIONAL

Charity No. 1165611

Company No. 09523029

TRUSTEES' REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the 12 months ended 31st July 2020

LIVING WORD INTERNATIONAL**REPORT OF THE TRUSTEES****FOR THE 12 MONTHS ENDED 31st JULY 2020**

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LIVING WORD INTERNATIONAL

REPORT OF THE TRUSTEES

FOR THE 12 MONTHS ENDED 31st JULY 2020

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 2020.

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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REPORT OF THE TRUSTEES

FOR THE 12 MONTHS ENDED 31st JULY 2020

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 £46,263 (12 months to 31.7.2019: £39,388) was made as grants to "Living Word Uganda" ('LWU') (with £9,000 specifically for the purchase of a ministry van) and a further £300 (12 months to 31.7.2019: £3,244) 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.

In January 2020, 250 participants attended the annual 5-day residential conference in Luweero which was also attended by Mr. Mike Tolmie attending on behalf of LWI. In November 2019 Dr. Creed (Chair of Trustees) also visited Uganda whilst also visiting Rwanda. These visits allowed Dr. Creed to meet the 5 Directors of Living Word Uganda and 8 staff members (6 full time Ugandan nationals, 1 part-time German national, 1 part-time British national) to review and plan the year ahead.

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REPORT OF THE TRUSTEES

FOR THE 12 MONTHS ENDED 31st JULY 2020

During the period up until March 2020 multiple regional day events throughout Uganda covering 25 universities were held to provide further education to an estimated 1400 students. These were supported by the shipment of books to Uganda for distribution at the events. In June a six month “Apprenticeship Ministry Training Programme” for postgraduate students had to be postponed because of Covid-19, but various online events were organised for under and postgraduates. Following March 2020 with the Covid-19 pandemic, the other activities of LWU were restricted considerably but some meetings and educational events were successfully migrated on line.

In addition to the face to face visits made by Dr. Creed, 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 September 2019 until September 2020 Mr. Derrick Rugamba (staff of LWU) visited the UK for further training, and to meet supporters and the trustees of LWI and spent 6 weeks with Dr. Creed and his family to reflect on and develop the work.

Satisfactory monthly account updates and activity reports have been received as has an annual financial report and independent audit 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. Because these have now been satisfactory for a number of years the reporting has moved to quarterly with the approval of the Board of LWI.

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 460 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). 44% 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 £14,400 (12 months to 31.7.2018: £7,700) was sent to the school by Living Word International. The funds were spent on a variety of infrastructure projects including:

- a) The completion of three brick built classrooms (painting) and construction of two further new brick built classrooms with iron sheet roofs, doors and windows and internal plastering. (£5,100)
- b) The construction of a new flush toilet block (£3,000) for use by the older children after the previous pit toilet became full.
- c) A donation to the school “hardship fund” (£6,300) towards the support of all 29 teaching and other staff at the school and approximately 150 particularly needy families with children at the school, to provide food parcels (including soap) for support during the Covid-19 pandemic with its extensive economic effects. These included the closure of the school (and so inability for the school staff to be paid) and the loss of employment for many poor families.

Dr. Creed visited the school in November 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.

In May 2020 a planned visit to the UK by two of the school's directors had to be cancelled owing to the Covid-19 pandemic. This visit is now planned for May 2021. The purpose of the visit will be to meet UK supporters of the school, raise further support and attend the Heritage School Cambridge which has a link with the school in Kisoro.

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

Following face to face meetings in the UK with representatives of Servants of the Word, The Gambia (SOW) including the Chair of Directors Steven Musa-Korymea in 2018 and Mark Vernon (UK missionary to The Gambia working with SOW) in 2018 and 2019, in January 2020 Dr. Creed (Chair of Trustees, LWI) visited The Gambia to finalise a partnership agreement between SOW and LWI. (Available on request) This was duly agreed and signed after Dr. Creed visited the work and met the Board. His visit allowed him to visit the new campus in Tubakuta from which the new full-time training course is run along with the facilities in Fajara from which part-time evening classes operate.

