



Ending poverty through education



Madalena on the right and her older sister on the left.

ON THE COVER IS MADALENA



Madalena is 14 and from the poorest barrio in Santana do Araguaia – Pará, Brazil.

One of 9 children and deserted by their mother, Madalena and her younger brothers and sisters were left in the care of their elderly father until his death. With no one to care for them the family were split and Madalena was cared for by her oldest sister who by then had her own family.

She says **“My older sister that I consider as my mother works as a domestic helper. I was able to study in the morning and I worked in the afternoon in a restaurant - washing dishes, cleaning and wiping the tables so that I can help my sister and buy what I need.”**

Because of her difficulties Madalena found life chaotic and learning difficult, after failing her exams her prospects for the future looked very bleak until she met the Sisters of Mary last year and we were able to fund a place for her at our girls school in Brasilia, Brazil.

In her own words **“Here I feel the care of a mother through the Sisters and I am learning many things. I like all the routine and schedule here because there in my house it is only I and no one else. Here I can feel that I am not alone. I will study hard and reach 3rd year high school and make technical in nursing. Then I can serve and help other people who are in need. Then continue to achieve my dream to be a police someday.”**

www.worldvillages.org.uk/stories/madalenas-story/

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Company Number: 3267479
 UK Registered Charity Number: 1058973



Company Information

Directors and Trustees

Sister Elena Grengia Belarmino (Appointed Chair 6 July 2023)

Sister D L Cho (Sister Maria), Chair of Trustees
(Resigned as Chair 31st March 2023)

Nicola Lawson

John Graham, Treasurer (Appointed 18 April 2019)

Jo Ogilvie (Appointed 12 April 2022)

Clare Bamberger (Appointed 4 July 2019)

Sr Margarita Campos Abeja (Appointed 6th July 2023)

Fr Fretch Ballesteros (Appointed 7th August 2023)

Sister Y Cheong (Sister Margie) (Resigned 17th September 2019)

Sister Teresita Mendoza Prudente (Resigned 6th July 2023)

Key Management Personnel

UK Manager

Website

www.worldvillages.org.uk

Registered Office and Charity address

Kings Buildings, 16 Smith Square, London SW1P 3HQ

Auditor

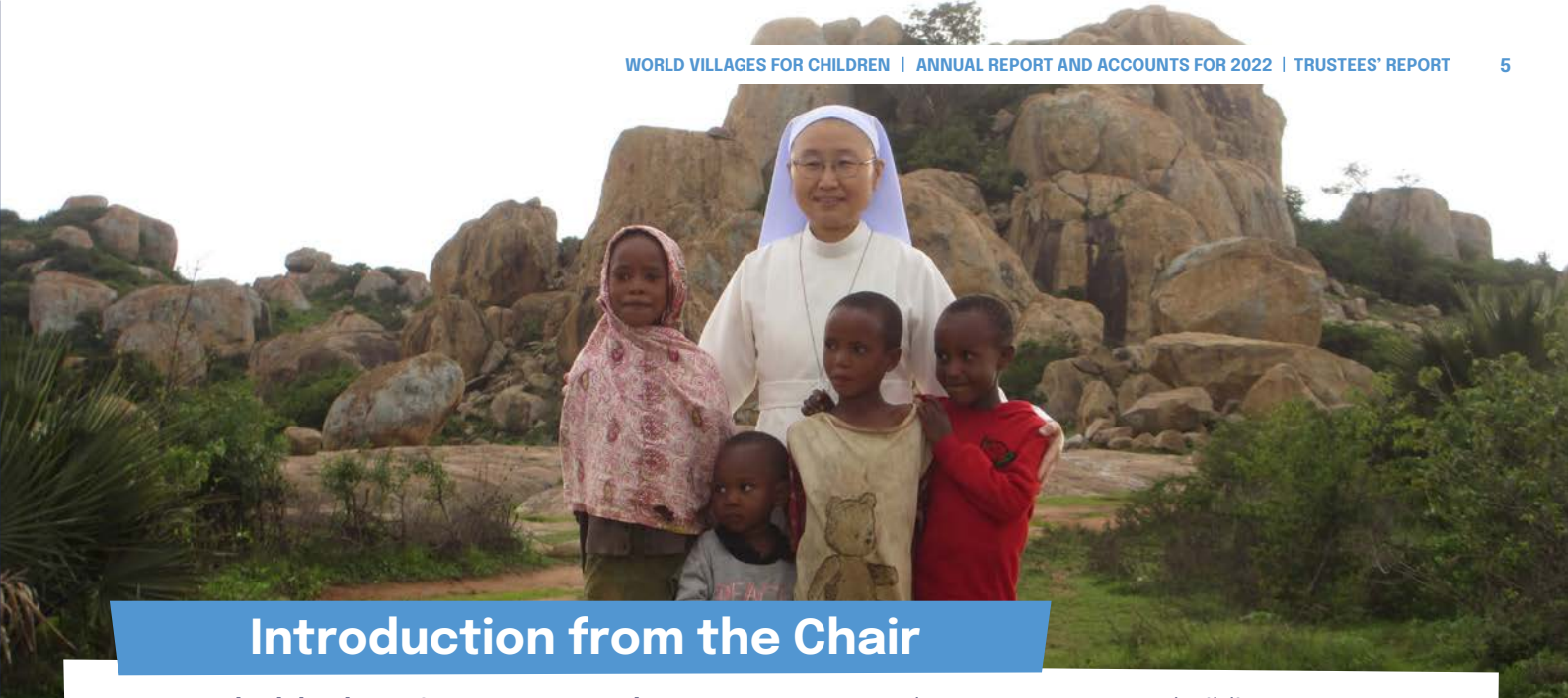
Crowe U.K. LLP, 55 Ludgate Hill, London EC4M 7JW

Solicitor

BDB Pitmans, One Bartholomew Close, London EC1A 7BL

New boys arriving in the Philippines





Introduction from the Chair

As we look back at 2022, I am amazed to see how the effort and dedication of the staff, leadership and board of WVC have navigated the challenges presented by the continuing global financial crisis continuing to raise funds to support the Sisters of Mary charity programs. The many poor children under our care have received joy and hope because of the vital education they have experienced, thanks to our supporters. As they become skilled and qualified for work, they have in turn been able to ease the burden of their poor families, lifting them from a life of poverty and multiplying the impact of your generous gifts.

As we strive to meet the growing need for education from more and more deprived children around the world we are so grateful to be able to accept new children every year and to have our children graduate from school with a good quality secondary education and vocational training ready for local employment. Each year we see more children finding jobs, making successful careers and building a brighter future for themselves free from poverty thanks to the untiring work of the Sisters and teachers in building lasting partnerships with local employers and training the children in the skills they need. It is our loyal donors who make it all possible.

In 2022 we were pleased to resume our grassroots community work within the poorest regions. My Sisters of Mary met many thousands of children in need of our care and we were pleased to welcome 5,253 of these boys and girls into our schools, day care and training centres worldwide. During the year it was wonderful to see 3,809 of the most senior children graduate ready to work, qualified and independent members of society ready to contribute, with agency and ambition. In the Philippines 97% of these graduates are already employed.

In Honduras, a new 3 storey building was completed and inaugurated for the technical training of the girls in school with us here and in Tanzania we completed the day care and ladies training centre in Kiluvya Tanzania and welcomed the first 100 young women and 90 toddlers into this facility. Elsewhere in Tanzania we received 12 hectares of land from the Archdiocese of Dodoma ready for the construction of a new school for the poorest boys in this country.

Across our programs, the new children in our schools are receiving additional teaching to help them catch up with lost early learning and they are improving numeracy and literacy. Our children are loving the return to face to face lessons and looking forward to the future.

As we face the challenges of the new year I wanted to thank all our dear supporters for your help in developing our mission and to update you that my term of service as superior general is now at an end and thus my Chairmanship of World Villages for Children. So I am pleased to welcome Sr Elena Belarmino as the new Superior General and Chair of WVC. She will continue handling the baton of our loving service to the poor. She will not be alone and we, Sisters of Mary, are all together in this charity work. We move in the same direction all for the welfare of the poor.

We remain so grateful to all our committed friends for your help in educating the poorest children. Without you our work simply would not be possible. We thank you sincerely for your longstanding kindness and humanitarian interest in the poor children in our care.

Sister Maria Cho

Sister Maria Cho
Outgoing Chair of Trustees



I look forward to my role as the new Chair of the Charity and continuing the work started by Sister Maria, committed to providing care and education for the poorest children around the world.

With the hard work of our staff and trustees, the dedication of all my Sisters of Mary and the loyal generosity of our friends and supporters, we can continue our mission for the protection and welfare of the poor.

Sr. Elena Belarmino

Sr Elena Belarmino
Chair of Trustees (Appointed 6th July 2023)



Introduction from the UK Manager

Nicola with Clara, graduate and now Physics teacher in Guatemala Girlstown

We remain as always deeply grateful for the kindness, interest and gifts we receive from our supporters, from individual donors, from organisations and from trusts and foundations. Your generosity allows us to continue and develop our mission, and the value of every gift is multiplied by our children when they graduate as independent and self-sufficient adults able to find work, build careers and go on to help generations of their families with access to a better life, healthcare and education.

2022 was a difficult year for fundraising and WVC, like many other charities, was affected by the external factors influencing the UK economy and we finished behind our income targets for the year. Despite this and thanks to the loyal commitment of our staff, trustees and supporters we maintained a regular flow of funds to support nearly 20,000 children at the Sisters of Mary schools worldwide. As in 2021 we continued to focus our grant giving on unrestricted support for the Sisters to help them in the variety of challenges they experienced during the year maintaining care of the children in the face of rising prices, particularly with the provision of food. Where we provided restricted funding this was particularly focussed on projects at the schools to support vocational teaching and work readiness for both boys and girls. This included the new technical training centre for ladies in Tanzania and the upgraded equipment for computing and engineering for the boys in the Philippines to meet the changing technology needs of local employers.

During the year we were delighted to work more closely with the alumni of all the Sisters of Mary schools around the world as they engaged with us on the new board advisory committee. You will read some of their stories within this report. We appreciate their involvement and time and they have deepened our knowledge of the enormous impact made by the education programmes on the success of their lives.

They have also helped us to better understand the realities of the challenges they face after school and how we might help the Sisters to evolve the programmes to address these.

Our strategic priorities for 2022 remained focussed on governance, fundraising, operational effectiveness, quality and impact measurement. We were blessed with the active contribution and guidance of our board of trustees throughout the year and in April 2022 were delighted to welcome our new trustee Jo Ogilvie who brings new experiences and skills to our board and has been a new source of learning for our whole staff team.

In July 2023 we were also delighted to welcome new trustees Sr Margarita Campos Abeja and Fr Fretch Ballesteros who add great depth and variety of experience to our board. We celebrated Sr Maria's dedicated service as she stood down as Superior General and therefore Chair of our board, being replaced in the role by Sr Elena. We also thanked Sr Teresita Prudente as she retired from her 4 years of committed service to our governance.

Despite the challenges of the year we were thrilled to support and celebrate the growth of the Sisters of Mary programmes including the completion of the new training centre and day care facility in Tanzania, welcoming the first 200 ladies and children there and to share the milestone ground-breaking for the new school for boys in Dodoma. None of this work would be possible without you.

Thank you

Nicola Lawson
UK Manager and Trustee



Young boys hoping for a place at the new school in Dodoma, Tanzania.

About World Villages for Children



World Villages for Children supports the education programmes of the Sisters of Mary (SoM) to provide a free, quality education to the poorest children in the world.

In 2022, the number of people living in poverty experiencing acute food insecurity and requiring urgent nutrition and livelihood assistance increased for the fourth consecutive year with over a quarter of a billion facing severe hunger. Education and the skills needed for stable employment are a pathway out of this poverty, the catalyst to a better, poverty free future and the driver of our fundraising work.

Through our donors' generosity we fund school places for the very poorest children at the Sisters' schools in The Philippines, Mexico, Guatemala, Brazil, Honduras and Tanzania. In a safe and a loving environment, the world's most deprived boys and girls receive an inclusive and equitable education which gives them good academic and vocational skills and helps them to find good work locally and become productive, independent adults.

About the Sisters of Mary education programmes

The schools programme has grown since 1964 and where funding and support permits, the programmes expand to new communities and new countries (most recently Dodoma in Tanzania). Each year the Sisters travel to the most remote and deprived communities in each country to help the poorest children access care and education.

The programmes include day-care facilities for younger children aged 3-5 which focus on the provision of care and foundational learning for the most vulnerable, (Mexico, Guatemala, Brazil and Tanzania), training centres to prepare the most disadvantaged young women for work (Tanzania) Medical centres for the poorest (Philippines, Guatemala) and live-in secondary schools for boys and girls (aged 11 onwards) in the Philippines, Mexico, Guatemala, Brazil, Honduras and Tanzania.

