

Company no. 3019431  
Charity no. 1045672 (England & Wales)  
Charity no. SC038093 (Scotland)

**World Emergency Relief**  
**Report and Financial Statements**  
**31 March 2009**

# World Emergency Relief

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**For the year ended 31 March 2009**

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## World Emergency Relief

### Reference and administrative details

For the year ended 31 March 2009

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**Company number** 3019431

**Charity number** 1045672 (England & Wales)  
SC038093 (Scotland)

**Registered office and operational address** 20 York Buildings  
LONDON  
WC2N 6JU

**Trustees** The Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Harry Covert Jr	Chairman
Margaret Edwards	Vice-chair
Rev. Philip Streeter (retired 08/05/2009)	Secretary
Charles Watkins	Treasurer
Elizabeth Laskar (appointed 09/12/2008)	
Nick Pettingale (appointed 09/12/2008)	
Alex Botha (appointed 09/12/2008)	

**Principal staff** Rev. Joel Macollam (retired 31/01/2009) Chief Executive  
Rev. Alex D. Haxton Director of Operations (appointed  
Chief Executive 08/05/2009)

**Principal bankers** Lloyds TSB Bank plc  
25 Gresham Street  
London  
SW15 6AB

**Auditors** Sayer Vincent  
Chartered accountants and registered auditors  
8 Angel Gate  
City Road  
London  
EC1V 2SJ

## REPORT OF THE TRUSTEES

The reference and administrative information set out on page 1 forms part of this report.

### Who is WER and what do we do?

The charitable objects for which WER was established (as per the memorandum and articles of association) are: relief of persons anywhere in the world who are suffering hardship as a result of drought, earthquake, flood or other natural disaster or who by reason of their social or economic conditions are in need of assistance in accordance with the principles of the Christian faith.

In order to carry out these objects and benefit the public, WER aims to:

- Provide aid to individuals and groups within communities worldwide, who are affected by emergency situations and poverty.
- Respond to those needs recognising and addressing the five key daily emergencies which children face in the area of Safe Water, Food, Education, Healthcare and Child Safety. This is not to the exclusion of responses to specific emergencies caused by natural disasters or conflict.
- Dedicate its response, as a non-denominational faith-based Christian charity, to those in greatest need, irrespective of their race, ethnic origin or religious beliefs.

Our strategy is to work in partnership with local non-profit organisations that have both an awareness of the local needs and the vision and personal objective of providing a solution to those needs. We work to compliment the skills and capabilities of these local organisations by using our skills and resources including finance and appropriate goods (Gifts-in-Kind).

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning the future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Recognising the five key daily emergencies WER provides aid in three specific ways:

- Cash grants (financial support) direct to local partners.
- Gifts-in-Kind (donated commodities) in support of cash grant programmes and emergencies.
- Organizational capacity building.

WER has a very strong connection with Glasgow the Caring City (a registered charity in Scotland no. SC029090) in regards to the sourcing, storage and distribution of Gifts-in-Kind to our partners overseas. WER also continues to carry out fundraising activities in Scotland and these funds are used to support our world-wide projects (see below).

“We appreciate WER for the great partnership which has enabled us to pursue our goal to alleviating human suffering after conflict in our region.”

Bishop Tom Okello, Northern Uganda.

During the year WER provided support to projects in 23 countries on four continents. Geographical areas where we have projects are:

- Africa – mainly east, central and southern Africa
- Central America and the Caribbean
- Eastern Europe
- The Middle East and Asia

Cash Grants are based on:

- Receipt of a funding request from partners.
- Programme management, evaluation of the request, and a possible visit to a project.
- Recommendation to trustees and, on approval, grants released subject to a formal letter of award and programme grant schedule.
- Grant partners must provide a 6 monthly report. Their annual report must be accompanied by a detailed financial report on the use of WER funds. The financial reports must be audited locally and on a regular basis WER will instigate an independent financial and management systems audit. This enables the partner to present themselves and the programme to other potential donors in a positive manner.

Gifts-in-Kind:

- Gifts-in-Kind support is primarily sent to cash grant partners to provide supplementary resources. This strengthens the overall programme and brings greater local impact.
- WER will only donate quality goods, and the donations are based on local needs with full consideration of the local market, ensuring that the balance of benefit outweighs any short term detriment or harm.
- Where appropriate WER will purchase quality product in response to partner request and donate these goods to the local partners for use within relief and development programmes. There is full WER monitoring of all donated goods.

Our close partnership with local organisations enables WER to understand the specific needs of our project partners and the local communities both in terms of funding projects and the goods which will enhance our partners work.

Evaluation and capacity building:

- WER's policy is to work with partners in a fully integrated strategy. A key aspect is to work with them to increase their capabilities and skills; using audit, annual programming and financial reviews to assess how systems and programmes can be strengthened. Where appropriate WER seek to link partners with other organisations who will benefit our partners and their programmes.
- At times our entry into partnership with local NGO's can be from an emergency situation, but WER's strategy is to move towards development programmes and self sustainability.

Following on from the strategic review of WER's work and mission in 2008, WER implemented a strategy of focusing on five key daily emergencies which children and communities face. These must be addressed if poverty is to be eradicated and self sustainability achieved in the long term. The '**5 Daily Emergencies**' are:

- **Safe Water**
- **Food**
- **Education**
- **Healthcare**
- **Child safety**



### **Safe Water**

Access to safe, clean water is fundamental to life and yet 1 in 5 people drink contaminated water every day. By drilling wells and providing access to water WER can massively reduce the risk of children catching water borne diseases such as diarrhoea and typhoid. Water sources closer to home also mean less time spent fetching water and more time for education.

### **Food**

10,000 children die each day due to a lack of food. Throughout the world, WER is providing nutrition to children and their families, keeping them alive and allowing them to live with dignity, free from the pain and fear of starvation. Children that are well fed perform better in school and in every other area of their lives.

### **Healthcare**

4,500 children die each day from preventable diseases. WER provides medicines and support clinics for those who would otherwise go without. In countries where medicines are beyond the reach of ordinary people and every day this support saves lives.

### **Education**

Food and water are immediate needs, but to drive forward long-term sustainable change children must be educated. More people attend university in rich countries than receive a primary education in the developing world. Education allows individuals to break free from the cycle of poverty, allowing them to build a better future. It also benefits whole communities as today's students will be tomorrow's doctors, teachers and entrepreneurs. WER supports schools, vocational training centres and provides bursaries bring education to the very poor.

### **Safe Water**

"I used to walk for 45 minutes to collect drinking water from a nearby village. Now with clean water close by I can spend more time in the field, and my daughter who used to miss school to collect water can go to school every day."

Mrs Stella Okwi, Northern Uganda.