Dr. Creed was also able to visit the two UK missionary families working on site in Tubakuta and inspect the ongoing building work at the site and discuss plans for future development. Furthermore Dr. Creed was able to inspect the SOW accounts, budget and three successful years of satisfactory independent audits for SOWs finances.

During the period covered by this report a total of £5,878 (12 months to 31.7.2019: £0) was made as grants to "Servants of the Word" ('SOW') (with £1,278 specifically for the construction of a building at the Tubakuta site for new bathrooms). The Gambian registered charity provides education to adult students throughout The Gambia, with students also attending from across West Africa.

Following March 2020 with the Covid-19 pandemic both training courses run by SOW successfully migrated to online classes with online submissions for homework and assignments with ongoing excellent student participation.

In July 2020 LWI was able to facilitate the design of a website for SOW to further its advertising and financial support.

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

Following previous face to face meetings in Rwanda in February 2019 and a number of skype meetings with the Board of what was previously known as PTW Rwanda in November 2019 Dr. Creed (Chair of Trustees, LWI) visited Rwanda to finalise a partnership agreement between what was to be renamed "Word Increase Ministries" Rwanda and LWI. (Available on request) This was duly agreed and signed after Dr. Creed visited the work and met the Board. His visit allowed him to visit the training course and teach at the course and discuss plans for the future with the Board.

That future included the formal registration of "Word Increase Ministries" in Rwanda. This registration was delayed owing to the Covid-19 pandemic, but achieved on 17.9.20. An organisational bank account has since been opened allowing WIM to receive direct donations collected by LWI.

During the period covered by this report a total of £2,900 (12 months to 31.7.2019: £0) was made as grants to "Word Increase Ministries" ('WIM') to provide education to 25 adult students throughout Rwanda on its part time 2 year course.

LIVING WORD INTERNATIONAL**REPORT OF THE TRUSTEES****FOR THE 12 MONTHS ENDED 31st JULY 2020**

FINANCIAL REVIEW

The financial statements for the 12 month period ended 31st July 2020 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: 5.7%) 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 31st JULY 2020**

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 expenditure, which is estimated to be £23,500. This target has been achieved and the charity ended the year with just over £46,000 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 31st July 2020 cash balances were £14,108 (2019: £4,472) in the current account with a further £32,063 (2019: £22,032) held in a savings account opened in July 2017. The Charity's total reserves of £42,920 were designated as £10,587 (2019: £17,631) to Living Word Uganda fund, £1,062 (2019: £2,791) to Amazing Grace School fund, £7,875 (2019: £0) to Word Increase Ministries fund, £5,801 (2019: £0) to Servants of the Word fund and General Fund £17,707 (2019: £4,274).

LIVING WORD INTERNATIONAL

REPORT OF THE TRUSTEES

FOR THE 12 MONTHS ENDED 31st JULY 2020

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. Access to previous data concerning past and current financial support to both WIM and SOW has allowed this approach to also be taken with these two new organisations.

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. In particular, a "Support a Student" scheme (a sponsorship scheme) will be implemented in late 2020 to raise funds for adult educational support. This scheme will also be rolled out (though culturally modified) within the areas of operation in Africa.

LIVING WORD INTERNATIONAL

REPORT OF THE TRUSTEES

FOR THE 12 MONTHS ENDED 31st JULY 2020

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 2020 the Trustees were:

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

Rev. Stephen Paul Smith - Trustee

Mr. Andrew Harker – Trustee

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

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

Subsequently Mr Mark Vernon was appointed as a trustee on 16 November 2020.

