

South England Conference of Seventh-day Adventists

Registered Charity No (England and Wales): 1045587

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

South England Conference of Seventh-day Adventists

Contents

	Page
Trustees	1
Reference and administrative details of the Charity and advisers	2
Trustees' report	3 - 10
Independent auditor's report	11 - 14
Statement of financial activities	15 - 16
Balance sheet	17
Cash flow statement	18
Notes to the financial statements	19 - 37

South England Conference of Seventh-day Adventists Trustees

Pastor Emmanuel Osei	(Chairman)
Pastor Douglas W McCormac	(Executive Secretary)
Mrs Candy Layson	(Treasurer)
Mrs. Esther Aryee	
Pastor Anthony Fuller	
Mrs. Abigail Wright	
Ms Judy Clements	
Mr Kwasi Dankwa	
Mr Wayne Erasmus	
Ms Julita Francois	
Ms Natalie Henry	
Mr Dwayne Lawson	
Ms Nomsa Maphango	
Pastor Samuel Ouadjo	
Pastor Sorin Petrof	
Pastor Michael Salmon	
Ms Isha Scott	
Ms Abigail Wright- Stephenson	
Pastor Bernard Akakpo	
Pastor Hezron Adingo	
Mr. Grist Wilbur Mutambara	

South England Conference of Seventh-day Adventists

Reference and Administrative Details of the Charity and List of Advisors

Charity number	1045587
Registered Office	25 St John's Road Watford Hertfordshire WD17 1PZ
Bankers	HSBC Bank plc 73 High Street Watford Hertfordshire WD17 4RB
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
Employment Advisor	Citation Plc Citation House 1 Macclesfield Road Wilmslow SK9 1BZ

South England Conference of Seventh-day Adventist Trustees Report

for the year ended 31 December 2020

The Trustees of South England Conference of Seventh-day Adventists present this report for the year ended 31st December 2020 together with the consolidated charity accounts, which have been audited by Moore Kingston Smith LLP.

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

The Church Growth and Advent Mission Department

2020 will be remembered as the year that brought us the pandemic and introduced such phrases as the lockdown, COVID-19, drive-through testing and social distancing into our mainstream vocabulary. But despite the rapidly changing environment we found ourselves as an administration, directors, pastors, support staff and most of all as members doubling our collective efforts to meet the challenges of this new world and sought to maintain our programmes and services to continue to reach out to an ever anxious public with hope and help.

The Department of Church Growth and Adventist Mission retains its position as a resourcing and equipping agent within the Conference. However, this year was an especially challenging one for the department and the pandemic severely impacted the regular regime of teaching, preaching, seminar and training weekends.

Through the Church Plants and Groups associated with this Department we have:

- Offered physical and online spaces for community to gather for interaction, worship and community-building
- Regular public worship open to all – largely through online platforms in 2020;
- Opportunities to learn about Christian faith through sermons, courses and small groups.
- Due to Covid restrictions Religious assemblies in schools have not been able to proceed as usual;
- Sought to move the various Christian ethos clubs that normally operate from the local church building onto online platforms. In this way groups such as teens, youth, senior citizens, parents and toddlers and single mums, have continued to have a measure of support in these difficult times. Sadly, due to Furlough dynamics, many local leaders were rendered unavailable for official duties for 3 – 6 months of 2020.

Through the support offered by this department, local congregations continue to promote the physical, mental and spiritual well-being of their local communities as a demonstration of our faith and mission.

Cornerstone Counselling Service (CCS)

This was a year filled with anxiety, uncertainty, fear, and depression, due to the COVID-19 pandemic. CCS has experienced the busiest period since its establishment. This was a critical time to support church members and the wider community.

Free counselling was offered to NHS staff and other front-line workers joining other charities who were already doing so. CCS also launched a Listening line that operates from 8am to 12 midnight 7days a week to support the lonely, isolated, bereaved, anxious clients. This became a lifeline for many especially during lockdown periods.

CCS also delivered workshops and presentations on various mental health topics including trauma, abuse, domestic violence, grief & bereavement, communication and relationships, forgiveness, conflict management, depression, anxiety, depression & nutrition, developing a positive mind, men and women's mental health, conquering negative thinking, prayer and mental health, coping with COVID –19, COVID –19 and mental health, Impact of COVID-19 on the family's mental health, self-esteem and body-image, the impact of COVID-19 on relationships, family unity during COVID-19, insecurity in teams, listening to young people, BAME communities and barriers to mental health, black man and mental health, healing generational trauma, to name a few. Delivering these over Zoom, a wider community was reached.

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2020

Cornerstone Counselling Service (CCS) (Continued)

CCS' present and future vision is to continue supporting those experiencing mental health issues, those in isolation, and those who suffer the pandemic's impact on their present and future life. Breaking the stigma on mental health is paramount. A special thank you goes to our dedicated team that works hard to reach our vision.

The Children's Ministries Department (CMD)

The department remained busy despite the lockdown. Mindful of the need to provide activities for children the department embarked on producing a number of virtual events. Examples include, the Easter story, and the summer annual flagship- Vacation Bible School (VBS) week -long programme that has a unique approach to children's ministry. The latter reinforces spiritual growth and encourages long-term learning. This event appealed to children and families from multiple faiths evidenced from the participation of over 600 children.