### **Healthcare**

"Your support helped me with my therapy and provided me with a wheelchair. They even taught me to play basketball and I practise every day. Thank you WER for my independence and for giving me help when I needed it most."

Client of the wheelchair clinic, Guatemala

### **Education**

"The results of the 8th grade national exam were excellent, best in the region with all 50 pupils passing. Thanks to WER, a total of 801 students have had the chance to get a better education in our school."

Belay Bekele, Ethiopia

## **Child Safety**

There are an estimated 210 million orphans in the world, most living in desperate situations. WER rescues children from danger and violence, offering them a safe place to grow up. Across the world WER is supporting safe and secure centres and orphanages that offer hope to slum dwellers, refugees and children fleeing conflicts.

### **Section: Has WER made a difference?**

WER's strategy of working with local partners is to directly benefit and enable local people to provide the answer to their needs and enable them to grow towards self sustainability.

The WER programme focus is dealing with the daily emergencies of Safe Water, Food, Education, Healthcare and Child Safety. In addition emergency relief was also provided to a number of areas and WER was one of the first agencies to respond to the humanitarian crisis in Burma through the provision of over £570,000 value of high quality pharmaceuticals and medical supplies.

The WER partner in the Dominican Republic provided new homes and repaired damaged homes to families whose children are supported in the WER funded education projects, following the hurricane and flooding in 2008.

**The 5 daily emergencies experienced by children and communities were addressed by WER. The following are a few highlights.**

#### **Safe Water:**

- Safe water is a daily essential and WER worked with local partners ANCC in Uganda by supporting the drilling of 3 new wells with a drilling rig purchased by WER in previous years. These wells were in areas receiving returnees from IDP camps and a number were provided close to schools so that children had immediate access to safe water.
- WER funding to our partners in Uganda enabled them to repair and re-commission wells which had fallen into disrepair during the years of conflict and insecurity.
- WER provided water purification supplies to partners in Burma following the cyclone in May 2008.

#### **Food:**

- WER provided food and money for food purchase to partners in Burundi, Congo, Kenya and Uganda during periods of food insecurity.
- Our partner Hope Community Centre, who received general funding from WER, used some of the funds to provide nutrition to families who were still displaced following the post-election violence in Kenya.
- WER, in conjunction with our partners Glasgow the Caring City received donations of dried food and organic baby food for supplementary distribution to families supported by WER partners

#### **Food**

“Before, I could not take medicine regularly because I had no food, I was very poor. Now World Emergency Relief’s help means I have food. So I can take my medicine and I also received some warm clothes. Thank you.”

Aisha, Burundi.

in Africa.

- WER developed it's Be a Good Egg' projects in Kenya and Zambia. The provision of chickens and start-up funding enables families to have nutritious food and a source of income from the sale of eggs, thus enabling self sustainability.

#### **Education:**

- Cash grants were given to support education of orphans in Burundi and the Democratic Republic of Congo. Congolese children from the Hope Orphanage in Bujumbura, Burundi are sponsored through the Himbaza School.
- Funding supports two Montessori Kindergartens and the development of an elementary school in Ethiopia.
- Working with Prison Fellowship Zambia, WER sponsored the education of 25 children in Ndola, whose parents are in prison or whose parents had died due to illness contracted in prison.
- WER funding to the Hope Community Centre, Kenya is enabling over 200 children to receive good quality education. The education provided has been the stimulus for our partner to develop a senior school which will also provide available education to the local community.

#### **Healthcare:**

- WER has continued to support HIV/AIDS programmes in Bujumbura, Gitega and Ngozi in Burundi. This work includes education, counselling, testing, treatment and nutritional advice
- After much negotiation and delay WER was able to send a shipment of vital medical supplies to Zimbabwe, through our local partners ADRA. These were distributed through ADRA clinics and their networked hospitals thus ensuring effective use.
- During the year WER donated pharmaceuticals and medical supplies to partners in 13 different countries supplying assistance through health clinics, surgical units, hospitals and medical centres.

#### **Child Safety:**

- In South Africa, WER's support to an innovative football and community programme for youngsters and teenagers has seen marked positive social effects, particularly within the girls' league. In a township where teenage pregnancy reaches 40%, in the last 18 months only 1 of the 200 girls on the football programme has had an unplanned pregnancy.
- Our partners Integracion Juvenil, with our support, continued to develop the new City Centre Project in Puerto Plata, to provide counsel and education to approx 60 street children or children working on the streets. The new facility purchased with WER funding was completed in April 2009 and Alex Haxton, WER Chief Executive, formally opened the building in May 2009.

#### **Child Safety**

"I am very grateful for the programme you are running. I appreciate all the commitment, hard work and care you have shown towards all those participating in the programme. You have helped us in so many ways to nurture our kids into future stars."

Andre Rosant, South Africa.

In the year ending 31<sup>st</sup> March 2009, through cash grants and appropriate Gifts-in-Kind donations, WER supported projects run by 28 partners in 23 different countries.

WER has directly impacted the lives of children, families and communities as detailed:

**Cash Grants:**

These impacted 11,790 children directly, and 20,580 indirectly, as their families and communities. By working directly with local people WER is able to do this in a very cost effective way with minimal programme overheads.

**Gifts-in-Kind:**

WER sent 29 consignments of humanitarian supplies.

The GIK consignments, and the number of beneficiaries of those consignments, were split between themes in the following way:

	<b>Total</b>	<b>Safe Water</b>	<b>Food</b>	<b>Health</b>	<b>Education</b>	<b>Child Safety</b>
<b>Number of Consignments</b>	<b>29</b>	0	2	17	4	6
<b>Number of Beneficiaries</b>	<b>264,230</b>	0	25,200	195,790	7,280	35,960

In addition to these key areas, WER continues to educate the UK public, particularly through the ‘Be a Good Egg’ programme, which is directed towards schools, church and community youth organisations. Through the development of the WER newsletter, web site and social media, WER has sought to increase the public awareness of development and humanitarian issues.

**Risk**

By the nature of WER’s aims and vision, the charity is often working in areas where there is conflict and insecurity. WER and other charities operating internationally face a unique challenge of protecting charitable assets in adverse conditions ranging from disaster zones to active battlefields.

The Trustees and management regularly assess current circumstances to ensure that staff, property and funds are protected whilst at the same time recognising the importance of WER’s commitment to the people living in such areas of conflict.

To help ensure that our resources are properly and best used, the Trustees have established policies to determine what resources are needed, how they are accounted for and whether these resources have the desired impact on our intended beneficiaries.

As circumstances allow and/or mandate, this overall protection of charitable assets includes the management procedures set out below. The Trustees recognise that this is an additional financial burden for the charity but also believe that such accountability infrastructures are essential in ensuring good stewardship.

