



HANDS OF COMPASSION CHARITABLE FOUNDATION
FINANCIAL STATEMENTS AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2023

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 2023.



Contents	Page
Reference and Administrative details	3
Trustees' Report	4 - 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12-13
Independent Examiner's Report	14

**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 Audit Ltd
Churchdown Chambers
Bordyke
Tonbridge
Kent TN9 1NR

Bankers: HSBC
9 Rose Lane
Canterbury CT1 2JP

Solicitor: 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 HIV/AIDS, 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 was given the Mwape Peer Educational Excellence Award in 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 2023

St Paul's Christian School, Kawama.

As part of our governance, the Director of Hands of Compassion paid a visit to St Pauls Christian School in Kawama, Zambia, to meet the children who had just started school. They were initially registered at the beginning of 2023 and shortly after that, started attending the school. Wendy Ray also met the teachers and some of the parents who were delighted with the progress their children had made.



A further small grant of £790.93 was sent in February/March to purchase some text books and teaching aids.

The links between two UK primary schools and St Pauls Christian School continue to flourish. Northleaze and Flax Bourton Church Schools Nr Bristol have decided to support the Zambian school for the next three years.



St Andrews Church, Chipulukusu

During Wendy Ray's visit to Zambia, she went to visit a potential building project in Chipulukusu. The Anglican church there wished to build some classrooms as their existing school was being temporarily held inside the church building. Wendy Ray looked at the site and met with the leaders of the church there, and it was agreed at that point to build one classroom in the space alongside the church, leaving sufficient area for physical education.

As part of our evaluation of the potential project, request was made for a detailed Site plan and Building plan with approval by the local Council's building Inspectors.

However, despite the initial agreement of the proposed site to build the classroom, the Leaders had changed the site plan to incorporate an increase in buildings on the site which were not associated with the school.

Therefore, as a result of this, the Trustees decided that the charity's criteria for awarding grants was no longer met, they could not proceed with assisting their project.

React Skills Training Centre, Chipulukusu

Chipulukusu is a very poor community on the edge of Ndola where so many women are left very vulnerable, looking after their children or grandchildren, yet struggling to survive. Wendy Ray went to visit React Skills Training Centre during her visit to Zambia. She met the Director who had started the project only a few years ago, but was already helping many of these vulnerable women to learn vocational skills in Tailoring. In addition young men are being helped to learn skills in carpentry.



Through the valuable work of React Skills Training, a few of the women can now make dresses and skirts to sell, in order to earn a little money to support their children.

Through the Centre, they can display their garments for local people to purchase.

The men make bed frames and small tables.



When the plot adjacent to React Skills Centre became vacant, Hands of Compassion agreed to fund the purchase, i.e. £1,750 which was sent in September 2023.. The necessary documentation of the sale purchase was completed.



A further grant of £5,000 was then sent in November/December to pay for building a wall fence around the additional plot to enhance security, as well as install a water tank as there is no running water at the Centre. With the grant, they were also able to connect electricity to enable them to use a few power carpentry tools and three electrical sewing machines which they had been given.

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 2023 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 £19,476 (2022: £19,521), a decrease of £45. 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. One of the Trustees was able to raise £300 from a sponsored run, which awaits the promise of his employer matching this money raised.

The Resources expended for the year total £16,721 (2022: £38,631). This is £21,910 less than 2022.

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.

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

Plans for future periods

In September 2023, 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 2022 – October 2023 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 23 years of successful development, in the coming year, the charity's aims are:

- To continue providing advice and support to React Skills Centre.
- 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



