

COMPANY NUMBER: 2082273  
CHARITY NUMBER: 296073

**THE WORLD ASSOCIATION FOR  
CHRISTIAN COMMUNICATION**

(A COMPANY LIMITED BY GUARANTEE  
WITHOUT A SHARE CAPITAL)

**REPORT AND ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2002**



**Horwath Clark Whitehill**

Horwath Clark Whitehill  
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**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**ANNUAL REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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The directors who are also the Trustees of the charitable company, present their annual report and the audited accounts for the year ended 31 December 2002.

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2000).

**GENERAL INFORMATION**

**Charity Name:** The World Association for Christian Communication

**Charity Registration Number:** 296073

**Company Number:** 2082273

**Charity Address:** 357/359 Kennington Lane  
London  
SE11 5QY

**Auditors:** Horwath Clark Whitehill  
25 New Street Square  
London  
EC4A 3LN

**Solicitors:** Allen and Overy  
One New Change  
London  
EC4M 9QQ

**Bankers:** National Westminster Bank Plc  
Knightsbridge Corporate  
Business Centre  
1<sup>st</sup> Floor 180 Brompton Road  
London  
SW3 1HL

Fleet Bank NA  
UK Representative Office  
39 Victoria Street  
London  
SW1H 0ED

JPMorgan Chase Bank  
125 London Wall  
London  
EC2Y 5AJ

Rabobank  
Postbus 273  
1200 AG Hilversum  
The Netherlands

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION  
ANNUAL REPORT OF THE TRUSTEES (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2002**

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**DIRECTORS AND TRUSTEES**

<b>President</b>	M Kanyoro (appointed 7 July 2002)
<b>Other Officers</b>	P Halma (Vice President) (appointed 1 June 2002) E Teckemeier (Treasurer) E Gonzalez (Secretary) R L Naylor (General Secretary)
<b>Other Directors</b>	L Anderson E Bortey C Cornelius V Falekaono M E Hermosilla R Jarjour J Mbewe S Mendez (appointed 3 October 2002) Ming-ya Tu'uholoaki D Munyakho A Musopole R Perez G Pierre (appointed 26 September 2002) D W Pomeroy M Roux (appointed 1 June 2002) D A Smith E So A Z Stephanous Mehm Tun Than G Urizio R M Yocom

The following resigned as a director during the year:

P B Anthony (26 September 2002)  
B Bergius (3 March 2002)  
C G Lopez (26 September 2002)  
R Mehlose (3 March 2002)  
A H van den Heuvel (5 July 2002)

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE ACCOUNTS**

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the company's state of affairs at the end of the year and of its results for the year. In preparing those accounts the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**CONSTITUTION**

The World Association for Christian Communication is set up under its Memorandum and Articles of Association as a company limited by guarantee, and is registered with the Charity Commission under the Charities Act 1993, registration number 296073. The liability of the 26 members in the event of the charity being wound up is limited to a sum not exceeding £1 each.

**OBJECTS AND POLICIES OF THE CHARITY**

Among the policies adopted by the Association to further its objectives are:

- The encouragement and support of Churches throughout the world in the development of communication programmes suited to their needs and those of their communities.
- The organisation of educational conferences, meetings and seminars.
- The promotion of research into communication media.
- The financing of education and training courses and the award of education and training scholarships.
- The publication of books, periodicals and audio visual aids.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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**METHOD OF APPOINTMENT OF TRUSTEES**

Each regional association elects directors to the Central Committee in accordance with the Memorandum and Articles of Association. Their term is effective from the first day of the Central Committee Meeting.

**ORGANISATION**

The Memorandum and Articles of Association established an international board of directors/trustees, as a Central Committee, which meets annually to approve a portfolio of projects and to approve and supervise longer term programmes lasting up to five years. An international Congress, which last met during 2001 in the Netherlands, is held at the end of a five year programme to help the Central Committee to formulate policy for the new term. The next congress is due to be held in 2007.

The principal committees established from among the members of the Central Committee to carry out the objectives of the Association and advise the Trustees, are as follows:

**Projects and Programmes**

Regional Development Sector  
Global Studies Programme

**Administration and Support**

Services Sector Committee  
Finance Committee.

**REVIEW OF ACTIVITIES AND ACHIEVEMENTS**

As well as maintaining its project and programme expenditure under the Regional Development Sector, the Association reviewed the activities of the Forum Sector and approved a new five year programme to be renamed "Global Studies Programme".

