



HANDS OF COMPASSION CHARITABLE FOUNDATION
FINANCIAL STATEMENTS AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Registered Charity no. 1124423

The Hands of Compassion Charitable Foundation presents its annual report and financial statements (which have been independently examined) for the year ended 31 December 2022.



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**Reference and Administrative details of Hands of Compassion Charitable Foundation,
its Trustees and Advisors**

Charity Name: Hands of Compassion Charitable Foundation
(Also known as Hands of Compassion)

Registered Charity No.: 1124423

Principal Office: c/o East Lodge
Station Road
Westbury sub Mendip
Wells
Somerset BA5 1EY

Trustees: Mrs Wendy Ray, Chairperson
Mr Francis Tamba
Rev Philip Denison

Independent Examiner: Perrys Accountants Ltd
Churchdown Chambers
Bordyke
Tonbridge Kent TN9 1NR

Bankers: HSBC
9 Rose Lane
Canterbury CT1 2JP

Solicitor: Mr Christopher Jones, Diocesan Registry
Harris-Harris Solicitors
14 Market Place
Wells, Somerset BA5 2RE

Website: www.handsofcompassion.org.uk

Trustees' Report

Structure, Governance and Management

The Hands of Compassion Charitable Foundation is a registered charity and is governed by a Trust Deed dated April 1st 2008, and further Supplemental Deed dated 28 August 2017.

Purpose

Inspired by Christian principles, our Mission is to bring hope through education to orphaned and vulnerable children in Zambia and other countries in Sub Saharan Africa.

How this is achieved:

Hands of Compassion Charitable Foundation is a Christian organisation which is passionate about showing God's love, hope and transformation in children's lives.

Our mission is to advance the education of orphaned and vulnerable children and young people by providing assistance to existing school facilities or building new educational establishments in Zambia and other countries in Sub Saharan Africa. We completed the support of one pupil in full time education at University in April 2022.

By providing a Christian education, we hope to enable children to develop their full potential and become self-sufficient after leaving school. This will enable them to seize hold of employment opportunities and will improve their quality of life.

As a Christian foundation, we believe that we should provide education to all in need regardless of their race, religion or nationality. At the same time the development of Christian values underpins all aspects of our work both in UK and in the schools we support in Zambia and Sub Saharan Africa. We also encourage partnership in prayer from all our supporters.

Organisation and decision making structure

There are currently three Trustees, one of whom is Honorary Director, who meet approximately three to four times a year to consider all aspects of the charity's activities and to monitor progress on the charity's business plan. This plan helps Trustees to work towards a shared and sustainable vision, agreeing priorities and appropriate activities to achieve these.

Communication with supporters and interested parties is conducted through tailored mailing, email, newsletter distributed three times a year and website.

Trustee induction

Prospective trustees are invited to attend a Board meeting as an observer before appointment. Following election as a Trustee, an induction session is held including explanations of the roles and responsibilities of trustees and directors.

Major Risks Statement

During the year the Charity has reviewed the major strategic, business and operational risks which it faces. Various risks were identified in the following areas:

- (a) Reputational
- (b) Governance (e.g. not complying with legal requirements).
- (c) Financial

These risks are monitored at Board meetings and constantly kept under review.

The Board

The charity is governed by a Board of Trustees, including an Honorary Director. Those who served

during the year are set out on page 3 of this report. Trustees (including the Honorary Director) are unremunerated but can claim for reasonable expenses.

Trustees' Responsibilities

The Trustees prepare financial statements for each financial year which give a financial view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements the Trustees have:-

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether all applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

Declaration by the charity Trustees in relation to the independent examination:

- So far as each Trustee is aware, there is no relevant information, defined as "information needed by the charity's independent examiner in connection with preparing their report", of which the charity's independent examiner is unaware; and
- Each Trustee has taken all steps that he or she ought to have taken to make themselves aware of any relevant matters and to ensure that the Charity's independent examiner is aware of such information. Such steps include making inquiries of other Trustees and other steps required by the Trustee's duty to exercise due care and skill.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the Charity and their proper application in accordance with Charity law and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Objectives & Activities

The objectives of Hands of Compassion are to advance the education of orphaned and vulnerable children and young people at any educational establishment in Sub Saharan Africa, thus enabling them to improve their quality of life and employment opportunities; to promote awareness of health information and social care in relation to HIVAIDS, TB, Malaria and other diseases through women's groups and other educational programmes; to advance religion and develop Christian values.