WER's Trustees have identified the following as being the key risks facing the Charity.

Risk	Management procedures
Cash grants made to partners are not used in furtherance of WER's objects	<ul style="list-style-type: none"> <li>• A formal process of pre-assessment and evaluation takes place prior to any cash grant being awarded. Each recipient and project is evaluated against a stringent set of criteria. Grants are only released against a formal Letter of Award which sets out the financial and legal terms of grants</li> <li>• In response to the worldwide threat of money laundering and terrorism, WER runs checks on project partners through an internationally recognised money laundering and security database.</li> <li>• The partner signs a "letter of award" and "letter of protocol" prior to being awarded a grant.</li> <li>• Regular monitoring is carried out during the course of the project covered by the grant. Field visits are carried out by WER managers, Trustees, advisors, and in-country auditors seconded to us and our partners by other charitable groups.</li> <li>• All programme partners must submit bi-annual feedback reports with assessment of use of funds and analysis of impact. A full financial report is required annually.</li> </ul>
Gifts-in-Kind donated are not useful to our partners or of a satisfactory quality.	<ul style="list-style-type: none"> <li>• WER is increasingly providing the majority of its Gifts-in-Kind to partners who are also cash grant recipients. This enables us to understand better the requirements of the recipients of the donated goods.</li> <li>• WER does not accept medical or food donations which are out of date.</li> <li>• WER follows internationally recognised standards in respect of its Gifts-in-Kind programme (<a href="http://www.aerdo.net">www.aerdo.net</a>).</li> </ul>
Gifts-in-Kind are subsequently not applied in furtherance of WER's objects.	<ul style="list-style-type: none"> <li>• WER has a detailed application and approval procedure which includes pre-shipment inspection, distribution, feedback reports and field visits by WER management and Trustees and appropriate external consultants or evaluators.</li> </ul>
Gifts-in-Kind do not reach intended consignee in whole or part.	<ul style="list-style-type: none"> <li>• All containers of Gifts-in-Kind are numbered and sealed. The seal is not broken until the consignee is present. The consignee and shipping agent are sent a detailed packing list in respect of each container.</li> </ul>
WER does not receive sufficient income to fund its activities.	<ul style="list-style-type: none"> <li>• One of WER's key objectives is diversification of income since the Trustees are concerned</li> </ul>

<p>WER does not receive sufficient income to fund its activities. (continued)</p>	<p>that WER has been too reliant on its direct mail programme.</p> <ul style="list-style-type: none"> <li>• A new operating structure, which includes a Development &amp; Fundraising Manager and Marketing &amp; Communications Manager, has been put in place to push new strategies and initiatives for promoting the organisation and raising funds.</li> <li>• New strategies in promoting the organisation include social networks and new channels of correspondence, as well as a strong media presence.</li> <li>• The objective is to raise 25% of WER's income from outside the direct mail programme by the end of the 2010/11 financial year.</li> <li>• WER closely monitors its expenditure levels, and reviews service contracts services on an on-going basis, to ensure that all income received is used as efficiently and effectively as possible.</li> </ul>
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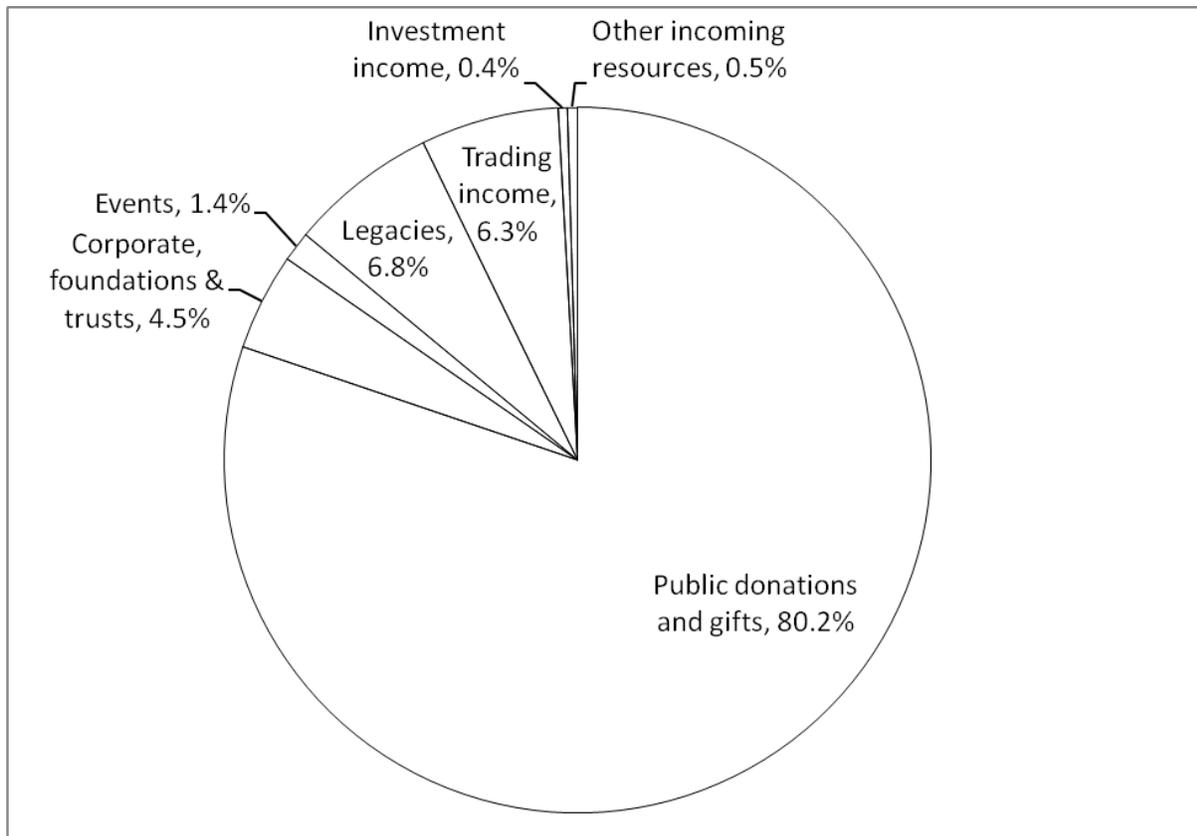
## Financial Review

The financial year ended 31 March 2009 proved to be very challenging for WER, with net outgoing resources of £101,000 being incurred. This was mainly due to a combination of decreased direct mail income and unexpected once-off expenditure. While the balance of available funds is still relatively high at over £350,000, the poor economic climate, which started to affect the direct mail income in 2008/09, will challenge WER's traditional forms of income in the following financial year. As discussed above under 'Risk', the Trustees have responded to this by implementing measures to push new strategies and initiatives for promoting the organisation and raising funds.