It is a low cost and sustainable education process, together we provide places for nearly 20,000 children each year and the schools generate significant operating efficiencies. In 2022 it cost just over £1,000 to feed, care for and educate one child for the year.

With post pandemic poverty a systemic problem in all our countries of operation, demand for places has again been at unprecedented levels and we cannot welcome all those who need and deserve a place. However in 2022 the Sisters welcomed a staggering 5,253 new children into a place in their care.

Their work underpins the principles of the UNSDGs. The Sisters use their dedication and in country expertise to ensure that the poorest children receive a lifetime of kindness as well as study nationally accredited academic and technical courses which prepare them for local employment. Saved from the hardships of a life in poverty like child labour, abuse, childhood marriage and early child rearing, these children enjoy the comforts of a normal childhood and graduate as confident adults able to hold down steady jobs.

The experience at school transforms their lives.



Where we work



Trustees' Report



New girls at school in the Philippines

STRATEGY

The Trustees of WVC present their annual report for the year ended 31 December 2022 under the Companies Act 2006, together with the audited accounts for the year. They confirm that the latter complies with the requirements of the Act, the Charities (Accounts and Reports) Regulations 2008 and the Charities SORP 2015.

The Charity Objects for WVC are to:

- Provide financial support for the SoM humanitarian programmes
- To raise the profile of their poverty relief work through the provision of education
- To educate the public and promote understanding of childhood poverty and the work of the programmes to alleviate poverty amongst children, the most vulnerable group.

Our mission to educate the poorest children to help end their lives of poverty continued in 2022. Our strategy goals to achieve this underpin the activities of the Sisters of Mary and fund the operation of their programmes providing secondary education, foundational learning and vocational training for the very poorest children as well as the growth of the programmes to new communities, within and between countries to reach new girls and boys in urgent need of our care.

During the year the charity responded to a number of challenges in the wider economy and adapted to take advantage of the opportunities available to us whilst optimising our existing resources.

GOVERNANCE



In 2022 we continued our objective to build a bigger, more diverse skill base for our board. It was enriched by the appointment of new trustee, Jo Ogilvie in April 2022 and then again in 2023 with the recruitment of Sr Margarita Campos Abeja (SoM) and Fr Fretch Ballesteros (graduate of the Philippines school and UK based).

Also in 2022, the charity formalised the new board advisory group and recruited members from amongst the whole of the alumni of the Sisters of Mary programmes. The new members were an exciting and insightful grouping and they are already adding enormous depth to our understanding of the programmes, all the outcomes of our work with the SoM and how we quantify the impact on poverty relief generated by our work.



IMPACT MEASUREMENT

The impact of our donors' support on poverty relief is multiplied many times over when our children graduate from school into secure livelihoods. Independent and productive, they are able to nurture generations of their families and communities, providing them with practical help, access to healthcare and education and leading them onto a better poverty-free life.

In 2022, with the support of the alumni network we were able to move forward on impact measurement and learn more from our graduates by surveying, for the first time, thousands of alumni of the programmes. These results are detailed later on. Graduates now number nearly 167,400, and this figure is growing every year as more children complete school and join them.

They not only nurture their own families but as part of the alumni network they also provide ongoing support to us in fundraising and the Sisters at the schools with help for new graduates, accelerating their transition into work, further boosting the impact of the work on improved community poverty levels.

FUNDRAISING

In 2022, the economic difficulties, Ukraine war and cost of living increases had a significant impact on our supporter's propensity to give and this affected all fundraising. Income at £2,203,474 was behind forecast by 12%. Although direct mail and committed giving were in line with expectations, Trust & Foundation and legacy income performed poorly.

The new brand and website which were launched during the year and new content received from the programmes has however built momentum in the digital revenue stream and is driving better overall donor engagement for the future.

Despite these difficulties we remained blessed with the support of a core of committed individual supporters and organisations who responded well to our appeals during the year and maintained generous support and interest in our work. Together with the savings created by the redesign of some of our processes to improve stewardship and increase efficiency, we were able to provide a regular flow of unrestricted grant income to fund the range of activities and care needs of 18,500 deprived children in our schools worldwide during the year.

We were particularly pleased to help the Sisters reach new regions during the year, welcome 5,193 new children and provide vital additional teaching for many of these who have lost 2 years of learning due to the Covid-19 pandemic.



PATHWAY TO EMPLOYMENT

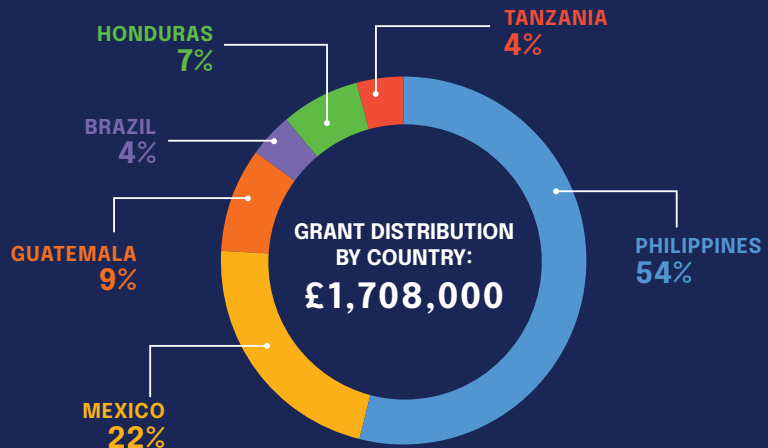
Our funds continued to help the Sisters invest in **sustainable practices** at the schools to optimise their funding budgets and to **upgrade vocational teaching equipment** to suit new skill needs of local employers and improve job opportunities.

This is vital to the achievement of our aims. In 2022 we also helped the Sisters equip and run a new dual function training and day care centre in Tanzania to support the most disadvantaged young women into work or their own businesses.

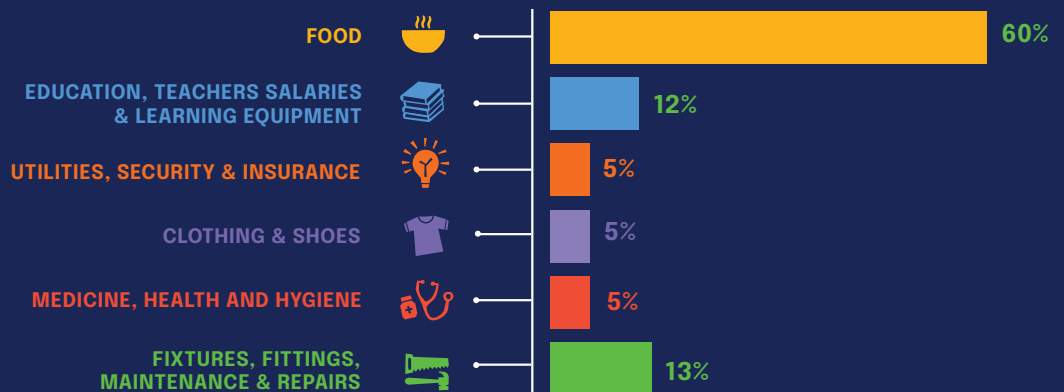
This facility represents an expansion of the SoM programmes, meets a desperate need in the region for vocational training and is already many times oversubscribed.

OUR GRANT OF £1,708,000 WAS DISTRIBUTED IN 2022 AS FOLLOWS:

WHERE YOUR GIFT WAS USED



HOW YOUR FUNDS WERE USED IN 2022



PROGRESS AT THE COUNTRY PROGRAMMES

Thanks to the support of our friends and donors in 2022 we continued to ensure the Sisters had the regular funds needed to welcome the most deprived boys and girls in the world.

Thanks to you the most neglected children were safe, well fed, healthy and educated ready for a better future.¹

	COUNTRY	NUMBER OF CHILDREN	TEACHERS	ANCILLARY STAFF	DOCTORS & NURSES	SISTERS	NEW CHILDREN ACCEPTED IN 2022
	PHILIPPINES						
	Biga Girlstown	2,198	55	65		33	639
	Adlas Boystown	1,604	53	59		21	510
	Talisay Girlstown	2,142	74	77		25	640
	Minglanilla Boystown	1,592	61	79		17	451
	Medical Centre Biga	75 Outpatients per day		9	3	2	
	Medical Centre Minglanilla	59 Outpatients per day		7	2	1	
	MEXICO						
	Chalco Girlstown	3,040	108	66	6	52	775
	Guadalajara Boystown	1,979	71	39	1	15	499
	Day Care centre, Chalco	107	7	10		2	40
	GUATEMALA						
	Zona 13 Girlstown	862	27	43		15	173
	Zona 6 Boystown	1,068	35	45	4	13	287
	Day Care centre Zona 13	102	8	6		1	60
	Medical Clinic Zona 13	74		2	5	1	
	BRAZIL						
	Brasilia (Girlstown)	837	27	13	2	15	183
	Day care centre Brasilia	67	4			2	78
	Sao Paulo Elementary	305	14			2	67
	Sao Paulo day care	149	8	9		4	43
	HONDURAS						
	Tegucigalpa (Girlstown)	709	28	26	2	15	170
	Amarateca (Boystown)	800	30	39	2	9	176
	TANZANIA						
	Kisarawe (Girlstown)	626	28	15	2	19	160
	Training centre (Kwa Komba) ²	90	4	5		4	212
	Day Care	87	1	2		2	90

¹ These are year end totals and move significantly during the year due to new arrivals and graduations.

² Training centre has two intakes a year each of approx 90/100 ladies

Highlights from our work and how your gift helped in 2022



Almost 18,500 children were cared for in school or nursery places in 2022



5,253 new children received a place at our schools, day care and training centres worldwide



3,809 children graduated, skilled and ready to find work.



We provided specialist technical training equipment and materials for the most disadvantaged ladies of Tanzania to help them learn the skills needed for employment.



We helped provide food for 55,500 meals a day so all the children at the schools worldwide could thrive



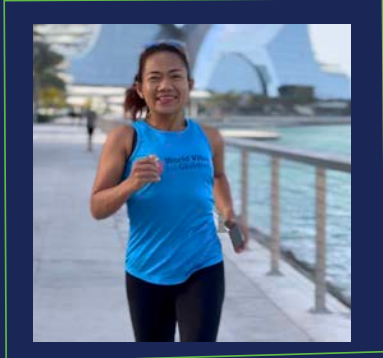
Ground was broken and construction commenced in Dodoma, Tanzania for the first Sisters of Mary school for boys in that country.



We helped the 2,244 girls in Biga Girlstown Philippines with new windows to make their school watertight.



We supported 1,703 boys in the school in Adlas, Philippines with the computing and engineering tools and equipment they needed to be work ready for local jobs



Our graduates were motivated to pay back for their opportunity by supporting us with fundraising for future generations.

Country Focus



Children of impoverished families in the Philippines are the most vulnerable

PHILIPPINES



- One of the most unequal economies in the world. Over 19 million Filipinos were living in poverty in 2022¹
- Families in the poorest regions like Central and Southern Luzon and Visayas are the most deprived, suffering the long-lasting impact of the Covid-19 pandemic
- Rising inflation has further devastated livelihoods causing wide-spread food insecurity and malnutrition amongst children, the most vulnerable cohort
- Recovery in employment rates suggests that with access to adequate education and training, opportunities do exist for these poorest families to find jobs and a more productive future.

¹ World Bank Group, Poverty & Equity Brief April 2023



ACCESS TO EDUCATION



The support of our loyal donors in the UK allowed us to send £931,000 of our 2022 grant to the programmes in the Philippines.

Your funds helped towards the care of 7,794 of this country's poorest children in 2022, providing them with a safe place to grow, food, clothes, shoes, educational supplies and equipment, workshop tools and essential school repairs to ensure they had a better future.

- In four schools Biga and Adlas (Girlstown and Boystown) near Cavite, and Talisay and Minglanilla (Girlstown and Boystown) in Cebu.
- The most deprived children received three healthy meals a day, medical support, clothing and an academic and vocational education accredited by TESDA².
- Additionally in 2022 the Sisters received new tools and teaching equipment for the boys engineering workshop in Adlas, new computers, to run their computer design software and the funds needed for vital window repairs for the girl's school in Biga all thanks to you.
- 2022 saw a return to normal regional community work for the Sisters of Mary to meet children in most need. Thousands of children met with the Sisters and in August, 2,240 extremely deprived boys and girls were welcomed into school from throughout the country.
- Balanced meals and additional tuition were an urgent priority for these new children to help them recover their strength and catch up with lost learning. With the aid of your regular donations these children continue to recover well, gain confidence and learn fast. Rendel was one of our newest students in 2022.

THE STORY OF RENDEL

He is 12 years old. The eldest of 4 children from a farming family. After primary school he worked hard selling coconuts, fried bananas, and taking care of his younger siblings whilst his parents were out. His father deserted the family whilst Rendel was very young leaving his mother to care for the children alone. It was a miserable life and his future looked very bleak until he met the Sisters of Mary in early 2022.