The CMD acknowledged a number of spiritual emphasis days, in the autumn of 2020, World Orphans/Vulnerable Children's day was observed. Children's awareness of what it means to be orphaned was heightened, as the CMD explored the global causes that leave millions of children alone, isolated and vulnerable, such as war, poverty and climate change, to deepen their understanding of this complex issue. Children were invited to recite and write poetry offering words of comfort and compassion for orphaned children.

The CMD promoted 'anti-bullying week' to increase awareness among children in the South England Conference (SEC) that there is zero tolerance to bullying. The week concluded with the spiritual theme from the story of the Good Samaritan.

The CMD celebrated 25 years of Children's Ministry with a short film production about the work of Adventist CM from different continents.

The year ended with a virtual festive seasonal production of the journey of Christ from birth through to death and resurrection. This interactive event enabled many children across the SEC to showcase their musical, oratory, poetic and thespian skills. Over 500 tuned in to watch on Christmas day.

Community, Prison and Diversity Ministries department

2020 was an unprecedented time for the Community, Prison and Diversity Ministries department.

At the beginning of the year we visited our churches across the South of England including Milton Keynes, Gloucester, Plymouth, Southampton, Weston Supermare and Brixton.

As we assessed the financial impact of COVID on our operations we undertook a fundraising drive to supplement costs for our Homeless shelter. However, because of the second wave we had to postpone those activities also.

Additionally we launched a social media drive to raise awareness of the work needed for Prison ministries. This is with the hope to build a released prisoner support network. Finally in the wake of the George Floyd tragedy, the diversity department has been involved in an internal process to look at the impact of racism, prejudice and discrimination with the view of making it better for our churches and those in the churches respective communities. This is still ongoing.

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2020

Men's Ministry

During the year we have been holding Zoom virtual meetings every Monday evening for Men dealing with subjects on Mental Health, Exercise, Cooking, Domestic Violence towards Men, being accountable, mentorship etc.

The reason why we held these meetings was because since we were in lockdown, we thought that Men needed some kind of comfort, get them talking, not being alone. We wanted to create a safe place / space so they can talk and be comfortable in an environment where trust is around them.

We also had a men's day on 21st November 2020, and the theme was 'What's your Story'. The idea behind this was to share their story on the difficult times they have had gone through and how they overcome it. This will be able to help Men in and outside the church that are tuning in, they can overcome any situation they are in by just reaching out, talking, saying something.

Pathfinders and Adventurers

The buzz words for 2020 when it came to Pathfinders and Adventurers was 'Virtual' and 'Resilience'. Although we could not get together physically and have events and programmes in and for our communities, Pathfinders and Adventurers was resilient by offering online content. This content was shared by Pathfinders and Adventurers by inviting friends to login, link in and engage with the content.

As a result of the virtual opportunities, we created a few 'firsts' for Pathfinders in the UK. The first online content offering Pathfinder Honours from home, the first E-Camporee, and the first conference-wide curriculum camp.

Pathfinders and Adventurers also took the challenge to enrich their communities, e.g. 5km Sponsored bike ride to raise money for ADRA UK; volunteering at Watford's One Vision project; and Dagenham Eagles launching an online activities hub called 'One Borough One Love Adventurer Hub'.

Personal Ministry

Personal ministries supported the local congregations with training and resources to help them be visible, valuable and available to their communities. Using zoom and other digital platforms members were trained on intercessory prayer for their communities and provided with information, material and moral support especially as people suffered the different effect of COVID-19. Through the SEC School of Mission and Leadership members trained as community chaplains, conflict resolution and active listening. Some worked alongside street pastors helping the homeless and meeting other immediate and long-term needs.

Due to the lockdown, churches were not able to offer their spaces and their regular programs to the community in the same way. Many used their space for food banks and to offer takeaway meals and groceries. Members participated in delivering needed help to the needy neighbours.

Property Management

In 2020 the department saw the completion of Clapton church's renovation project that was signed off in March. Clapton now has brand new WC facilities to the rear that also include an accessible WC. The Last snag list for the project will be completed in April 2021.

Hay's Wood Retreat, formerly North Runcion, (the SEC's largest building project ever undertaken) had its practical completion on 31st December 2020. The next phase of the project will be to furnish the site in preparation for its use.

Although the number of building projects, acquisitions and disposals was limited in 2020, we did support several congregations in their search for new premises such as Palmers Green, Barnet, Holcomb Road, Lee Valley, Brighton and Hastings.

The department is also still working with Gatwick on a major project where we are working with several national bodies (eg Historic England, Common Wealth War Graves Commission) and local authority over the long term use and preservation of the property in which Gatwick SDA are currently worshipping.

Chapel Porth Camp site also continues to be re-developed and in 2020 the department was able to showcase a number of new caravans. The plan moving forward is to continue to upgrade the site and improve its facilities for our constituents.

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2020

Prayer Ministries Department

2020 dawned with much promise and possibility. At the annual Expo, The Prayer Ministry Department Coordinator Linda Nyamhunga presented the vision of the Prayer Ministries department and invited the members in attendance at the plenary session to brainstorm for the year. The following were the planned events and programmes:

- Annual prayer retreat
- Operational prayer lines in each church
- Area days of prayer
- Area Coordinators' regular meetings
- Quarterly All-night prayer meetings
- Training intercessors in every district

The theme was "And My House shall be called a House of Prayer for all People" bearing in mind that every individual faced challenges at a given time, be it financially, socially, and emotionally.