The new programme was drawn up in the light of an evaluation of the Forum Sector Programme of the last five years, the experience of the congress meeting held in the Netherlands on the theme Communication: From Confrontation to Reconciliation and extensive consultations with donor partners. The Sector will be renamed Global Studies Programme and have as its general theme: Taking Sides : Communication for Reconciliation. It will include six areas of work:

- Communication religion and Ecumenism
- Communication at and from the Margins
- Media & Gender Justice
- Shifting Realities & the Ethics of Information Applications
- Resisting Knowledge Monopolies
- Ongoing Concerns covering existing work such as Media Development, WACC & Cinema, Congress 2007.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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**REVIEW OF ACTIVITIES AND ACHIEVEMENTS (CONTINUED)**

Substantial time and energy has been invested in developing the Association's web site (<http://www.wacc.org.uk>) which has achieved average hit rates of 7,500 per week and resulted in the Association's site being identified in the top three options for searches under the rubric "Christian Communication". Building on the Principles of Christian Communication, which underpin all the Association's work, a new mission statement has been completed and the Association's international profile has been strengthened with a review of the WACC logo to create a new banner line to be used in all communications. The new banner line incorporates the existing "WACC" logo and expands it with a graphic symbolising the people we exist to serve, and qualifying it with the strap line "Taking Sides".

Trustees are conscious of the need to maintain and broaden the funding base of the organisation and to continue to develop procedures for the evaluation of the Association's work and have accordingly authorised additional resources to be made available for funding development and in support of the evaluation function with the recruitment of a new Director of Regional Development and WACC Evaluation.

**REVIEW OF TRANSACTIONS AND FINANCIAL POSITION**

As set out in the Statement of Financial Activities on page 8, total incoming resources for the year were €2,466,746 (2001: €3,131,951). Resources expended during the year totalled €2,655,164 (2001: €3,124,837), of which €2,379,263 was charitable expenditure. The charity's funds decreased overall by €196,274 during the year ended 31 December 2002, compared to an increase overall in the previous year of €8,072.

All these funds (and more which have still to be raised) will be required to carry out the Association's ongoing programmes, which may take place over periods of up to five years.

Restricted funds are held in cash deposited on the money market, to allow for access when required.

The Trustees have reviewed the Association's funds in the light of the result for the year arising from activities financed from its unrestricted funds. Further information will be found under note 18 to the accounts, which refers to the accumulated fund, from which it is evident that a substantial part of this fund is employed in financing the Association's fixed assets.

**INVESTMENT POWERS**

These are listed in the Memorandum of Association.

The Trustees will invest any funds of the Association not immediately required for its purposes as they think fit in accordance with the Memorandum of Association.

**GRANT MAKING POLICY**

The Association seeks to fulfil its mandate of "advancing the Christian faith by all means of communication" by encouraging and supporting Churches and related groups throughout the world in the development of communication programmes suited to their needs and to the needs of their communities. To this end it funds an annual programme of grants to organisations for both capital and revenue purposes, workshops and seminars and to individuals for communications training.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**ANNUAL REPORT OF THE TRUSTEES (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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**RESERVES POLICY**

At the year end the total reserves of the Charity stood at €3,875,355. Of these funds €1,548,504 were restricted and €1,082,354 were represented by the net book value of the tangible fixed assets in use. In addition to these funds the trustees have established a designated budget stabilisation fund as described in note 1g) which amounts to €328,731 and there were also internally generated commitments to the forum sector of €339,420. Free funds therefore stood at €576,346 at the balance sheet date, representing some 2.9 months unrestricted expenditure at current levels. The trustees believe that the nature of the charity's operations is such that a more preferable level of funds would amount to some 6 months expenditure and they will work towards that aim in future, whilst recognising that the grant needs of its beneficiaries must be paramount to ensure that the charity can successfully meet its short and long term aims. Reserves are reviewed on an annual basis.

**RISK MANAGEMENT**

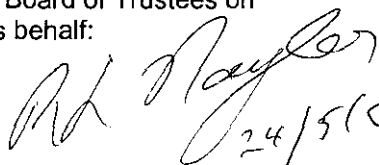
In the opinion of the Trustees, the Association has established and continues to operate, systems and controls to mitigate the risks to an acceptable level in day to day operations.

