

North England Conference of Seventh-day Adventists

Registered Charity No (England and Wales): 1045501

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2021

North England Conference of Seventh-day Adventists Trustees

| | |
|---------------------------------------|----------------------------|
| Rev George Kwame Kumi (President) | Appointed 9 September 2021 |
| Emanuel Bran (Executive Secretary) | Appointed 9 September 2021 |
| Michael Kwasi Agyei-Asare (Treasurer) | Appointed 9 September 2021 |
| Lana Ashby | Appointed 9 September 2021 |
| Dr Irma Askv | Appointed 9 September 2021 |
| Glanda Augustine | Appointed 9 September 2021 |
| Dr Ivan Browne | Appointed 9 September 2021 |
| Grace Charles | Appointed 9 September 2021 |
| Dr Livingstone Chishimba | Appointed 9 September 2021 |
| Dr Leon Ferguson | Appointed 9 September 2021 |
| Jonathan Holder | Appointed 9 September 2021 |
| Obinnaya Iheoma | Appointed 9 September 2021 |
| Joseph Philpot | Appointed 9 September 2021 |
| Snowdon Reid | Appointed 23 January 2022 |
| Richard Russell | Appointed 9 September 2021 |
| Shephard Sibanda | Appointed 9 September 2021 |
| Leroy Taylor | Appointed 23 January 2022 |

North England Conference of Seventh-day Adventists

Reference and Administrative Details of the Charity and List of Advisors

| | |
|--------------------------|--|
| Charity number | 1045501 |
| Registered Office | 22 Zulla Road Mapperly Park Nottingham Nottinghamshire NG3 5DB |
| Bankers | Natwest Bank plc 3 Thurland Street Nottingham Nottinghamshire NG1 3DT |
| Solicitors | Anthony Collins Solicitors 134 Edmund Street Birmingham West Midlands B3 2ES |
| Auditors | Moore Kingston Smith LLP 4 Victoria Square St Albans Hertfordshire AL1 3TF |

North England Conference of Seventh-day Adventists Trustees' Report for the year ended 31 December 2021

The Trustees of the North England Conference of Seventh-day Adventists present this report for the year ended 31 December 2021 together with the consolidated Charity Financial Statements, which have been audited by Moore Kingston Smith LLP.

This Trustees' Report is not only to fulfil the legal and statutory requirement, but it is intended to explain the activities and future plans of the Charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT OF THE CHARITY

Constitution

The constitution is reviewed regularly and changes brought to the charity's general assembly (session) for adoption.

Method of Appointment or Election of Trustees

The management of the charity is the responsibility of the Trustees, who are elected and co-opted under the terms of the constitution. The Trustees are the Executive Committee and are elected/re-elected every four years at the Session by delegates chosen from various church congregations in its territory. The Administrative Officers (President, Executive Secretary and Treasurer) are also elected at the Session and are ex-officio members of the Executive Committee. Between Sessions, the Trustees through the vehicle of the Executive Committee, generally determine all matters of substance relating to their life and work of the Charity.

The Charity's constitution provides for employed Trustees, requiring that their remuneration rates and expense budgets be recommended annually by the National Office's Remuneration Audit Committee comprised of non-employees. The Executive Committee may reduce (but not increase) the remuneration and expense levels so recommended. No Trustee received emoluments more than £60,000 for both the current and previous year.

Policies Adopted for the Induction and Training of Trustees

Most new Trustees start their term of office at the commencement of the new quadrennium (in this case September 2021) and the primary induction is provided at the first meeting of the Trustees. Further training is provided annually.

New Trustees are provided with copies of the Charity Constitution, in addition to Policies and Minutes of the Executive Committee for that year. Each Trustee also receives copies of Charity Commission documents such as "The Essential Trustee - what you need to know".

North England Conference of Seventh-day Adventists

Trustees' Report

for the year ended 31 December 2021

Organisational Structure and Decision Making

The Trustees meet about once every two months to determine the strategy of the Charity. Between meetings, the day-to-day operations are managed on behalf of the Trustees by the three administrative officers.

The Charity is the administrative body of the Seventh-day Adventist Church ("the Church") for the Midlands, the northern area of England and the Isle of Man.

Related Organisations

The Charity has relationships with the following constituted bodies of the Seventh-day Adventist Church in Great Britain:

- British Union Conference of Seventh-day Adventists to which the Charity is affiliated.
- Seventh-day Adventist Association Ltd (a charitable company controlled by the British Union Conference of Seventh-day Adventists) which holds the Charity's land and property in trust.

RISK MANAGEMENT

The Trustees have continued to manage the major risks to which the Charity is exposed, those related to the operations and finances of the Charity and are monitoring and developing the systems and procedures to mitigate the exposure to those risks.

SAFEGUARDING

Through the activities of local congregations as well as Youth, Family and Children's Ministries departments, the Charity works with children and has a safeguarding policy and a procedure for DBS disclosure applications for employees and volunteers working with children and for those working with vulnerable adults.

OBJECTIVES ACTIVITIES AND PUBLIC BENEFIT POLICIES AND OBJECTIVES

The principal objective of the charity is the promotion of the Christian religion, with the following supporting objectives: To proclaim the Everlasting Gospel of Jesus Christ and prepare citizens of the earth for the soon return of Jesus Christ to encourage people to become responsible members of the church and community, and to support the charitable and humanitarian work which are in harmony with the doctrines and principles of the Seventh-day Adventist Church.

Additionally, specialised aspects of the Charity's purposes are performed by:

- One private primary school
- Summer Camps for children and youths
- Summer Camps for families
- As part of the world-wide church, the charity supports world-wide denominational activities
- In setting out its strategies the Trustees have taken note of advice from the Charity Commission on Public Benefit.

PUBLIC BENEFIT

The Trustees confirm that they have complied with the duty in response to the Charities Act to have due regard to the Charity Commission General Guidance on public benefit, 'Charities and Public Benefit'. The public benefit of the activities undertaken by the Charity is summarised as follows:

- Good citizenship
- Healthy communities
- Relief of poverty
- Advancement of education
- Good parenting

North England Conference of Seventh-day Adventists
Trustees' Report
for the year ended 31 December 2021

GRANT MAKING POLICIES

The Charity operates a fund-sharing policy with the British Union Conference of Seventh-day Adventists (charity number 1044071) whereby a proportion of funds received is passed on for use in the British Union and overseas. Grants to local congregations are made as a proportion of tax recovered under the Gift Aid programme, plus grants for special needs when requested and approved by the Trustees.

ACHIEVEMENTS AND PERFORMANCE

During 2021 the Charity grew in membership and at year-end registered a total of 11,785 through baptism, profession of faith, as well as membership transfer for other areas. Total net growth for the 2021 was 728.

GOING CONCERN

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

COVID-19 PANDEMIC

The coronavirus outbreak still had an impact on our organisation for the first six months of the year. Churches and Community Centres were closed which impacted the charity finances as well as community activities. The charity furloughed most of its employees to maintain financial stability. The charity continued to focus its involvement within the community to address the urgent needs because of the pandemic.