In August your funds allowed us to make a place for Rendel and he joined the Sisters' school in Adlas. He is now flourishing. He is making new friends, eating regularly and enjoying the comforts of a proper childhood. He finally has hopes and ambitions for a different and brighter future, he says

"I thank all those people who have blessed my life I think now I would like to be a steward or even a pilot someday".



GROWING, LEARNING AND WORKING



The older children at the schools continued to thrive inside and outside the classroom. They were energetic in studying, competing and succeeding in academic subjects and a variety of sports³, representing the school to the wider world⁴ and preparing for future employment. Outside of the classroom they had fun, playing with friends, learning new hobbies and making the most of their new opportunities. Work experience was completed for all the senior children and there was renewed emphasis on upgrading vocational training and equipment to keep pace with the new technology and skill needs of local employers. 1,875 senior year children graduated from the schools in July 2022 ready for work. Over 90% of these children are already employed in companies including Mercedes Benz, Orbis Manufacturing and Epson Precision.



² <https://www.tesda.gov.ph/>

³ The boys in Minglanilla even triumphed in Weightlifting for the first time at the National Weightlifting Championship in 2022.

⁴ Grade 12 student Joel was chosen by the Department of Education to represent the school in the UN Transforming Education Summit 2022

Country Focus



Children living in poverty in Mexico lack the basics for survival like shelter, healthcare and nutrition.

MEXICO



- Post pandemic economic shock and the impact of climate change were the main drivers of poverty in Mexico in 2022- inflation, job loss, disruption to essential supplies and crop failure causing loss of income and hunger for the most vulnerable families.
- Child poverty has now increased to 52.6% ⁵; the harshest result of COVID-19. Youngsters in regions like Oaxaca and Guerrero are particularly affected, lacking adequate shelter, healthcare or nutrition.
- Involvement in crime and violence inside and outside the home has increased and particularly affects girls, instances of child marriage rose in 2022. 10 million girls and women were registered as married or in a union before age 18⁶, preventing any further education or route to long-term productivity.
- The country is facing an in-depth educational crisis ⁷, the poorest children continue to have little access to quality education and so they lack the basic skills needed to secure paid work. The demand for places at our schools is consequently at an unprecedented level.

⁵ Unicef Country Office Annual Report, Mexico, 2022

⁶ <https://data.unicef.org/resources/is-an-end-to-child-marriage-within-reach/>

⁷ Unicef, Mexico Report 2022



ACCESS TO EDUCATION



Your generous gifts allowed funds of £367,000 to be sent to the programmes in Mexico in 2022 to support the education work by providing essential food and nutrition, clothing, education supplies, teaching salaries and utilities.

- In two schools, in Chalco, Villa de las Niñas (girls) and Guadalajara, Villa de los Niños (boys) the Sisters of Mary were able to care for a total of 4,887 secondary age children and 107 youngsters at the day care centre in Chalco, providing three healthy meals a day, vital care and an accredited education.

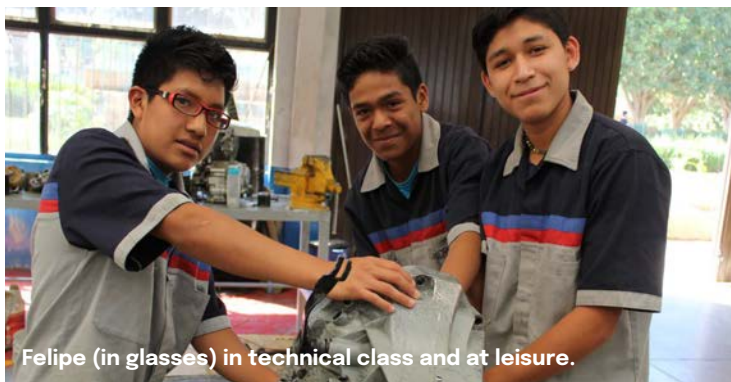
- The schools focused on welcoming as many children as possible and meeting the urgent need for places from families desperate for help for their children.
- 850 new boys and girls were accepted into school and day care during July and given the support and care they needed to recover.

THE STORY OF FELIPE

Felipe is one of the children benefiting from your kindness at the boys' school in Guadalajara. Originally from Calcahualco, Nueva Vaquería in the state of Veracruz his life was very difficult before he arrived at Villa de los Niños.

The eldest of four brothers, abandoned by their father, Felipe tried hard to help his mother to support the family and missed out on his early schooling whilst caring for his younger brothers. He had no hopes for the future until he met the Sisters of Mary and we were able to fund a place at school for him.

“What I like most about Villa de los Niños is that The Sisters of Mary give you so much love and that makes me feel free. Once I finished studying, I want to enter the army or the navy and study medicine and one day be recognized for my work. I would like to thank the benefactors for all their support. Thanks to their help, I am beginning to fulfill my dreams. May God grant you unlimited blessings for all the support you give me every single day. Thank you!”



Felipe (in glasses) in technical class and at leisure.



GROWING, LEARNING AND WORKING



Thanks to you, the most deprived children were happy and fulfilled at school in Mexico and enjoyed the freedom and comforts of a proper childhood in 2022.

In August, 810 boys and girls finished their academic and vocational studies and graduated ready for work. Over 50% of these children are already employed, living independently and many also pursue higher education studies through scholarships.



Girls football team in Chalco triumphant trophy winners

Country Focus



Meeting new young girls in need in Brazil, 2022

BRAZIL



- The poorest families in Brazil (particularly in the North and North East) face a precarious future as jobs have been lost post pandemic and the current rising inflation has eroded any meagre income they are able to earn.
- 75% of children from these vulnerable families which are mainly in rural areas, are living in poverty⁸.
- Their daily struggle is marked by lack of access to adequate shelter, nutrition, drinking water, sanitation and electricity.

These deprivations hinder their ability to access the protections of school or a healthy start in life.

- Young girls living in poverty are particularly affected, facing abuse and violence inside and outside the home and early marriage. 21.58 million girls in Brazil were married or in a union before age 18 in 2022 ending their hope of further education or a route out of poverty.⁹ These children are the priority for the Sisters of Mary programmes.

⁸ Brazil Poverty and Equity Assessment, World Bank 2022

⁹ <https://data.unicef.org/resources/is-an-end-to-child-marriage-within-reach/>



ACCESS TO EDUCATION



Your generous support in 2022 helped to provide for the range of needs for 827 girls in their school in Brasilia, as well as 67 toddlers in their day care centre there, including food, clothing, shoes, medicines, toiletries, and learning supplies.

- In Sao Paulo, the Sisters' elementary school welcomed 320 boys and girls aged 6 to 11 and the day care centre cared for 149 toddlers aged 3-5, providing refuge for the youngsters of the poorest families and a vital early education.
- The Sisters resumed their community work in October 2021 travelling widely to reach the poorest families, particularly in the North East of the country. They met hundreds of desperately deprived children and in January 2022, 188 new youngsters were welcomed into the day care and elementary facilities and 183 new girls were welcomed to the school in Brasilia.
- These girls have suffered severely from the lack of education during the pandemic and most of them joined the school unable to read or write¹⁰ and so your funds also helped the Sisters to arrange the additional tuition needed for these children. Thanks to you they are now thriving! Herika is one of them.

THE STORY OF HERIKA

“Hello! My name is Herika, I am 13 years old. I came from São Felix do Xingu, State of Pará. When I was born my mother didn't have the condition to rear me because my father left her. My grandparents have taken care of me since birth. They also have a poor living condition. My grandfather is a fisherman and my grandmother is a fish vendor. Life is not easy at home. They are now getting old, so I helped in the household chores.

I have a big dream. I want to be Marine soldier and I want to help my grandparents to get out from poverty. Because of the pandemic, I was not able to study. When the Sisters came to our town I was so excited. I know I would be apart from my family but I see that though a unique opportunity I would have a bright future.

Now, I am studying hard. I am so happy with my new home. I thank God for giving such a grace. The sisters are very good and our benefactors are goodhearted people. I thank you with all my heart. I pray to God that He may continue to bless and keep you safe always. Thank you so much!”



Herika is now loving her lessons and learning fast.

GROWING, LEARNING AND WORKING

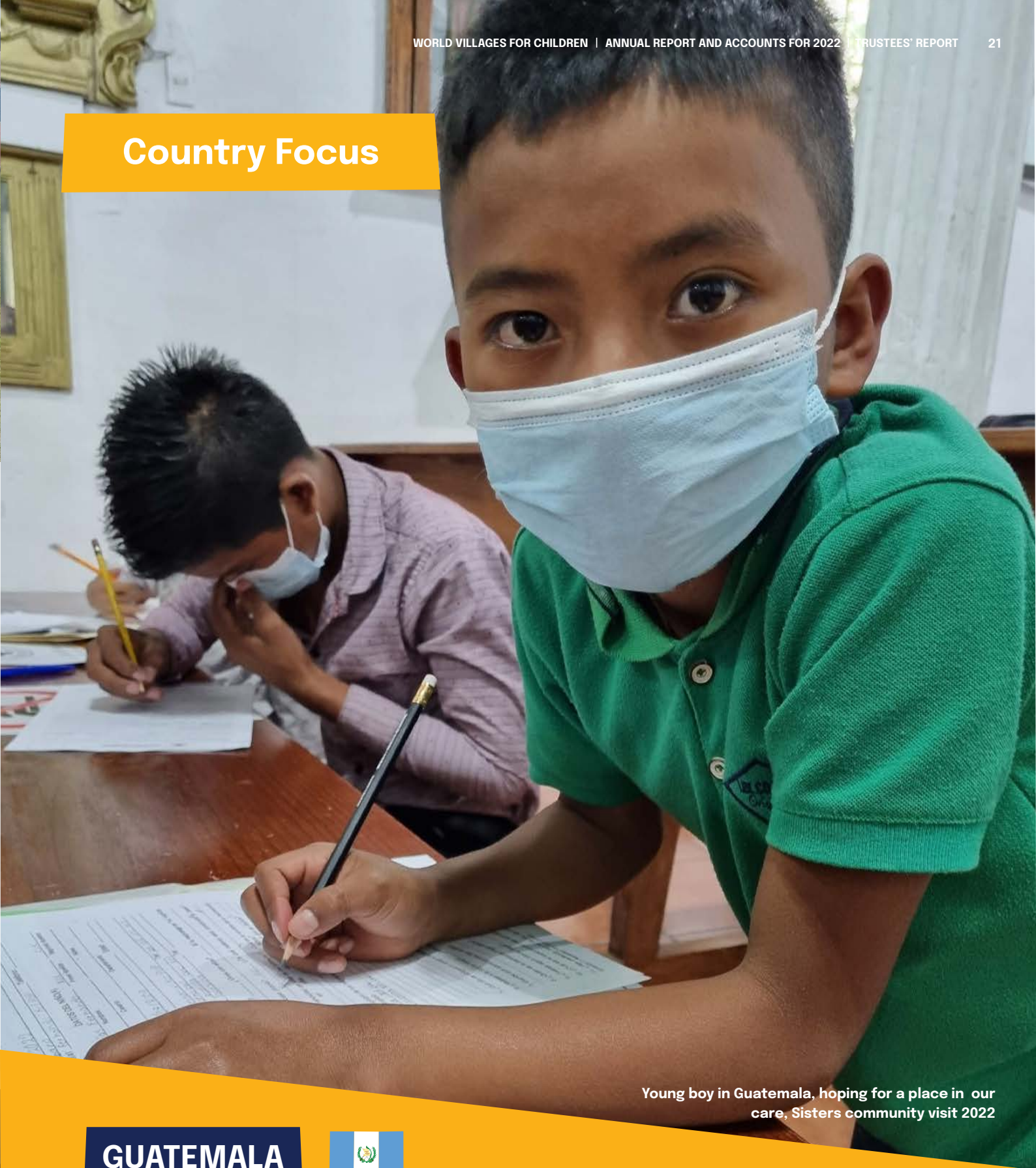


The senior girls at school enjoyed the full range of vocational training in 2022 to ready themselves for working life including training in Nursing and Dental hygiene.

Hospitals and clinics in Brazil lack nursing staff and so this is a popular role for the girls to pursue. 97 girls graduated in December 2022 and many of these are already employed in nursing and dentistry roles, building careers, serving their communities and able to help their families onto a better life.



Country Focus



Young boy in Guatemala, hoping for a place in our care, Sisters community visit 2022

GUATEMALA



- The poverty rate in Guatemala is one of the highest in Latin America. Unequal distribution of income leads to extreme poverty particularly in rural and indigenous communities which lack access to education and are exposed to frequent natural disasters.¹¹
- Malnutrition amongst the youngest children in these poor families is amongst the highest in the world¹² (at 43%) driving the increased rate of stunting and wasting for the most vulnerable.
- Impoverished families remain burdened by the impact of the economic crises. Informal jobs lost during the Covid pandemic have not been regained; the war in the Ukraine, disruption to supplies, inflation and the high prices for imported staple foods have devastated the poorest families on the lowest income.
- In 2022 rural occupations were particularly blighted by the effects of climate change with hurricanes Eta and Iota and then tropical storm Julia devastating many of the most humble livelihoods.