There was a 6% increase from the previous year in quality goods (Gifts-in-Kind) donated to, and subsequently distributed by, WER – with the total almost reaching £10m. The main reason for this increase was the emergency medical support sent to Burma in regards to the cyclone in May 08. It should be noted that WER only responds to requests from partners and then seeks to source appropriate product.

Removing the effect of Gifts-in-Kind from the income, however, shows that cash income decreased by 9%. This was despite legacies being slightly higher than the previous year, and additional sources of income from events and companies, foundations & trusts. The major reason for the overall decrease in income was that the largest source (direct mail) was down 14% due to the tough economic climate.

The following graph illustrates the reliance that was placed on the raising of cash income from public donations and gifts through direct mail, for the year ended 31 March 2009.



Expenditure, excluding the £10m of Gifts-in-Kind, decreased by 2%, although this was more than anticipated (by about £83,000) due to the following:

- Legal costs of £57,000 relating to:
  - Employment advice relating to the retirement of the Founder and CEO of WER in the UK;
  - Prolonged negotiation and advice for the lease of prospective new offices, due to a legal issue between the landlord and superior landlord of the premises – the move eventually had to be stopped when this issue ended up in court proceedings;
  - Outstanding legal costs relating to the 2007/08 financial year.
- Retirement package of £26,000 for the Founder and CEO of WER in the UK.

The effect of reduced cash income and the above-mentioned costs meant that there was pressure to reduce costs in other areas. One example relates to fundraising, where a reduction of over 10% was achieved. Another area was that of the cost of shipping Gifts-in-Kind to partners, where a slight reduction was achieved despite the dramatic increase in the cost of overland transport due to the oil price and security issues – this reduction was due to the decrease in the number of consignments to 29; from 45 in the previous year.

WER follows a combined approach of providing both Gifts-in-Kind and cash grants to its partners. While there was an increase in the total value of Gifts-in-Kind sent to partners, the cash grants to partners had to be reduced from the previous year. Whilst this was a very difficult decision to make, the Trustees believed that it was necessary for the long term stability of the charity. WER continues to be in regular

communication with partners regarding the situation, and looks to assist them in raising funds from alternative sources where possible.

### **World Emergency Relief (Trading) Limited**

WER has a wholly owned subsidiary trading company, World Emergency Relief (Trading) Limited, a company limited by shares. Six directors served this company during the financial year under review. One of these directors (Rev. Joel MacCollam, CEO of WER) retired on 31<sup>st</sup> January 2009, while three new directors, who are also Trustees of WER, joined on 9<sup>th</sup> December 2008: Elizabeth Laskar, Nick Pettingale and Alex Botha. Another director, Margaret Edwards, is also a Trustee of WER, while the remaining director, Rev. Alex Haxton, is an employee of the charity.

The main activity of this company is the renting of names on WER's fundraising database.

The company had a turnover of £142,953 during the year. The majority of its expenses were costs incurred costs in renting the names and cleansing the database. In addition, the accumulated net profit was donated to the charity as gift aid (£120,238).

### **Financial reserves policy**

Most of WER's income is from voluntary donations with the majority of these from our direct mail programme. The charity has not received any significant government, foundation, trust or corporate donations. Strategic changes in the fundraising policy will not have any significant impact until the financial year 2009-2010. The second half of the financial year showed a downturn in direct mail income.

The charity incurred a number of one off unique costs during the year, including the retirement on 31<sup>st</sup> January 2009 of the founder and CEO brought extra compensation costs as well as legal costs as part of the settlement.

The lease on our offices expired on 24<sup>th</sup> February 2009, and the charity entered into negotiations for new premises with the hope that long term accommodation costs could be reduced. After protracted negotiations and complications on the proposed lease with a new landlord, the charity withdrew from negotiations whilst incurring significant legal costs.

The trustees agreed that in view of the tight daily income, these above mentioned one off costs should be paid from the cash deposit reserves.

The agreed target for cash free reserves is three months worth of cash expenditure (excluding charitable expenditure). This target level of free cash reserves based in the current year expenditure would be £450,000.

In agreeing to use reserves for the above one off expenditure, the trustees were satisfied that the actual free cash reserves of £342,000 at the end of financial year, was sufficient to cover all liabilities.

The trustees agreed to keep the objective of increasing reserves each year by 5% of gross income, whilst recognizing current income trends. It was agreed that in view of the actual income and economic trends that this would not be implemented this year.

The trustees also recognized that the ongoing economic trends will mean tight budgeting and that there may be some need in the first 6 months of the year 2009-2010 to use the current cash reserves for specific investment, thus enabling the charity to continue to develop new income streams and be stronger in readiness for the anticipated upturn in the economy in 2010.

## **Governance**

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and Statement of Recommended Practice Accounting and reporting by Charities (SORP 2005). WER is incorporated as a company limited by guarantee. It was granted charitable status in England and Wales on 7<sup>th</sup> April 1995. It was granted charitable status in Scotland on 19<sup>th</sup> April 2007. The governing document is the Memorandum and Articles of Association.

WER's Trustees, who set strategic policy and monitor how management implement these policies, govern all our activities. The Trustees are directors under company law. Their names, as well as those of our principle executive leadership, are listed on page 1 as are those who served during the year and up to the date of this report. Our members appoint directors. Our trustees are unpaid and details of trustee expenses and any related party transactions are disclosed in notes 3 & 17 to the accounts.

As indicated in last year's trustees report following the strategic review by an independent consultant, the members and trustees recognized the need to expand the board; to bring in trustees with new skill sets and to provide greater governance to the charity as it expands; to enable more strategic development with the charity management and meet the increased responsibilities of being a trustee of a charity.

The advert for new trustees brought a good a varied response and three new trustees and board members were appointed at the December 2008 board meeting. The new trustees are:

- Miss Elizabeth Laskar, a co-founder of the Ethical Fashion Forum
- Mr Alex Botha, Deputy Chief Executive of a UK based charity for the homeless
- Mr Nick Pettingale, Foundation Manager for a group of independent schools

Prior to the above being recommend as trustees, they were taken through a full induction programme on the charity, its value and mission and trustee responsibility.

Revd. Phil Streeter, trustee and company secretary, announced to the board during the financial year that he planned to retire as a WER trustee during the early part of 2009.

It was also agreed at the December 2008 board meeting, that when the new trustees were settled into their new roles, that sub groups to include trustees and senior management would be formed to

oversee and evaluate the following areas: Finance, Marketing and Fundraising and Development programmes on behalf of the full board.

During the year the updated Memorandum and Articles of Association, as approved by the Charity Commission, were formally approved by the trustees.