REVIEW OF ACTIVITIES

The North England Conference congregational activities that take place in 104 churches and 37 companies and several church plants and groups, seek to provide public benefit by the advancement of religion through a variety of centres for weekly worship services, prayer meetings, and other programmes that are open to the local communities in which they are located. The other programmes include preaching and evangelism, community projects that are based on such things as health education, depression recovery, stress awareness, importance of diet, parenting skills, marriage enrichment, personal discipline, developing life skills, as well as other activities for youth, children, and elderly. Some of these activities were presented via online platforms such as Zoom or Microsoft Office. These local congregational activities are supported from head office through various departmental training events, activity programmes, as well as personal support and resource provision. Our vision and mission statement envelopes the goals and objectives of the North England Conference, which are undertaken through our local churches and community centres as well as by various departments within the organisation and expressed as follows:

DEPARTMENTAL ACTIVITIES

Due to the impact of the pandemic some of the churches were still closed for in-person services, but many reopened to provide needed community services outlined below under Community Activities section.

Trying to adjust to the new normal, some departments resumed activities and plans although still not at the same level as pre-pandemic. These are some examples:

- Church officers training
- Community Service training
- Lay preachers training
- Retreats and Conferences

North England Conference of Seventh-day Adventists

Trustees' Report

for the year ended 31 December 2021

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COMMUNITY ACTIVITIES

In 2020 many welfare activities programmes were put in place for the community, therefore for the most part of 2021 the charity still engaged in providing necessary aid in many towns and cities across the North of England. Some welfare activities are:

- Community food banks to support vulnerable members of the community affected by the pandemic.
- Food distribution for the very elderly and other vulnerable.
- Packed meals were provided for collection at churches and community centres.
- Help Line to provide health and wellbeing support by trained counsellors.
- Covid Vaccine – online and in person meeting to address some of the concerns people had regarding vaccination.

WORSHIP SERVICES

The lockdown restrictions necessitated the closure of our churches and the charity adapted by providing those with internet access worship services through an online platform such as Zoom, YouTube, or Microsoft Teams.

FINANCIAL REVIEW

The Charity is reliant on the continued financial support of its membership, who contributed over £8.3m in tithes, donations, and freewill offerings. These funds were utilised for staff salaries, evangelistic endeavours, humanitarian work, education, retirement benefits, and the general governance and administrative operations of the North England Conference. Net income in the year amounted to £5.8m after tithe sharing to sister organisations and in addition to investment income and Government grants. Net surplus in the year amounted to £1.5m (2020: £385k deficit)

The Trustees consider that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future, and for this reason, the Trustees continue to adopt the 'going concern' basis in preparing accounts.

During the year, the Board have continued to review a number of long-standing claims and issues with employees and members to seek settlement of each of the matters. This has involved the Board in negotiations and mediations with various parties to move matters towards a conclusion. The Board is determined to help avoid similar events occurring in the future and they continue to revisit the Conference's policies and procedures set out as well as continuing retraining and refresher programmes for the team.

Restricted funds are generated when the donor stipulates how their donation may be spent. In most cases there will be a time lag between when such funds are received and when they are expended. On 31 December 2021, restricted funds totalled £2.1m (2020: £1.5m).

Unrestricted funds are generated when the donor does not stipulate how their donation may be spent. Unrestricted funds include designated funds, where the Trustees have set aside monies for a specific purpose. On 31 December 2021, the unrestricted reserves totalled £7.6m (2020: £6.6m).

North England Conference of Seventh-day Adventists
Trustees' Report
for the year ended 31 December 2021

TRUSTEES' RESPONSIBILITIES

The Trustees are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) for each financial year which give true and fair view of the state of the affairs of the charity and the group of the outgoing resources and application resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- Select suitable Accounting Policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make adjustments 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 business.

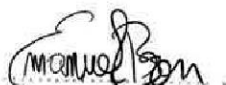
The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements are compliant. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud.

STATEMENT OF DISCLOSURE TO AUDITORS

So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware; and

The Trustees have taken all the steps that they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the Trustees of the North England Conference of Seventh-day Adventists signed on their behalf.



Pastor Emanuel Bran
Trustee

Date: 18 October 2022

Independent Auditor's Report to the Trustees and Members Of the North England Conference of Seventh-Day Adventists for the year ended 31 December 2021

Opinion

We have audited the financial statements of the North England Conference of Seventh-Day Adventists for the year ended 31 December 2021 which comprise the Group and Parent Charity's Statement of Financial Activities, the Group and Parent Charity's Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2021 and of the group's incoming resources and application of resources, including 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 Charities Act 2011.

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 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 trustees' 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 charity'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Independent Auditor's Report to the Trustees and Members Of the North England Conference of Seventh-Day Adventists for the year ended 31 December 2021

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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where Charities Act 2011 requires us to report to you if, in our opinion:

- The information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's 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, the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

**Independent Auditor's Report to the Trustees and
Members Of the North England Conference of Seventh-Day Adventists
for the year ended 31 December 2021**

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charity.

**Independent Auditor's Report to the Trustees and
Members Of the North England Conference of Seventh-Day Adventists
for the year ended 31 December 2021**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charity and considered that the most significant are the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the charity complies with these requirements by discussion with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instance of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees 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 any party other than the charity and charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Moore Kingston Smith LLP
Statutory Auditor

Date: 24.10.22

4 Victoria Square
St Albans
Herts
AL1 3TF

North England Conference of Seventh-day Adventists

Group Statement of Financial Activities For the year ended 31 December 2021

| | Notes | 2021 | | | 2020 | | |
|------------------------------------|-----------------------------------|--------------------|------------------|-------------------|--------------------|------------------|------------------|
| | | Unrestricted Funds | Restricted Funds | Total Funds | Unrestricted Funds | Restricted Funds | Total Funds |
| | | £ | £ | £ | £ | £ | £ |
| Income from: | | | | | | | |
| Income from donations and legacies | | | | | | | |
| | | 7,253,855 | 1,142,810 | 8,396,665 | 6,189,180 | 1,622,997 | 7,812,177 |
| | Donations | | | | | | |
| | Grants | 333,883 | 38,750 | 372,633 | 127,214 | 26,112 | 153,326 |
| | Government grants | 471,314 | 683,096 | 1,154,410 | 1,458,154 | - | 1,458,154 |
| | | | | | | | |
| 2 | Income from charitable activities | 8,059,052 | 1,864,656 | 9,923,708 | 7,774,548 | 1,649,109 | 9,423,657 |
| 3 | Investment income | 269,655 | - | 269,655 | 174,903 | - | 174,903 |
| 4 | Other income | 2,247 | - | 2,247 | 5,588 | - | 5,588 |
| 5 | | 2,315 | - | 2,315 | - | - | - |
| | Total | 8,333,269 | 1,864,656 | 10,197,925 | 7,955,039 | 1,649,109 | 9,604,148 |
| Expenditure on: | | | | | | | |
| Charitable activities: | | | | | | | |
| | | 7,321,425 | 1,191,309 | 8,512,734 | 8,402,638 | 1,459,087 | 9,861,725 |
| 6 | Governance | 164,228 | - | 164,228 | 127,097 | - | 127,097 |
| 9 | | | | | | | |
| | | 7,485,653 | 1,191,309 | 8,676,962 | 8,529,735 | 1,459,087 | 9,988,822 |
| Net income/(expenditure) | | | | | | | |
| | | 847,616 | 673,347 | 1,520,963 | (574,696) | 190,022 | (384,674) |
| Transfers between funds | | | | | | | |
| 18 | | 76,170 | (76,170) | - | (327,240) | 327,240 | - |
| Net movement in funds | | | | | | | |
| | | 923,786 | 597,177 | 1,520,963 | (901,936) | 517,262 | (384,674) |
| Fund balances brought forward | | | | | | | |
| | | 6,629,505 | 1,498,236 | 8,127,741 | 7,531,441 | 980,974 | 8,512,415 |
| Fund balances carried forward | | | | | | | |
| | | 7,553,291 | 2,095,413 | 9,648,704 | 6,629,505 | 1,498,236 | 8,127,741 |