The first event of the year on the 6- 16 January 2020 was the General Conference worldwide "Ten Days of prayer" which was eagerly hosted in many churches across the SEC. The ten days of prayer culminated in a half night on 18 January 2020 of prayer at Holcombe Road Church and was attended by over 150 people. The half night was characterised by beautiful music by Tottenham Holcombe Road Singing group, faith inspiring testimonies and a rousing call to preaching of the Word. A special all night prayer programme was hosted by Stanborough Secondary School Parents Teachers Association praying for students and all young people and their parents on 22 February 2020. Also, we had a day of prayer for London Ministers on and a day of prayer for the SEC staffs where the office was closed and the staffs were encouraged to pray together, which was a wonderful experience and brought workers together this was held at Watford Town Church on 5 February 2020.

In February 2020, SEC Prayer Ministries collaborated with Plaistow Prayer Tower for an "All night prayer meeting", showcased at Plaistow Church. People from all parts of the conference in need of prayer joined the session. The SEC prayer line which has been ringing at 6am every morning rain, snow or shine since 2015 continued to be a balm of healing and a safe retreat for troubled souls. The number of attendees has increased from less than ten individuals in the past to 80-100 since March 2020. The prayer line has witnessed non-Adventists joining and becoming regular callers. The main focus of the SEC prayer line is discipleship, nurturing, mentoring and training members and young people in leading out and preaching during services in their homes, local churches, and at prayer meetings. One of the success stories has been the training and equipping of new Prayer Leaders for local churches. The prayer team often follow up on prayer requests and make personal follow ups and contact petitioners. What a way to evangelise through prayer. We have had contacts with individuals who are faced with serious health issues and held anointing services virtually. Another area we have been stretched to the fullest is supporting bereaved members. It is impressive to experience the unity and commonality among members, the joy of carrying each other burdens. Many of our members see the daily opening of the prayer line as a place where burdens are lifted and a refuge in time of storm. Sharing testimonies daily on the prayer line have brought hope and encouragement to many amidst the difficult times we are facing. Some have testified that the SEC prayer ministry is like family to them, they have a place to wake up to.

When the Government announced a national lockdown in March 2020, there was a mindset shift from physical meetings to online platforms. This affected many people who were not technically savvy and yet many bravely ventured in the world of online meetings.

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2020

Prayer Ministries Department (Continued)

Many churches and church groups began holding prayer meetings on virtual platforms. Many new prayer groups around the SEC were created in response to this new challenge. Even retreats were held virtually. Prayer Ministries participated as House of Prayer on 14 – 20th June 2020 in the SEC camp meeting by hosting Prayer, Praise and Testimonies time from 7am to 8:30 am every morning. The virtual Prayer Retreat was held on 31st July – 2nd August 2020. The theme was the assurance that "God comforts His people in crisis". Our focused areas we ministered were: Prayer and grief, Prayer and fear and Prayer and insecurity. We worked alongside the Cornerstone Counselling department, joining hands with Prayer Ministries to support those struggling. We had a session on Mental health called "Hope Beyond grief", nicely presented by Elvis and Ruth from Elpizo Counselling and team. Prayers and pastoral care have continued through the different prayer lines, days of prayer and monthly day of fasting and prayer are being organised to support each other, these have been the source of strength for SEC Prayer Ministry.

Teens Ministry

In 2020, the SEC Teens Department adapted its approach and the content of its programmes due to the COVID-19 pandemic and the emotional impact it had among the teenage population. Consequently, throughout the year, our programmes, weekly workshops and seminars had a strong emphasis on topics such as stress management, how to deal with anxiety, how to deal with worry, grief, healthy eating habits, sleep deprivation, exercise, healthy eating habits, coping mechanism, healthy pastimes, study habits, helping at home, rest and sleep, time management and networking, among others.

We also started a weekly programme that is streamed on YouTube and Facebook simultaneously. In this programme, we had special guests such as medical doctors, teachers and counsellors who spoke about themes similar to the ones seen above. As we celebrated our programmes virtually in 2020, we interacted with the teens and their families using the online chat facilities throughout the programmes. However, we also interacted with the teens daily using our Instagram page, Facebook page, webpage, email, and the WhatsApp groups.

Women's Ministry Report

Goals and Objectives

To provide Mental, Emotional, and Spiritual Support during the COVID-19 Pandemic.

Events and Programs

On Sunday's

- Women Inspirational Power Hour at 10 -11 AM
- The Upper Room Experience at 7 -8 PM
- Wednesday's Morning Health Programme at 10-11 AM

Love in Action Report

- Hardship Funds Financial Grants for Women and Families
- Emotional support
- Persons and Organisations got funds to help in times of Crisis.

We Celebrated 25 years of Women's Ministry worldwide.

We have hosted a week-long programme where women were informed and empowered.

Support Group

We provided support to those experiencing sickness, bereavement, and depression.

New Year's Thanksgiving Program for Women

This event aimed to allow women to hear what other women were involved with regarding outreach work in the New Norm.

In realising that many women were struggling with the lockdown, we wanted to provide encouraging, empowering, and Spiritual fulfilment to cope with this Pandemic.