Risks are reviewed as a part of the regular Trustee meetings.

**AUDITORS**

A resolution proposing the re-appointment of Horwath Clark Whitehill as auditors of the Association will be put to the members at the Annual General Meeting.

Approved by the Board of Trustees on  
and signed on its behalf:

  
24/5/03



# Horwath Clark Whitehill

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## **INDEPENDENT AUDITORS' REPORT TO THE CENTRAL COMMITTEE OF THE WORLD ASSOCIATION OF CHRISTIAN COMMUNICATION**

We have audited the accounts of The World Association for Christian Communication for the year ended 31 December 2002, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These accounts have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

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

The responsibilities of the directors, who are also the charity trustees for the purposes of charity law, for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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

We read other information contained in the Trustees' Report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

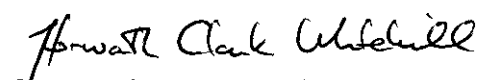
### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

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

### **Unqualified opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the charitable company as at 31 December 2002 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants and Registered Auditors

Date 27 May 2003

25 New Street Square  
London  
EC4A 3LN

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	Unrestricted Funds €	Restricted Funds €	Total Funds 2002 €	Total Funds 2001 €
<b>Incoming Resources</b>					
Grants receivable	2	1,730,583	625,598	2,356,181	2,591,627
Membership income		8,416	-	8,416	7,620
Investment income	3	90,038	-	90,038	137,574
Other income		12,111	-	12,111	83,547
Surplus on disposal of fixed asset		-	-	-	311,583
<b>Total Incoming Resources</b>		<b>1,841,148</b>	<b>625,598</b>	<b>2,466,746</b>	<b>3,131,951</b>
<b>Resources Expended</b>	4				
Cost of generating funds					
Fundraising, Action & Publicity	9 & 10	275,901	-	275,901	256,697
Charitable expenditure					
Grants payable	8	710,848	273,495	984,343	1,576,275
Support costs	7	1,111,038	-	1,111,038	1,032,459
Management and administration of the charity	11	283,882	-	283,882	259,406
<b>Total Charitable Expenditure</b>		<b>2,105,768</b>	<b>273,495</b>	<b>2,379,263</b>	<b>2,868,140</b>
<b>Total Resources Expended</b>		<b>2,381,669</b>	<b>273,495</b>	<b>2,655,164</b>	<b>3,124,837</b>
Net (outgoing)/incoming resources before transfer		(540,521)	352,103	(188,418)	7,114
Transfer between funds	12	614,973	(614,973)	-	-
<b>NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR</b>		<b>74,452</b>	<b>(262,870)</b>	<b>(188,418)</b>	<b>7,114</b>
<b>Other recognised gains and losses:</b>					
Unrealised (loss)/gain on foreign exchange		(7,856)	-	(7,856)	958
<b>Net Movement in Funds</b>		<b>66,596</b>	<b>(262,870)</b>	<b>(196,274)</b>	<b>8,072</b>
Balances brought forward at 1 January 2002		2,260,255	1,811,374	4,071,629	4,063,557
<b>Balances carried forward at 31 December 2002</b>		<b>2,326,851</b>	<b>1,548,504</b>	<b>3,875,355</b>	<b>4,071,629</b>

The notes to the accounts are set out on pages 11 to 21.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**BALANCE SHEET**  
**31 DECEMBER 2002**

	Notes	€	2002 €	2001 €
<b>FIXED ASSETS</b>				
Tangible assets	13		1,082,354	1,159,282
<b>CURRENT ASSETS</b>				
Debtors	14	52,032		67,825
Cash at bank and in hand		39,269		58,046
Short term deposits		<u>2,899,856</u>		<u>3,008,870</u>
		<u>2,991,157</u>		<u>3,134,741</u>
<b>CREDITORS: amounts falling due within one year:</b>				
Grants payable		130,117		169,987
Other creditors		24,428		17,359
Accruals		<u>43,611</u>		<u>35,048</u>
		<u>198,156</u>		<u>222,394</u>
<b>NET CURRENT ASSETS</b>			<u>2,793,001</u>	<u>2,912,347</u>
<b>NET ASSETS</b>	21		<u>3,875,355</u>	<u>4,071,629</u>
<b>REPRESENTED BY:</b>				
Unrestricted funds	15		2,326,851	2,260,255
Restricted funds	16		<u>1,548,504</u>	<u>1,811,374</u>
			<u>3,875,355</u>	<u>4,071,629</u>