¹¹ Estimated by the World Bank as 54% of the population. [World Bank Overview April 2023]

¹² UNICEF-WHO-The World Bank: Joint Child Malnutrition Estimates (JME) – Levels and Trends – 2023



ACCESS TO EDUCATION



In response to this need, the Sisters of Mary cared for 2,016 of the poorest children in their programmes in Guatemala City during the year. 908 Girls in Zona 13 (Villa de las Niñas), 1,108 boys in Zona 6 (Villa de Los Niños), 102 youngsters (aged 3-5) in day care in Zona 13 and 74 patients per day (average) at the Clinica Medica Maria Medical Centre in Zona 13¹³.

- Your generous funds were vital to the progress at the schools during the year, helping to provide regular funding for a balanced and nutritious diet for the children, adequate clothing for them for school and play, paying for teacher salaries, utilities and repairs and maintenance for the school.
- Following their community work in late 2021, in January 2022 the Sisters welcomed 520 new boys and girls into their schools and day care from the many hundreds of children in need of a place. As seen in our other countries, in addition to urgent care and nutrition to build these children up, they also required remedial lessons to reach the national standard, particularly in reading and writing.
- Thanks to you, in 2022, these poorest boys and girls had a chance to be in school happy, healthy and hopeful for their future. Including one of our most recent students, Daily.

THE STORY OF DAILY

The seventh of eight siblings, Daily says **“My life was quite complicated, I suffered a lot because my father is an alcoholic and he didn’t take responsibility for me and my siblings, and my father also beat my mother”**. Daily had some early schooling until she had to leave in order to help support the family.

“We are a poor family, I could no longer continue studying, because since I was little I did jobs which are selling vegetables from house to house, a day I earned 35 quetzales.”

One day she went to the church and learnt about the visit of the Sisters she says **“Thank God I discovered La Villa. Now that I am here I am very happy. I like food, playing with my classmates and especially studying. I want to get ahead, because I promised my mum and my brothers that I was going to get ahead, I promised my mum that I’m going to be someone in life and I’m going to help her.”**

“To all our supporters I say Thank you for sending us help, if it weren’t for them we wouldn’t have the opportunity to be here.”



GROWING, LEARNING AND WORKING



Throughout the schools, the children continued to enjoy their time, studying, playing and competing against their friends and peers, locally and nationally¹⁴.

Vocational teaching of technical and practical skills relevant to local jobs including computing and electronics, was a focus for both the boys and girls and in September, 305 final year children graduated, skilled and ready for work.



¹³ This facility reopened to the general public during the year after closing due to the pandemic.
¹⁴ In October the boys were National Handball champions and the girls Hockey team qualified for the national schools final.

Country Focus



HONDURAS



- Honduras faces high levels of poverty, inequality and violent crime with 60% of the population currently living in poverty and 23% of all children displaying the effects of deprivation with malnutrition, stunting and premature death a common occurrence¹⁵.
- Rising inflation and increasing food prices have strained the purchasing power of the lowest income families, limiting their access to basic food staples and deepening the difficulties they already face trying to feed themselves.
- Climate change events such as Storm Julia in October 2022 have had a further devastating effect on many of these families and communities, who rely heavily on rural occupations for survival¹⁶.
- Access to education for the children of these families is precarious. Nearly 62% of adolescents from the poorest regions are out of school, and without its protection these children are vulnerable to abuse and involvement in gang related violence.”¹⁷

¹⁵ World Food Programme Brief: Honduras

¹⁶ Honduras Humanitarian Needs Overview 2023

¹⁷ EDCP Spotlight on Honduras



ACCESS TO EDUCATION



- To meet these needs, the Sisters of Mary programmes have grown in this country. Thanks to your support in 2022, we were able to help the Sisters care for 1,495 boys and girls aged 11-17 in their schools in Tegucigalpa (girls) and Amarateca (boys), by providing food, clothing, shoes, educational supplies, cooking equipment and maintenance items for the schools.
- In January 2022 the Sisters welcomed 346 new boys and girls into school providing them with a safe place to live and learn and the chance of a proper childhood.
- The new children grew fit and healthy thanks to your support, they made new friends, grew in confidence and loved their studies, hobbies and sports.
- They helped out at school, contributing to the food budget by successfully growing a number of crops this year and they competed enthusiastically in a variety of competitions in and out of the classroom¹⁸. Achieving great success during the year was one of our youngest boys, Elias.

THE STORY OF ELIAS

Elias is from the province of Opatoro, La Paz Honduras. Aged 14, the second of four children from a farming family he had a simple but impoverished early life helping out on the land with his parents whilst attending primary school.

He says

“I had been working with my parents under the heat of the sun. It was an unforgettable moment during the pandemic time last 2020, when I was on my last year in elementary. Receiving classes was so hard that many times we lost topics that must be discussed. We only received classes twice a week with our teachers but most of the time, they just give us homework. Honestly, I didn't learn so much during my sixth grade.”

With no opportunity to progress his education further life looked bleak for Elias until he met the Sisters in late 2020 and they were able to offer him a place at school in Amarateca. **“Seeing the joyful atmosphere of having many boys like me I'm encouraged to study hard. My favorite subject is math because I like to solve exercises and I love to think how to solve them. But also, I like automotive mechanic.”**

When Elias was in Grade 8 he took part in the National Maths quiz eventually winning. He says **“I was so happy and proud for winning the competition. I still want to participate the math olympics for this year or throughout my studies here at the Sisters of Mary”.**

“My plan for my future is to have medals, to be a graduate of this wonderful school and someday have a good job and in that way I could help my family”. I'm glad to share the story of my life as you are for all of us, who have a good and a big heart for the poor. Thank you very much for your time and your effort.”



GROWING, LEARNING AND WORKING



For the older students at school there was a renewed focus on vocational training during the year ready for work particularly in bookkeeping, auto mechanics, welding and computer servicing. Work experience was valuable for the final year children leading to job offers and eventual employment. In December, 255 final year children graduated ready for work and some of these are already employed with organisations including Toyota.



Country Focus



TANZANIA



- Poverty rate in Tanzania remains stubbornly high with 27% of the population¹⁹ deprived of sufficient food, shelter, and access to water for drinking and sanitation. In 2022, the impact of the pandemic continued to affect the poorest families who could not regain the humble but vital jobs lost in 2020-21.
- The effects of the war in Ukraine additionally pushed up food prices denying these poor families the basic supplies they relied on to survive. By late in 2022 some staple food prices had doubled year-on-year.
- Rural families in Tanzania were also affected by climate issues - prolonged dry spells and erratic rains in March-May 2022. This resulted in reduced harvests and poor condition of cattle diminishing their sale value and the family income further contributing to food insecurity and the effects of poverty.
- Impoverished and neglected, the children of these families also missed out on more schooling in 2022 with only 30% of secondary age girls recorded in school²⁰. Early marriage contributes to this difficulty and the girls in Tanzania now face some of the highest rates of child marriage in the world.²¹
- The Sisters of Mary programmes in Tanzania are the latest expansion of their humanitarian work and they respond directly to the needs of these most disadvantaged children in this country.

¹⁹ 2022 Population & Housing census results show a population of 61 million, growing at 3%- the third highest in the world.
²⁰ World Bank Data 2021-22

²¹ 1 in 3 marry before age 18 (World Bank), permanently depriving them of access to education or future learning.



ACCESS TO EDUCATION



- Thanks to the kindness of our loyal supporters in 2022 we were able to provide food, learning and training equipment and tools, text books, furniture, clothing, shoes and medicines to help the Sisters to care for 626 girls at the secondary school in Kisarawe, to equip the new Training and day care centre in Kwa Komba (previously Kiluvya) and

welcome 90 young women onto 6 month courses there and 87 toddlers aged 3-5 into the day care facility.

- 2022 was a busy year for these programmes and a joyful time for everyone settling into the new day care and training centre, like Shamin one of the first students in our training centre.

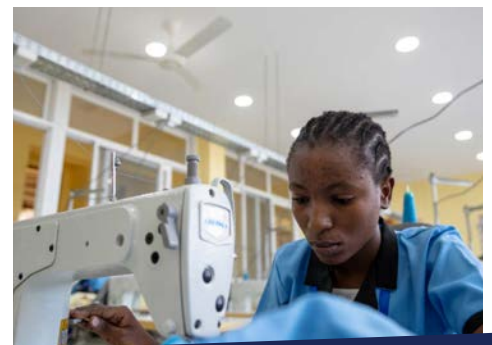
THE STORY OF SHAMIN

“My name is Shamin. I am 19 years old. I live in Tanga. We are four children in our family. I was 7 years old when I began my primary level and finished when I was 13 yrs old.” Shamin was able to progress onto secondary level schooling but after passing form 4 could no longer continue her studies instead needing to help her parents at home. She says “since I cannot study college I started to train myself in sewing and at the time after hearing about the Sisters of Mary I ask for a chance to be accepted in the Sisters of Mary Vocation Training Center and I was lucky to be accepted.”

Like other students in the training centre, Shamin had the opportunity to learn tailoring, electrical installation and food production and she says “I am very happy for this training here at the Sisters of Mary and I know that this will be a step to success and with the skills I am learning here, I can find job and help myself and my family in the near future.”

Now that she is qualified Shamin has found a good job with Bora, a shoe company. She has finally been able to help her mother with her earnings and to restart their little business selling rice cakes²². To our supporters who made this possible she just says “Thank you so much and I will never forget you.”

“I am very happy for this training here at the Sisters of Mary and I know that this will be a step to success with the skills I am learning here.”



GROWING, LEARNING AND WORKING



In Kisarawe at the main girls' school, the senior students studied hard. In November 2022 the first students sat (and passed) their crucial Form 4 National exams ready for advanced level. The girls loved school, setting up a choir and netball team which were champions in the District. The children in the day care flourished and grew strong under the nurturing care of the Sisters and then in August, the land title was gifted to the Sisters ready for the construction of the new boys' school in Dodoma.

During the autumn the Sisters travelled again into the remote regions of the country to meet more of the most vulnerable children. They encountered terrible poverty and trauma amongst the girls they met desperate for escape. “One of them, must hide from her father since after standard 7, the father had told her that she will then already marry, no more schooling for her, she would be exchanged for a certain number of goats.” (Sr Marchery, Arusha, 2022).

They met 2,294 girls and we were able to welcome 192 girls into a place at the school with the Sisters in Jan 2023.



Kisarawe girls loving their sports and Day-care youngster enjoying learning



Thank you

None of this life changing work would be possible without the generosity of our individual donors, regular Guardian Angels, organisations and Trusts and Foundations whose commitment and interest through the year have enabled us to continue caring for the worlds' poorest children.

We thank them all for their donations and grants to us in 2022 including:

- Hall Hunter Foundation
- C & K Sommer Trust
- M D C Jenks Charitable Trust
- The Cork of Ashbourne Trust
- Nadler Charitable Trust
- Forest Hill Charitable Trust
- The Van Mesdag Foundation
- Tula Trust
- Hamead Charitable Trust
- Jean and Leslie Connor Charitable Foundation
- Marsh Charitable Trust
- Souter Charitable Trust
- Grail Society
- William Jerome Charitable Trust
- The Reed Foundation
- UBS UK Donor Advised Foundation





Our Impact

The stories of our graduates, their journey from poverty and the contributions they make in the world convey the transformative power of the Sisters of Mary programmes and the impact of your support.





The Multiplier Effect

Suzana one of our Tanzania students, with her mother

Educating a single child at our schools helps them to escape poverty and has a profound effect not just on their lives but on the lives of generations of their families and communities. We call this our multiplier effect.

Families benefit as soon as the children arrive in our care. Learn more about how our student Suzana is helping her family bit.ly/WVCSuzana

As part of our ongoing initiative to measure this impact, we set up the new advisory committee to our board in 2022, comprised of alumni of all the education programmes worldwide and designed to share with us their experiences and collate case study impact evidence.

This has shown that when children acquire the skills they need to find employment and create an independent future, they are able and motivated to help their families and communities onto a better life. They become a source of practical and financial help as well as inspiration and support- they show that a different kind of life is possible.

They know that they have been given a rare opportunity, they are instilled with values of community and responsibility and through their alumni groups like Gravini in Mexico, Asevigua in Guatemala and ASMSI in the Philippines they become a huge source of support for the Sisters and graduating children. Many have now become large employers in their own right.



Boys in the Philippines during on the job work experience

Lety's Story



“My name is Lety and I am a former student of the Sisters of Mary in Mexico. My father worked in a bakery, and my mother took care of us. We are 4 brothers and 3 sisters. At the time my family was poor, we had no electricity or any basic service. My life changed completely when I joined the Sisters of Mary in 1992: I no longer had to walk for hours to go to school, my clothes were clean, I had notebooks, books, pens, food.