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2020

Women's Ministry Report (Continued)

End it Now Day! Domestic Violence

- To educate and empower women with matters relating to domestic abuse.
- Sadly, nationwide there was an increase in Domestic Violence during this Pandemic; we aimed to safeguard those vulnerable to such abuses through information and education.

We managed to hold most of the programmes above on the Zoom forum due to the prevalence of COVID-19, which meant women could not meet as initially planned.

Youth Ministries

Youth Ministries has continued to remain committed to specialist training and empowerment for youth leaders and their teams whilst creating opportunities and spaces for youth to personally experience the reality of God. In January we hosted our Youth Leadership Conference which catered for 102 youth leaders across the South of England; they were inspired to rebuild the walls on their spiritual and personal growth as they continue to empower their young people. As a result of the conference, we recruited over 40 leaders who joined the Senior Youth Leadership Award program.

In the midst of planning for our annual Global Youth Day and Community Blood drive we were halted in our tracks with the realisation of how badly Covid was affecting life as we know it. All physical events had to be cancelled and as Covid began to spread across the UK we were taken into a nationwide lockdown. Despite this perceived setback it in fact allowed for more innovation and opportunities to reach our youth differently allowing for our digital and social media platforms to take centre stage.

We held panel talks via Zoom and Stream Yard ranging from topics on race, relationships, current events and spirituality. Instagram and Facebook pages would host live chats including exercise sessions from trained professionals and motivational videos. We collaborated with Community Ministries and planned the virtual P300 run it, bike it and walk it challenge, helping to raise over £6000 for the homeless for Christmas. We had over 50 youth who participated in this first-time virtual initiative. In addition, we set up an online store selling youth ministries merchandise and created spaces on our social media platforms for other local church youth groups to share their various youth ministries. Overall, our youth engagements and followers saw a significant increase as we navigated these strange times with relevant, on demand programs. The new Senior Youth Leadership Award transferred online to ensure training and development was not affected.

Financial review

Without our committed staff and faithful church members, the success achieved during this extraordinary year would not have been possible. Strong leadership was provided by our 207 employees and hundreds of volunteers in local churches. Pivotal to the work of the charity during the year was the financial support of our membership, who gave a total of over £14.6m in tithes and freewill offerings and donations to support the work. These funds were used for staff salaries, evangelistic endeavours, humanitarian work, education, retirement benefits and the general governance and administrative operations of the South England Conference.

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 the accounts.

The trustees have assessed the risks faced by the charity including safeguarding risks and risk caused by the global pandemic and have formulated plans to mitigate these risks.

Restricted and Unrestricted Funds and Reserves

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. At 31 December 2020, restricted funds for the charity totalled £9,105,283 (2019: £7,784,699).

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2020

Restricted and Unrestricted Funds and Reserves (continued)

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.

Tithe fund (Operating Reserves)

It is Charity policy to hold an operating reserve equal to 20% of annual operating budget. The Trustees are seeking to ensure that this policy is met by the charity.

Investment in property fund

At 31 December 2020, the level of the reserve for Property, Churches and School Buildings was £33,413,206 (2019: £34,941,618) and includes the assets disclosed in the notes to the financial statements.

Unrestricted Funds

At 31 December 2020, unrestricted funds for the charity totalled £34,212,498 (2019: £32,780,611).

IMPACT OF THE CORONAVIRUS PANDEMIC

The Trustees have considered the impact of the Coronavirus pandemic during the year and since the year-end, and the various measures taken in the UK to contain it, on the operations of the charity. The trustees have taken steps to mitigate the financial impact on the charity's affairs, by both ensuring income can be collected and carefully managing expenditure and have taken up available Government Support. These steps are planned to continue and the Trustees believe that they will not be effective as the UK continues its recovery from the effects of the pandemic. They are confident that the measures taken, together with the financial stability of the charity, will enable it to continue to operate for the foreseeable future.

OPERATIONAL PERFORMANCE AND SAFEGUARDING THE VULNERABLE

The South England Conference continues to operate a policy of care for the vulnerable within its community. All employees and congregation members working with children, vulnerable adults/elderly are required to undergo a mandatory check for suitability using the Disclosure and Barring Service (DBS). Training for Child Protection is provided through online Child Safety Awareness courses and local training programmes by our 'Keeping the Church Family Safe' (KCFS) coordinator.

The Trustees are confident that the South England Conference was operated in harmony with its Purpose, which as stated in its Constitution is "to proclaim and teach the everlasting gospel". The Charity has a number of strategies for achieving its objectives primarily through the departments in the Conference.

METHOD OF APPOINTMENT AND TRAINING OF TRUSTEES

The management of the Charity is the responsibility of the Trustees who are elected under the terms of the constitution.

New trustees are provided with copies of the Charity's constitution and a discussion is carried out in relation to the Charity. In addition, each trustee receives a copy of the Charity Commission document "The essential trustee – what you need to know, what you need to do" and the regular Charity Commission Newsletters. In addition, Trustees are provided with regular bulletins from the Churches Legislative Advisory Service.

South England Conference of Seventh-day Adventists
Trustees Report
for the year ended 31 December 2020

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.)

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and the group and of the outgoing resources and application of 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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper 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 and other irregularities.