The Founder and CEO of World Emergency Relief, retired as CEO of WER UK on the 31<sup>st</sup> January 2009, for health reasons. Alex Haxton, formerly Director of Operations for WER UK was appointed as the new CEO on the 8<sup>th</sup> May 2009.

### **The WER Global Family**

WER is part of a global family which has WER offices in France, Holland, Hong Kong and the USA. They operate as legally and financially unrelated organizations but seek to work together where there is benefit for each organization and for the overseas partners who receive funding and support as part of our charitable aims and purposes. During the year the Founder of the global WER organizations, retired from the position of CEO. This took effect for all offices, with the exception of WER Hong Kong, on 31<sup>st</sup> January 2009.

The Trustees believe that in the coming years there will be greater and more effective partnership between the different WER global offices resulting in greater effectiveness in our development and charitable work, cost sharing on marketing and communications with significant benefit to our programme partners.

This is already being implemented with WER Holland in the sharing of marketing materials and through matching funding to WER UK overseas programme partners.

### **Auditors**

Sayer Vincent acted as auditors during the year.

The Trustees have agreed to retain Sayer Vincent as auditors for the year ended 31 March 2010.

### **Trustees' responsibilities**

The Trustees are required to prepare financial statements, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income and expenditure of the Charity, for each financial year. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures being disclosed and explained in the financial statements; and

- Prepare the financial statements on concern basis unless it is inappropriate to presume that the charity will continue in business.

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 Companies Act 1985. They are also responsible for safeguarding the assets of the charity, and therefore for taking reasonable steps for prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that to the best of his/her knowledge there is no information relevant to the audit of which the auditors are unaware. Each of the Trustees also confirms that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 March 2009 was 7 (2008: 4). The Trustees are members of the Charity but this entitles them only to voting rights. The Trustees have no beneficial interest in the Charity.

Approved by the Trustees on 25<sup>th</sup> September 2009 and signed on their behalf by

*Margaret Edwards*

Margaret Edwards

## **Independent auditors' report**

### **To the members of**

### **World Emergency Relief**

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We have audited the financial statements of World Emergency Relief for the year ended 31 March 2009 which comprise the consolidated statement of financial activities, balance sheet and related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the trustees and auditors**

The responsibilities of the trustees (who are also the trustees of World Emergency Relief for the purposes of charity law) for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), are set out in the statement of responsibilities of the trustees.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether the information given in the annual report of the trustees is consistent with the financial statements. In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the trustees' remuneration and other transactions is not disclosed.

We read the annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Independent auditors' report

To the members of

### World Emergency Relief

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#### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the group and charitable company's state of affairs as at 31 March 2009 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the report of the trustees is consistent with the financial statements.

*Sayer Vincent*

25 September 2009

**SAYER VINCENT**

Chartered accountants & registered auditors  
London

World Emergency Relief

Consolidated Statement of Financial Activities (Incorporating an income and expenditure account)

For the year ended 31 March 2009

	Note	Restricted £	Unrestricted £	2009 Total £	2008 Total £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income					
- public donations and gifts		2,021	1,815,233	<b>1,817,254</b>	2,105,563
- corporate, foundations & trusts		3,495	97,486	<b>100,981</b>	25,000
- events		3,300	27,817	<b>31,117</b>	-
- legacies		-	153,519	<b>153,519</b>	150,838
- gifts in kind		8,460,326	1,534,749	<b>9,995,075</b>	9,386,704
- grants from other WER charities		-	-	-	66,105
Trading income		-	142,953	<b>142,953</b>	114,035
Investment income		-	9,458	<b>9,458</b>	17,084
<i>Other incoming resources</i>		-	10,424	<b>10,424</b>	17,976
<b>Total incoming resources</b>		<b>8,469,142</b>	<b>3,791,639</b>	<b>12,260,781</b>	<b>11,883,305</b>
<b>Resources expended</b>					
<i>Costs of generating funds:</i>					
Costs of generating voluntary income		1,130	1,277,943	<b>1,279,073</b>	1,389,422
Costs of trading		-	29,067	<b>29,067</b>	38,151
<i>Charitable activities</i>	5,6				
Safe Water					
- cash grants		163	19,063	<b>19,226</b>	-
- gifts in kind		-	-	-	-
Food					
- cash grants		1,962	41,478	<b>43,440</b>	-
- gifts in kind		323,140	348,263	<b>671,403</b>	-
Education					
- cash grants		5,262	220,369	<b>225,631</b>	194,566
- gifts in kind		1,044,020	197,280	<b>1,241,300</b>	1,111,667
Health					
- cash grants		2,038	122,455	<b>124,493</b>	104,045
- gifts in kind		6,751,065	799,454	<b>7,550,519</b>	6,466,373
Child Safety (Vulnerable children)					
- cash grants		19,803	138,126	<b>157,929</b>	254,007
- gifts in kind		343,997	500,685	<b>844,682</b>	1,763,484
Emergency Relief					
- cash grants		-	-	-	2,761
- gifts in kind		-	-	-	186,201
Capacity building					
- cash grants		-	-	-	8,296
- gifts in kind		-	-	-	48,634
Other gifts in kind		-	-	-	126,715
<i>Governance costs</i>		-	175,480	<b>175,480</b>	112,050
<b>Total resources expended</b>	2	<b>8,492,580</b>	<b>3,869,663</b>	<b>12,362,243</b>	<b>11,806,372</b>
<b>Net incoming/(outgoing) resources before transfers</b>	3	<b>(23,438)</b>	<b>(78,024)</b>	<b>(101,462)</b>	<b>76,933</b>
<b>Gross transfers between funds</b>		-	-	-	-
<b>Net incoming/(outgoing) resources</b>		<b>(23,438)</b>	<b>(78,024)</b>	<b>(101,462)</b>	<b>76,933</b>
Total funds brought forward at 1 April 2008		23,438	431,346	<b>454,784</b>	377,851
<b>Total funds carried forward at 31 March 2009</b>		<b>-</b>	<b>353,322</b>	<b>353,322</b>	<b>454,784</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed above and in note 15 to the financial statements.