It is a miracle what the sisters did for us. I met my best friends there, played sports and had birthday or Christmas parties: we felt so much the attention from the donors for us that day.”

After school Lety worked in a bank and at age 28 started a university course. “At university, I realized that the level of education I had received from the Sisters of Mary was really high. I got involved in the association of alumni in Mexico (Gravini) to help new girls at the Sisters of Mary school into their first job. Today, when I compare my life to others in my old neighborhood, I see how much better my life is.

It was important for me to support my family back at home. I always tried to give some money to my parents and with my sister both of us helped to build our parents a home, our old home was a very very tiny home, so we began constructing a better house for our parents.” You can learn more about the transformation of Lety's life here. bit.ly/WVCLety

MEASURING YOUR IMPACT

In addition to case study evidence, surveys were also conducted between May and July 2022 amongst the graduates and alumni of the schools across the world in the Philippines, Guatemala, Mexico, Honduras and Brazil. This new impact research has resulted in exciting metrics and valuable insights that measure our outcomes and show the fundamental changes that you are making with your gifts.

We learn from the survey that employment rates for our graduates are higher than the national average in each country. That (61%) of the children that leave school in the Philippines have job offers before they leave school or within 6 months of leaving.

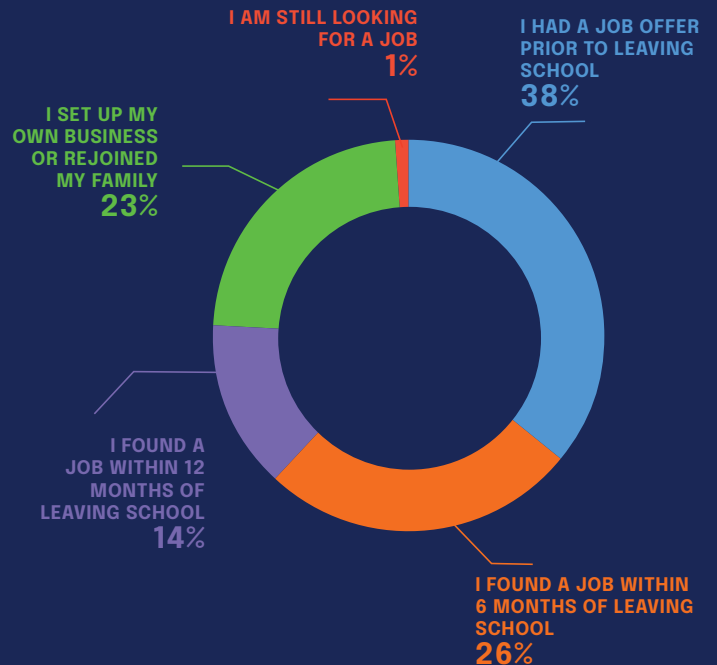
We can now also see that 80% of our survey sample of Philippine graduates go on to support their families when they leave school and find work.

OUR FINDINGS

The biggest response within the survey was from the Philippine programmes, by far the largest number of graduates and so the following short insights are extracted from their data.

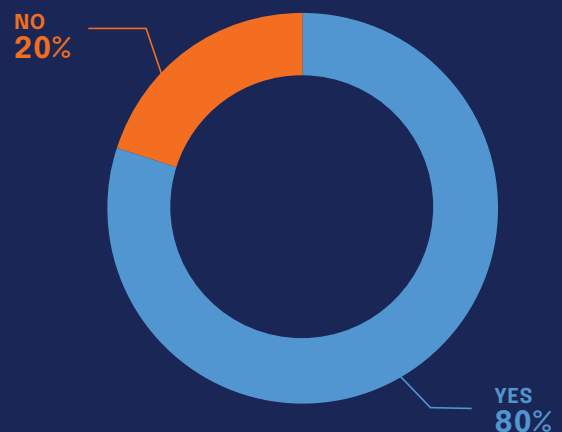
Q: HOW LONG DID IT TAKE YOU TO FIND YOUR FIRST JOB AFTER GRADUATING AT THE SISTERS OF MARY SCHOOL?

76% of graduates surveyed revealed if they were looking for a job they were able to secure one by 12 months after leaving school. Many graduates go on to further education at University or college and those graduates who work go into manufacturing, retail, science, research, IT, business and finance. Many start up their own companies and some also work for NGOs or public sector employers.



Q: SINCE GRADUATION AND FINDING WORK HAVE YOU BEEN ABLE TO, AND ACTIVE IN, HELPING YOUR FAMILY?

The response on this question was overwhelming and indicates that those children who are working and financially self-sufficient are highly motivated to pay forward the benefit of their education by helping their families and do so providing financial support for their families, help with healthcare and medical bills, support on utilities and food provision and access to education for generations of their loved ones.



Ultimately, measuring impact ensures we are moving in the right direction. It shows that our interventions are enabling families and communities blighted by poverty and deprivation to have better lives. When children have the skills necessary for employment and secure good stable jobs it means their families can afford proper shelter, access to education and healthcare and their siblings can find work and ensure their futures are better than their past.

Summary of future aims, objectives and activities



Hoping for a place at our
newest school in Dodoma,
Tanzania, April 2023



Meeting new families with young boys in need of our help, Arusha, Tanzania, March 2023.

Our Plans for 2023 and beyond

IN 2023 AND ONWARD WE CONTINUE THE MOMENTUM TO BUILD OUR PROFILE AND PROVIDE UNRESTRICTED FUNDING TO SUPPORT THE GROWING PRESENCE OF THE SISTERS HELPING THESE MOST DEPRIVED COMMUNITIES.

REACHING MORE CHILDREN

2023 is a priority to reach more children in all countries including the deprived communities of Tanzania. Following the establishment of the new programme for girls in Kisarawe in 2019, 2023 will see the construction of a new school for the poorest boys in the country. In response to the demand from the communities here a plot of land in Dodoma has been gifted to the Sisters and planning is now ongoing to construct a school here.

With support from our friends we will work to ensure that funding is available for the sisters to complete the construction of the new school and welcome the first 160 boys into a place later in the summer 2023.

READY FOR WORK

The key focus of our activity is ensuring that the children are educated and equipped ready for work so that they can live independent, self-sufficient lives and help their families out of poverty. In 2023 we will continue to prioritise funding to expand, upgrade and improve the vocational teaching facilities at the schools around the world to respond to the needs of local employers and ensure that the children have the right skills for employment straight after school.

SUSTAINABILITY

The rising costs worldwide impact the operation of the Sisters of Mary schools and the support of the children in their care. In 2023 we will continue to use our donors' funds to invest in new equipment and processes to support sustainable practices at the schools, to help them optimise their budgets, ensure they maintain the momentum of the past and prepare themselves for the challenges of the future..



Key Objectives to deliver this strategy

GOOD GOVERNANCE

A proactive board, engaged and knowledgeable about our work and mission in the world is essential to our endeavours and we will continue to regard this as a priority in 2023. We enter the year as a more diversely skilled board with a focus on greater engagement with our supporter and beneficiary audiences and keen to utilise the array of skills and insights available from all these relationships to grow the charity.

In 2023 we will continue to recruit a range of experience at board level and build on the activities of the new board advisory group to get a closer understanding of the alumni of the Sisters of Mary programmes and the impact of our activities. With their help we will learn more about how they progress in the world, how we can work more closely to support new children into the Sisters' programmes and into employment and a poverty free life.

2023 will also see a change at the head of our board when the Sisters of Mary appoint a new Superior General during their General Chapter meetings. These changes will be necessarily reflected with a new Chair for WVC and a review of the board composition to ensure our governance structure continues to maintain the high standards of

oversight and accountability needed to deliver our strategy in line with our mission to end poverty through education.

BRAND AWARENESS AND PROFILE RAISING

The 2022 implementation of the new brand, messaging and website will continue to be embedded in 2023 and used as a key part of our objective to raise the profile of the charity with new audiences. Participation in advertising, events and sponsored activities have all been heightened by the use of the new branding – bringing awareness of WVC and the work of the Sisters of Mary to new cohorts of supporters.

IMPACT MEASUREMENT

2023 will see further investment in the measurement of the impact of our work as we continue to refine the work of prior years, defining and measuring the outcomes of the Sisters of Mary education work.

The new board advisory group supports us in this information gathering but we will also build on last year's alumni survey results and 2023 new data and analysis will help us to quantify for our funders the exponential difference made to poverty relief by our funders' investment in our work.

FUNDRAISING

2023 continues our fundraising strategy to diversify our funding model. WVC maintains consistent performance in direct mail but 2023, like 2022, will see us building new progress (and processes) in applications to companies and Trusts and Foundations encouraging funding from new relationships and repeat gifts from existing partnerships. These new relationships have been an exciting development in 2022 and are vital to our future growth.

Our regular committed supporters and major donors will continue to be closely involved with the Sisters of Mary programmes via events and visits for supporters (including legacy pledgers) planned in 2023 to bring them closer to our beneficiaries, encourage greater engagement and long term giving opportunities.

Digital again forms a part of our fundraising activities for 2023 and for awareness raising. We are building skills and considerable momentum in this activity, the Sponsor a Family appeal was launched in 2022 and this will be extended in 2023 to improve engagement with new audiences and income raising opportunities.



Financial Review for 2022



Sister Elena with the boys at school with us in Honduras

Financial information for the year 2022 is set out in the attached statement of financial activities. Total income for the year was £2,203,474.

2022 was a very difficult year for our fundraising due to the Ukraine conflict and the economic turmoil in the country which significantly affected our donors' ability to give. This affected early and mid year appeals in particular and our income for the year finished behind target by 12% We continued to be efficient in our activities however generating £6.50 for every £1 invested and ensuring that 86% of our funds were spent on our charitable endeavours.

INCOME

32% of our 2022 income was generated by individual gifts via direct mail and digital. We are so blessed to have this support from our donors, many of whom gave repeatedly during the year to support us, and also to those donors who confirmed their eligibility for the gift aid scheme and allowed us to recover £295,148 in gift aid during the year.

As in 2021 we were blessed with the loyalty of our special Guardian Angel donors who gave regularly by direct debit or standing order; they accounted for 43% of our income in the year.

These Guardian Angels are invaluable to the work of the Sisters as they allow us to provide a reliable flow of income to the schools and fund the essential everyday recurring costs of childcare, like food, health and hygiene needs, clothing, shoes and educational supplies. Without these gifts our work would not be possible.

Trusts and Foundation income represented 1% of the year's total, a small but consistent presence in our portfolio and we are grateful for every repeat gift from existing partners and every new relationship made. We were delighted to be supported again by the Reed Foundation as our match funder in the Big Give digital appeal at Christmas and this and other digital appeals were energetically supported in 2022 by existing and new donors worldwide, we are grateful for their interest in our work.

As in all previous years we continue to prioritise fundraising for unrestricted income to ensure that our grants can be used by the schools wherever the need is greatest in the care of the children. 6.8% of 2022 income was sent with restrictions as to use and this was mainly for specific vocational training needs or repairs at the schools. However we continue to seek and attract mostly unrestricted funds and we are grateful to our donors for giving us their gifts in this way.

EXPENDITURE

Expenditure in 2022 was £2,477,905 v £2,734,592 – a 9% reduction. This reflects a small decrease in the grants to the sisters but also greater efficiencies over the year, particularly in operating expenses as we made progress in better utilisation of our existing resources and managing overheads – despite rising costs impacting some of our key suppliers and fundraising activities.

Expenditure levels, managing our essential costs and overheads and ensuring the charity is lean and able to respond to new opportunities as they arise is a key focus for 2023.

During the year we maintained our reserves at the same level as previous years in line with our risk assessment of the fundraising environment. It represents six months expenses (not including grants, to the Sisters of Mary) and we consider it represents an appropriate approach to the level of risk.