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 in order 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 South England Conference of Seventh-day Adventists signed on their behalf by:


D McCormac
Executive Secretary

Date: 23/11/21

Independent Auditor's Report to the Trustees and Members Of the South England Conference of Seventh-Day Adventists for the year ended 31 December 2020

Opinion

We have audited the financial statements of the South England Conference of Seventh-Day Adventists for the year ended 31 December 2020 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 2020 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 South England Conference of Seventh-Day Adventists for the year ended 31 December 2020

In connection with our audit of the financial statements, 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.

Independent Auditor's Report to the Trustees and Members Of the South England Conference of Seventh-Day Adventists for the year ended 31 December 2020

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.

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

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.

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 assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions 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.

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

- 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.

**Independent Auditor's Report to the Trustees and
Members Of the South England Conference of Seventh-Day Adventists
for the year ended 31 December 2020**

- 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.

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
Senior Statutory Auditor

Date: 9 December 2021

4 Victoria Square
St Albans
Herts
AL1 3TF

South England Conference of Seventh-day Adventists

Group Statement of Financial Activities For the year ended 31 December 2020

	Notes	2020			2019		
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
Income from:							
Income from donations and legacies		£	£	£	£	£	£
Donations		14,671,123	861,891	15,533,014	15,615,957	1,292,439	16,908,396
Grants		1,148,806	-	1,148,806	916,892	-	916,892
Legacies		172,527	-	172,527	18,527	-	18,527
Government grants		1,632,749	2,183,260	3,816,009	1,380,766	1,329,869	2,710,635
	2	17,625,205	3,045,151	20,670,356	17,932,142	2,622,308	20,554,450
Income from charitable activities	3	879,588	-	879,588	1,520,914	-	1,520,914
Investment income	4	30,426	-	30,426	103,213	-	103,213
Total		18,535,219	3,045,151	21,580,370	19,556,269	2,622,308	22,178,577
Expenditure on:							
Charitable activities:	5	17,114,359	2,170,452	19,284,811	21,210,387	1,589,953	22,800,340
Governance	8	104,258	-	104,258	26,160	-	26,160
		17,218,617	2,170,452	19,389,069	21,236,547	1,589,953	22,826,500
Net income/(expenditure)		1,316,602	874,699	2,191,301	(1,680,278)	1,032,355	(647,923)
Gains/(losses) on investments		(15,350)	-	(15,350)	60,151	-	60,151
Transfers between funds		(141,142)	141,142	-	(297,621)	297,621	-
Net movement in funds		1,160,110	1,015,841	2,175,951	(1,917,748)	1,329,976	(587,772)
Fund balances brought forward		32,932,566	9,128,935	42,061,501	34,850,314	7,798,959	42,649,273
Fund balances carried forward		34,092,676	10,144,776	44,237,452	32,932,566	9,128,935	42,061,501

All recognised gains and losses are included in the statement of financial activities

South England Conference of Seventh-day Adventists
Charity Statement of Financial Activities
For the year ended 31 December 2020

	Notes	2020			2019		
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
Income from:							
Income from donations and legacies		£	£	£	£	£	£
Donations		14,654,961	860,037	15,514,998	15,615,360	1,290,204	16,905,564
Grants		103,918	-	103,918	208,957	-	208,957
Legacies		172,527	-	172,527	18,527	-	18,527
Government grants		1,602,142	2,183,260	3,785,402	1,380,766	1,329,869	2,710,635
	2	16,533,548	3,043,297	19,576,845	17,223,610	2,620,073	19,843,683
Charitable activities	3	353,859	-	353,859	830,702	-	830,702
Investment income	4	29,669	-	29,669	101,887	-	101,887
Total		16,917,076	3,043,297	19,960,373	18,156,199	2,620,073	20,776,272
Expenditure on:							
Charitable activities:	5	15,519,478	2,166,686	17,686,164	19,971,537	1,588,323	21,559,860
Governance	11	104,258	-	104,258	26,160	-	26,160
		15,623,736	2,166,686	17,790,422	19,997,697	1,588,323	21,586,020
Net income/(expenditure)		1,293,340	876,611	2,169,951	(1,841,498)	1,031,750	(809,748)
Gains/losses on investment assets		(15,350)	-	(15,350)	61,599	-	61,599
Transfers between funds		(141,142)	141,142	-	(288,834)	288,834	-
Net movement in funds		1,136,848	1,017,753	2,154,601	(2,068,733)	1,320,584	(748,149)
Fund balances brought forward at January 1		32,780,612	9,105,283	41,885,895	34,849,344	7,784,699	42,634,043
Fund balances carried forward at December 31		33,917,460	10,123,036	44,040,496	32,780,611	9,105,283	41,885,894

All recognised gains and losses are included in the statement of financial activities

South England Conference of Seventh-day Adventists
Consolidated Accounts - Balance Sheet
As at 31 December 2020