There were no recognised gains and losses other than those included in the statement of financial activities

North England Conference of Seventh-day Adventists
Charity Statement of Financial Activities
For the year ended 31 December 2021

| | Notes | 2021 | | Total Funds | | 2020 | | Total Funds |
|--|-------|--------------------|------------------|-------------------|--|--------------------|------------------|------------------|
| | | Unrestricted Funds | Restricted Funds | | | Unrestricted Funds | Restricted Funds | |
| Income from: | | | | | | | | |
| Income from donations and legacies | | | | | | | | |
| Donations | | £ | £ | £ | | £ | £ | £ |
| Grants | | 6,962,287 | 1,140,245 | 8,102,532 | | 6,119,510 | 1,619,233 | 7,738,743 |
| | | 333,883 | 38,750 | 372,633 | | 127,214 | 26,112 | 153,326 |
| Government grants | | 471,314 | 683,096 | 1,154,410 | | 1,458,154 | - | 1,458,154 |
| Other voluntary income | | 269,917 | - | 269,917 | | 68,363 | - | 68,363 |
| | | | | | | | | |
| | 2 | 8,037,401 | 1,862,091 | 9,899,492 | | 7,773,241 | 1,645,345 | 9,418,586 |
| Charitable activities | 3 | 145,147 | - | 145,147 | | 63,359 | - | 63,359 |
| Investment income | 4 | 2,151 | - | 2,151 | | 5,474 | - | 5,474 |
| Other income | 5 | 2,932 | - | 2,932 | | - | - | - |
| Total | | 8,187,631 | 1,862,091 | 10,049,722 | | 7,842,074 | 1,645,345 | 9,487,419 |
| Expenditure on: | | | | | | | | |
| Charitable activities: | | | | | | | | |
| Governance | 6 | 7,165,440 | 1,182,507 | 8,347,947 | | 8,227,241 | 1,469,601 | 9,696,842 |
| | 9 | 164,228 | - | 164,228 | | 127,097 | - | 127,097 |
| | | 7,329,668 | 1,182,507 | 8,512,175 | | 8,354,338 | 1,469,601 | 9,823,939 |
| Net income/(expenditure) | | 857,963 | 679,584 | 1,537,547 | | (512,264) | 175,744 | (336,520) |
| Transfers between funds | 18 | 57,573 | (57,573) | - | | (412,677) | 412,677 | - |
| Net movement in funds | | 915,536 | 622,011 | 1,537,547 | | (924,941) | 588,421 | (336,520) |
| Fund balances brought forward at January 1 | | 6,629,467 | 1,467,338 | 8,096,805 | | 7,554,408 | 878,917 | 8,433,325 |
| Fund balances carried forward at December 31 | | 7,545,003 | 2,089,349 | 9,634,352 | | 6,629,467 | 1,467,338 | 8,096,805 |

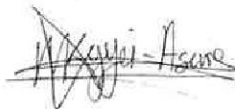
North England Conference of Seventh-day Adventists

Balance Sheet As at 31 December 2021

| | Notes | Group | | Charity | |
|---------------------------------------|-------|-------------------------|-------------------------|-------------------------|-------------------------|
| | | 2021 £ | 2020 £ | 2021 £ | 2020 £ |
| Fixed Assets | | | | | |
| Tangible Fixed Assets | 13 | 7,385,946 | 7,557,961 | 7,385,946 | 7,557,961 |
| | | <u>7,385,946</u> | <u>7,557,961</u> | <u>7,385,946</u> | <u>7,557,961</u> |
| Current Assets | | | | | |
| Stocks | 14 | 2,254 | 2,299 | - | - |
| Debtors | 15 | 489,912 | 686,231 | 521,296 | 741,104 |
| Cash at bank and in hand | | 2,841,165 | 1,668,857 | 2,787,647 | 1,575,485 |
| Total Current Assets | | <u>3,333,331</u> | <u>2,357,387</u> | <u>3,308,943</u> | <u>2,316,589</u> |
| Creditors: Amounts due within a year | 16 | 693,362 | 1,287,216 | 683,326 | 1,277,355 |
| Net Current Assets | | <u>2,639,969</u> | <u>1,070,171</u> | <u>2,625,617</u> | <u>1,039,234</u> |
| Creditors: Amounts due after one year | 17 | 377,211 | 500,390 | 377,211 | 500,390 |
| Total Net Assets | | <u><u>9,648,704</u></u> | <u><u>8,127,742</u></u> | <u><u>9,634,352</u></u> | <u><u>8,096,805</u></u> |
| Fund balances | | | | | |
| Unrestricted | | 7,553,291 | 6,629,505 | 7,545,003 | 6,629,467 |
| Restricted | | 2,095,413 | 1,498,236 | 2,089,349 | 1,467,338 |
| Total Funds | 18 | <u><u>9,648,704</u></u> | <u><u>8,127,741</u></u> | <u><u>9,634,352</u></u> | <u><u>8,096,805</u></u> |

Approved and authorised for issue by the Board of Trustees on 25/09/2022
and signed on its behalf by:

Michael Kwasi Agyei-Asare
Trustee



The notes on pages 16 to 33 form part of these accounts.