Approved by the Board of Trustees on  
and signed on their behalf:

24 May 2003

- Treasurer

- General Secretary

The notes to the accounts are set out on pages 11 to 21.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

	Notes	2002 €	2001 €
<b>NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES</b>	1	<b>(165,021)</b>	<b>(591,879)</b>
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		90,038	137,574
<b>CAPITAL EXPENDITURE</b>			
Purchase of tangible fixed assets		(52,808)	(306,647)
Proceeds from the sale of tangible fixed assets		-	504,222
<b>(DECREASE) IN CASH IN THE YEAR</b>	2	<b><u>(127,791)</u></b>	<b><u>(256,730)</u></b>

**NOTES**

<b>1. RECONCILIATION OF NET (OUTGOING)/INCOMING RESOURCES TO NET CASH (OUTFLOWS) FROM OPERATIONS</b>	<b>2002 €</b>	<b>2001 €</b>
(Deficit)/surplus for the year	(196,274)	8,072
Depreciation	129,736	120,231
(Decrease) in grants payable	(39,870)	(365)
(Decrease) in grant income received in advance	-	(270,317)
Increase in other creditors and accruals	15,632	7,371
Decrease/(increase) in debtors	15,793	(13,152)
Interest received	(90,038)	(137,574)
(Surplus) on disposal of fixed assets	-	(306,145)
<b>Net cash (outflow) from operating activities</b>	<b><u>(165,021)</u></b>	<b><u>(591,879)</u></b>
<b>2. ANALYSIS OF CASH</b>		
Balance at 1 January	3,066,916	3,323,646
Net cash (outflow)	<u>(127,791)</u>	<u>(256,730)</u>
Balance at 31 December	<u>2,939,125</u>	<u>3,066,916</u>

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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**1. ACCOUNTING POLICIES**

**a) Accounting Convention**

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, issued in October 2000, Accounting and Reporting by Charities' ('SORP').

**b) Incoming Resources**

Investment income and income from grants, with the exception of restricted grants received, is accounted for on an accruals basis. Restricted income and all other income is accounted for when received.

**c) Resources Expended**

Provision is made in the accounts for all expenditure incurred before the year end.

All grants are made on a conditional basis and are included in resources expended once those conditions have been fulfilled.

Staff remuneration and travelling costs are allocated between support costs, fundraising and publicity, management and administration cost centres, on the basis of estimates of the time spent on each type of activity. Management and administration comprises costs for the running of the charity itself as an organisation.

Irrecoverable VAT is included with the item of expense to which it relates.

**d) Depreciation**

Freehold land and buildings and building improvements are depreciated at 5% per annum on a straight line basis.

Furniture and equipment bought before 1 January 1991 is depreciated at 15% per annum on a reducing balance basis, subsequent additions are depreciated at 20% per annum on a straight line basis.

Shared equity housing scheme is depreciated at 2% per annum on a straight line basis.

**e) Translation Of Foreign Currencies**

- i) Tangible Fixed Assets are translated into Euros at the rate of exchange ruling at the date of acquisition. Other balance sheet items are translated at the exchange rate ruling at the balance sheet date, except where deposits are covered by currency options whereby they are translated at the higher of the strike rate or ruling exchange rate. The cost of the option is written off immediately.
- ii) Income received and expenditure paid in currencies other than Euros are translated at the average rate of exchange ruling in the month of the transaction. Assets and liabilities in foreign currencies are translated at the rate of exchange ruling at the balance sheet date €1 = £1.53505 (2001 £1 = €1.6339)
- iii) In accordance with Statement of Standard Accounting Practice No. 20, exchange differences are processed through the Income and Expenditure Account, with the exception of those relating to Tangible Fixed Assets.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**f) Restricted Funds**

These are grants, which are received in respect of pledges made by donors and restricted by them to specific projects. Restricted grants for ongoing projects to be completed in future years are received in the Statement of Financial Activities and any unexpended amounts are carried forward in reserves.

**g) Budget Stabilisation Fund**

This fund has been set up to protect the Association against future adverse movements in international foreign exchange markets. Calls may be made on the fund to offset the effect of any future net exchange losses chargeable to the Income and Expenditure Account and if appropriate it will be restored to the level of €328,731 in subsequent financial years out of annual income.