(Ms. Florence Louise Bosley Menzies – Secretary and Trustee resigned on 29 November 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 2020**

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 9th March 2021

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 2020

Living Word International
Balance Sheet as at 31 July 2020

| | Designated funds | | | | General funds | Total Funds 31/07/2020 | Prior Period 31/07/2019 |
|--|------------------|--------------|--------------|--------------|---------------|---------------------------|----------------------------|
| | LWU | AG | WIM | SOW | | | |
| | £s | £s | £s | £s | £s | £s | £s |
| Current assets: | | | | | | | |
| Debtors (Gift aid receipts due) | 183 | 171 | - | - | 8 | 361 | 1,392 |
| Cash at bank and in hand | 12,904 | 891 | 7,875 | 5,801 | 18,699 | 46,171 | 26,804 |
| Total current assets | 13,087 | 1,062 | 7,875 | 5,801 | 18,707 | 46,532 | 28,196 |
| Creditors falling due within one year | | | | | | | |
| Other creditors | 2,500 | - | - | - | 1,000 | 3,500 | 3,500 |
| Net current assets | 10,587 | 1,062 | 7,875 | 5,801 | 17,707 | 43,032 | 24,696 |
| Net assets | 10,587 | 1,062 | 7,875 | 5,801 | 17,707 | 43,032 | 24,696 |
| The funds of the charity: | | | | | | | |
| Unrestricted funds | 10,587 | 1,062 | 7,875 | 5,801 | 17,707 | 43,032 | 24,696 |
| Total charity funds | 10,587 | 1,062 | 7,875 | 5,801 | 17,707 | 43,032 | 24,696 |

For the 12 month period ending 31 July 2020 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 9th March 2021 and were signed on its behalf by:

Stuart Creed

Dr. David S. Creed, Director

The notes on pages 13 to 20 form part of these financial statements.

LIVING WORD INTERNATIONAL

REPORT OF THE TRUSTEES - STATEMENT OF FINANCIAL ACTIVITIES

FOR THE 12 MONTHS ENDED 31ST JULY 2020

Living Word International
Statement of Financial Activities
Including Income and Expenditure Account
for the 12 month period ending 31 July 2020

| | Note | Designated funds | | | | General funds | Total Funds | |
|------------------------------------|------|------------------|----------------|---------------|---------------|---------------|-------------------|-------------------|
| | | LWU | AG | WIM | SOW | | 2020 12 months | 2019 12 months |
| | | £s | £s | £s | £s | £s | £s | |
| Income | | | | | | | | |
| Donations | 2 | 34,519 | 12,671 | 10,775 | 11,679 | 22,550 | 92,193 | 60,956 |
| Investment income | | - | - | - | - | 31 | 31 | 23 |
| Total income | | 34,519 | 12,671 | 10,775 | 11,679 | 22,581 | 92,225 | 60,979 |
| Expenditure | | | | | | | | |
| <i>Charitable Activities:</i> | | | | | | | | |
| Governance & management | 3 | - | - | - | - | 4,146 | 4,146 | 4,669 |
| Direct expenditure on Education | 7 | 46,563 | 14,400 | 2,900 | 5,878 | - | 69,741 | 50,770 |
| Total expenditure | | 46,563 | 14,400 | 2,900 | 5,878 | 4,146 | 73,888 | 55,439 |
| Net income / (expenditure) | | (12,045) | (1,729) | 7,875 | 5,801 | 18,435 | 18,337 | 5,541 |
| Transfers between funds | | 5,000 | - | - | - | (5,000) | - | - |
| Net movement in funds | | (7,045) | (1,729) | 7,875 | 5,801 | 13,435 | 18,337 | 5,541 |
| Reconciliation of Funds | | | | | | | | |
| Total Funds brought forward | | 17,631 | 2,791 | - | - | 4,274 | 24,696 | 19,155 |
| Total Funds carried forward | | 10,587 | 1,062 | 7,875 | 5,801 | 17,708 | 43,032 | 24,696 |

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 13 to 20 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 2020**

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 (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 note 8.