	Notes	Group		Charity	
		2020 £	2019 £	2020 £	2019 £
Fixed Assets					
Tangible Fixed Assets	11	36,354,697	35,133,570	36,298,828	35,063,062
Investment Properties	12	505,000	505,000	505,000	505,000
		<u>36,859,697</u>	<u>35,638,570</u>	<u>36,803,828</u>	<u>35,568,062</u>
Current Assets					
Stocks	13	69,648	66,720	69,648	49,014
Debtors	14	1,732,261	2,765,904	1,717,643	2,662,383
Investments	15	1,227,460	1,175,720	1,227,460	1,175,720
Cash at bank and in hand		9,450,683	6,579,313	9,130,437	6,347,580
Total Current Assets		<u>12,480,052</u>	<u>10,587,657</u>	<u>12,145,188</u>	<u>10,234,697</u>
Creditors: Amounts due within a year	16	4,824,416	3,747,835	4,630,639	3,553,652
Net Current Assets		<u>7,655,636</u>	<u>6,839,822</u>	<u>7,514,549</u>	<u>6,681,045</u>
Creditors: Amounts due after one year	17	277,881	416,891	277,881	363,213
		<u>277,881</u>	<u>416,891</u>	<u>277,881</u>	<u>363,213</u>
Total Net Assets		<u>44,237,452</u>	<u>42,061,501</u>	<u>44,040,496</u>	<u>41,885,894</u>
Fund balances					
Unrestricted		34,092,676	32,932,566	33,917,460	32,780,611
Restricted		10,144,776	9,128,935	10,123,036	9,105,283
Total Funds	18	<u>44,237,452</u>	<u>42,061,501</u>	<u>44,040,496</u>	<u>41,885,894</u>

Approved and authorised for issue by the Board of Trustees on 23 Nov 2021
and signed on its behalf by:

C Layson
Treasurer



The notes on pages 18 to 36 form part of these accounts.

South England Conference of Seventh-day Adventists
Cash flow statements
For the year ended 31 December 2020

A Statement of cash flows	Note	2020 £	2019 £
Cash flow from operating activities			
Net cash provided by (used in) operating activities	20	4,736,736	565,349
Cash flows from investing activities			
Net cash provided by (used in) investing activities	21	(3,043,408)	(4,505,131)
Cash flows from financing activities			
Net cash provided by (used in) financing activities	22	1,178,042	1,069,657
Change in cash and cash equivalents in the		2,871,370	(2,870,125)
Cash and cash equivalents at the beginning		6,579,313	9,449,438
Cash and cash equivalents at the end of the		9,450,683	6,579,313

B Analysis of changes in net debt	01 January 2020	Cash flow	Other non- cash	31 December 2020
Cash:				
Cash at bank and in hand	6,579,313	2,871,370		9,450,683
less: Deposits treated as liquid resources	(2,019)	-		(2,019)
	<u>6,577,294</u>	<u>2,871,370</u>		<u>9,448,664</u>
Cash equivalents:				
Deposits included in cash	2,019	-		2,019
	<u>6,579,313</u>	<u>2,871,370</u>		<u>9,450,683</u>
Debt:				
Debts due within one year	(1,445,574)	(1,178,042)	(92,919)	(2,716,535)
Debts due after more than one year	(271,324)		92,919	(178,405)
	<u>4,862,415</u>	<u>1,693,328</u>	<u>-</u>	<u>6,555,743</u>

South England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2020

Accounting Policies

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 2020. 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 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 impact of the Coronavirus pandemic and measures taken in the UK to contain it. The charity has an adequate cash and reserves position at the time of approval of these financial statements. Whilst the charity has 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. 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 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.

South England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2020

1.7 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 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 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.

South England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2020

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.

South England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2020

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.

2 Income from donations and legacies

Page 23

South England Conference of Seventh-day Adventists

Notes to the Financial Statements
For the year ended 31 December 2020

3 Incoming Resources from charitable activities

	2020			2019		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Group						
Church Ministry	85,746	-	85,746	727,072	-	727,072
Education	793,842	-	793,842	793,842	-	793,842
Total Charitable Income	879,588	-	879,588	1,520,914	-	1,520,914
Charity						
Church Ministry	353,859	-	353,859	830,702	-	830,702
Total Charitable Income	353,859	-	353,859	830,702	-	830,702

4 Investment Income

	2020			2019		
	Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£	£	£	£
Group						
Locally listed investments	30,246	-	30,246	103,213	-	103,213
Return on local cash	180	-	180	-	-	-
Unrealised Gains on Investment	(15,350)	-	(15,350)	60,151	-	60,151
	15,076	-	15,076	163,364	-	163,364
Charity						
Locally listed investments	29,669	-	29,669	101,887	-	101,887
Unrealised Gains on Investment	(15,350)	-	(15,350)	61,599	-	61,599
	14,319	-	14,319	163,486	-	163,486

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

5	Expenditure by Charitable Activity	2020				2019			
		Unrestricted Funds	Restricted Funds	Total Funds	£	Unrestricted Funds	Restricted Funds	Total Funds	£
	Summary by fund type								
	Group								
	Church Ministry	9,906,361	1,759,540	11,665,901		13,223,914	863,409	14,087,323	
	Education	2,229,997	3,766	2,233,763		2,667,999	1,523	2,669,522	
	Objectives in other geographical areas	3,513,883	407,146	3,921,029		3,776,431	725,021	4,501,452	
	Retirement responsibilities	1,464,118	-	1,464,118		1,542,043	-	1,542,043	
	Total Charitable Expenditure	17,114,359	2,170,452	19,284,811		21,210,387	1,589,953	22,800,340	
	Charity								
	Church Ministry	8,882,573	1,759,540	10,642,113		12,346,353	863,302	13,209,655	
	Education	1,658,904	-	1,658,904		2,306,710	-	2,306,710	
	Objectives in other geographical areas	3,513,883	407,146	3,921,029		3,776,431	725,021	4,501,452	
	Retirement responsibilities	1,464,118	-	1,464,118		1,542,043	-	1,542,043	
	Total Charitable Expenditure	15,519,478	2,166,686	17,686,164		19,971,537	1,588,323	21,559,860	