**h) Pension Costs**

The charity has arranged a Money Purchase Scheme for qualifying employees. The assets of this Scheme are held separately from those of the charity, being invested with an insurance company. Pension costs charged to the Statement of Financial Activities represent the contributions payable by the charity in the year.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

**2. GRANTS RECEIVABLE**

	Unrestricted Funds €	Restricted Funds €	2002 Total Funds €	2001 Total Funds €
E E D Germany	1,022,584	65,565	1,088,149	1,045,592
Brot Fur Alle	10,218	105,891	116,109	69,994
E.L.C.A.	15,978	-	15,978	17,914
U.C.B.W.M.	23,012	-	23,012	23,645
United Methodist Church	-	7,490	7,490	62,934
Council for World Mission	38,376	-	38,376	39,888
Church of Scotland	-	-	-	1,594
United Church of Canada	54,869	3,724	58,593	63,783
Presbyterian Church of Canada	343	-	343	357
Norwegian Church Aid	40,727	-	40,727	42,808
Church of Sweden Mission	-	-	-	8,193
Swedish Missionary Council	-	-	-	88,656
Evangelical Lutheran Church Finland	1,623	-	1,623	1,548
Finnchurchaid	16,572	-	16,572	16,819
ICCO	450,000	-	450,000	451,829
MDO Netherlands	100,000	-	100,000	99,832
EZE	-	308,828	308,828	351,819
FTM	-	46,117	46,117	31,797
Stichting Rotterdam	-	30,270	30,270	19,430
Chinese Christian Literature Council	13,584	-	13,584	-
HEKS	-	34,179	34,179	33,047
Netherlands MIN for Foreign Affairs	-	-	-	12,296
Misc.	-	-	-	52
Womens World Day of Prayer Germany	-	-	-	58,657
RCC 2000	-	-	-	27,778
Stem vom Afrika	-	-	-	8,643
Methodist Church Overseas Division	-	23,534	23,534	4,781
Haella Stichting	-	-	-	7,941
	<u>1,787,886</u>	<u>625,598</u>	<u>2,413,484</u>	<u>2,591,627</u>

Total grants received in the year	2,413,484	2,321,310
Amount released to incoming resources	-	270,317
Bad debt written off	(57,303)	-
	<u>2,356,181</u>	<u>2,591,627</u>

**3. INVESTMENT INCOME**

Bank interest	109	649
Cash held on short term deposit	89,929	136,925
	<u>90,038</u>	<u>137,574</u>

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

4. RESOURCES EXPENDED	2002 €	2001 €
The expenditure for the year includes:		
Audit fees	22,920	21,409
Staff costs (note 5)	1,168,961	1,136,231
Depreciation	<u>129,736</u>	<u>120,231</u>

**5. STAFF COSTS**

Wages and salaries	1,057,048	1,021,111
Social security costs	105,188	103,560
Other pension costs	<u>6,725</u>	<u>11,560</u>
	<u>1,168,961</u>	<u>1,136,231</u>

The average number of employees in the year was 17 (2001: 19). All staff costs are in respect of UK employees.

The number of employees whose emoluments amounted to over £50,000 in the year were as follows:

	2002 No.	2001 No.
£50,001 to £60,000	6	4
£70,001 to £80,000	<u>2</u>	<u>-</u>

Contributions were made to a money purchase pension scheme in 2001 for one higher paid employee amounting to €4,078. This person ceased to be an employee during 2001.

One (2001: two) trustee received remuneration as disclosed in note 6. Expenses reimbursed to them amounted to €53,935 (2001: €45,233). Expenses reimbursed were solely for travel costs incurred and related to 24 Trustees (2001: 24).

6. DIRECTORS EMOLUMENTS	2002 €	2001 €
	<u>123,181</u>	<u>145,596</u>

Directors emoluments are in respect of a salaried position within the charity.

7. SUPPORT COSTS	Unrestricted Funds €	Restricted Funds €	Total 2002 €	Total 2001 €
Salaries	793,233	-	793,233	775,117
Travel	63,020	-	63,020	36,732
Central office	92,258	-	92,258	96,919
Other costs	76,901	-	76,901	43,001
Depreciation	<u>85,626</u>	<u>-</u>	<u>85,626</u>	<u>80,690</u>
	<u>1,111,038</u>	<u>-</u>	<u>1,111,038</u>	<u>1,032,459</u>



**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

**8. GRANTS PAYABLE**

Grants payable are made to numerous institutions and some individuals in project regions throughout the world.

