

THE FRIENDLY HAND
Company Limited by Guarantee
Registered Charity
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST DECEMBER 2016

Charity Registration Number 1088806
Company Number 04209036

THURSDAY



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THE FRIENDLY HAND

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

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REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31ST DECEMBER 2016

Trustees: Marta Labayen
Diego Pretus
Gabriel Pretus
Rev Bruce Batstone

Company Secretary: Peter Beesley
Howard Dellar

Registered office: 1 The Sanctuary
Westminster
London
SW1 3JT

Independent examiner: Adam Halsey
haysmacintyre
Chartered Accountants
26 Red Lion Square
London WC1R 4AG

Bankers: Banco Bilbao Vizcaya Argentaria
142 Brompton Road
London
SW3 1HY

Solicitors: Lee Bolton Monier-Williams
1 The Sanctuary
Westminster
London SW1 3JT

Charity information: The Friendly Hand is both a company registered in England under Registration No. 04209036 and a registered charity under Registration No. 1088806

The company is limited by guarantee not having a share capital.

Governing Deed: Memorandum and Articles of Association

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TRUSTEES' REPORT

YEAR ENDED 31ST DECEMBER 2016

The Trustees, who are the directors of The Friendly Hand present their report and audited financial statements for the year ended 31st December 2016. The information on page 1 forms part of this report.

CHARITABLE AIMS

- (i) The relief of poverty throughout the world and in particular within the United Kingdom.
- (ii) The advancement of education throughout the world.
- (iii) The advancement of the Christian religion throughout the world.
- (iv) The relief and prevention of sickness disease and physical or mental disability throughout the world.
- (v) Such other purposes that are charitable under the law of England and Wales.

The Trustees have had due regard to the Charity Commission's guidance on public benefit and the relevant supplementary guidance.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

Donations totalling £101,180 (2015: £162,327) have been received during the year. Bank interest, dividends and rental income together totalled £19,391 for the year (2015: £21,139).

The accumulated reserves at 31 December 2016 amount to £2,857,922 (2015: £2,936,841) which are held as endowment funds. The Trustees' investment policy continues to be to hold some reserves in investment property, with the intention of earning a regular income stream for the use on charitable purposes. The Trustees believe that the property will achieve capital growth as well as a regular income stream. Following the additional donations of the expendable endowment in prior years, the Trustees have also elected to hold significant funds with fund managers in fixed interest stocks and deposits reflecting the Trustees desire to maximise interest whilst maintaining a risk adverse view of capital protection in view of the one-off nature of these donations.

During the year, the Trustees continued to help those who are disadvantaged, also promoting the aims of the charity, through the support of a variety of charitable projects all over the world as shown below.

Projects in the World

United Kingdom

1 – The Parishes of Old St. Pancras:

Helping the Church of England Churches in Camden keeping a Winter Night Shelter running, a program for mothers and toddlers combining entertainment and Christian values formation (St. Mary's Toddlers), St. Magdalene Club (Bingo and complementary food), gardening for elder people, petty cash provided for basic help from time to time, together with support to the Church of England St. Michael Primary School

2 – The Holy Innocents Church

3 – Hornsey Parish (F. Bruce)

Social and cultural projects addressed to spiritual development and Christian formation of children and young people.

4 – SVP Society (St. Mary's Chelsea Catholic Church –London)

Transitory help to their charitable activities

5 – Royal Holloway University London

Scholarship and Bursaries Programmes.

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TRUSTEES' REPORT

YEAR ENDED 31ST DECEMBER 2016

- 6 – Canada Blanch Foundation at the London School of Economics
Research Project.
- 7 - The Encephalitis Society
Financing of the annual gathering of affected persons members of the Society.
- 8 – Spanish Welfare Fund
Established in the 50s to support Spanish Women in the UK.
“EL RINCON”, meeting venue in Earl’s Court, provides a friendly gathering to socialize, playing cards and High Tea.
- 9 – Collaboration with Social Services and other charities helping individuals in need

Spain

- 1 – Fem Costat a la Gent Gran – Ma Amiga (Barcelona)
 - Food Bank and clothing distribution at St. Augustine Raval Church.
 - Micro credits in the Sagrada Familia Church
 - Grants for people in need through collaboration with the Barcelona Social Services
 - Accompanying old people in care homes
- 2 – St. Joan Despi Parish(Barcelona)
(equipment)
- 3 – Instituto Servidoras del Señor (Formentera)
Helping the small children school in St. Frances of Formentera (Balearia Inland)
- 4 – Universidad de Navarra – Research Project on Medieval Navarra History

Israel

Notre Dame of Jerusalem Centre: Refreshing courses for priests and pilgrimages for lay people

India

- 1 – School bus for the Jesuits School in Hindupur
- 2 – Sponsoring the food and medicine for 125 children in the Jesuits School – St Xaviers, in Darsi, Andhra Pradesh
- 3 – Staff salaries for Arulchandru School for mentally disabled children, Tamil Nadu
- 4 – Sanitation Blocks for the tribal and dalit girls at Lourdu Matha Girls Hostel, Telangana State

South America

Chile

Little Sisters of the Poor: Heating costs for the year

Peru

- 1 – Jesuits meal center for children in Cusco
- 2- Homeless Shelter in Jaen, Person in charge (Sister Pilar)

Sri – Lanka

The Paynter Home for Children (Old Protestant School for children with problems)

Africa

Father Denis Parish

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TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2016

FINANCIAL REVIEW AND RESERVES POLICY

The financial position is set out in the Statement of Financial Activities, together with the Balance Sheet and Notes to the Financial Statements.