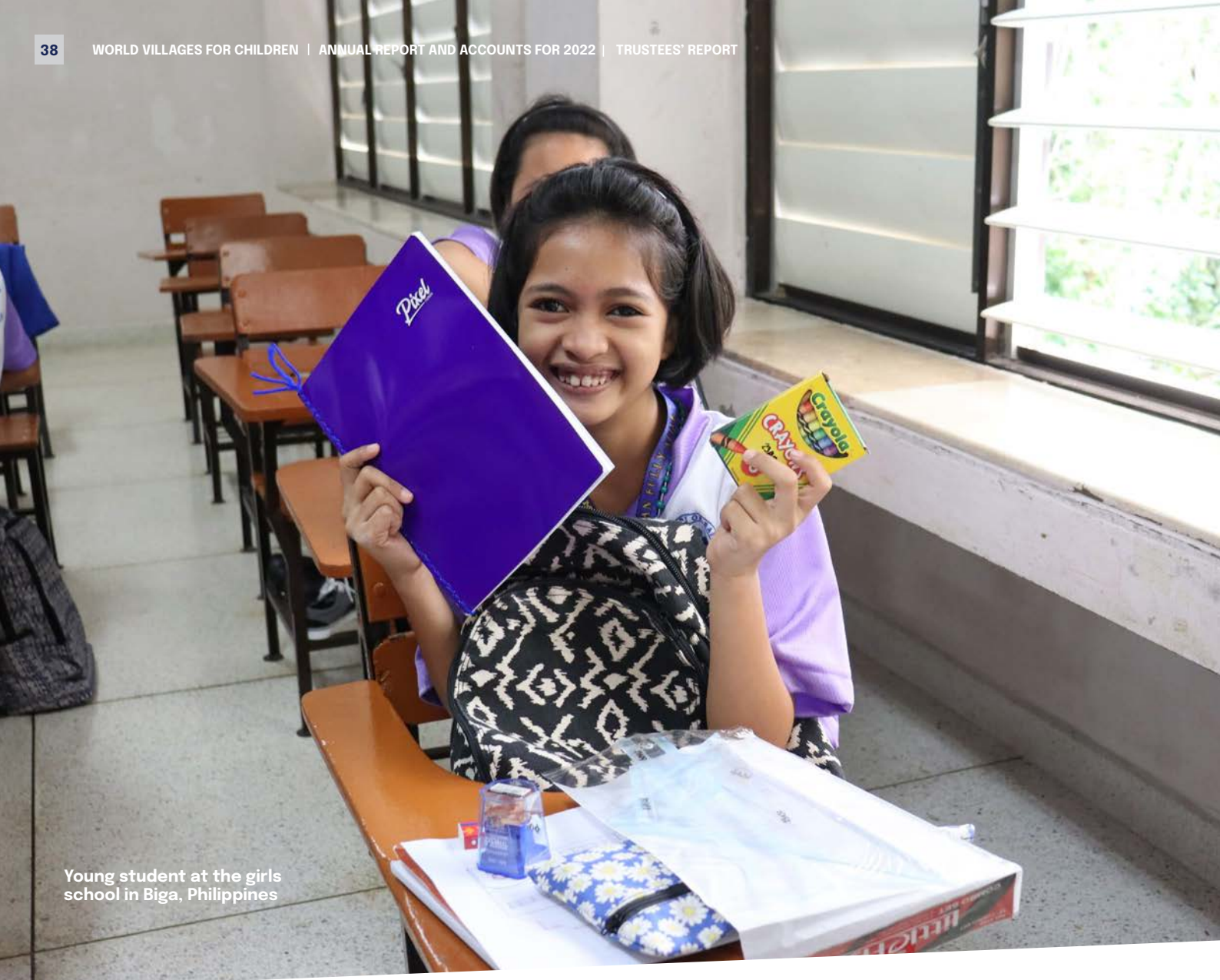
Youngsters who joined our day care in Tanzania in 2022

RISK MANAGEMENT

The board take a proactive approach to the management of risk facing the charity through regular review and scenario evaluation to scan and identify the risks pertinent to our activity and our strategy for response. The Risk register is reviewed at every full board meeting and also raised for discussion during the fortnightly Finance and Ops sub-committee meeting where need arises.

We classify risk into the following categories Government & Management, Environment & External, Finance, Operations & Compliance and within each category we identify specific risks which pertain to our activities and mission. The current risk register identifies 23 risks across these categories five of the major risks are as follows, including our management strategies for each:

RISK	RISK MANAGEMENT STRATEGY
<p>OPERATIONAL RISK IT Security/ Data Protection Cyber Security</p>	<p>Considered one of the most significant risks facing the charity and which would impact our donor data and finances. This is where investment has been focused to manage the potential threats as follows:</p> <ul style="list-style-type: none"> ■ Fully managed technology network with ISO accredited support company to monitor security of our IT systems. ■ MFA for remote access to network and emails. ■ Backup practices for business continuity. ■ Cyber Essentials accreditation. Cyber insurance, Penetration scanning on network and NCSC early warning system subscription. ■ Training for staff on all risks relating to cyber, IT security and data confidentiality and protection. ■ Charity policies understood and enforced which cover IT security, data protection and best practice in data handling.
<p>OPERATIONAL RISK Absence/ loss of key staff</p>	<p>Small core team of 5 staff members covering the main functions means absences could affect operations. This risk is minimised by:</p> <ul style="list-style-type: none"> ■ Documenting processes and guidelines for essential activities. (particularly those relating to stewardship and income generation). ■ Staff are cross trained to cover key functions. ■ Succession planning ongoing for the senior management role.
<p>FINANCIAL RISK Fundraising - lack of diversity in funding, or decline in income</p>	<p>WVC fundraising strategy is evolving towards a more diverse portfolio of income streams to minimise risk in one particular area by:</p> <ul style="list-style-type: none"> ■ Planning and investing in new fundraising methods, skills and capabilities to expand the range of funding sources. ■ Acquisition activity to engage new distinct audiences to support long term growth. ■ Tailored stewardship to reduce attrition, maintain engagement and grow support for new fundraising methods.
<p>FINANCIAL RISK Fraud</p>	<p>Due to the volume of small cash and cheque donations which make up the fundraising income of the charity, and the general and growing risk of fraud within the sector, fraud risk receives special attention by WVC and a specific analysis was conducted in 2022 to identify key fraud risks pertaining to WVC and to articulate how we manage our response to them. The variety of processes in place to manage the various elements of this risk include:</p> <ul style="list-style-type: none"> ■ Segregation of financial duties relating to income and expenditure. ■ Finance policy procedures on money handling, recording and oversight of cash handling to address the risk of diversion etc. ■ Regular reconciliation and testing on processing and accounting for all finance items and treatment of transactions. ■ Staff training on recognition and reporting of suspected fraud through all routes (eg cyber and physical) including items like supplier invoice fraud etc. ■ Whistleblowing and staff protection policy for concerns regarding fraud.
<p>OPERATIONAL RISK Supplier dependence</p>	<p>WVC outsources some of its key services to a small number of dedicated suppliers. Supplier failure, rising costs and service level disruption remain a feature post pandemic and this risk is managed as follows::</p> <ul style="list-style-type: none"> ■ Testing with new potential suppliers ■ Sharing services with other charities and greater collaboration on certain functions. ■ Testing in house provision for some functions and bringing in where successful and cost effective to do so.



Young student at the girls school in Biga, Philippines

GOING CONCERN

The Trustees have reviewed the income and expenditure figures for 2023 into 2024, one year from the date of signing of these accounts and conclude there are no material uncertainties relating to events or conditions that would cast doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

In making this assessment the trustees considered the level of unrestricted reserves and the risks facing the charity which are reviewed within the risk register. They also continue to review the risks facing the charity on a regular basis and to scrutinise income raising during their fortnightly Finance and Ops sub-committee meetings. This includes regular liquidity assessment.

The charity's monthly management accounts, cash flow forecasts and planning show sufficient unrestricted funds and liquidity to adopt the going concern basis of accounting in preparing these financial statements.

FUNDING SOURCES

In 2022 we continued to work hard diversifying our fundraising income, appealing to new audiences including Trusts, Corporates and new digitally engaged donors whilst maintaining a consistent performance in direct mail, regular committed giving from our Guardian Angel donors and gifts in Wills. The early part of the year saw our direct mail responses affected by other needs within the wider world (the Ukraine conflict) and the turbulence within the UK economy. These situations directly affected propensity to donate but we were pleased to see an improved response as the year progressed and our significant appeals like those for the children's birthday in August and for Christmas exceeded our expectations.

Digital fundraising was energetic in the year helped by the new brand, messaging and content from the children at the programmes and digital acquisition activity in July gave us some interesting insights for the future and some new donors. Our Big Give appeal in late 2022 met target and we found this a wholly worthwhile endeavour – meeting more new donors and raising our profile in the digital arena.

Gifts in Wills were lower in 2022 than in many of our previous years but they remain a significant part of our funding portfolio and we continue to be touched by the generosity of our donors who remember our boys and girls in their final wishes and to market towards this source of income.

FUNDRAISING PRACTICE

Trusting relationships with our supporters and transparency in our fundraising are key to our work raising funds for the Sisters of Mary. We remain humbled by the kindness of the supporters who consistently give to our fundraising appeals, remaining interested and active in the programmes of the Sisters of Mary, keen to protect the interests of the children in our care and to welcome new children into the protection of a place at the schools.

It is a priority for us to ensure we fundraise efficiently and effectively, minimising costs and ensuring the maximum distribution to the Sisters programmes, as quickly as possible each month. Thanks to the clear reporting on the grant distributions, we are able to provide transparent accounting on our grant funding, to show our donors how their funds are used and the myriad ways in which they are supporting this poverty relief work.

Every day we are guided by the following specific principles:

- We steward our supporters' gifts carefully and thank quickly and appropriately, demonstrating the difference their donations make.
- We protect our supporters' data ensuring our data protection policies, processes and practices are kept up to date with external advice, training and testing. Our cyber essentials accreditation reinforces our approach to data privacy and our privacy policy shows how we use our donor data, providing opportunities for donors to opt out of contact or make a complaint. We were pleased to note there were no complaints received in 2022 (2021 none).

Enquiries to the charity are actioned within 48 hours and all feedback is appreciated and actioned to help us progress and improve.

www.worldvillages.org.uk/privacy-policy

- We are members of the NCVO, the DMA and the CloF to utilise training and stay up to date with best practice standards. We maintain registration with the Fundraising Regulator to ensure the Code of Fundraising Practice underpins all our fundraising activities. The board monitor fundraising to ensure compliance with CC20.
- Our fundraising is designed inhouse with content provided and authored by our beneficiaries. We help them to tell their stories and show their lives and the impact made by our donor support. External agencies help us to produce and post the direct mail appeals, to collect and bank responses. We closely manage these relationships and demand high standards of accuracy and quality and test and monitor them for this.
- We take great care to protect the interests of our more vulnerable donors. We follow the guidance issued by the CloF and feedback direct from our donors in the construction of our fundraising to ensure it is accessible for all. Our vulnerable donors' policy ensures any donor notified to us as vulnerable or who we believe may lack capacity, is not contacted for fundraising purposes.



Girls studying science, Tegucigalpa, Honduras

RESERVES

The charity's reserve policy forms an essential part of our risk management approach. When planning our fundraising activity and subsequent grant giving we consider the level of reserves that need to be held and strike a balance between utilising our funds promptly to support the children in the care of the Sisters, and the need for prudent management of our commitments and providing for contingencies.

The reserves policy agreed annually by the trustees is based on the level of core costs, risks that we face and the quality of income for its contribution to surplus.

In 2022, the majority of our income continued to be unrestricted (93.2%). This is a strategic intent and risk profile for this income remained largely the same as for 2021 and so the level of reserves which is calculated as six months' expenditure (excluding grants to the Sisters of Mary) is maintained and this is £305,525.

The reserves continued to be retained as follows: minimum of £225,000 held in liquid assets which can be accessed within 35 days and the remainder held on the balance sheet as a legacy debtor.

At 31 December 2022 the total reserves figure was £437,391 of which £412,090 is represented by unrestricted reserves and £25,301 is represented by restricted reserves. Free reserves at year end, taking into account assets that are not readily available, were £215,592 – for the purposes of this calculation both fixed assets and accrued legacy income are not deemed readily available.

The board note that the free reserve total at 31 December 2022 is slightly below the level stated by the policy, however post year end several amounts have been realised, increasing the free reserves.

STRUCTURE, GOVERNANCE & MANAGEMENT

ORGANISATIONAL STRUCTURE

World Villages for Children was incorporated on 23rd October 1996. Our Governing document is the Memorandum and Articles of Association which was revised in September 2017.

World Villages for Children is governed by our Board of Trustees. The Board meets three to four times a year and is responsible for setting our strategic direction, as well as for our overall governance, including signing the Trustees' Annual Report. The Board oversees WVC's management, with day to day responsibility delegated to Nicola Lawson as UK Manager who, with the authority of the Charity Commission, also serves as a trustee on the board.

The Board of trustees oversee and commit to a high standard of corporate governance and scrutiny. They define the objectives which drive our overall aims. They oversee and manage risk, monitor performance towards our objectives and scrutinise the process of grant making, reporting and compliance with the regulatory standards and legal requirements.

The board maintains a conflict of interest policy which underpins the dealings of the board and trustees. The declarations of interest, related party transactions and conflicts register are all updated annually, reviewed and permanent records kept for inspection as needed.

GRANT MAKING

WVC makes grants to the Sisters of Mary programmes each month based on budgets and the needs of the children in our care. Grant expenditure and the grant making process are governed by an overarching grant making policy. Expenditure and use of the grants at the programmes are monitored closely by the UK Manager and board to ensure they are spent as agreed, in line with our charitable objectives and monthly reports are sent by the Sisters to record expenditure activity with our donor funds.

CHARITY GOVERNANCE CODE

WVC relies on an effective board of trustees. Following the Governance review in 2016 and ongoing governance advice the board continues to assess its performance and composition against sector guidelines and changing legislation. We adopt the Charity Code of Governance in particular to ensure we are building a strong foundation in governance which meets the needs of the charity and serves it well in the delivery of its mission.