Grants payable during the year were as follows:

Name of Grant Recipient	2002 €	2001 €
WACC Pacific Region	53,145	35,825
Interlink Rural Information Service Kenya	-	34,300
CEOSS Egypt	-	24,760
WACC Latin America Region	44,472	23,760
WACC Asia Region	45,750	23,760
All Africa News Agency Kenya	35,503	53,369
Africa Literature Centre Zambia	28,000	-
Caribbean Council of Churches Trinidad	23,500	7,590
WACC Africa Region	22,734	8,334
GEP Germany	20,000	-
Alter Vida Paraguay	11,660	-
Change Africa Uganda	16,430	-
Philippine/China Development Resource Centre Philippines	16,000	-
Asia Forum for Human Rights & Dev Thailand	15,301	-
Institute for Justice & Reconciliation S.Africa	15,200	-
FEMEC Cameroun	15,200	-
Association of Christian Lay Centres in Africa Zimbabwe	14,670	-
Agencia Latino Americana de Informacion Ecuador	14,240	-
Comunicacao Mulher Brazil	14,190	-
WACC Europe Region	13,250	14,994
AESCA Brazil	13,140	-
Union Theological College Bangalore India	13,000	-
Hanitotz a Sharara Palestine	12,430	-
University of Sterling Scotland	11,903	-
Constellation des Artistes Rwanda	11,070	-
Middle East Media Cyprus	10,850	-
Theatre Day Productions Palestine	10,850	-
Womens Media Centre Cambodia	10,378	10,000
International Centre of Bethlehem Palestine	10,250	-
Christian Centre for Rural Development Burundi	9,800	-
CLAI Ecuador	9,340	-
Care for Girls Committee Egypt	8,570	6,644
AnNour Publications Lebanon	8,100	-
Fundacao de Acao Cultural, Educacional e Social de Panambi Brazil	7,850	-
Asociacion Guarango Cine y Video Peru	7,700	-
Audio Visual Service Benin	7,500	-
Educacion y Comunicaciones Chile	7,470	-
AACC Nairobi Kenya	7,171	-
CEPRA Bolivia	6,920	-
Igreja Metodist Unida em Mocambique	6,500	-
Centre for Human Development & Social Change Ghana	6,300	-
Social & Economic Rights Action Centre Nigeria	6,300	-
GRAFCA Tanzania	5,940	8,570
SAKS Haiti	5,765	19,400
Gimlekollen School of Journalism & Communciation Norway	5,770	-
Chin Association of Christian Communication Myanmar	5,400	-
Sub total c/fwd	645,512	271,306

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

8. GRANTS PAYABLE (CONTINUED)	2002 €	2001 €
Sub total b/fwd	645,512	271,306
SPAT Ltd Dominica	-	18,460
SPATS Fiji	4,855	-
Womens Development Centre Sri Lanka	4,500	-
National Council of Churches Sri Lanka	4,191	-
WACC Caribbean Region	4,113	-
Uzima Press Kenya	4,100	-
Eglise Protestante Metodiste du Benin	3,780	-
Centro Cristiano de Promocion y Servicio Peru	-	16,300
Iglesia Morava Nicaragua	-	16,250
MAP International Rwanda	-	15,200
Asocion Ministerio Diaconal de la Paz y Esperanza Peru	-	14,739
Oxford Centre for Mission Studies UK	-	13,590
Women & Development Unit Barbados	-	13,190
Development Burundi	-	13,149
Media Service Centre Nigeria	-	13,000
Agencia LA y Caribena de Comunicacion Peru	-	12,861
Christian Partners Development Agency Kenya	-	12,780
CRAD Haiti	-	12,583
Womens Media Watch Jamaica	-	12,327
Fellowship of Middle East Evangelical Churches	-	11,430
Telecine International Egypt	-	11,430
Servicio Pastoral dos Migrantes Brazil	-	11,150
Colegio Ward Argentina	-	11,000
Ecumenical Centre for Research Education & Advocacy Fiji	-	10,800
Televideo Multi Media Pdns Burkina Faso	-	10,780
Mission for Philippino Migrant Wkrs HongKong	-	10,620
Christian Council of Churches Sierra Leone	-	10,290
Nukuno Protestant Churches Assn Micronesia	-	10,290
Disabled Childrens Action Group S Africa	-	10,110
Violence against Women Network Japan	-	10,000
Proclamation de l'Evangile par les Medias En Afrique Cote d'Ivoire	-	9,336
Manipal Institute of Communication India	-	9,261
Womens Media Watch South Africa	-	9,220
Ghana Community Broadcasting	-	9,200
Eco Svetlina Bulgaria	-	9,000
Grupo Cultural Yuyachkani Peru	-	9,000
Foundation for Consumers Thailand	-	8,560
Centro Desarrollo Pastoral de Mazahua	-	8,230
Africa Women Filmmakers Trust	-	8,146
Media House Egypt	-	8,000
Asia Human Rights Commission Hong Kong	-	7,713
Malawi Council of Churches	-	7,090
Asocion Civil Juana Manuela Gorriti Argentina	-	6,340
Sub total	671,051	682,731
Balance :Other Grants Paid	439,653	781,987
<b>TOTAL GRANTS PAID</b>	<b>1,110,704</b>	<b>1,464,718</b>