## World Emergency Relief

### Balance sheet

31 March 2009

	Note	The group		The charity	
		2009 £	2008 £	2009 £	2008 £
<b>Fixed assets</b>					
Tangible fixed assets	9	<b>137,175</b>	132,526	<b>137,175</b>	132,526
Investments - cash on deposit		<b>150,197</b>	150,197	<b>150,197</b>	150,197
Investment in subsidiary	10	-	-	<b>2</b>	2
		<b><u>287,372</u></b>	<u>282,723</u>	<b><u>287,374</u></b>	<u>282,725</u>
<b>Current assets</b>					
Debtors	12	<b>93,076</b>	81,884	<b>99,353</b>	84,085
Cash at bank and in hand		<b>191,925</b>	<u>277,141</u>	<b>182,893</b>	<u>270,060</u>
		<b>285,001</b>	359,025	<b>282,246</b>	354,145
<b>Liabilities</b>					
Creditors: amounts due within 1 year	13	<b>219,051</b>	<u>186,964</u>	<b>216,298</b>	<u>182,086</u>
<b>Net current assets</b>		<b><u>65,950</u></b>	<u>172,061</u>	<b><u>65,948</u></b>	<u>172,059</u>
<b>Net assets</b>	14	<b><u>353,322</u></b>	<u>454,784</u>	<b><u>353,322</u></b>	<u>454,784</u>
<b>Funds</b>					
Restricted funds	15	-	23,438	-	23,438
Unrestricted funds - designated		<b>29,738</b>	-	<b>29,738</b>	-
Unrestricted funds - general		<b>323,582</b>	431,344	<b>323,584</b>	431,346
Unrestricted funds - non-charitable trading funds		<b>2</b>	2	-	-
<b>Total charity funds</b>		<b><u>353,322</u></b>	<u>454,784</u>	<b><u>353,322</u></b>	<u>454,784</u>

Approved by the trustees on 25 September 2009 and signed on their behalf by

*Margaret Edwards*

Margaret Edwards  
Trustee - vice chair

## World Emergency Relief

### Consolidated cash flow statement

31 March 2009

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	Note	2009 £	2008 £
Net cash outflow from operating activities	1	(84,149)	(65,808)
Returns on investments and servicing of finance	2	9,458	17,056
Capital expenditure	2	<u>(10,526)</u>	<u>(6,496)</u>
Decrease in cash		<u>(85,217)</u>	<u>(55,248)</u>
<b>Reconciliation of net cash flow to movement in net funds</b>			
Increase/(decrease) in cash in the year		<u>(85,217)</u>	<u>(55,248)</u>
Change in net cash funds		(85,217)	(55,248)
Net cash funds at 1 April 2008		<u>427,338</u>	<u>482,586</u>
Net cash funds at 31 March 2009		<u>342,121</u>	<u>427,338</u>

## World Emergency Relief

### Notes to cash flow statement

31 March 2009

	2009	2008	
	£	£	
<b>1. Reconciliation of deficit of income to net cash outflow from operating activities</b>			
Net movement in funds for the year	(101,462)	76,933	
Net interest received	(9,458)	(17,084)	
Interest paid	-	28	
Depreciation	5,876	6,238	
Decrease / (increase) in debtors	(11,192)	(3,222)	
(Decrease)/increase in creditors	<u>32,087</u>	<u>(128,701)</u>	
Net cash inflow/(outflow) from operating activities	<u>(84,149)</u>	<u>(65,808)</u>	
<b>2. Gross cash flows</b>			
<b>Returns on investments and servicing of finance</b>			
Interest received	9,458	17,084	
Interest paid	-	(28)	
	<u>9,458</u>	<u>17,056</u>	
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets	<u>10,526</u>	<u>6,496</u>	
<b>3. Analysis of changes in net funds</b>			
	At		At
	1 April	Cash	31 March
	2008	flows	2009
	£	£ £	£
Cash at bank and in hand	277,141	(85,217)	191,924
Cash on deposit	150,197	-	150,197
	<u>427,338</u>	<u>(85,217)</u>	<u>342,121</u>

## World Emergency Relief

### Notes to the financial statements

#### For the year ended 31 March 2009

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##### 1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Companies Act 1985. They follow the recommendations in the Statement of Recommended Practice, Accounting and Reporting by Charities (issued in March 2005).

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary World Emergency Relief (Trading) Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 230 of the Companies Act 1985 and paragraph 397 of SORP 2005.

- b) Voluntary incoming resources received in cash by way of subscriptions and donations are included in full in the Statement of Financial Activities as soon as they are received. Bank interest receivable is included on a receipts basis.
- c) Incoming resources in the form of gifts in kind are included in the Statement of Financial Activities only when assets donated to the charity are distributed. Gifts in kind are donations of commodities directly usable in charitable programmes, such as food, blankets, books, agricultural and medical supplies. The charity has an internationally recognised and accepted monitoring programme in place to ensure that commodities are appropriately valued, culturally appropriate for the designated programme, and can be both properly shipped and distributed gratis to the designated beneficiaries (see [www.aerdo.net](http://www.aerdo.net)). Gifts in kind are included in incoming resources and resources expended at a reasonable estimate of their value to the charity, which is the price that would have had to be paid if purchasing the goods on the open market. In most cases this is the wholesale price adjusted where necessary if the value is considered to be less. Volunteer time is not included in the financial statements.
- d) Legacies are recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.
- e) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Expenditure is allocated between costs of generating funds, charitable activities and governance. Where possible the Trustees have allocated expenditure directly to the appropriate category. Where costs are not directly attributable to an expense category, these have been allocated to support costs (Note 3) and apportioned between costs of generating funds, charitable activities and governance based on time spent.

Grants payable to partner organisations for relief and development projects are included in the Statement of Financial Activities when they are approved by the Trustees and agreed with the other organisation. Any of these grants that remain unpaid at the year -end are accrued. Where the grant has been approved but is subject to the agreement with the beneficiary these are not accrued but included in the financial statements as a financial commitment.

## World Emergency Relief

### Notes to the financial statements

#### For the year ended 31 March 2009

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##### 1. Accounting policies (continued)

- f) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund together with a fair allocation of management and support costs.
- g) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.
- h) Designated funds are unrestricted funds earmarked by the trustees for particular purposes.
- i) For all tangible fixed assets, depreciation is calculated so as to write down their cost over the period of their estimated useful economic lives on the following basis:

Office equipment	25% reducing balance
Freehold property	50 years straight line

All assets costing over £200 are capitalised.