North England Conference of Seventh-day Adventists
Statement of group cash flow
For the year ended 31 December 2021

| | Note | 2021 £ | 2020 £ |
|---|------|------------------|------------------|
| Cash flow from operating activities | | | |
| Net cash provided by (used in) operating activities | 20 | 1,335,761 | 707,217 |
| Cash flows from investing activities | | | |
| Dividends, interest and rents from investments | | 2,247 | 5,588 |
| Purchase of property, plant and equipment | | (30,741) | (216,903) |
| Proceeds from sale of assets | | - | 616 |
| Cash flows from financing activities | | | |
| Repayments of borrowing | | (106,537) | (143,789) |
| Interest on borrowing | | (28,423) | (21,638) |
| Change in cash and cash equivalents in the year | | <u>1,172,307</u> | <u>331,091</u> |
| Cash and cash equivalents at the beginning of the year | | 1,668,858 | 1,337,767 |
| Cash and cash equivalents at the end of the year | | <u>2,841,165</u> | <u>1,668,858</u> |

North England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2021

1.1 Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The Charity is a public benefit entity for the purpose of FRS102 and therefore has also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the the Financial Reporting Standard applicable in the UK and Republic of Ireland (The Charities SORP).

1.2 Basis of consolidation

The Group financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 December 2021. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date upon which control passed. Acquisitions are accounted for under the acquisition method.

All intra group transactions balances and realised gains on transactions between group entities are eliminated on consolidation.

1.3 Going concern

The trustees have assessed whether the use of going concern basis of preparation of the financial statements is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have considered the results reported in these accounts and have made their assessment for a period of at least one year from the date of the approval of these financial statements.

In particular, the trustees have considered the ongoing impact of the Coronavirus pandemic and measures taken in the UK to contain it. The charity has adequate cash and reserves position at the time of approval of these financial statements. Whilst the charity had been impacted by the pandemic and the related containment measures, including the closure of churches, the charity has continued to receive regular income including from tithes and taken advantage of government support in the form of the job retention scheme. The Trustees have also taken measures to mitigate the impact including reviewing and limiting discretionary spend as well as utilising virtual meetings to replace gatherings and thereby allowing the charity to reduce event costs. The Churches are now open and have started to function as they did before the pandemic. Having made enquiries, the trustees have concluded that there is a reasonable expectation that the charity and group has adequate resources to continue in operational existence for at least 12 months from the date of the audit report of these financial statements. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Fund accounting

Restricted funds are those which are to be used for the specified purposes as laid down by the donor. Expenditure which meets these criteria is allocated to the appropriate fund. The nature of restriction is further explained in the notes to the financial statements.

Designated funds are those which have been set aside by the administration with the consent of trustees for specific anticipated purposes or events. The aim and use of each designated fund is set out in the notes to the financial statements.

General or Unrestricted funds are donations and other income received or generated for the furtherance of the objects of the charity without specified purposes and, therefore, are available as general funds.

Investment income, gains and losses are allocated to the appropriate fund.

1.5 Grant-making policies

The trustees allocate grants in accordance with the objects set out in the charity's written constitution, which are summarised in the Trustees' Annual Report. In general, grants are made to associated charities through appropriate committee requests and policy arrangements, rather than in accordance with public application.

1.6 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

North England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2021

1.7 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made, except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Staff costs and overhead expenses are allocated to activities on the basis of time spent on those activities. Resources expended are included in the Statement of Financial Activities on an accruals basis. All costs include value added tax where applicable.

1.8 Risk mitigation

The Trustees have given consideration to the major risks to which the charity is exposed and established systems or procedures in order to manage those risks. They are supported in this regard by Adventist Risk Management who create awareness of risk for the world-wide operations of the church and source cover to mitigate attendant risks.

1.9 Fixed Assets

Depreciation is provided on tangible fixed assets in order to write off each asset over its expected economic life. The rates of depreciation applied to each class of asset are:

| | |
|-------------------------------|------------------------|
| Freehold property | 1.33% Straight line |
| Office fixtures and equipment | 20 - 33% Straight line |
| Computer equipment | 20 - 33% Straight line |

Items of furniture and equipment costing less than £1,000 each are treated as an expense on acquisition.

1.10 Pension costs

Following the closure of the Seventh-day Adventist Retirement plan in December 2013, pensions are now provided in terms of the national Auto-Enrolment requirements and invested in a Group Personal Pension Plan through Legal and General Insurance Company. Costs relating to the former plan are now borne by the British Union Conference.

1.11 Stock

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items. Cost includes all direct costs and an appropriate proportion for fixed and variable overheads.

1.12 Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

1.13 Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1.14 Investment properties

Investment properties are included in the Balance Sheet at their open market value.

North England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2021

1.15 Accounting for local congregation funds

A sound organisational structure, good financial management and control have always been characteristic of the Seventh-day Adventist Church. Congregations are considered to be members of a self financing Conference (South/North England) or financially supported Mission (Ireland, Scotland & Wales). The British Union Conference (BUC) coordinates the work of these entities. The SEC and NEC are separate legal charities, and the Missions are part of the BUC charity.

There is a strong bond between the Congregations and their respective Conference or Mission. Donations in respect of tithe, Church World Mission and special offerings given by individual members have always been remitted to the Conference or Mission, as "Conference Funds". These funds belong to the Conference or Mission which administers the funds, employs and directs the ministers, and holds title to Church Buildings.

Members also give funds specifically for the work locally and for the maintenance and upkeep of their church building. Traditionally these "Local Funds" have been held administered and accounted for locally.

Over time, the relationship between the local congregations and their respective Mission or Conference has evolved and the financial bond has strengthened. Increasingly, local congregations have remitted "Local Funds" to their Conference or Mission to administer.

Until 2011 the Local Congregations were considered to be legal entities governed by their local Church Board in accordance with the "Church Manual", and the accounts of the BUC were prepared on this basis, excluding "Local Funds". Late in 2011, legal advice was received to the effect that on balance Local Congregations are in effect branches, of their Conference or Mission. Though in practice they operate as voluntary local self governing support groups.

In these financial statements "Local funds" remitted to and administered by the conference are included as Incoming Resources and Expenditures of the Conference. These funds held by the conference are disclosed as belonging to the conference, and are disclosed separately as funds restricted to the use of the local congregations.

Donations retained and administered locally have not been included in these financial statements since the Trustees do not administer these funds. Donors participate in the appointment and governance of the church at all levels, and anticipate transparency appropriate to their expectations. Wholesale consolidation serves to confuse their understanding.

Accounts in respect of Charitable funds donated by members of the local congregation and administered by local funds treasurers have always been prepared and presented annually to the local congregation. There has also long been in place a program for Independent Examination of those local funds by the Conference or Mission.

North England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2021

1.16 Financial instruments

a. 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.

b. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at 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.

1.17 Critical accounting estimates and judgments

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

The Charity makes an estimate of the recoverable value of trade and other debtors. In particular the debtor with one of the Charity's controlled school, Hyland House School, was assessed given the large deficits made by the school in previous years.