RESERVES POLICY

The accumulated reserves at 31 December 2016 amount to £2,857,922 (2015: £2,936,841).

The Trustees have set a reserves policy that will ensure the long term viability of the charity to promote its chosen causes. To facilitate this, the Trustees have not distributed unrestricted income received in the prior year. These funds are being invested to earn an income stream which is currently providing grants and scholarships. This policy will be reviewed regularly and updated annually as appropriate.

RISK ASSESSMENT

The Trustees have active involvement in the day to day running of the charity. This involvement ensures that they are fully aware of the risks and required action to sufficiently mitigate those risks. As the charity grows the Trustees will more formally record the risk assessment process they undertake as part of their duties as trustees.

GRANT MAKING POLICY

The Trustees award grants based upon each grant application's individual merits. In many occasions the grant application will form part of a larger application to an educational institution. In this case the charity's trustees are represented on the panel considering the grant application and have ultimate decision making powers.

During the year grants totalling £331,585 (2015: £316,989) were made. The vast majority of the grants were made to other charitable organisations.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees, who are also directors of the charitable company, are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 profit or loss of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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TRUSTEES' REPORT (continued)

YEAR ENDED 31ST DECEMBER 2016

So far as each of the directors is aware at the time the report is approved:

- there is no relevant audit information of which the charitable company's independent examiner is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the independent examiner is aware of that information.

BY ORDER OF THE BOARD OF TRUSTEES

Gabriel Pretus
Trustee



.....2017

29 June 2017

THE FRIENDLY HAND

INDEPENDENT EXAMINER'S REPORT

YEAR ENDED 31ST DECEMBER 2016

I report on the financial statements of the charitable company for the year ended 31 December 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes.

This report is made solely to the trustees, as a body, in accordance with Section 145 of the Charities Act 2011 ("the 2011 Act") and regulations made under section 44 of that Act. My work has been undertaken so that I might state to the charitable company's trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and examiner

The Trustees, who are also directors of the charitable company for the purposes of company law, are responsible for the preparation of the financial statements. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed.

Having satisfied myself that the Charity is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice, Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



Adam Halsey FCA DChA
haysmacintyre
Chartered Accountants
Registered Auditors

26 Red Lion Square
London
WC1R 4AG

29 June2017

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STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME & EXPENDITURE ACCOUNT

FOR YEAR ENDED 31ST DECEMBER 2016

	Notes	Unrestricted Funds 2016 £	Expendable Endowment Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
INCOME AND EXPENDITURE					
Income from:					
Donations		101,180	-	101,180	162,327
Rent receivable		19,391	-	19,391	20,985
Bank interest		-	-	-	154
Total income		<u>120,571</u>	<u>-</u>	<u>120,571</u>	<u>183,466</u>
Expenditure on:					
<i>Charitable Activities</i>					
Support of education and the poor					
- direct costs		22,016	-	22,016	19,024
- grants	4	331,585	-	331,585	316,989
- support costs		13,084	-	13,084	20,872
Total expenditure	5	<u>366,685</u>	<u>-</u>	<u>366,685</u>	<u>356,885</u>
Net expenditure		<u>(246,114)</u>	<u>-</u>	<u>(246,114)</u>	<u>(173,419)</u>
Transfers between funds		389,354	(389,354)	-	-
Net gains/(losses) on investments		-	101,626	101,626	(110,614)
Foreign exchange (loss)/gain		-	65,569	65,569	(5,230)
Net movement in funds	2	<u>143,240</u>	<u>(222,159)</u>	<u>(78,919)</u>	<u>(289,263)</u>
Funds bought forward at 1 January		<u>(143,240)</u>	<u>3,080,081</u>	<u>2,936,841</u>	<u>3,226,104</u>
Funds carried forward at 31 December	8	<u>£-</u>	<u>£2,857,922</u>	<u>£2,857,922</u>	<u>£2,936,841</u>

- All transactions are derived from continuing activities.
- All recognised gains and losses are included in the Statement of Financial Activities.