- j) Transactions denominated in foreign currencies are translated into sterling at the exchange rate ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the end of the financial year. All exchange differences are written off to the Statement of Financial Activities.
- k) Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the rental obligations is charged to the Statement of Financial Activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding. Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

World Emergency Relief

Notes to the financial statements

For the year ended 31 March 2009

2. Total resources expended

	Costs of generating voluntary income	Costs of trading	Direct charitable expenditure	Governance costs	Support costs	2009 Total	2008
	£	£	£	£	£	£	£
Staff costs ( Note 4)	140,184	3,316	152,156	49,335	89,621	434,612	396,486
Gifts in kind	-	-	9,995,075	-	-	9,995,075	9,386,704
Grants payable	-	-	284,669	-	-	284,669	310,571
Shipping costs	-	-	283,039	-	-	283,039	288,586
Fundraising costs	1,005,213	-	-	-	-	1,005,213	1,149,328
Overheads	-	-	-	-	108,842	108,842	88,004
Audit fees	-	-	-	-	12,420	12,420	12,338
Legal & professional fees	-	-	-	49,804	46,626	96,430	14,462
Trustees' expenses	-	-	-	14,979	3,060	18,039	11,252
Depreciation	-	-	3,042	-	2,834	5,876	6,238
Other expenses	11,806	-	28,266	18,437	36,770	95,279	104,252
Costs of trading	-	22,749	-	-	-	22,749	38,151
<b>Total resources expended</b>	<b>1,157,203</b>	<b>26,065</b>	<b>10,746,247</b>	<b>132,555</b>	<b>300,173</b>	<b>12,362,243</b>	<b>11,806,372</b>
Support Costs	121,870	3,002	132,376	42,925	(300,173)	-	-
<b>Total resources expended</b>	<b>1,279,073</b>	<b>29,067</b>	<b>10,878,623</b>	<b>175,480</b>	<b>-</b>	<b>12,362,243</b>	<b>11,806,372</b>

## World Emergency Relief

### Notes to the financial statements

#### For the year ended 31 March 2009

#### 3. Net incoming resources for the year

This is stated after charging / crediting:

	2009 £	2008 £
Depreciation	5,876	6,238
Trustees' indemnity insurance	1,864	1,087
Trustees' remuneration	-	-
Trustees' reimbursed expenses	16,175	10,165
Auditors' remuneration:	-	-
▪ Audit	10,350	10,575
▪ Under accrual for previous year	2,070	1,763
▪ Other services	-	-
Operating lease rentals:	-	-
▪ Property	61,006	40,758
▪ Other	5,207	11,175
Gain / (loss) on foreign exchange	-	-
	<u>          </u>	<u>          </u>

Trustees' reimbursed expenses represents the reimbursement of travel and subsistence costs to seven (2008: four) Trustees for attendance at meetings of the Trustees.

#### 4. Staff costs and numbers

Staff costs were as follows:

	2009 £	2008 £
Salaries and wages	340,442	306,774
Social security costs	35,494	33,773
Pension contributions	27,757	30,897
Other staff costs	30,919	25,042
	<u>434,612</u>	<u>396,486</u>
Total emoluments paid to staff were:	<u>368,199</u>	<u>337,671</u>

Two employees earned more than £60,000 during the year. (2008: two)

Contributions to a money purchase pension scheme amounting to £12,336 (2008: £12,935) were made by WER on behalf of these employees.

The average weekly number of employees (full-time equivalent) during the year was as follows:

	2009 No.	2008 No.
Direct charitable expenditure	2.6	2.8
Generating voluntary income	2.4	2.6
Governance	0.9	1.1
Support	1.5	1.1
Trading operations	0.1	-
	<u>7.5</u>	<u>7.6</u>

## World Emergency Relief

### Notes to the financial statements

#### For the year ended 31 March 2009

##### 5. Gifts in kind

The following donations made during the year were classified as gifts in kind and valued in accordance with current market conditions prevailing when the gifts were made.

	Gifts in kind value	Shipping costs	Support costs	2009	2008
	£	£	£	£	£
Safe Water	-	-	-	-	-
Food	648,673	20,496	2,234	<b>671,403</b>	-
Education	1,190,575	38,064	12,661	<b>1,241,300</b>	1,111,667
Health	7,374,969	168,847	6,703	<b>7,550,519</b>	6,466,373
Child Safety (Vulnerable children)	780,858	55,632	8,192	<b>844,682</b>	1,763,484
Emergency relief	-	-	-	-	186,201
Capacity building	-	-	-	-	48,635
Other	-	-	-	-	126,715
	<u>9,995,075</u>	<u>283,039</u>	<u>29,790</u>	<u><b>10,307,904</b></u>	<u>9,703,075</u>

"Other" gifts in kind are quality donated goods which are not directly attributable to WER's five main charitable activities but which were deemed to be of high value to the communities with which WER works and so were shipped in order to facilitate overall community development.

##### 6. Grants payable

	Cash grant value	Support costs	2009	2008
	£	£	£	£
Safe Water	4,331	14,895	<b>19,226</b>	-
Food	23,332	20,108	<b>43,440</b>	-
Education	111,683	113,948	<b>225,631</b>	194,566
Health	61,126	63,367	<b>124,493</b>	104,045
Child Safety (Vulnerable children)	84,197	73,732	<b>157,929</b>	254,007
Emergency relief	-	-	-	2,761
Capacity building	-	-	-	8,296
	<u>284,669</u>	<u>286,050</u>	<u><b>570,719</b></u>	<u>563,675</u>

##### 7. Geographical distribution of charitable activities

Following on from the strategic review of WER's work and mission in 2008, WER implemented a strategy of focusing on five key daily emergencies which children and communities face.

It was therefore decided that the reporting of charitable activities would no longer be done on a geographical basis but rather on the basis of the five key daily emergencies - see notes 5 & 6 above.

##### 8. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary World Emergency Relief (Trading) Ltd gift aids available profits to the charity. Its charge to corporation tax in the year was:

	2009	2008
	£	£
UK corporation tax at 20% ( 2008 : 20%)	<u>-</u>	<u>-</u>

## World Emergency Relief

### Notes to the financial statements

#### For the year ended 31 March 2009

#### 9. Tangible fixed assets (continued)

The Charity and Group	Freehold property £	Office Equipment £	Totals £
<b>Cost</b>			
At the start of the year	152,087	60,360	<b>212,447</b>
Additions in year	-	10,526	<b>10,526</b>
At the end of the year	<u>152,087</u>	<u>70,886</u>	<u><b>222,973</b></u>
<b>Depreciation</b>			
At the start of the year	29,160	50,761	<b>79,921</b>
Charge for the year	3,042	2,835	<b>5,877</b>
At the end of the year	<u>32,202</u>	<u>53,596</u>	<u><b>85,798</b></u>
<b>Net book value</b>			
<b>At the end of the year</b>	<u><b>119,885</b></u>	<u><b>17,290</b></u>	<u><b>137,175</b></u>
At the start of the year	<u>122,927</u>	<u>9,599</u>	<u>132,526</u>