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

North England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2021

| 2 Group: Income from donations and legacies | Unrestricted Funds | 2021 Restricted Funds | Total Funds | Unrestricted Funds | 2020 Restricted Funds | Total Funds |
|--|--------------------|-----------------------|------------------|--------------------|-----------------------|------------------|
| | £ | £ | £ | £ | £ | £ |
| Tithe contributions from members of affiliated congregations | 6,939,844 | | 6,939,844 | 6,112,445 | - | 6,112,445 |
| Donations in local congregations | | 1,112,513 | 1,112,513 | | 1,596,053 | 1,596,053 |
| Donated assets | 269,917 | | 269,917 | 68,363 | - | 68,363 |
| Subtotal of base donations | 7,209,761 | 1,112,513 | 8,322,274 | 6,180,808 | 1,596,053 | 7,776,861 |
| Donations | 44,094 | 30,297 | 74,391 | 8,372 | 26,944 | 35,316 |
| Legacies | | | | | | |
| Grants | 333,883 | 38,750 | 372,633 | 127,214 | 26,112 | 153,326 |
| Tax recoverable on Gift Aid donations | 471,314 | 683,096 | 1,154,410 | 1,458,154 | | 1,458,154 |
| Government Grants | | | | | | |
| Similar Incoming Resources | | | | | | |
| Subtotal of other donations | 849,291 | 752,143 | 1,601,434 | 1,593,740 | 53,056 | 1,646,796 |
| Total income from donations and legacies | 8,059,052 | 1,864,656 | 9,923,708 | 8,164,782 | 1,706,828 | 9,871,610 |
| Charity: Income from donations and legacies | | | | | | |
| Tithe contributions from members of affiliated congregations | 6,939,844 | | 6,939,844 | 6,683,373 | | 6,683,373 |
| Donations in local congregations | | 1,112,513 | 1,112,513 | | 1,706,828 | 1,706,828 |
| Donated assets | 269,917 | | 269,917 | 322,838 | | 322,838 |
| Subtotal of base donations | 7,209,761 | 1,112,513 | 8,322,274 | 7,006,211 | 1,706,828 | 8,713,039 |
| Donations | 22,443 | 27,732 | 50,175 | 7,065 | 23,180 | 30,245 |
| Grants | 333,883 | 38,750 | 372,633 | 127,214 | 26,112 | 153,326 |
| Tax recoverable on Gift Aid donations | 471,314 | 683,096 | 1,154,410 | 1,458,154 | | 1,458,154 |
| Subtotal of other donations | 827,640 | 749,578 | 1,577,218 | 1,592,433 | 49,292 | 1,641,725 |
| Total income from donations and legacies | 8,037,401 | 1,862,091 | 9,899,492 | 7,773,241 | 1,645,345 | 9,418,586 |

North England Conference of Seventh-day Adventists

Notes to the Financial Statements
For the year ended 31 December 2021

3 Incoming Resources from charitable activities

| | Unrestricted Funds | 2021 Restricted Funds | Total Funds | Unrestricted Funds | 2020 Restricted Funds | Total Funds |
|--------------------------------|--------------------|-----------------------|----------------|--------------------|-----------------------|----------------|
| Group | £ | £ | £ | £ | £ | £ |
| Church Ministry | 122,374 | | 122,374 | 27,622 | | 27,622 |
| Education | 147,281 | | 147,281 | 147,281 | | 147,281 |
| Humanitarian Aid and Welfare | | | | | | |
| Total Charitable Income | <u>269,655</u> | | <u>269,655</u> | <u>174,903</u> | | <u>174,903</u> |

Charity

Church Ministry

Total Charitable Income

| | | | | | |
|----------------|--|----------------|---------------|--|---------------|
| 145,147 | | 145,147 | 63,359 | | 63,359 |
| <u>145,147</u> | | <u>145,147</u> | <u>63,359</u> | | <u>63,359</u> |

4 Investment Income

| | Unrestricted Funds | 2021 Restricted Funds | Total Funds | Unrestricted Funds | 2020 Restricted Funds | Total Funds |
|----------------------|--------------------|-----------------------|--------------|--------------------|-----------------------|--------------|
| Group | £ | £ | £ | £ | £ | £ |
| Return on local cash | 2,247 | | 2,247 | 5,588 | | 5,588 |
| | <u>2,247</u> | | <u>2,247</u> | <u>5,588</u> | | <u>5,588</u> |
| Charity | | | | | | |
| Return on local cash | 2,151 | | 2,151 | 5,474 | | 5,474 |
| | <u>2,151</u> | | <u>2,151</u> | <u>5,474</u> | | <u>5,474</u> |

5 Other Incoming Resources

| | Unrestricted Funds | 2021 Restricted Funds | Total Funds | Unrestricted Funds | 2020 Restricted Funds | Total Funds |
|---------------------------|--------------------|-----------------------|--------------|--------------------|-----------------------|-------------|
| Group | £ | £ | £ | £ | £ | £ |
| Gain on sale of assets | (617) | | (617) | | | |
| Other income | 2,932 | | 2,932 | | | |
| Total Other Income | <u>2,315</u> | | <u>2,315</u> | | | |
| Charity | | | | | | |
| Gain on sale of assets | | | | | | |
| Other income | 2,932 | | 2,932 | | | |
| Total Other Income | <u>2,932</u> | | <u>2,932</u> | | | |

North England Conference of Seventh-day Adventists

Notes to the Financial Statements
For the year ended 31 December 2021

| 6 Expenditure by Charitable Activity | | 2021 | | | 2020 | | |
|--|--------------|------------|-----------|--------------|------------|-----------|--|
| Summary by fund type | Unrestricted | Restricted | Total | Unrestricted | Restricted | Total | |
| | Funds | Funds | Funds | Funds | Funds | Funds | |
| Group | £ | £ | £ | £ | £ | £ | |
| Church Ministry | 4,698,095 | 911,052 | 5,609,147 | 6,068,729 | 1,231,523 | 7,300,252 | |
| Education | 402,579 | 8,802 | 411,381 | 377,927 | (10,514) | 367,413 | |
| Objectives in other geographical areas | 1,526,767 | 271,455 | 1,798,222 | 1,344,738 | 238,078 | 1,582,816 | |
| Retirement responsibilities | 693,984 | - | 693,984 | 611,244 | - | 611,244 | |
| Total Charitable Expenditure | 7,321,425 | 1,191,309 | 8,512,734 | 8,402,638 | 1,459,087 | 9,861,725 | |
| Charity | | | | | | | |
| Church Ministry | 4,693,143 | 911,052 | 5,604,195 | 6,068,681 | 1,231,523 | 7,300,204 | |
| Education | 251,546 | - | 251,546 | 202,578 | - | 202,578 | |
| Objectives in other geographical areas | 1,526,767 | 271,455 | 1,798,222 | 1,344,738 | 238,078 | 1,582,816 | |
| Retirement responsibilities | 693,984 | - | 693,984 | 611,244 | - | 611,244 | |
| Total Charitable Expenditure | 7,165,440 | 1,182,507 | 8,347,947 | 8,227,241 | 1,469,601 | 9,696,842 | |