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

**8. GRANTS PAYABLE (CONTINUED)**

	Unrestricted Funds €	Restricted Funds €	Total 2002 €	Total 2001 €
Grants payable	837,209	273,495	1,110,704	1,464,718
Less : Forum accruals made	(104,202)	-	(104,202)	(89,753)
Add: Forum accruals paid	3,250	-	3,250	201,310
Less: RDS accruals released	(25,409)	-	(25,409)	-
	<u>710,848</u>	<u>273,495</u>	<u>984,343</u>	<u>1,576,275</u>

**9. FUNDRAISING**

	2002 €	2001 €
Salaries	109,324	102,682
Travel	5,661	4,352
Central office	13,979	14,686
Other costs	184	212
Depreciation	<u>12,974</u>	<u>12,226</u>
	<u>142,122</u>	<u>134,158</u>

**10. ACTION AND PUBLICITY**

Salaries	66,539	65,538
Travel	4,509	128
Central office	8,387	8,809
Other costs	46,560	40,728
Depreciation	<u>7,784</u>	<u>7,336</u>
	<u>133,779</u>	<u>122,539</u>

**11. MANAGEMENT AND ADMINISTRATION OF THE CHARITY**

Salaries	199,865	192,894
Travel	7,743	4,534
Central office	25,161	26,433
Other costs	27,761	13,539
Depreciation	<u>23,352</u>	<u>22,006</u>
	<u>283,882</u>	<u>259,406</u>

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

**12. TRANSFER BETWEEN FUNDS**

The transfer from restricted funds to unrestricted funds represents a reimbursement of grants paid under the DIP programme totalling €423,479 (2001: (€422,563). These are originally financed from unrestricted funds.

During the year restricted fund balances were reviewed resulting in a transfer to unrestricted funds of €191,494. This represents a reimbursement of historical payments made on behalf of restricted funds.

**13. TANGIBLE FIXED ASSETS**

	Freehold Land and Buildings €	Improvement to Freehold €	Equity Housing Scheme €	Furniture and Equipment €	Total €
<b>Cost</b>					
1 January 2002	777,286	515,046	520,843	350,080	2,163,255
Additions	-	10,155	6,474	36,179	52,808
Disposals	-	-	-	(5,133)	(5,133)
<b>At 31 December 2002</b>	<b>777,286</b>	<b>525,201</b>	<b>527,317</b>	<b>381,126</b>	<b>2,210,930</b>
<b>Depreciation</b>					
1 January 2002	447,176	275,345	35,368	246,084	1,003,973
Charge for the year	40,310	28,475	10,968	49,983	129,736
Disposals	-	-	-	(5,133)	(5,133)
<b>At 31 December 2002</b>	<b>487,486</b>	<b>303,820</b>	<b>46,336</b>	<b>290,934</b>	<b>1,128,576</b>
<b>Net Book Value</b>					
<b>At 31 December 2002</b>	<b>289,800</b>	<b>221,381</b>	<b>480,981</b>	<b>90,192</b>	<b>1,082,354</b>
<i>Net Book Value</i>					
<i>At 31 December 2001</i>	<i>330,110</i>	<i>239,701</i>	<i>485,475</i>	<i>103,996</i>	<i>1,159,282</i>

All tangible fixed assets are held at cost in Euros.