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

6 a. Analysis of Resources by Activity

Group	2020			
	Grant Funding of Activities £	Activities Directly Undertaken £	Support Costs £	Total Expense £
Church Ministry	81,062	9,439,865	2,144,973	11,665,901
Education	228,250	1,733,143	272,371	2,233,763
Objectives in other geographical areas	3,921,029	-	-	3,921,029
Retirement responsibilities	1,464,118	-	-	1,464,118
	<u>5,694,459</u>	<u>11,173,008</u>	<u>2,417,344</u>	<u>19,284,811</u>

	2019			
	Grant Funding of Activities £	Activities Directly Undertaken £	Support Costs £	Total Expense £
Church Ministry	31,098	11,944,948	2,111,277	14,087,323
Education	389,399	2,011,496	268,627	2,669,522
Objectives in other geographical areas	4,501,452	-	-	4,501,452
Retirement responsibilities	1,542,043	-	-	1,542,043
	<u>6,463,992</u>	<u>13,956,444</u>	<u>2,379,904</u>	<u>22,800,340</u>

Charity	2020			
	Grant Funding of Activities £	Activities Directly Undertaken £	Support Costs £	Total Expense £
Church Ministry	81,012	8,205,637	2,355,463	10,642,113
Education	518,230	911,738	228,936	1,658,904
Objectives in other geographical areas	3,921,029	-	-	3,921,029
Retirement responsibilities	1,464,118	-	-	1,464,118
	<u>5,984,389</u>	<u>9,117,375</u>	<u>2,584,400</u>	<u>17,686,164</u>

	2019			
	Grant Funding of Activities £	Activities Directly Undertaken £	Support Costs £	Total Expense £
Church Ministry	323,060	10,880,997	2,005,598	13,209,655
Education	679,399	1,209,000	418,311	2,306,710
Objectives in other geographical areas	4,501,452	-	-	4,501,452
Retirement responsibilities	1,542,043	-	-	1,542,043
	<u>7,045,954</u>	<u>12,089,997</u>	<u>2,423,909</u>	<u>21,559,860</u>

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

6 b. Analysis of non-grant expenditure by Charitable Activity

Group	2020			
	Staff Costs £	Depreciation £	Other Costs £	Total £
Church Ministry	6,981,590	482,093	4,121,155	11,584,839
Education	1,828,256	25,305	151,953	2,005,513
	<u>8,809,846</u>	<u>507,398</u>	<u>4,273,108</u>	<u>13,590,352</u>

	2019			
	Staff Costs £	Depreciation £	Other Costs £	Total £
Church Ministry	7,049,408	496,898	6,509,919	14,056,225
Education	1,835,792	26,950	417,382	2,280,123
	<u>8,885,200</u>	<u>523,848</u>	<u>6,927,301</u>	<u>16,336,348</u>

Charity	2020			
	Staff Costs £	Depreciation £	Other Costs £	Total £
Church Ministry	6,711,687	444,397	3,375,513	10,531,597
Education	745,743	49,377	375,057	1,170,178
	<u>7,457,430</u>	<u>493,774</u>	<u>3,750,570</u>	<u>11,701,775</u>

	2019			
	Staff Costs £	Depreciation £	Other Costs £	Total £
Church Ministry	6,847,779	483,267	5,555,549	12,886,595
Education	760,864	25,435	841,012	1,627,311
	<u>7,608,643</u>	<u>508,702</u>	<u>6,396,561</u>	<u>14,513,906</u>

South England Conference of Seventh-day Adventists

Notes to the Financial Statements
For the year ended 31 December 2020

7 Analysis of grants

		2020		2019	
		Number of Beneficiaries	Total £	Number of Beneficiaries	Total £
Grants to individuals					
Group - Education Grants & Support		78	228,250	149	279,399
Charity - Education Grants & Support		78	228,250	149	279,399
Grants to institutions					
<u>Name of Institution / grant</u>	<u>Grant description</u>	Group £	Charity £	Group £	Charity £
Primary schools	Christian education	-	289,980	110,000	400,000
Adventist Christian Radio	General Operations	-	-	-	276,797
British Union Conference of Seventh-day Adventists	Mission in other areas	1,578,440	1,578,440	1,983,831	1,983,831
British Union Conference of Seventh-day Adventists	General Operations	2,342,589	2,342,589	2,517,621	2,517,621
Other grants to Church Entities	General Operations	81,062	81,012	31,098	46,263
Retirement Fund	Past pension deficit	1,464,118	1,464,118	1,542,043	1,542,043
Total Institutional Grants		5,466,209	5,756,139	6,184,593	6,766,555
Total Grants		5,694,459	5,984,389	6,463,992	7,045,954

8 Governance costs

		2020		2019	
		Group £	Charity £	Group £	Charity £
Audit costs		94,171	94,171	19,560	19,560
Trustee expenses		10,087	10,087	6,600	6,600
		104,258	104,258	26,160	26,160