North England Conference of Seventh-day Adventists

Notes to the Financial Statements
For the year ended 31 December 2021

7 Analysis of Resources by Activity

| Group | 2021 | | | |
|--|-----------------------------------|--------------------------------------|------------------|------------------|
| | Grant Funding of Activities | Activities Directly Undertaken | Support Costs | Total Expense |
| | £ | £ | £ | £ |
| Church Ministry | - | 4,654,311 | 954,836 | 5,609,147 |
| Education | 186,546 | 199,959 | 24,876 | 411,381 |
| Objectives in other geographical areas | 1,798,222 | - | - | 1,798,222 |
| Retirement responsibilities | 693,984 | - | - | 693,984 |
| | <u>2,678,752</u> | <u>4,854,270</u> | <u>979,712</u> | <u>8,512,734</u> |

| | 2020 | | | |
|--|-----------------------------------|--------------------------------------|------------------|------------------|
| | Grant Funding of Activities | Activities Directly Undertaken | Support Costs | Total Expense |
| | £ | £ | £ | £ |
| Church Ministry | 96,080 | 6,047,102 | 1,157,070 | 7,300,252 |
| Education | 142,578 | 199,959 | 24,876 | 367,413 |
| Objectives in other geographical areas | 1,582,816 | - | - | 1,582,816 |
| Retirement responsibilities | 611,244 | - | - | 611,244 |
| | <u>2,432,718</u> | <u>6,247,061</u> | <u>1,181,946</u> | <u>9,861,725</u> |

| Charity | 2021 | | | |
|--|-----------------------------------|--------------------------------------|------------------|------------------|
| | Grant Funding of Activities | Activities Directly Undertaken | Support Costs | Total Expense |
| | £ | £ | £ | £ |
| Church Ministry | - | 4,647,673 | 956,522 | 5,604,195 |
| Education | 251,546 | - | - | 251,546 |
| Objectives in other geographical areas | 1,798,222 | - | - | 1,798,222 |
| Retirement responsibilities | 693,984 | - | - | 693,984 |
| | <u>2,743,752</u> | <u>4,647,673</u> | <u>956,522</u> | <u>8,347,947</u> |

| | 2020 | | | |
|--|-----------------------------------|--------------------------------------|------------------|------------------|
| | Grant Funding of Activities | Activities Directly Undertaken | Support Costs | Total Expense |
| | £ | £ | £ | £ |
| Church Ministry | 96,080 | 6,054,853 | 1,149,271 | 7,300,204 |
| Education | 202,578 | - | - | 202,578 |
| Objectives in other geographical areas | 1,582,816 | - | - | 1,582,816 |
| Retirement responsibilities | 611,244 | - | - | 611,244 |
| | <u>2,492,718</u> | <u>6,054,853</u> | <u>1,149,271</u> | <u>9,696,842</u> |

North England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2021

7 Analysis of non-grant expenditure by Charitable Activity

| Group | 2021 | | | Total £ |
|-----------------|------------------|-------------------|------------------|------------------|
| | Staff Costs £ | Depreciation £ | Other Costs £ | |
| Church Ministry | 3,138,269 | 200,356 | 2,270,522 | 5,609,147 |
| Education | 186,001 | - | 38,834 | 224,835 |
| | <u>3,324,270</u> | <u>200,356</u> | <u>2,309,356</u> | <u>5,833,982</u> |

| | 2020 | | | Total £ |
|-----------------|------------------|-------------------|------------------|------------------|
| | Staff Costs £ | Depreciation £ | Other Costs £ | |
| Church Ministry | 3,325,535 | 169,485 | 3,632,950 | 7,127,970 |
| Education | 186,001 | - | (161,125) | 24,876 |
| | <u>3,511,536</u> | <u>169,485</u> | <u>3,471,825</u> | <u>7,152,846</u> |

| Charity | 2021 | | | Total £ |
|-----------------|------------------|-------------------|------------------|------------------|
| | Staff Costs £ | Depreciation £ | Other Costs £ | |
| Church Ministry | 3,128,388 | 200,356 | 2,275,451 | 5,604,195 |
| | <u>3,128,388</u> | <u>200,356</u> | <u>2,275,451</u> | <u>5,604,195</u> |

| | 2020 | | | Total £ |
|-----------------|------------------|-------------------|------------------|------------------|
| | Staff Costs £ | Depreciation £ | Other Costs £ | |
| Church Ministry | 3,325,534 | 169,485 | 3,632,873 | 7,127,892 |
| | <u>3,325,534</u> | <u>169,485</u> | <u>3,632,873</u> | <u>7,127,892</u> |

North England Conference of Seventh-day Adventists

Notes to the Financial Statements
For the year ended 31 December 2021

8 Analysis of grants

Grants to individuals

| | 2021 | 2020 |
|--------------------------------------|----------------------------|----------------------------|
| | Number of Beneficiaries | Number of Beneficiaries |
| | Total £ | Total £ |
| Group - Education Grants & Support | 21 | 19 |
| Charity - Education Grants & Support | 21 | 19 |
| | 42,148 | 81,454 |

Grants to institutions

| Name of Institution / grant | 2021 | 2020 |
|--|------------|--------------|
| Grant description | Group £ | Charity £ |
| Primary schools | | |
| Newbold College | | 60,000 |
| Harper Bell School | 61,124 | 61,124 |
| General Conference of Seventh-day Adventists | | |
| British Union Conference | 604,825 | 604,825 |
| Other grants to Church Entities | 977,991 | 977,911 |
| Retirement Fund | 96,080 | 96,080 |
| Total Institutional Grants | 611,244 | 611,244 |
| | 2,351,264 | 2,411,184 |
| Total Grants | 2,393,412 | 2,492,638 |

9 Governance costs

Audit costs
Trustee expenses
Other expenses

| | 2021 | 2020 |
|------------------|------------|--------------|
| | Group £ | Charity £ |
| Audit costs | 40,174 | 103,847 |
| Trustee expenses | 1,224 | 540 |
| Other expenses | 122,830 | 22,710 |
| | 164,228 | 127,097 |

North England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2021

10 Net resources expended

This is stated after charging:

| | Total 2021 £ | Total 2020 £ |
|--|--------------------|--------------------|
| Depreciation of tangible fixed assets: | 200,356 | 169,485 |
| Reimbursement of expenses to trustees (six trustees in 2021 - six trustees in 2020) | 1,044 | 22,710 |
| Fees payable to the charity's auditor for the audit of the annual accounts | 40,174 | 48,900 |

11 Staff Costs

Staff costs were as follows:

| | Total 2021 £ | Total 2020 £ |
|-----------------------|--------------------|--------------------|
| Wages and Salaries | 2,627,770 | 2,812,005 |
| Social Security Costs | 259,381 | 263,977 |
| Other Pension Costs | 437,119 | 435,554 |
| | 3,324,270 | 3,511,536 |

The average number of employees during the year
in the following categories were:

| | 2021 no | 2020 no |
|-------------------------------|------------|------------|
| Charitable activities | 75 | 78 |
| Support activities | 11 | 10 |
| Management and administration | 3 | 3 |
| | 89 | 91 |