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 2020**

(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.

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(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 2020 and to 31th July 2019 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 £361 (2019: £1,392). The accrued rebate was received on 9th October 2020. Donor debtors at the period-end were £nil (2019: £nil).

| Donor Source | Analysis of Donor Sources | | Fund |
|---|---------------------------|-----------------|--------------------------|
| | 2020 | 2019 | |
| | 12 months £s | 12 months £s | |
| Trustees of LWI | 9,900 | - | Living Word Uganda |
| Charitable Trusts / Churches | 6,989 | 5,030 | Living Word Uganda |
| Individual donors | 13,067 | 34,468 | Living Word Uganda |
| Gift Aid received | 5,474 | 8,663 | Living Word Uganda |
| Easy fundraising | - | 172 | Living Word Uganda |
| Increase/(decrease) in unclaimed gift aid | (911) | (2,116) | Living Word Uganda |
| Total Living Word Uganda | 34,519 | 46,217 | |
| Trustees of LWI | 100 | 2,422 | Amazing Grace School |
| Charitable Trusts / Churches | 860 | 3,245 | Amazing Grace School |
| Individual donors | 9,352 | 2,273 | Amazing Grace School |
| Gift Aid received | 2,487 | 1,296 | Amazing Grace School |
| Increase/(decrease) in unclaimed gift aid | (128) | (706) | Amazing Grace School |
| Total Amazing Grace School | 12,671 | 8,530 | |
| Trustees of LWI | 900 | - | Word Increase Ministries |
| Charitable Trusts / Churches | 9,250 | - | Word Increase Ministries |
| Individual donors | 500 | - | Word Increase Ministries |
| Gift Aid received | 125 | - | Word Increase Ministries |
| Increase/(decrease) in unclaimed gift aid | 0 | - | Word Increase Ministries |
| Total Word Increase Ministries | 10,775 | - | |

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| | | | |
|---|---------------|---------------|----------------|
| Trustees of LWI | 900 | - | SOW The Gambia |
| Charitable Trusts /Churches | 10,779 | - | SOW The Gambia |
| Individual donors | 0 | - | SOW The Gambia |
| Gift Aid received | 0 | - | SOW The Gambia |
| Increase/(decrease) in unclaimed gift aid | 0 | - | SOW The Gambia |
| Total SOW The Gambia | 11,679 | - | |
| Trustees of LWI | 1,850 | - | General Fund |
| Charitable Trusts /Churches | 5,803 | 5,100 | General Fund |
| Individual donors | 12,286 | 1,064 | General Fund |
| Easyfundraising | 109 | 45 | General Fund |
| Gift Aid received | 2,502 | - | General Fund |
| Increase/(decrease) in unclaimed gift aid | - | - | General Fund |
| Total General Fund | 22,550 | 6,209 | |
| Total all sources | 92,193 | 60,956 | |

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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 (2019: £nil). Expenses paid to the trustees and other costs incurred in the period were £4,528 (2019: £8,400). These expenses comprised:

| Expenses reimbursed to the trustees and other costs | Payee | 2020 12 months £s | 2019 12 months £s |
|--|----------------------------------|----------------------------------|----------------------------------|
| Direct Expenditure on Education (expended in accordance with donors' wishes): | | | |
| Books purchase | 10ofthoseLtd | - | 2,050 |
| Shipment of Books to Uganda | David S. Creed | - | 763 |
| Flights for conference speakers within Africa | Ebury transfer | - | 362 |
| Conference attendance for J. Manano | David S. Creed | - | 80 |
| Travel / Health costs for foreign visitors | David S. Creed | - | 176 |
| Expenses paid on behalf of LW Uganda | R Holyome | 300 | 300 |
| Total | | 300 | 3,731 |
| Expenditure on managing the Charity: | | | |
| Advertising / Business cards | David S. Creed | 56 | 11 |
| Transport & refreshments for Trustees for UK meetings | David S Creed | 58 | 655 |
| Flight to Uganda and visa for Andy Harker | Andrew Harker | - | 869 |
| Flight to Rwanda, visa, transport + malaria tablets | David S. Creed | 694 | 925 |
| 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 | |
| Internal flight within Uganda to visit AG School | David S. Creed | - | 364 |
| Books (Shipment, UK transport and packing) | David S. Creed | 888 | |
| Website creation and maintenance | Ninefootone & Stella Athuhare | 420 | 720 |
| Website maintenance and charity registration | David S. Creed | 88 | 84 |
| Training Conference | David S. Creed | - | 201 |
| Stationary | David S. Creed | 10 | - |
| International bank funds transfer charges | Barclays Bank | 60 | |
| Independent examination | Stewardship | 996 | 840 |
| Total | | 4,146 | 4,669 |
| Total for reimbursed expenses and other costs | | 4,446 | 8,400 |

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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 (2019: £840) 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 (2019: £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.

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

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

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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 | 2020 | 2019 |
|--|------------------|------------------|
| | 12 months | 12 months |
| | £s | £s |
| Living Word Uganda | | |
| Uganda conference expenses | 5,000 | 5,000 |
| Ministry van | 9,000 | - |
| Day-to-day running costs | 29,500 | 31,138 |
| Derrick Rugamba's visa and Insurance Heath Surcharge | 263 | 700 |
| Provision year end grant commitment (paid August) | 2,500 | 2,500 |
| Total | 46,263 | 39,338 |
| | | |
| Amazing Grace School | | |
| Flush Toilet construction | 3,000 | - |
| Construction of three new classrooms | 5,100 | 6,700 |
| Hardship fund | 6,300 | 1,000 |
| Total | 14,400 | 7,700 |
| | | |
| Word Increase Ministries, Rwanda | | |
| Training Course expenses | 2,900 | - |
| Total | 2,900 | - |
| | | |
| Servants of the Word, The Gambia | | |
| Training Course expenses | 4,600 | - |
| Bathrooms building project | 1,278 | - |
| Total | 5,878 | - |
| | | |
| Total | 69,441 | 47,038 |

The day to day running costs of Living Word Uganda include a provision of £2,500 (2019: £2,500) for a year end grant commitment, which was paid in August.

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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 personnel.

| | 2020 | 2020 | 2020 | 2020 | 2020 | 2020 |
|--|------------------|------------------|------------------|------------------|---------------------|------------------|
| | 12 months | 12 months | 12 months | 12 months | 12 months | 12 months |
| | LWU | AG | WIM | SOW | General Fund | Total |
| Direct expenditure on Education | £s | £s | £s | £s | £s | £s |
| 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 |

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

8. Movements on designated funds in the previous year

| | Balance | Donated | Investment | Allocated | Grants | Funds |
|-------------------------|------------------|----------------|-------------------|------------------|---------------|------------------|
| | b/forward | Income | Income | Costs | Made | c/forward |
| 2019 - 12 months | £s | £s | £s | £s | £s | £s |
| Living Word Uganda | 16,702 | 46,217 | - | 2,706 | 42,583 | 17,631 |
| Amazing Grace School | 2,453 | 8,530 | - | 492 | 7,700 | 2,791 |
| General Fund | 0 | 6,209 | 23 | 1,471 | 487 | 4,274 |
| Total | 19,155 | 60,956 | 23 | 4,669 | 50,770 | 24,696 |

The charity's designated funds will, for the most part, be used to make grants to Living Word Uganda, Amazing Grace School, Word Increase Ministries and Servants of the Word over the coming financial year. Except for cash of £4,274, which belonged to general funds, the charity's net assets in the previous year were attributable entirely 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 2020 on pages 11 to 20 previously shown, which have been prepared on the basis of the accounting policies set out on pages 13 to 15 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

22nd March 2021