**14. DEBTORS**

	2002 €	2001 €
Mortgage advances	-	118
Other debtors	38,376	57,302
Prepayments	13,656	10,405
	<b>52,032</b>	<b>67,825</b>

The mortgage advances are to expatriate employees of the Association for the purpose of home purchase in the United Kingdom and are fully secured by mortgages on the properties.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

<b>15. UNRESTRICTED FUNDS</b>	<b>2002</b>	<b>2001</b>
	<b>€</b>	<b>€</b>
Budget Stabilisation Fund (note 18)	<b>328,731</b>	328,731
Capital funds (note 17)	<b>1,008,236</b>	1,008,236
Accumulated fund (note 19)	<b>989,884</b>	923,288
	<b><u>2,326,851</u></b>	<b><u>2,260,255</u></b>

**16. RESTRICTED FUNDS**

Balance brought forward:		
Restricted project funds	<b>1,811,374</b>	1,912,017
Net movement in funds -		
Statement of Financial Activities	<b><u>(262,870)</u></b>	<b><u>(100,643)</u></b>
	<b><u>1,548,504</u></b>	<b><u>1,811,374</u></b>

**17. CAPITAL FUNDS**

The capital funds relate to grants received or set aside for use in the purchase and refurbishment of the premises in South East London and other fixed assets.

	<b>2002</b>	<b>2001</b>
	<b>€</b>	<b>€</b>
Balance at 1 January 2002 and 31 December 2002	<b><u>1,008,236</u></b>	<b><u>1,008,236</u></b>

This fund is included within unrestricted funds.

**18. BUDGET STABILISATION FUND (Note 1g)**

	<b>2002</b>	<b>2001</b>
	<b>€</b>	<b>€</b>
Balance at 1 January 2002 and 31 December 2002	<b><u>328,731</u></b>	<b><u>328,731</u></b>

The Budget Stabilisation Fund is included within unrestricted funds.

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

19. ACCUMULATED FUND	2002 €	2001 €
Balance at 1 January	923,288	814,573
Net movement in funds (page 8)	<u>66,596</u>	<u>108,715</u>
<b>Balance at 31 December</b>	<b><u>989,884</u></b>	<b><u>923,288</u></b>

The Accumulated Fund can be separately identifiable between general funds of € 650,464 (2001: €674,867) and internally generated commitments to the Forum Sector of € 339,420 (2001: €248,421).

The Accumulated Fund has been employed in financing the purchase of suitable office premises for the Association together with other tangible fixed assets used in the course of the Association's business. In addition the Association has acquired an equity interest in certain freehold and leasehold properties under the shared equity housing scheme approved by the Central Committee of the Association.

To the extent that total fixed assets acquired by the Association remain undepreciated the accumulated funds may not be regarded as readily available for distribution to projects under the grant expenditure programme approved annually by the Central Committee.

At 31 December 2002 total fixed assets amount to €1,082,354 at cost less accumulated depreciation. The balance on capital funds amounts to €1,008,236. Part of the accumulated funds are therefore fully employed in financing the Association's fixed assets.

**20. PENSION COSTS**

The company operates a Money Purchase Scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to €6,725 (2001: €11,560).

**THE WORLD ASSOCIATION FOR CHRISTIAN COMMUNICATION**  
**NOTES TO THE ACCOUNTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2002**

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**21. ANALYSIS OF NET ASSETS**

	<b>Unrestricted Funds 2002 €</b>	<b>Restricted Funds 2002 €</b>	<b>Total Funds 2002 €</b>	<b>Total Funds 2001 €</b>
Tangible fixed assets	1,082,354	-	<b>1,082,354</b>	1,159,282
Current assets	1,442,653	1,548,504	<b>2,991,157</b>	3,134,741
Current liabilities	<u>(198,156)</u>	<u>-</u>	<u><b>(198,156)</b></u>	<u>(222,394)</u>
Total net assets	<u><b>2,326,851</b></u>	<u><b>1,548,504</b></u>	<u><b>3,875,355</b></u>	<u><b>4,071,629</b></u>

**22. RELATED PARTIES**

R L Naylor Company Secretary and director of WACC holds a 50% interest in a property held jointly with WACC. The WACC investment at cost under the shared equity scheme amounts to €251,789.