Grant Making Policy

Much of the grants awarded by the Charity are costs in Zambia or other countries within Sub Saharan Africa, helping those with insufficient funds to operate effectively.

The Charity receives funds from individuals, Churches and Grant making Trusts, mainly to use towards the provision of education and development of resources at schools.

Background

In 2000 twenty five orphaned or vulnerable children, living in Chipulukusu, a shanty compound near Ndola, Zambia started to meet each day in a derelict building which had no roof, doors or windows. They were eager to learn even though there was no proper classroom, no blackboard or books. Hence Hands of Compassion Community School began.





Over the years funds were raised to help develop the school, renovate the original derelict building and build nine further classrooms, pupils toilet blocks, kitchen and dining room, carpentry workshop and store. A boundary wall was built to enhance security and enable the growing of vegetables to help feed the children.

Fifteen years later there were over six hundred pupils coming each day from Reception class to Grade seven to this first school that Hands of Compassion supported. The school became a Centre of Excellence producing one of the best examination results in the area. They were also taught vocational skills such

as carpentry and tailoring to enable them to become self sufficient after leaving school.

For many years Hands of Compassion assisted in sponsoring the Grade 7 pupils by paying their school fees at Government Secondary schools.

Since then, Hands of Compassion has moved on to support other schools with the building of new classrooms and toilets or meet other needs such as more text books. To this day, the first school is still very successful, now supported by the parents or guardians of the pupils.

Mwape Peer Award

Wendy Ray, Honorary Director of Hands of Compassion has been given the Mwape Peer Educational Excellence Award 2020. Mwape Peer awards are given to those people who have made a significant contribution to the Zambian community and is well respected. The Trustees are very pleased that Wendy's work over the last twenty years has been recognised, as making a real difference to the lives of thousands of orphaned and vulnerable children in Zambia,

Achievements & Performance for Year 2022

Proposed grant for building of two classrooms at St Paul's Church, Kawama.

The building of two classrooms at St Paul's Church, Kawama was very slow, partly because of the COVID 19 pandemic. During lockdown restrictions by the Zambian government, they were unable to hold any fundraising activities to raise funds for building the slab foundation of the new classrooms. However, the people were very determined to secure the necessary funds and as a result they eventually completed building the sub structure, i.e. slab foundation in January 2022.



Hands of Compassion then gave a grant of £20,000 (in instalments of £5000) to enable them to build the super structure.





Finally in July 2022, the building work of the two new classrooms was completed. The Director of Hands of Compassion was able to visit the site in July to see the completed classrooms, and was impressed by the excellent workmanship.

St Pauls Church Project Committee outlined their plans towards opening the school in January 2023 with recruitment of children commencing in December 2022.

In the meantime, to prevent any delay, Hands of Compassion agreed to give a further £5000 towards the purchase of 60 Desks and benches, Teachers desks, fitting of black boards and shelves in the two classroom store rooms.



Establish a link between St Pauls Christian School and Primary schools in UK.

Following the wish for two schools in Somerset, namely Bishop Henderson school, Taunton and Northleaze School, Long Ashton to have a link with the new school at St Pauls Kawama, the Director made visits to the UK schools to enable them to forge a link. It is hoped therefore that this will benefit the education of children both in UK and also in Zambia, learning about culture, geographical differences and values.

Request for a Grant towards building of classrooms for a new school in Sakania, Ndola.

A very small school, situated in Sakania, a small community on the border with the Congo, provides education to 160 children. They have no proper classrooms, but were using a church hall as a temporary measure. The local community had given permission for them to construct a permanent school on a plot measuring 115 square metres nearby.



As a result of a request for help, The Director of Hands of Compassion made a visit to the site during her visit to Zambia in July 2022, when she met the teachers who taught on a voluntary basis, the local Chief, local Police Officer and other key members of the local community and parents.

On arrival, it became apparent that the children and teachers were no longer using the church hall, but using an empty house, clearly inadequate.

From questions made by the Director, it also became clear that the community were divided in what they wanted as a priority, i.e. some wanted classrooms, others believed a Borehole was more important and others wished no further development but just to play football. Furthermore, the Director identified

that there was no clear management in place and therefore based on these points, the project was not viable for Hands of Compassion to support, despite sadly, there was a need.

Higher Education

We continued to support one of our former pupils, Paul who started at Hands of Compassion School twenty two years ago. Paul took his final examinations and wrote his thesis towards his Masters degree as a Doctor at the University's Faculty of Medicine. He therefore completed his academic course and the last payment from Hands of Compassion was made in April with the agreement that no more financial assistance would be given to him.