#### 10. Subsidiary Undertaking

The charitable company owns the whole of the issued ordinary share capital of World Emergency Relief (Trading) Limited, a company registered in England. The subsidiary is used for non-primary purpose trading activities, primarily list rentals. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2009 £	2008 £
Turnover	<b>142,953</b>	114,035
Cost of sales	<u><b>(22,749)</b></u>	<u>(28,037)</u>
Gross profit	<b>120,204</b>	85,998
Administrative expenses	<u><b>(8,518)</b></u>	<u>(9,438)</u>
Operating profit / (loss)	<b>111,686</b>	76,560
Interest receivable	<b>34</b>	161
Interest payable	<u>-</u>	<u>(676)</u>
Profit / (loss) on ordinary activities	<b>111,720</b>	76,045
Donation to parent undertaking	<u><b>(111,720)</b></u>	<u>(59,747)</u>
Profit /(loss) for financial year	<u><b>-</b></u>	<u>16,298</u>
The aggregate of the assets, liabilities and funds was:		
Assets	<b>20,246</b>	39,096
Liabilities	<u><b>(20,244)</b></u>	<u>(39,094)</u>
Funds	<u><u><b>2</b></u></u>	<u><u><b>2</b></u></u>

## World Emergency Relief

### Notes to the financial statements

#### For the Year Ended 31 March 2009

#### 11. Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2009 £	2008 £
Gross income	12,206,031	11,828,856
Results for the year - profit/(loss)	<u>(133,963)</u>	<u>60,635</u>

#### 12. Debtors

	The group		The charity	
	2009 £	2008 £	2009 £	2008 £
Other debtors and accrued income	35,079	61,088	35,079	37,257
Amounts due from subsidiary company	-	-	17,491	34,217
Accrued income	11,214	8,185	-	-
Prepayments	46,783	12,611	46,783	12,611
	<u>93,076</u>	<u>81,884</u>	<u>99,353</u>	<u>84,085</u>

#### 13. Creditors: amounts due within 1 year

	The group		The charity	
	2009 £	2008 £	2009 £	2008 £
Trade creditors	195,073	155,359	195,073	155,359
Taxation and social security	9,566	8,463	6,813	8,463
Other creditors	-	4,878	-	-
Accruals	14,412	18,264	14,412	18,264
	<u>219,051</u>	<u>186,964</u>	<u>216,298</u>	<u>182,086</u>

#### 14. Analysis of group net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	137,175	137,175
Investments	-	-	150,197	150,197
Net current assets	-	29,738	36,212	65,950
<b>Net assets at the end of the year</b>	<u>-</u>	<u>29,738</u>	<u>323,584</u>	<u>353,322</u>

## World Emergency Relief

### Notes to the financial statements

For the Year Ended 31 March 2009

#### 15. Movements in funds

	At the start of the year £	Incoming resources £	Outgoing resources £	Transfers £	At the end of the year £
<b>Restricted funds:</b>					
Restricted gifts in kind	-	8,460,326	(8,460,326)	-	-
South Africa - Kick it Into play	20,247	3,300	(23,547)	-	-
Sundry other restrictions	56	-	(56)	-	-
Kenya - Hope Community Centre	-	3,595	(3,595)	-	-
Sudan	1,140	-	(1,140)	-	-
WER staff payroll giving	1,995	921	(2,916)	-	-
Democratic Republic of Congo & Zimbabwe	-	1,000	(1,000)	-	-
<b>Total restricted funds</b>	<b>23,438</b>	<b>8,469,142</b>	<b>(8,492,580)</b>	<b>-</b>	<b>-</b>
<b>Unrestricted funds - designated funds:</b>					
Burma Cyclone	-	151,844	(62,336)	(70,000)	<b>19,508</b>
WER staff payroll giving	-	921	-	-	<b>921</b>
All Nations Christian Care - Uganda	-	10,284	(975)	-	<b>9,309</b>
<b>Total designated funds</b>	<b>-</b>	<b>163,049</b>	<b>(63,311)</b>	<b>(70,000)</b>	<b>29,738</b>
<b>Unrestricted funds - general</b>	<b>431,346</b>	<b>3,628,590</b>	<b>(3,806,352)</b>	<b>70,000</b>	<b>323,584</b>
<b>Total funds</b>	<b>454,784</b>	<b>12,260,781</b>	<b>(12,362,243)</b>	<b>-</b>	<b>353,322</b>

#### Purposes of restricted funds

South Africa - Kick it Into play: WER has been working with various organisations to co-ordinate a sports programme (Kick it Into Play) in Paarl East, South Africa.

Kenya - Hope Community Centre: an individual donor and a Church made donations specifically to be used for the Hope Community Centre in Kenya. The funds were towards the equipping of a science classroom at the centre.

Sudan: this relates to agricultural training in Southern Sudan, including the planting of improved yield seeds.

WER staff payroll giving: WER staff make monthly contributions to a restricted fund via Payroll Giving. Staff then jointly decide how these funds will be spent.

Democratic Republic of Congo & Zimbabwe: a couple of individual donors made donations specifically to be used for supporting projects in the DRC or Zimbabwe. The funds were used to partially cover the cost of a shipment of medical supplies to an organisation in Zimbabwe.

#### Purposes of designated funds

Burma Cyclone: an emergency appeal was sent to WER supporters in May 08 to raise funds in order to provide short, medium and long term aid for those affected by the cyclone in Burma. The funds have so far been used to cover the shipping of medical supplies (short term) and the rebuilding of a school (medium term). Part of the remainder the funds are to be used for a long term project of setting up an incoming generating pig farm. Having met the objectives of and commitments to the emergency appeal, the balance of the funds have been and will be used to meet other objectives worldwide.

## World Emergency Relief

### Notes to the financial statements

#### For the Year Ended 31 March 2009

WER staff payroll giving: WER staff make monthly contributions to a designated fund via Payroll Giving. Staff then jointly decide how these funds will be spent.

All Nations Christian Care - Uganda: a grant of \$15,000 was received from an American organisation to cover for the use of ANCC Uganda resources. The funds have so far been used to cover the initial costs of a management audit. The remainder of the funds will be used to purchase a vehicle for ANCC, cover the final audit costs and to fund a water project.

#### 16. Operating lease commitments

The group had annual commitments at the year end under operating leases expiring as follows:

	2009		2008	
	Land and buildings £	Equipment £	Land and buildings £	Equipment £
Less than 1 year	45,425	-	60,500	3,046
1 - 2 Years	-	-	-	-
2 - 5 Years	-	-	-	-
Over 5 years	-	-	-	-
	<b>45,425</b>	<b>-</b>	<b>60,500</b>	<b>3,046</b>

The charity had annual commitments at the year end under operating leases expiring as follows:

	2009		2008	
	Land and buildings £	Equipment £	Land and buildings £	Equipment £
Less than 1 year	45,425	-	60,500	3,046
1 - 2 Years	-	-	-	-
2 - 5 Years	-	-	-	-
Over 5 years	-	-	-	-
	<b>45,425</b>	<b>-</b>	<b>60,500</b>	<b>3,046</b>

#### 17. Related party transactions

Payments of £5,500 (2007: £5,000) were made to Door of Hope, an organisation of which one Trustee (Philip Streeter) is a Trustee.