



**THE FRIENDLY HAND**

**Company Limited by Guarantee  
Registered Charity**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST DECEMBER 2021**

Charity Registration Number 1088806  
Company Number 04209036

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**THE FRIENDLY HAND**

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31ST DECEMBER 2021**

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# THE FRIENDLY HAND

## REFERENCE AND ADMINISTRATIVE DETAILS

YEAR ENDED 31ST DECEMBER 2021

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**Trustees:** Marta Labayen  
Gabriel Pretus  
Laura Luz

**Company Secretary:** Howard Dellar

**Registered office:** 1 The Sanctuary  
Westminster  
London  
SW1P 3JT

**Independent examiner:** Rupert Taylor  
Easton Business Centre  
Felix Rd  
Bristol  
BS5 0HE

**Bankers:** Banque Lombard Odier  
Rue de la Corraterie 11  
1204 Geneva  
PO Box 5215  
Switzerland

**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

## THE FRIENDLY HAND

### TRUSTEES' REPORT

#### YEAR ENDED 31ST DECEMBER 2021

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The Trustees, who are the directors of The Friendly Hand present their report and audited financial statements for the year ended 31st December 2021. 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 of Great Britain and Northern Ireland.
- (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 both within the United Kingdom of Great Britain and Northern Ireland and elsewhere throughout the world.

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 were received during the current year were nil (2020: £74,020). Bank interest, dividends and rental income together totalled £ 37,189 for the year (2020: £30,483). The accumulated reserves at 31 December 2021 amount to £2,268,415 (2020: £2,124,649) 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. The present sanitary emergency and the Economic crisis emerging, adds a substantial element of uncertainty to all calculations for the future not only medium and long term, but also short term. The investment performance continued to generate a regular income stream as per the investment objectives.

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.

#### OUR PROJECTS

**The pandemic continued to have a negative impact on the activities of the Friendly Hand: Some of the ongoing projects are still cancelled due to the restrictions of the pandemic, but our humanitarian activities in Spain have very much increased. In this moment, the Food Bank of Mano Amiga in Barcelona, has become the most important charitable activity of this kind in the old part of the city (El Raval)**

#### *United Kingdom*

**1-The Parishes of Old St. Pancras (Camden-London):** Due to the covid-19 the only activities that have been done this year are the gardening project for elder people.

**2 – Royal Holloway University London:** Educational scholarships, bursaries and research grants.

**3 – The Encephalitis Society (London)** After the suspension of the annual gathering in the year 2020, The Encephalitis Society was able to organize their annual gathering in 2021 with the support of the Friendly Hand.

**4 – Trinity Saints- We are one project (London)**

Over 500, 4-11 year old children have take part in this project in the London boroughs of Hackney and Lewisham This project was developed around two catchy and relevant songs "In His Image" and "You and Me" and includes two animated videos, karaoke tracks, song tracks, lyrics to explore race and spirituality with children and six lesson plans. 100% of teachers and children interviewed said that the resources helped them to develop and understanding of racial issues, respond to racism and make positive choices for themselves and for others.

## THE FRIENDLY HAND

### TRUSTEES' REPORT

YEAR ENDED 31ST DECEMBER 2021

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#### ***Spain***

***1-Fem Costa a la Gent Gran-Ma Amiga (Barcelona):*** Dedicated to serve the multiple needs of the low-income families, old people and children. This year, due to the pandemic, the main work has been to provide food to hundreds of families every week. Around 1500 beneficiaries. The work of the volunteers has been remarkable.

#### ***Israel***

***1-Online courses in Holy Land -Priestly Renewal Online:*** During the year 2021 we gave support to a new format of online refreshing courses for priests due to the pandemic. The Director of this project is Father Gonzalo Monzón (From the Università Europea di Roma)

#### ***Peru***

***Rehabilitation projects for young drug addicts and alcoholics in Jaen, Peru.***

La Esperanza Association is a non profit organization that was founded by the Spanish catholic nun, Pilar Heredia. Since 2015 they have been working on the issue of addictions, especially in adolescents in school, as in Peru, they don't have much public program to address this great problem. The Friendly Hand gave them support this year to pay expenses for different activities and for the payment of the salary of two psychologists who are part of the team. Their aim is to establish cooperation agreements with the local government and to receive economical support from them.

They give support to adolescents from the vulnerable sectors of the city developing a series of activities:

- Interviews and psychotherapy
- Psych educational workshops
- Pedagogical support to avoid school dropouts
- Physical and sports activity, Art Therapy, music therapy
- Spiritual accompaniment
- Meeting with the families, monthly support with basic food, home visits

#### ***Sri – Lanka***

***The Paynter Home***

The Friendly hand keeps on with their year sponsoring of the Paynter home. The home was started by late Rev. Arnold Paynter in 1924. The home currently has 43 children and around 8 staff. Children range from 3 to 20 years old. They attend four different schools. [www.paynterhome.com](http://www.paynterhome.com)

### 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 2021 amount to £ 2,268,415 (2020: £2,124,649).

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.