Monitoring, evaluation and forward strategy

Looking back to 2000 when Hands of Compassion first set up and supported a Community School in Zambia, over the years, thousands of children have developed skills that has given them hope and an education which has and is changing their lives. Many pupils have found employment opportunities within Teaching, Finance, Administration and Retail areas of business.

The Honorary Director was able to make a visit to Zambia in July 2022 as part of the Charity's governance.

Hands of Compassion carries out a thorough assessment of any requests for grant, to establish what their need is, examine details of the project costs and identify the risks relevant to the proposed project, e.g. for a building project – what are the security risks of the local area, and whether their financial procedures are accountable and transparent.

It is Hands of Compassion's policy that with all projects, following international transfer of money, full details of expenditure and photographs showing actual progress are sent to the Director and scrutinised throughout duration of the project. This is to ensure that any grant given is spent on the intended project, outlined in their grant proposal, and used only for the purpose for which it was given.

By working in partnership with the Anglican Dioceses of Zambia, we can identify other schools with needs in the future.

Investment policy and performance

Cash is currently invested by the Charity in order to provide funding for the Zambian projects. This is achieved by investing as far as possible, in accordance with the ethical investment policy of the Charity.

Financial review

The Receipts and Payments schedule shows incoming resources of £19,521 (2021: £23,390), a decrease of £3,869. Due to the latest economic situation in UK, this has put added pressure on the need to fund raise to secure sufficient funding for future projects, such as building classrooms. However despite difficulties, the Trustees are keen to plan a smaller fund raising event in 2023.

The Resources expended for the year total £38,631 (2021: £41,533). This is £2,902 less than 2021.

Reserves Policy

The Charity needs reserves to enable it to progress to completion both its long term projects and to protect its current activities, in order to allow the Charity to meet its responsibilities and ensure that it continues to operate on a going concern basis. The Charity has examined the needs, risks and challenges faced in both the short and medium term, along with relevant financial forecasts and has formulated a policy to meet those needs, which are satisfied by the level of reserves at the balance sheet date.

HANDS OF COMPASSION CHARITABLE FOUNDATION
TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The reserves policy is to hold between 3 months' and 6 months' of budgeted income for UK expenditure.

Plans for future periods

In September 2022, the charity's bank provider, HSBC, began their Annual Safeguarding Review as part of their national Safeguarding strategy on business accounts. Information was provided and as a result HSBC have confirmed their Review for the year October 2021 – October 2022 is complete and acceptable.

Meanwhile the Charity's planning incorporates the examining of accountability and value for money in responding to the escalating needs of the orphaned children in Zambia. The Charity is a small organisation but has very close personal links with the Anglican Diocese of Central Zambia, with whom we can build links with other potential schools projects who apply to Hands of Compassion Charitable Foundation for funding. In addition the Charity will consider applications received via the Hands of Compassion website, as long as they meet the set criteria of objectives and assessment procedures.

The Trustees believe education is vital to breaking the cycle of poverty. Having celebrated 22 years of successful development, in the coming year, the charity's aims are:

- To continue providing advice and support to St Paul's Church Kawama. In addition to act as a link between St Paul's Church School and the two Schools links in UK, as mentioned above (page 7).
- To strengthen risk and financial management in the UK and to develop and maintain a diverse, effective group of trustees.
- To consider applications for funding and make grants to small developmental projects at other existing schools in Zambia, and schools in other countries within Sub Saharan Africa

By Order of the Board



Chair of the Trustees

16 February 2023

HANDS OF COMPASSION CHARITABLE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2022

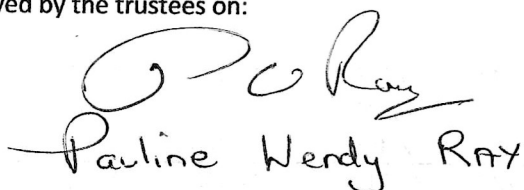
		Unrestricted funds	Restricted funds	2022 Total	Unrestricted funds	Restricted funds	2021 Total
	Notes						
INCOME							
Income from donations and legacies							
Donations		9,479	6,727	16,206	11,507	9,345	20,852
Gift aid		3,295	-	3,295	2,534	-	2,534
		12,774	6,727	19,501	14,041	9,345	23,386
Income from other trading activities							
Fundraising		-	-	-	-	-	-
Income from investments							
Bank interest		20	-	20	4	-	4
TOTAL INCOME		12,794	6,727	19,521	14,045	9,345	23,390
EXPENDITURE							
Expenditure on raising funds							
Publicity		920	-	920	830	-	830
Expenditure on charitable activities							
Grants	2	22,411	6,727	29,138	29,312	9,345	38,657
Zambia visit expenses		6,215	-	6,215	-	-	-
Support costs	4	2,358	-	2,358	2,046	-	2,046
		30,984	6,727	37,711	31,358	9,345	40,703
TOTAL EXPENDITURE		31,904	6,727	38,631	32,188	9,345	41,533
NET INCOME/(EXPENDITURE)		-19,110	-	-19,110	-18,143	-	-18,143
Total funds brought forward		33,319	-	33,319	51,462	-	51,462
TOTAL FUNDS CARRIED FORWARD		14,209	-	14,209	33,319	-	33,319