Our five year strategy has focused on building our governance function to ensure we are well and transparently run. We have also focused on building a governance body which is sufficiently diverse as to age, race, gender, skill and experience and recruiting to fill experience gaps.

The WVC board are focused on the clear, collective leadership of our charity. They give generously of their time to provide sufficient oversight and attention to their responsibility in governance. They act honestly and with the interests of the charity at the centre of everything they do.

We maintain a sub-committee of the board which monitors Finance and Operations led by the Charity's Treasurer. It continues to closely review risk items relevant to the charity, the financial performance of the organisation and cash flow. It reports directly to the board.

In 2022 we were also pleased to set up the new advisory committee to the board. Comprised of graduate alumni, this group provides us with new skills, deep, insight on all the elements of programme delivery and keeps us outcome focused. We are grateful to all the alumni from across the six countries including Sherlyn Comia, Arturo Guevara and Merlie Esplana, for their generosity in giving their time so freely to represent the alumni groups and share their experiences.

TRUSTEE APPOINTMENT, INDUCTION AND TRAINING

Trustees are recruited for their skills, experience and knowledge as well as their understanding of our work in education and poverty relief and the values upon which our charity is centred.

Following interview and appointment, new Trustees have a period of induction to familiarise themselves with the legal requirements of their role, our governance framework, our charity objects and the detailed work of the Sisters of Mary at the schools. It is mandatory for all trustees, regardless of role to be DBS screened and to be fully UK compliant with our safeguarding policy.

www.worldvillages.org.uk/what-we-do/safeguarding/

All new and existing trustees have the opportunity, and are encouraged, to travel to the programmes and to meet the children and alumni of the programmes. Those not wishing to travel maintain close contact with the programmes through Zoom meetings, in person meetings with alumni and the Sisters when they travel to the UK.

SAFEGUARDING

WVC does not tolerate abuse, maltreatment or neglect of any person. The charity and its trustees are committed to safeguarding, protecting and fulfilling our duty of care to those we work with in the UK and the children in our care overseas.

Our safeguarding policy and processes are designed to keep safe all our staff, volunteers and all those immediately involved in our charity work in the UK.

We train and update to support awareness and capacity in safeguarding. We also monitor the Sisters' safeguarding practices and procedures at the schools as part of our governance duties and safeguarding responsibilities. Together these safeguarding practices ensure a safe and happy environment for our staff, volunteers, stakeholders and all our vulnerable beneficiaries at home and overseas at all times.

RELATIONSHIPS WITH RELATED (CONNECTED) PARTIES

Throughout 2022 WVC continued to work closely with the family of independent affiliated charities based in the EU and US. Income from these charities together sustains the Sisters of Mary programmes and the 18,500 children in school and day care places with them in 2022.

These include Wereld Doorpen voor Kinderen in Belgium and the Netherlands, Villages du Monde pour Enfants in France, Asian Relief (trading as World Villages for Children) in the US and Die Schwestern Maria in Germany. These charities all share similar aims as World Villages for Children for the relief of poverty through education but they are separate, independent legal entities and there is no one controlling party.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

WVC aims to reward employees fairly and ensure sufficient skilled staffing to achieve our objectives, in keeping with our status as a charity.

Pay rates are based on benchmarked sector data and take into account the specifics of job role, responsibility, experience and quality of performance. As with all staff remuneration, WVC reviews and

benchmarks management remuneration levels with sector standards and with other staff salaries. Trustees are not remunerated with the exception of the UK Manager, who with the authority of the Charity Commission, was appointed a trustee to support the board in 2016 but continues to receive a salary for her day to day UK Manager role.

PUBLIC BENEFIT

In setting the objectives for the charity and planning its activities, the Board has given careful consideration to the Charity Commission's guidance on the public benefit requirement under the Charities Act 2011.

The humanitarian poverty relief programmes that we fund support those children in greatest need and no charges are made for any care provided, therefore the board considers that the charity meets the following four important principles of the Public Benefit requirements in its work:

- Relief of poverty through the funding of free education for children which enables them to access a vocation and to acquire employment – to break free from the cycle of poverty and assist their families.
- Advancement of education, by ensuring all the children attend one of our schools or day-care facilities
- Advancing health and welfare – ensuring all the children at the schools receive medical support, proactive health care, regular food and nutrition and extra supplements where needed.
- Enabling children in the countries where we operate to access a better, poverty free future.

Providing these children with education helps them leave their lives of poverty for good, but we can't achieve this vision without you. There are many ways you can help us make a real difference, such as supporting our campaigns or appeals, becoming a regular Guardian Angel, giving a grant or leaving a gift in your will. Find out more about our work and how you can help at worldvillages.org.uk



Sister meeting new children in Tanzania 2023

Statement of Trustees' Responsibilities

The Trustees (who are also directors of World Villages for Children for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company Law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

Crowe UK LLP have indicated their willingness to continue in office and are deemed to be reappointed in accordance with section 487 (2) of the Companies Act 2006.

Signed on behalf of the Trustees 7th September 2023.



N Lawson
Trustee

Independent Auditor's Report to the Members of World Villages for Children



Young girls from our school
in Chalco, Mexico

OPINION

We have audited the financial statements of World Villages for Children ('the charitable company') for the year ended 31 December 2022 which comprise Statement of Financial Activities, Balance sheet, Cashflow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the trustees' responsibilities statement set out on page 42, the trustees, (who are also the directors of the charitable company for the purposes of company law), are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, Taxation legislation and Employment legislation.

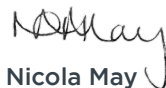
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Board of Trustees about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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..



Nicola May
Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP
Statutory Auditor
London

Date 12 September 2023

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2022



	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	Total Funds 2021 £
INCOME FROM					
Donations and legacies					
Donations and grants	2	1,840,853	153,364	1,994,217	2,214,040
Legacies	2	208,091	-	208,091	534,648
Interest income		1,166	-	1,166	120
Total		2,050,110	153,364	2,203,474	2,748,808
EXPENDITURE ON					
Raising Funds	3	339,484	-	339,484	373,022
Charitable Activities	3	2,003,463	134,958	2,138,421	2,361,570
Total		2,342,947	134,958	2,477,905	2,734,592
Net (Expenditure)/ Income		(292,837)	18,406	(274,431)	14,216
Net movement in funds		(292,837)	18,406	(274,431)	14,216
Total Funds Brought Forward	16 & 17	704,927	6,895	711,822	697,606
TOTAL FUNDS CARRIED FORWARD	16 & 17	412,090	25,301	437,391	711,822

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing operations.

The notes on the accompanying pages form a part of these financial statements.

BALANCE SHEET

AS AT 31 DECEMBER 2022



	Notes	£	2022 £	£	2021 £
FIXED ASSETS					
Intangible fixed assets	9		18,067		15,308
Tangible fixed assets	8		50,800		59,298
			68,867		74,606
CURRENT ASSETS					
Stock		13,743		10,353	
Debtors	10	190,376		448,187	
Cash at bank and in hand		396,070		404,043	
		600,189		862,583	
Creditors: Amounts falling due within one year	11	(231,665)		(218,648)	
Net Current Assets			368,524		643,935
Creditors: Amounts falling due in more than one year	12				(6,719)
Total Net Assets			437,391		711,822
The funds of the charity					
Restricted funds	16 & 17		25,301		6,895
Unrestricted funds	16 & 17		412,090		704,927
Total Funds			437,391		711,822

The notes on the accompanying pages form a part of these financial statements.

Approved by and authorised for distribution, the Board of Trustees on
and signed on their behalf by:

7th September 2023.

.....
Nicola Lawson
Trustee

Company Registration No. 3267479

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022



	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Net (Expenditure)/ income for the year	(274,431)	14,216
Adjustments for:		
Depreciation of tangible fixed assets	12,860	15,347
Interest received	(1,166)	(120)
Decrease / (increase) in debtors	257,811	10,788
(Decrease) / increase in creditor due within one year	13,017	142,680
(Decrease) / increase in creditors due within more than one year	(6,719)	(8,616)
Decrease / (increase) in Stock	(3,390)	5,105
Net cash generated by operating activities	(2,018)	179,400
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,166	120
Purchase of fixed assets	(7,121)	(15,320)
Net cash from investing activities	(5,955)	(15,200)
Change in cash and cash equivalents in the year	(7,973)	164,200
Cash and cash equivalents at beginning of year	404,043	239,843
Cash and cash equivalents at end of year	396,070	404,043

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



1. ACCOUNTING POLICIES

Status of the charity

World Villages for Children is registered as a company limited by guarantee in England and Wales (company number 03267479) and its registered office is Kings Building, 16 Smith Square, London, SW1P 3HQ. World Villages for Children is a Public Benefit Entity registered with the Charity Commission (Charity number 1058973).

Basis of Preparation of the Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the Financial Report Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the 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) second edition - effective 1 January 2019. The functional currency of the charity is Pound Sterling. Monetary amounts in these financial statements are rounded to the nearest pound.

Going Concern

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these accounts. The Trustees have made this assessment in respect to a period of one year from the date of approval of these accounts. The Trustees of the Charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern. The Trustees are of the opinion that the Charity will have sufficient resources to meet its liabilities as they fall due.

The Trustees have considered a number of factors when forming their conclusion as to whether the use of the going concern basis is appropriate. They take into account the budget forecast up to December 2024, cash flow forecast to December 2024 and the review of risks facing the charity, particularly the ongoing cost of living crisis. Key current risk is the decline in income due to economic slowdown resulting from the pandemic and the ongoing conflict in the Ukraine.

Our fundraising planning addresses this risk and since year end fundraising has continued consistently, overseen fortnightly by the board sub-committee to monitor performance and liquidity. Expenditures and operating efficiency continue to be closely scrutinised by management and the whole board quarterly with forecasts adjusted for different outcomes to assess liquidity and going concern status.

Our forward planning beyond 2024 takes into consideration the changing fundraising context and the economic climate and its potential impact on the various sources of income and planned expenditure.

The Charity's monthly financial statements, along with a cash flow forecast and scenario planning, show that the Charity has sufficient funds and liquidity and having regard to all of the above it is appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Legacies

Legacies are recognised in the statement of financial activities when there is entitlement, adequate probability and reliability of receipt and their value can be accurately measured. For both pecuniary and residuary legacies this is when probate has been granted and a reasonable estimate calculated for this income.

Donations

Donations are accounted for when conditions for their receipt are met, it is probable that the amounts will be received and the amount receivable can be reliably estimated.

Critical accounting estimates and areas of judgement

The key sources of uncertainty in our estimations that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below:

■ *Residuary legacies*

The charity recognises residuary legacies once probate has been granted, which therefore requires an estimation of the amount receivable.

Pensions

Pension contributions are made for all employees and recorded as they fall due. These are defined contributions paid to approved private pension schemes for each employee.

Taxation

World Villages for Children is a registered charity and all of its income falls within the exemptions under part 11 of the Corporation Tax Act 2010.

Gift Aid Repayments

Income from gift aid repayment claims is only included for claims which have been submitted for tax periods ending on or before the year end and when the receipt of this income is certain.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



Expenditure

Expenditure is recognised when a liability is incurred.

Grant payments are recognised when a constructive obligation arises that results in the payment being required.

Raising funds are those costs incurred in attracting voluntary income.

The costs of appeals are matched where possible with the income generated. The accounting effect of this policy means that, at the balance sheet date, a proportion of the cost of the December mailing is carried forward as a prepayment as part of the response anticipated in January.

Support costs including central functions and costs primarily associated with constitution and statutory requirements have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. allocating staff cost by work done, office costs by floor area, return mail processing and finance costs by work done. The staff costs which relate specifically to fundraising for the charity have been apportioned within support costs on the basis of time calculated as spent on this activity.

Tangible Fixed Assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold improvements over the term of the lease

Plant and equipment 20% on cost

All assets are capitalised at a cost.

Intangible Fixed Assets

Amortisation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Website development and software 20% on cost

All assets are capitalised at cost

Fund accounting

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds comprise monies raised for, or their use restricted to, a specific purpose, or donations subject to conditions imposed by donors.

Designated funds comprise funds set aside out of unrestricted funds for a specific purpose.

Leasing Commitments

Rentals payable under operating leases are charged against income on a straight-line basis over the lease term.

Foreign currency transactions

Transactions denominated in a foreign currency are translated into sterling at the rates of exchange ruling at the date of the transaction or at an average rate for the relevant month where that provides a close approximation.

Stock

The stock held is used for the direct marketing mailings, all the stock is held at the printers and valued at cost price.