BALANCE SHEET

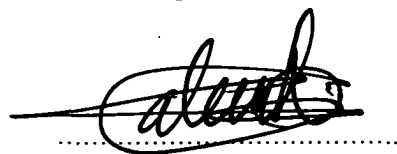
AT 31ST DECEMBER 2016

	Notes	31st December 2016		31st December 2015	
		£	£	£	£
FIXED ASSETS					
Investments	6		2,414,996		2,313,370
CURRENT ASSETS					
Cash at bank and in hand		448,506		626,171	
CREDITORS: amounts falling due within one year	7	(5,580)		(2,700)	
NET CURRENT ASSETS			442,926		623,471
NET ASSETS			<u>£2,857,922</u>		<u>£2,936,841</u>
FUNDS AND RESERVES					
General funds			-		(143,240)
Expendable Endowment fund			2,857,922		3,080,081
			<u>£2,857,922</u>		<u>£2,936,841</u>

For the financial year in question the charitable company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies. No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the Board of the Trustees on 29 June 2017 and were signed below on its behalf by:



Gabriel Pretus - Trustee



Diego Pretus - Trustee

Bruce Babston

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

1. ACCOUNTING POLICIES

Basis of accounting

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

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives trustees confidence the charity remains a going concern for the foreseeable future.

Fund accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the Trustees in furtherance of the general charitable objectives.

Expendable endowment funds arise where the terms of the donation stipulate that the funds are to be treated as capital but may be expended at the discretion of Trustees within the objects of the charity. Accordingly, the Trustees have the right but not the duty to expend the capital as they see fit.

Income

Income represents the total income receivable during the year and principally comprises rent receivable, donations and bank interest for the charitable objects. All income is included in the statement of financial activities when the charity is entitled to the income, it is probable that income will be received and the amount can be quantified with reasonable accuracy.

Expenditure

Expenditure including irrecoverable VAT is charged to the Statement of Financial Activities on an accruals basis.

Charitable expenditure

Charitable expenditure comprises expenditure directly attributable or allocated to the principal activity of the charity.

Grants

Grants payable are accounted for on an accruals and commitment basis with amounts committed but not paid included within creditors.

Governance costs

Governance costs comprise those costs that cannot be directly attributed to charitable activities. These costs are incurred in connection with the compliance with constitutional and statutory requirements.

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NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2016

1. ACCOUNTING POLICIES (continued)

Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Profits and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Investment property is stated at valuation. No depreciation is provided.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Foreign currency

Transactions denominated in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is reported as an exchange gain or loss in the profit and loss account.

Areas of critical judgement and estimation

There are no areas of critical judgement and estimation used in preparing these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2016

2.	NET MOVEMENT IN FUNDS	2016	2015
		£	£
	This is stated after charging:		
	Independent examiner's fee (including VAT)	<u>£2,820</u>	<u>£2,760</u>
3.	TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES		
	No Trustee received remuneration for their services during the year (2015 – none).		
	No Trustee received any reimbursed expenses during the year (2015 - none).		
4.	GRANTS PAYABLE	2016	2015
		£	£
	Royal Holloway	28,690	28,857
	Fem Costat a la Gent Gran – Ma Amiga	67,647	63,525
	Parishes of old St Pancras	11,906	39,272
	The Paynter House	7,575	15,060
	Canada Blanch	13,204	13,201
	Hermanitas de los Pobres	30,122	27,735
	Anteno Pontificio Regina Apo	37,642	13,536
	Compania de Jesus Province	12,353	10,956
	The Diocese of Nello	8,050	16,050
	Jesus Mary Joseph Society	-	17,329
	Legionaros di Cristo	29,843	-
	Other grants < £10,000	84,553	71,468
		<u>£331,585</u>	<u>£316,989</u>
5.	ANALYSIS OF TOTAL EXPENDITURE	Direct Costs	Direct Costs
		2016	2015
		£	£
	<i>Charitable activities</i>		
	Grants Payable	331,585	316,989
	<i>Costs of activities in furtherance of the charity's objectives</i>		
	-Service charge and sundry	22,076	27,311
	<i>Governance</i>		
	-Legal fees	10,204	9,925
	-Accountancy	2,880	2,660
		<u>£366,685</u>	<u>£356,885</u>
6.	INVESTMENTS	2016	2015
		£	£
	Listed investments		
	At 1 January 2016	1,843,796	2,516,552
	Unrealised gain / (loss)	101,626	(672,756)
	At 31 December 2016	<u>£1,945,422</u>	<u>£1,843,796</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31ST DECEMBER 2016

6. INVESTMENTS (continued)

£

Investment Property

At 1 January and 31 December 2016

469,574

The investment property was acquired in November 2003. The Trustees consider that there has not been a material change in the market value of the property since the date of acquisition.

7. CREDITORS: amounts falling due within one year

2016
£

2015
£

Accruals

£5,580

£2,700

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Expendable Endowment £	Total 2016 £	Total 2015 £
Fund balances at 31st December 2016 are represented by:				
Tangible assets	-	2,414,996	2,414,996	2,313,370
Current assets	5,580	442,926	448,506	626,171
Current liabilities	(5,580)	-	(5,580)	(2,700)
Net assets	<u>£-</u>	<u>£2,857,922</u>	<u>£2,857,922</u>	<u>£2,936,841</u>

9. TAXATION

The Friendly Hand is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the exemptions available to registered charities.

10. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee and has no share capital. The liability of each of the six members is limited to the sum of £1 per member.