HANDS OF COMPASSION CHARITABLE FOUNDATION
BALANCE SHEET
YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds	Restricted funds	2022 Total	Unrestricted funds	Restricted funds	2021 Total
CURRENT ASSETS							
Debtors	5	184	-	184	380	-	380
Bank	6	14,943	-	14,943	33,839	-	33,839
		<u>15,127</u>	<u>-</u>	<u>15,127</u>	<u>34,219</u>	<u>-</u>	<u>34,219</u>
CURRENT LIABILITIES							
Creditors: Amounts falling due within one year	7	918	-	918	900	-	900
NET CURRENT ASSETS		<u>14,209</u>	<u>-</u>	<u>14,209</u>	<u>33,319</u>	<u>-</u>	<u>33,319</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		14,209	-	14,209	33,319	-	33,319
NET ASSETS		<u>14,209</u>	<u>-</u>	<u>14,209</u>	<u>33,319</u>	<u>-</u>	<u>33,319</u>
FUNDS							
Unrestricted funds	8			14,209			33,319
Restricted funds	8			-			-
				<u>14,209</u>			<u>33,319</u>

Approved by the trustees on:

Signed


 Pauline Wendy Ray

16 February 2023

**HANDS OF COMPASSION CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022**

1. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

a Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

b Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

c Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work.

d Grants

Grants and donations made by the charity are treated as expenditure when they are paid.

e Going concern

The trustees consider that there are no material uncertainties about the ability to continue as a going concern.

2. CHARITABLE AND OTHER DONATIONS

Grants were made to St Paul's Church Chipata project, Zambia and also to a pupil supported by Hands of Compassion at University, namely Paul Sambwa.

3. RELATED PARTY TRANSACTIONS

There was no trustee remuneration, benefits or expenses during the year (2021 nil). There were no transactions with those persons and entities that are closely connected to the charity or its trustees.

HANDS OF COMPASSION CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

4. SUPPORT COSTS	2022	2021
	£	£
Office costs	953	554
UK travel	-	132
Insurance	487	460
Independent examiners fee	918	900
	<u>2,358</u>	<u>2,046</u>

5. DEBTORS	2022	2021
	£	£
Gift aid	184	380
	<u>184</u>	<u>380</u>

6. CASH AT BANK AND IN HAND	2022	2021
	£	£
Bank current account	1,813	1,475
Bank savings account	12,839	32,019
Cash in hand	24	78
Foreign currency cash in hand	267	267
	<u>14,943</u>	<u>33,839</u>

7. CREDITORS	2022	2021
	£	£
Other creditors	918	900
	<u>918</u>	<u>900</u>

8. FUND MOVEMENTS					
Fund	2022	Brought forward	Income	Expenditure	Transfers
Unrestricted - General fund		33,319	12,794	-31,904	-
Restricted - St Paul's Church		-	6,727	-6,727	-
Total		<u>33,319</u>	<u>19,521</u>	<u>-38,631</u>	<u>-</u>
Fund	2021				Carried forward
Unrestricted - General fund		51,462	14,045	-32,188	-
Restricted - St Paul's Church		-	9,345	-9,345	-
Total		<u>51,462</u>	<u>23,390</u>	<u>-41,533</u>	<u>33,319</u>

Independent examiner's report to the trustees of Hands of Compassion Charitable Foundation

I report to the trustees on my examination of the accounts of the Hands of Compassion Charitable Foundation for the year ended 31st December 2022.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

S Hale

Steve Hale FCA,FCCA
For and on behalf of Perrys Accountants Limited
Churchdown Chambers
Bordyke
Tonbridge
Kent
TN9 1NR

17.2.23