## THE FRIENDLY HAND

### TRUSTEES' REPORT

YEAR ENDED 31<sup>ST</sup> DECEMBER 2021

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#### 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. Through appropriate consideration of risks as part of its normal risk management processes and mitigating actions both already taken and available to be taken, the Trustees consider it appropriate for the going concern basis to be adopted for these accounts.

#### 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 £102,037 (2020: £160,134) 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:

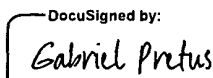
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures 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.

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

DocuSigned by:  
  
9723713E7333403...  
**Gabriel Pretus**  
Trustee

15 July 2022

## INDEPENDENT EXAMINER'S REPORT

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31<sup>st</sup> March 2022.

### Responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors of the company for the purposes of company law), you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ("the 2006 Act").

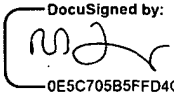
Having satisfied myself that the accounts of the Company are not required to be audited for this year under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ("the 2011 Act"). In carrying out my examination, I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention which gives me cause to believe that:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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

DocuSigned by:  
  
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22<sup>nd</sup> July 2022

Rupert Taylor  
Easton Business Centre, Felix Rd  
Bristol BS5 0HE

**THE FRIENDLY HAND**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME & EXPENDITURE ACCOUNT**

**FOR YEAR ENDED 31<sup>ST</sup> DECEMBER 2021**

	Notes	Unrestricted Funds 2021 £	Expendable Endowment Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
<b>INCOME AND EXPENDITURE</b>					
<b>Income from:</b>					
Donations		-	-		74,020
Rent receivable		29,803	-	29,803	21,173
Bank interest and dividends		7,386	-	7,386	9,310
Gift of shares		-	-		55,405
<b>Total income</b>		<b>37,189</b>	<b>-</b>	<b>37,189</b>	<b>159,908</b>
<b>Expenditure on:</b>					
<i>Charitable Activities</i>					
Support of education and the poor					
- direct costs		41,172	-	41,172	34,809
- grants	4	102,037	-	102,037	160,134
- support costs		30,633	-	30,633	19,959
<b>Total expenditure</b>	5	<b>173,842</b>	<b>-</b>	<b>173,842</b>	<b>214,902</b>
<b>Net expenditure</b>		<b>(136,653)</b>	<b>-</b>	<b>(136,653)</b>	<b>(54,994)</b>
<b>Transfers between funds</b>		<b>(143,766)</b>	<b>143,766</b>	<b>-</b>	<b>-</b>
Revaluation gain		230,426	-	230,426	-
Net gains on investments	6	80,308	-	80,308	(79,963)
Foreign exchange loss		(30,315)	-	(30,315)	(54,734)
<b>Net movement in funds</b>	2	<b>-</b>	<b>143,766</b>	<b>143,766</b>	<b>(189,691)</b>
<b>Funds bought forward at 1 January</b>		<b>-</b>	<b>2,124,649</b>	<b>2,124,649</b>	<b>2,314,340</b>
<b>Funds carried forward at 31 December</b>	8	<b>£-</b>	<b>£2,268,415</b>	<b>£2,268,415</b>	<b>£2,124,649</b>

- All transactions are derived from continuing activities.
- All recognised gains and losses are included in the Statement of Financial Activities.
- There were no income or expenditure transactions in the expendable endowment fund in 2021.



## BALANCE SHEET

AT 31ST DECEMBER 2021

	Notes	31st December 2021 £	31st December 2020 £
<b>FIXED ASSETS</b>			
Investments	6	2,271,043	2,107,922
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		-	-
<b>DEBTORS</b>		1,943	21,173
<b>CREDITORS: amounts falling due within one year</b>	7	<u>(4,570)</u>	<u>(4,446)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		(2,628)	16,727
<b>NET ASSETS</b>		<u>£2,268,415</u>	<u>£2,124,649</u>
<b>FUNDS AND RESERVES</b>			
General funds		-	-
Expendable Endowment fund		2,268,415	2,124,649
		<u>£2,268,415</u>	<u>£2,124,649</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 15<sup>th</sup> July 2022 and were signed below on its behalf by:

DocuSigned by:

Gabriel Pretus

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Gabriel Pretus - Trustee

DocuSigned by:

Marta Labayen

9723713E7333403...