12 March 2024

Chair of the Trustees

**HANDS OF COMPASSION CHARITABLE FOUNDATION
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds	Restricted funds	2023 Total	Unrestricted funds	Restricted funds	2022 Total
INCOME							
Income from donations and legacies							
Donations		11,037	4,993	16,030	9,479	6,727	16,206
Gift aid		2,536	665	3,201	2,014	1,281	3,295
		<u>13,573</u>	<u>5,658</u>	<u>19,231</u>	<u>11,493</u>	<u>8,008</u>	<u>19,501</u>
Income from other trading activities							
Fundraising		-	-	-	-	-	-
Income from investments							
Bank interest		245	-	245	20	-	20
TOTAL INCOME		<u>13,818</u>	<u>5,658</u>	<u>19,476</u>	<u>11,513</u>	<u>8,008</u>	<u>19,521</u>
EXPENDITURE							
Expenditure on raising funds							
Publicity		947	-	947	920	-	920
Expenditure on charitable activities							
Grants	2	1,985	5,658	7,643	21,130	8,008	29,138
Zambia visit expenses		4,147	-	4,147	6,215	-	6,215
Support costs	4	3,984	-	3,984	2,358	-	2,358
		<u>10,116</u>	<u>5,658</u>	<u>15,774</u>	<u>29,703</u>	<u>8,008</u>	<u>37,711</u>
TOTAL EXPENDITURE		<u>11,063</u>	<u>5,658</u>	<u>16,721</u>	<u>30,623</u>	<u>8,008</u>	<u>38,631</u>
NET INCOME/(EXPENDITURE)		2,755	-	2,755	-19,110	-	-19,110
Total funds brought forward		14,209	-	14,209	33,319	-	33,319
TOTAL FUNDS CARRIED FORWARD		<u>16,964</u>	<u>-</u>	<u>16,964</u>	<u>14,209</u>	<u>-</u>	<u>14,209</u>

**HANDS OF COMPASSION CHARITABLE FOUNDATION
BALANCE SHEET
YEAR ENDED 31 DECEMBER 2023**

	Notes	Unrestricted funds	Restricted funds	2023 Total	Unrestricted funds	Restricted funds	2022 Total
CURRENT ASSETS							
Debtors	5	1,146	-	1,146	184	-	184
Bank	6	16,958	-	16,958	14,943	-	14,943
		<u>18,104</u>	<u>-</u>	<u>18,104</u>	<u>15,127</u>	<u>-</u>	<u>15,127</u>
CURRENT LIABILITIES							
Creditors: Amounts falling due within one year	7	1,140	-	1,140	918	-	918
		<u>16,964</u>	<u>-</u>	<u>16,964</u>	<u>14,209</u>	<u>-</u>	<u>14,209</u>
NET CURRENT ASSETS							
		<u>16,964</u>	<u>-</u>	<u>16,964</u>	<u>14,209</u>	<u>-</u>	<u>14,209</u>
TOTAL ASSETS LESS CURRENT LIABILITIES							
		16,964	-	16,964	14,209	-	14,209
NET ASSETS		<u>16,964</u>	<u>-</u>	<u>16,964</u>	<u>14,209</u>	<u>-</u>	<u>14,209</u>
FUNDS							
Unrestricted funds	8			16,964			14,209
Restricted funds	8			-			-
				<u>16,964</u>			<u>14,209</u>

Approved by the trustees on: 12 March 2024

Signed

P. O. Ray
Chairman

**HANDS OF COMPASSION CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023**

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) - (Charities SORP (FRS 102)) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 (2022 nil). There were no transactions with those persons and entities that are closely connected to the charity or its trustees (2022 none).

HANDS OF COMPASSION CHARITABLE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2023

4. SUPPORT COSTS	2023	2022
	£	£
Office costs	2,314	953
UK travel	43	-
Insurance	487	487
Independent examiners fee	1,140	918
	<u>3,984</u>	<u>2,358</u>

5. DEBTORS	2023	2022
	£	£
Gift aid	1,146	184
	<u>1,146</u>	<u>184</u>

6. CASH AT BANK AND IN HAND	2023	2022
	£	£
Bank current account	124	1,813
Bank savings account	16,734	12,839
Cash in hand	14	24
Foreign currency cash in hand	86	267
	<u>16,958</u>	<u>14,943</u>

7. CREDITORS	2023	2022
	£	£
Other creditors	1,140	918
	<u>1,140</u>	<u>918</u>

8. FUND MOVEMENTS						
Fund	2023	Brought forward	Income	Expenditure	Transfers	Carried forward
Unrestricted - General fund		14,209	13,818	-11,063	-	16,964
Restricted - St Paul's Church		-	842	-842	-	-
Restricted - React Skills Training		-	4,816	-4,816	-	-
Total		<u>14,209</u>	<u>19,476</u>	<u>-16,721</u>	<u>-</u>	<u>16,964</u>
Fund	2022					
Unrestricted - General fund		33,319	12,794	-31,904	-	14,209
Restricted - St Paul's Church		-	8,008	-8,008	-	-
Total		<u>33,319</u>	<u>20,802</u>	<u>-39,912</u>	<u>-</u>	<u>14,209</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 2023.

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 Perry FCA,FCCA
For and on behalf of Perrys Audit Limited
Churchdown Chambers
Bordyke
Tonbridge
Kent
TN9 1NR

Date: 25.3.24