No one received remuneration amounting to more than £60,000 during the year (2020: None)

12 Trustees' transactions

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Emoluments paid to six employed trustees (2020: six trustees) | | |
| Key management | 88,035 | 133,874 |
| Other trustees | 48,424 | 71,691 |

During the year retirement benefits were accruing to
five Trustees in respect of pension schemes

Amounts due by trustees at 31 December

| | | |
|----------------|-------|-----|
| Key management | 3,061 | 524 |
| Other trustees | - | - |

Amounts due to trustees at 31 December

| | | |
|----------------|---|---|
| Key management | - | - |
|----------------|---|---|

North England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2021

13 Tangible Fixed Assets

| | Freehold Property | Leasehold property | Operational Equipment | Other Fixed Assets | Total |
|-----------------------|----------------------|-----------------------|--------------------------|-----------------------|------------|
| Group Cost | | | | | |
| As at January 1 | 9,190,532 | 437,023 | 593,075 | 98,398 | 10,319,028 |
| Additions | 21,843 | - | 27,019 | (18,122) | 30,740 |
| Disposals | - | - | (1,814) | - | (1,814) |
| As at December 31 | 9,212,375 | 437,023 | 618,280 | 80,276 | 10,347,954 |
| Depreciation | | | | | |
| As at January 1 | 2,166,733 | 162,745 | 364,163 | 67,426 | 2,761,067 |
| Charge for Year | 119,385 | 6,614 | 74,552 | 1,587 | 202,138 |
| On Disposals | - | - | (1,197) | - | (1,197) |
| As at December 31 | 2,286,118 | 169,359 | 437,518 | 69,013 | 2,962,008 |
| Net Book Value | | | | | |
| As at January 1 | 7,023,798 | 274,278 | 228,912 | 30,972 | 7,557,960 |
| As at December 31 | 6,926,257 | 267,664 | 180,762 | 11,263 | 7,385,946 |
| Charity Cost | | | | | |
| As at January 1 | 9,190,532 | 437,023 | 593,075 | 98,398 | 10,319,028 |
| Additions | 21,843 | - | 25,205 | (18,122) | 28,926 |
| Disposals | - | - | - | - | - |
| As at December 31 | 9,212,375 | 437,023 | 618,280 | 80,276 | 10,347,954 |
| Depreciation | | | | | |
| As at January 1 | 2,164,108 | 169,359 | 364,163 | 63,437 | 2,761,067 |
| Charge for Year | 122,010 | - | 73,355 | 5,576 | 200,941 |
| On Disposals | - | - | - | - | - |
| As at December 31 | 2,286,118 | 169,359 | 437,518 | 69,013 | 2,962,008 |
| Net Book Value | | | | | |
| As at January 1 | 7,026,424 | 267,664 | 228,912 | 34,961 | 7,557,961 |
| As at December 31 | 6,926,257 | 267,664 | 180,762 | 11,263 | 7,385,946 |

Included in the Freehold Property value are £20,495,000 which represents our pledge on contingent assets in favour of the Seventh-day Adventist retirement plan.

The pledged properties are valued bi-annually to meet the regulatory needs of the Pension Protection Fund (PPF).

The PPF requires asset value of at least 140% cover of the pension deficit under their criteria.

For the sake of prudence we incorporate sufficient cover to meet the actual deficit and no more.

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14 Stocks

| | Group | | Charity | |
|-----------------------|--------------|--------------|----------|----------|
| | 2021 | 2020 | 2020 | 2019 |
| | £ | £ | £ | £ |
| Departmental supplies | 2,254 | 2,299 | - | - |
| | <u>2,254</u> | <u>2,299</u> | <u>-</u> | <u>-</u> |

15 Debtors

| | Group | | Charity | |
|-------------------------------------|----------------|----------------|----------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Due after more than one year | | | | |
| Loans owed by employees | 13,192 | 13,187 | 13,192 | 13,187 |
| | <u>13,192</u> | <u>13,187</u> | <u>13,192</u> | <u>13,187</u> |
| Due within one year | | | | |
| Trade debtors | 5,224 | 4,275 | - | - |
| Amounts owed by related charities | 5,772 | 5,042 | 42,311 | 64,190 |
| Amounts owed by local congregations | 99,055 | 168,650 | 99,055 | 168,650 |
| Government grants due | 398,426 | 398,426 | 398,426 | 398,426 |
| Accrued Income | 54,813 | 54,813 | 54,813 | 54,813 |
| Prepayments | 3,949 | 31,271 | 3,949 | 31,271 |
| Employees | 16,878 | 10,464 | 16,878 | 10,464 |
| Other Receivables | (107,397) | 103 | (107,328) | 103 |
| | <u>476,720</u> | <u>673,044</u> | <u>508,104</u> | <u>727,917</u> |
| Total | <u>489,912</u> | <u>686,231</u> | <u>521,296</u> | <u>741,104</u> |

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16 Creditors: Amounts falling due within one year

| | Group | | Charity | |
|------------------------------------|----------------|------------------|----------------|------------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Bank Loans and Overdrafts | 52,514 | 86,745 | 50,818 | 86,745 |
| Advances for charitable activities | 8,340 | 7,234 | - | - |
| Due to associated charities | 138,797 | 283,898 | 138,797 | 283,898 |
| Due to local congregations | 5,250 | 495 | 5,250 | - |
| Employees | 2,818 | 17 | 2,818 | 17 |
| Deferred income | 120 | 7,421 | 120 | 7,421 |
| Taxes payable | - | 58,322 | - | 58,322 |
| Other Creditors | 485,523 | 843,084 | 485,523 | 840,952 |
| | <u>693,362</u> | <u>1,287,216</u> | <u>683,326</u> | <u>1,277,355</u> |

Included within Other Creditors is an amount of £393,920 (2020: £776,202) in relation to the costs of settlements and associated professional fees, for a number of historic legal claims.

17 Creditors: Amounts falling due after one year

| | Group | | Charity | |
|----------------------------------|----------------|----------------|----------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Bank loans | 207,254 | 364,609 | 207,254 | 364,609 |
| Amounts due to related charities | 169,957 | 135,781 | 169,957 | 135,781 |
| | <u>377,211</u> | <u>500,390</u> | <u>377,211</u> | <u>500,390</u> |

Of which amounts falling due after one year, not wholly payable within 5 years

| | | | | |
|--------------------------|----------------|----------------|----------------|----------------|
| Repayable by instalments | <u>136,975</u> | <u>415,363</u> | <u>136,975</u> | <u>415,363</u> |
|--------------------------|----------------|----------------|----------------|----------------|