Other Financial Instruments

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short-term deposits with a maturity date of three months or less. As at 31st December 2022 total cash held was £396,070 (2021: £404,043).

ii. Debtors and Creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest. Balances for 2021 and 2022 are set out in notes 10 to 12.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



2. VOLUNTARY INCOME

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Donations received (including recoverable gift aid)	1,840,853	153,364	1,994,217	2,214,040
Legacies and bequests	208,091	-	208,091	534,648
Total	2,048,944	153,364	2,202,308	2,748,688

3. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Direct Costs £	Support Costs £	Total 2022 £	Total 2021 £
COST OF GENERATING FUNDS:				
Fundraising and publicity	213,864	125,620	339,484	373,022
CHARITABLE EXPENDITURE:				
Grant to the Sisters of Mary	1,708,000	-	1,708,000	1,897,710
Other Charitable Expenditure	263,642	166,779	430,421	463,860
TOTAL CHARITABLE ACTIVITY	1,971,642	166,779	2,138,421	2,361,570
TOTAL RESOURCES EXPENDED	2,185,506	292,399	2,477,905	2,734,592
Year ended 31 December 2021	2,404,213	330,379	2,734,592	

FUNDRAISING AND PUBLICITY EXPENSES HAVE BEEN INCURRED ON THE FOLLOWING:	2022	2021
Direct Mail	213,864	245,020
Support Costs	125,620	128,002
	339,484	373,022

Support Costs consist of two main elements: management and staff costs and office costs. These costs have been apportioned across the work of the charity on the basis in Note 1 and allocated to each of the charity's activity as set out in the table below.

	Management & Staff (time) (Note 6) £	Office Costs (Area) £	Total 2022 £	Total 2021 £
BASIS OF APPORTIONMENT				
Fundraising and Publicity	90,554	35,066	125,620	128,002
Charitable Activities	116,318	50,461	166,779	202,377
Total costs allocated	206,872	85,527	292,399	330,379
Year ended 31 December 2021	242,682	87,697	330,379	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



4. NET MOVEMENT IN FUNDS

	2022 £	2021 £
NET MOVEMENTS IN FUNDS		
Net movement in funds is stated after charging:		
OPERATING LEASE PAYMENTS	48,840	48,840
AUDITORS REMUNERATION:		
- Audit services	20,880	18,000
- Accountancy and other professional services	51,913	34,221

5. LEGACY INCOME

World Villages for Children is aware of legacies of which the charity's share is estimated at £25,000 (2021: £Nil). This has not been included in these financial statements as it does not reach the necessary recognition criteria as laid out by the charity's accounting policy.

6. STAFF COSTS

	2022 £	2021 £
STAFF COSTS COMPRISE:		
Wages and salaries	187,722	220,823
Social security costs	15,813	19,774
Pension costs	3,337	4,627
Total salary costs	206,872	245,224
Holiday accrual	-	(3,459)
Employee Seminars & Training	-	185
Employee Travel	-	152
Recruitment	-	580
Total management & staff cost	206,872	242,682
Average number of full time equivalent employees	5	6

Key management personnel includes the Trustees.

Total remuneration paid to such personnel amounted to £55,502 (2021: £55,243).

There are no higher paid employees earning £60,000 per annum or more (2021: none).

7. TRUSTEES REMUNERATION

A total of £559 (2021: £257) expenses were paid by the charity in the year. This was for one of the trustees and covered the cost of accommodation and travel required to fulfil their duties. Nicola Lawson, who became a trustee in July 2016, received remuneration of £48,500 (2021: £48,500) and pension of £1,268 (2021: £1,268) during the year, in her capacity as an employee of the charity. This has been discussed and agreed with the Charity Commission. No other trustee receives remuneration (2021: £nil).

Total donations from trustees amounted to £4,275 (2021: £3,013) within the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



8. TANGIBLE FIXED ASSETS

	Improvements £	Equipment £	Total £
COST			
At 1st January 2022	75,556	19,730	95,286
Additions	-	761	761
At 31 December 2022	75,556	20,491	96,047
ACCUMULATED DEPRECIATION			
At 1st January 2022	19,446	16,542	35,988
Charge for the year	7,555	1,704	9,259
At 31st December 2022	27,001	18,246	45,247
NET BOOK VALUE			
At 31st December 2022	48,555	2,245	50,800
At 31st December 2021	56,110	3,188	59,298

The fixed assets are used wholly for the activities of the charitable company.

9. INTANGIBLE FIXED ASSETS

	Website development & software costs	Total £
COST		
At 1st January 2022	48,632	48,632
Addition	6,360	6,360
Disposals	(20,544)	(20,544)
At 31 December 2022	34,448	34,448
ACCUMULATED AMORTISATION		
At 1st January 2022	33,324	33,324
Charge for the year	3,601	3,601
Disposal	(20,544)	(20,544)
At 31st December 2022	16,381	16,381
NET BOOK VALUE		
At 31st December 2022	18,067	18,067
At 31st December 2021	15,308	15,308

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



10. DEBTORS

	2022 £	2021 £
Legacies receivable	127,271	386,080
Gift aid receivable	29,066	29,019
Prepayments	27,732	26,138
Other debtors	6,307	6,950
	190,376	448,187

11. CREDITORS DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	44,704	25,881
Accruals	25,027	23,744
HMRC payable	7,206	4,120
Pension payable	728	537
Grants due to the Sisters of Mary	145,000	155,000
Other	9,000	9,366
	231,665	218,648

12. CREDITORS DUE IN MORE THAN ONE YEAR

	2022 £	2021 £
OTHER	-	6,719

13. LEASE COMMITMENTS

	LAND AND BUILDINGS	
	2022 £	2021 £
At 31st December, the charity has total future minimum commitments under operating leases as follows:		
Within one year	48,838	48,838
Between one and five years	15,387	64,225
	64,225	113,063

14. CONNECTED PARTIES

World Villages for Children based in the United Kingdom pays on behalf of, and has had paid on its behalf, various expenses related to the charity as a whole by other affiliates based overseas.

The charity made grants totalling £1,708,000 to The Sisters of Mary in the year (2021: £1,897,710), which while not a strict affiliate is closely aligned to the ideals of the charity.

Balances between other affiliates have been settled before the balance sheet date except for those balances due to, and from, such affiliates as disclosed in Notes 10 and 11 of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



14. CONNECTED PARTIES (CONTINUED)

Two trustees of the charity, Sister D.L Cho and Sister Elena Grengia Belarmino also sit on the boards of four other humanitarian entities that all share similar visions and purposes as World Villages for Children; these entities are in France, Netherlands, Belgium and the U.S.A. In addition, one former trustee, Sister Y Cheong, also sits on the board of the U.S entity. However, World Villages for Children does not consolidate these foreign entities in its financial statements, as they are separate legal entities with no one controlling party.

They were no other financial dealings with these entities during the year, apart from those transactions, and year end balances already disclosed below.

15. MEMBERS' LIMITED LIABILITY

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of the same being wound up while they are a member. This contribution, not exceeding £10, covers the payment of debts and liabilities of the company contracted before each individual ceased to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves.

16. ANALYSIS OF CHARITABLE FUNDS

	Balance @ 01.01.2022 £	Income £	Expenditure £	Transfers £	Balance @ 31.12.2022 £
Unrestricted	704,927	2,050,110	(2,342,947)	-	412,090
Restricted	6,895	153,364	(134,958)	-	25,301
Total	711,822	2,203,474	(2,477,905)	-	437,391

	Balance @ 01.01.2021 £	Income £	Expenditure £	Transfers £	Balance @ 31.12.2021 £
Unrestricted	677,708	2,676,101	(2,648,882)	-	704,927
Restricted	19,898	72,707	(85,710)	-	6,895
Total	697,606	2,748,808	(2,734,592)	-	711,822

The restricted funds relate to a number of smaller amounts for programmes in Guatemala, Tanzania, Philippines and Honduras.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022



17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £
Intangible fixed assets	18,067	-	18,067
Tangible fixed assets	50,800	-	50,800
Cash at bank and in hand	370,769	25,301	396,070
Other net current assets	(27,546)		(27,546)
	412,090	25,301	437,391

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £
Intangible fixed assets	15,308	-	15,308
Tangible fixed assets	59,298	-	59,298
Cash at bank and in hand	397,148	6,895	404,043
Other net current assets	239,892	-	239,892
Creditors falling due in more than one year	(6,719)	-	(6,719)
	704,927	6,895	711,822

18. PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted 2021 £	Restricted 2021 £	Total Funds 2021 £
INCOME FROM			
Donations and legacies			
Donations and grants	2,141,333	72,707	2,214,040
Legacies	534,648	-	534,648
Interest income	120	-	120
Total	2,676,101	72,707	2,748,808

EXPENDITURE ON:

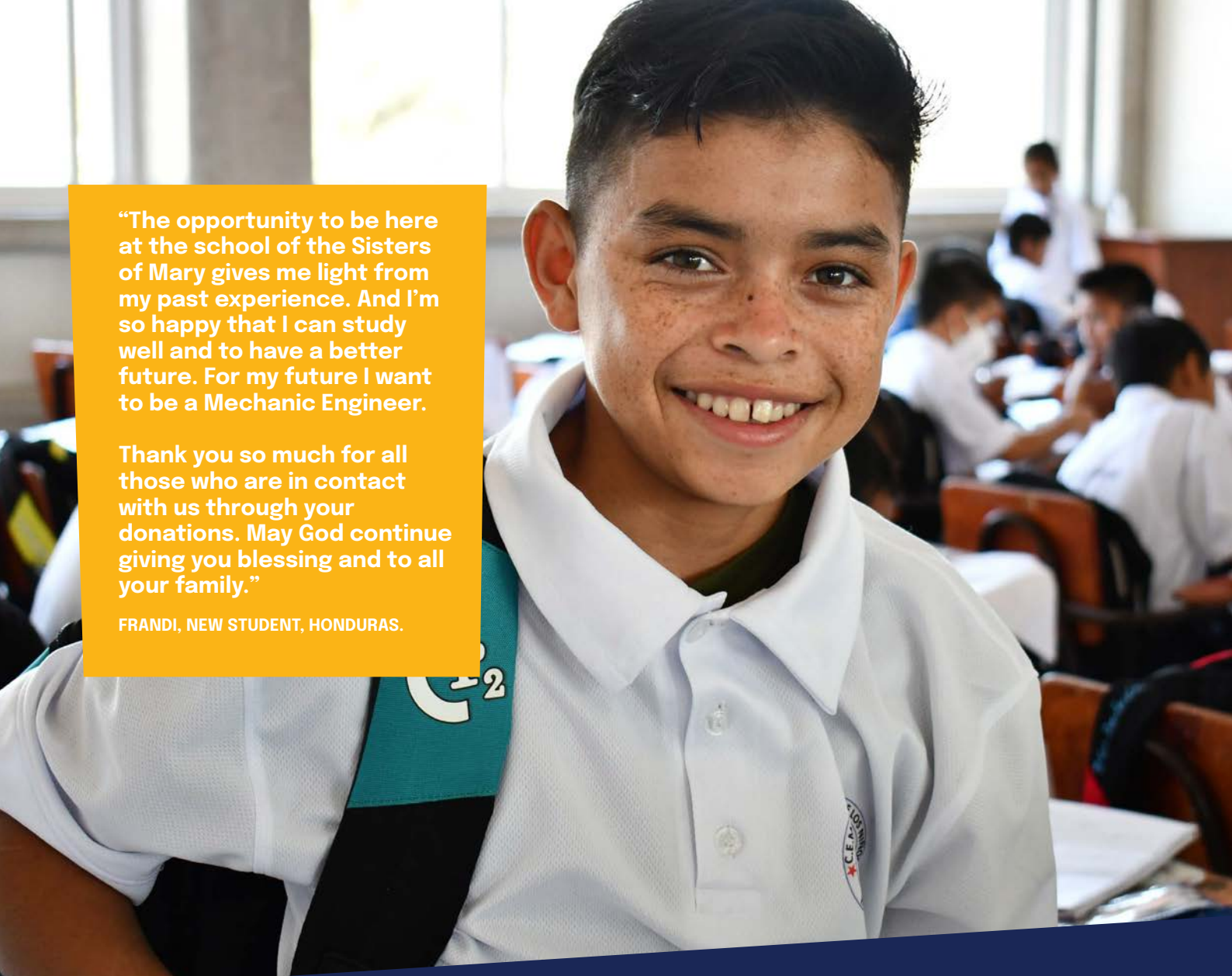
Raising Funds	373,022	-	373,022
Charitable Activities	2,275,860	85,710	2,361,570
Total	2,648,882	85,710	2,734,592

Net Income/(expenditure)	27,219	(13,003)	14,216
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Net movement in funds	27,219	(13,003)	14,216
Total Funds Brought Forward	677,708	19,898	697,606
Total Funds Carried Forward	704,927	6,895	711,822



Playtime for the girls at school in Honduras



“The opportunity to be here at the school of the Sisters of Mary gives me light from my past experience. And I’m so happy that I can study well and to have a better future. For my future I want to be a Mechanic Engineer.

Thank you so much for all those who are in contact with us through your donations. May God continue giving you blessing and to all your family.”

FRANDI, NEW STUDENT, HONDURAS.

Ending poverty through education



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