Marta Labayen – Trustee

**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) - (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 have assessed the Charity's requirements for the foreseeable future, including any likely donations requests, in light of the COVID-19 pandemic. It is unclear what the medium-term outlook for group gatherings and meetings is likely to be, however the Trustees have taken a conservative approach to budgeting and will continue to assess the situation as it develops.

The Trustees are however confident that the Charity's reserves are sufficient to enable operations (including likely donations requests) to continue at a sustainable level for a period of at least 12 months from the date of approval of these financial statements. The Charity therefore continues to adopt the going concern basis in preparing its financial statements. As there are no material uncertainties about the Charity's ability to continue operating, the accounts have been prepared on a going concern basis.

**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. Gifts in kind are included at current market value.

**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.

# THE FRIENDLY HAND

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 2020

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### 1. ACCOUNTING POLICIES (continued)

#### *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.

#### **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.

**THE FRIENDLY HAND**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31ST DECEMBER 2021**

<b>2.</b>	<b>NET MOVEMENT IN FUNDS</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	This is stated after charging:		
	Accountancy charges	£3,500	£3,000
	Independent examiner's fee (including VAT)	£500	£500
		<u>          </u>	<u>          </u>
<b>3.</b>	<b>TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES</b>		
	No Trustee received remuneration for their services during the year (2020 – none).		
	No Trustee received any reimbursed expenses during the year (2020- none).		
<b>4.</b>	<b>GRANTS PAYABLE</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Ateneo Pontificio Regina Apostolorum	4,655	23,187
	Fem Costat a la Gent Gran-Ma Amiga	40,995	41,134
	Royal Holloway University London	23,631	40,225
	The Paynter Home	15,032	15,032
	Other small grants	17,724	40,556
		<u>          </u>	<u>          </u>
		£102,037	£160,134
		<u>          </u>	<u>          </u>
<b>5.</b>	<b>ANALYSIS OF TOTAL EXPENDITURE</b>	<b>Direct Costs</b>	<b>Direct Costs</b>
		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	<i>Charitable activities</i>		
	Grants Payable	102,037	160,134
	<i>Costs of activities in furtherance of the charity's objectives</i>		
	-Service charge and sundry	41,172	33,809
	<i>Support costs - Governance</i>		
	-Legal fees	26,125	16,451
	-Accountancy	4,508	3,508
		<u>          </u>	<u>          </u>
		£173,842	£214,902
		<u>          </u>	<u>          </u>
	The average number of staff in 2021 nil (2020 – nil)		
<b>6.</b>	<b>INVESTMENTS</b>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
	Listed investments	1,571,043	1,638,348
	Property	700,000	469,574
		<u>          </u>	<u>          </u>
	At 31 December 2021	£2,271,043	£2,107,922
		<u>          </u>	<u>          </u>

# THE FRIENDLY HAND

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### YEAR ENDED 31ST DECEMBER 2021

6.	INVESTMENTS (continued)	2021	2020
	Listed investments	£	£
	At 1 January 2021	1,638,139	1,848,139
	Additions	223,593	459,759
	Disposals	(340,683)	(534,851)
	Unrealised and realised gain/(loss)	80,308	(79,963)
	Foreign exchange gain/(loss)	(30,315)	(54,734)
	At 31 December 2021	<u>£1,571,043</u>	<u>£1,638,350</u>
	Investment Property		
	At 1 January and 31 December 2021	<u>£700,000</u>	<u>£469,574</u>
	Total investments	<u>£2,335,286</u>	<u>£2,107,924</u>

The investment property was acquired in November 2003. A desktop valuation was carried out during the year by Hamptons and valued the sales value to be £700k. The trustees do not intend to sell the property in the near future..

7.	CREDITORS: amounts falling due within one year	2021	2020
		£	£
	Accruals	<u>£4,570</u>	<u>£4,446</u>

8.	ANALYSIS OF NET ASSETS BETWEEN FUNDS				
		Unrestricted	Expendable	Total	Total
		£	Endowment	2021	2020
			£	£	£
	Fund balances at 31st December 2021				
	are represented by:				
	Tangible assets	-	2,271,043	2,271,043	2,107,922
	Current assets	-	1,943	1,943	21,173
	Current liabilities	-	(4,570)	(4,570)	(4,446)
	Net assets	<u>£-</u>	<u>£2,268,415</u>	<u>£2,268,415</u>	<u>£2,124,649</u>

In 2020 all funds were expendable endowment

**THE FRIENDLY HAND**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**YEAR ENDED 31ST DECEMBER 2021**

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**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.

**11. RELATED PARTY TRANSACTIONS**

There were no related party transactions during the current or preceding year.