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18 Statement of Funds (Group)

| | Brought Forward £ | Incoming Resources £ | Resources Expended £ | Transfers In / Out £ | Carried Forward £ |
|---------------------------------|----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| Designated Funds | | | | | |
| Invested in Property | 6,970,826 | - | (202,138) | 124,442 | 6,893,130 |
| Church Buildings | 106,410 | 2,392 | - | (11,707) | 97,095 |
| Church development | 9,619 | - | - | (2,499) | 7,120 |
| Pension contributions | 9,985 | - | - | (1,714) | 8,271 |
| School operating | 196,436 | 211,255 | (209,886) | (18,439) | 179,366 |
| Other Program Funds | 463,665 | 16,694 | (137,054) | (60,986) | 282,319 |
| Total Designated Funds | 7,756,941 | 230,341 | (549,078) | 29,097 | 7,467,301 |
| General Funds | | | | | |
| Tithe Fund | (2,765,901) | 5,386,945 | (4,857,018) | 30,195 | (2,205,779) |
| Other General Funds | 1,638,465 | 2,715,983 | (2,079,557) | 16,878 | 2,291,769 |
| Total General Funds | (1,127,436) | 8,102,928 | (6,936,575) | 47,073 | 85,990 |
| Total Unrestricted Funds | 6,629,505 | 8,333,269 | (7,485,653) | 76,170 | 7,553,291 |
| Restricted Funds | | | | | |
| Donations for World Missions | 1,268 | 274,280 | (271,455) | (1,087) | 3,006 |
| Church Building Funds | 72,000 | - | - | - | 72,000 |
| Local evangelism | 54,221 | 23,477 | (297) | 92,028 | 169,429 |
| Local Congregational Funds | 1,057,460 | 1,560,079 | (910,255) | 129,389 | 1,836,673 |
| Funds for Educational Support | 30,898 | 2,565 | (8,802) | (18,597) | 6,064 |
| Radio & TV Funds | 189,208 | 512 | - | (230,000) | (40,280) |
| Other operating funds | 93,181 | 3,743 | (500) | (47,903) | 48,521 |
| Total Restricted Funds | 1,498,236 | 1,864,656 | (1,191,309) | (76,170) | 2,095,413 |
| Total Funds | 8,127,741 | 10,197,925 | (8,676,962) | | 9,648,704 |

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18 Statement of Funds (Charity)

| | Brought Forward £ | Incoming Resources £ | Resources Expended £ | Transfers In / Out £ | Carried Forward £ |
|---------------------------------|----------------------------------|-------------------------------------|-------------------------------------|-------------------------------------|----------------------------------|
| Designated Funds | | | | | |
| Invested in Property | 6,970,826 | - | (200,941) | 123,245 | 6,893,130 |
| Church Buildings | 106,410 | 2,392 | - | (11,707) | 97,095 |
| Church development | 9,619 | - | - | (2,499) | 7,120 |
| Pension contributions | 9,985 | - | - | (1,714) | 8,271 |
| School operating | 128,637 | - | (11,717) | 54,160 | 171,080 |
| Other Program Funds | 324,377 | 16,694 | (137,054) | 81,153 | 285,170 |
| Total Designated Funds | 7,549,854 | 19,086 | (349,712) | 242,638 | 7,461,866 |
| General Funds | | | | | |
| Tithe Fund | (2,725,475) | 5,386,945 | (4,857,018) | (10,231) | (2,205,779) |
| Other General Funds | 1,805,088 | 2,781,600 | (2,122,938) | (174,834) | 2,288,916 |
| Total General Funds | (920,387) | 8,168,545 | (6,979,956) | (185,065) | 83,137 |
| Total Unrestricted Funds | 6,629,467 | 8,187,631 | (7,329,668) | 57,573 | 7,545,003 |
| Restricted Funds | | | | | |
| Donations for World Missions | 1,268 | 274,280 | (271,455) | (1,087) | 3,006 |
| Church Building Funds | 72,000 | - | - | - | 72,000 |
| Local evangelism funds | 54,221 | 23,477 | (297) | 92,028 | 169,429 |
| Local Congregational Funds | 1,057,460 | 1,560,079 | (910,255) | 129,389 | 1,836,673 |
| Radio & TV Funds | 189,208 | 512 | - | (230,000) | (40,280) |
| Other operating funds | 93,181 | 3,743 | (500) | (47,903) | 48,521 |
| Total Restricted Funds | 1,467,338 | 1,862,091 | (1,182,507) | (57,573) | 2,089,349 |
| Total Funds | 8,096,805 | 10,049,722 | (8,512,175) | | 9,634,352 |

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| 19 Analysis of net assets between funds | Unrestricted Funds £ | Restricted Funds £ | Total 2021 £ | Total 2020 £ |
|--|----------------------------|--------------------------|---------------------------|---------------------------|
| Tangible fixed assets | 7,385,946 | - | 7,385,946 | 7,557,963 |
| Current Assets | 1,237,918 | 2,095,413 | 3,333,331 | 2,357,389 |
| Creditors due within one year | (693,362) | - | (693,362) | (1,287,216) |
| Creditors due in more than one year | (377,211) | - | (377,211) | (500,390) |
| Total Funds | 7,553,291 | 2,095,413 | 9,648,704 | 8,127,746 |

| 20 Net cash flow from operating activities | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Net incoming resources before revaluations | 1,520,962 | (384,674) |
| Returns on investments & servicing of finance | 26,176 | 16,050 |
| Depreciation of tangible fixed assets | 202,138 | 170,681 |
| Bad debts | 49 | 6,903 |
| Deficit / Surplus on disposal of fixed assets | 617 | - |
| Decrease / (Increase) in stocks | 45 | 182 |
| Decrease in debtors | 196,270 | 112,057 |
| Increase in creditors | (610,496) | 786,018 |
| | 1,335,761 | 707,217 |

| 21 Dividends, interest and rents from investments | 2021 £ | 2020 £ |
|---|------------------|------------------|
| Interest received | 2,247 | 5,588 |
| Interest paid | (28,423) | (21,638) |
| Net cash inflow from returns on investments and servicing of finance | (26,176) | (16,050) |

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22 Related party transactions

The charity is affiliated to the British Union Conference of Seventh-day Adventists (a registered charity), based in Stanborough Park, Garston Watford, Herts, WD25 9JZ, and with which the charity has a tithe-sharing agreement.

| | British Union Conference | Total 2021 | Total 2020 |
|-----------------------------------|-----------------------------|---------------|---------------|
| | £ | £ | £ |
| Tithe-sharing grants received | 51,000 | 51,000 | 51,000 |
| Other Grants Received | 19,950 | 19,950 | - |
| Tithe-sharing grants made | 110,375 | 110,375 | 977,991 |
| Tithe-sharing for Pension Deficit | 693,984 | 693,984 | 611,244 |
| Amounts due by charity < 1 year | 74,010 | 74,010 | 255,458 |
| Loans due by charity < 1 year | 64,787 | 64,787 | 58,440 |
| Loans due by charity > 1 year | 169,957 | 169,957 | 222,256 |

23 Other related entities

| | Country | Description |
|--|---|--|
| Seventh-day Adventist Association Ltd Garston, Watford, Hertfordshire | Charity No. 209780 Company No. 89953 | Titular holder of property (Trustees are appointed by BUC executive committee) |