South England Conference of Seventh-day Adventists

**Notes to the Financial Statements
For the year ended 31 December 2020**

9 Net resources expended	Total 2020 £	Total 2019 £
This is stated after charging:		
Depreciation of tangible fixed assets:	507,398	523,847
Reimbursement of expenses to trustees	10,087	6,600
Fees payable to the charity's auditor for the audit of the annual accounts	<u>94,171</u>	<u>19,560</u>

During the year retirement benefits were accruing to 12 Trustees in respect of pension schemes

10 Staff Costs	Total 2020 £	Total 2019 £
Staff costs were as follows:		
Wages and Salaries	7,120,104	7,200,328
Social Security Costs	730,455	736,013
Other pension Costs	<u>959,287</u>	<u>948,859</u>
	<u>8,809,846</u>	<u>8,885,200</u>

The average number of employees during the year in the following categories were:	2020 no	2019 no
Charitable activities	149	163
Support activities	38	41
Management and administration	<u>20</u>	<u>22</u>
	<u>207</u>	<u>226</u>

No employees received remuneration amounting to more than £60,000 during the year

Employed trustees and their immediate family members received emoluments as follows:

	2020 £	2019 £
Key management	151,520	160,719
Other trustees	364,639	311,857

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

11 Tangible Fixed Assets	Freehold Property	Leasehold property	Operational Equipment	Capital Work in Progress	Total
Group Cost					
As at January 1, 2020	33,677,255	1,054,911	861,802	6,745,777	42,339,745
Additions	-	-	2,244	3,032,980	3,035,224
Cost transfer out	-	-	-	(1,303,441)	(1,303,441)
As at December 31, 2020	<u>33,677,255</u>	<u>1,054,911</u>	<u>864,046</u>	<u>8,475,316</u>	<u>44,071,528</u>
Depreciation					
As at January 1, 2020	6,216,309	222,327	767,539	-	7,206,175
Charge for Year	459,823	-	50,833	-	510,656
As at December 31, 2020	<u>6,676,132</u>	<u>222,327</u>	<u>818,372</u>	<u>-</u>	<u>7,716,831</u>
Net Book Value					
As at January 1, 2020	<u>27,460,946</u>	<u>832,584</u>	<u>94,263</u>	<u>6,745,777</u>	<u>35,133,570</u>
As at December 31, 2020	<u>27,001,123</u>	<u>832,584</u>	<u>45,674</u>	<u>8,475,316</u>	<u>36,354,697</u>
Charity Cost					
As at January 1, 2020	33,638,872	1,054,911	687,554	6,745,777	42,127,114
Additions	-	-	-	3,032,980	3,032,980
Cost transfer out	-	-	-	(1,303,441)	(1,303,441)
As at December 31, 2020	<u>33,638,872</u>	<u>1,054,911</u>	<u>687,554</u>	<u>8,475,316</u>	<u>43,856,653</u>
Depreciation					
As at January 1, 2020	6,216,309	222,327	625,416	-	7,064,052
Charge for Year	454,877	-	38,896	-	493,773
As at December 31, 2020	<u>6,671,186</u>	<u>222,327</u>	<u>664,312</u>	<u>-</u>	<u>7,557,825</u>
Net Book Value					
As at January 1, 2020	<u>27,422,563</u>	<u>832,584</u>	<u>62,138</u>	<u>6,745,777</u>	<u>35,063,062</u>
As at December 31, 2020	<u>26,967,686</u>	<u>832,584</u>	<u>23,242</u>	<u>8,475,316</u>	<u>36,298,828</u>

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

12 Investment Property

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Market Value at 01 January	505,000	505,000	505,000	505,000
Market value at 31 December	505,000	505,000	505,000	505,000

The valuation was undertaken on 7 May 2021 by Jefferies a firm of chartered surveyors.

13 Stocks

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Departmental supplies	69,648	66,720	69,648	49,014
	<u>69,648</u>	<u>66,720</u>	<u>69,648</u>	<u>49,014</u>

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

14 Debtors

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Due after more than one year				
Loans owed by employees	145,483	220,688	145,483	220,688
Other receivables	14,509	22,121	14,509	22,121
	<u>159,992</u>	<u>242,809</u>	<u>159,992</u>	<u>242,809</u>
Due within one year				
Trade debtors	41,661	98,522	-	-
Other amounts owed by group entities	-	-	-	244,478
Other amounts owed by related charities	57,097	116,497	91,219	115,993
Amounts owed by local congregations	856,113	755,563	856,517	758,135
Government grants due	496,801	900,943	289,954	900,943
Accrued Income	-	460,179	206,847	40,232
Prepayments	6,781	108,832	-	105,121
Employees	67,068	69,335	67,068	69,335
Other Receivables	46,748	13,224	46,046	185,337
	<u>1,572,269</u>	<u>2,523,095</u>	<u>1,557,651</u>	<u>2,419,574</u>
Total	<u>1,732,261</u>	<u>2,765,904</u>	<u>1,717,643</u>	<u>2,662,383</u>

15 Current Asset Investments

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Listed investments	1,227,460	1,175,720	1,227,460	1,175,720
	<u>1,227,460</u>	<u>1,175,720</u>	<u>1,227,460</u>	<u>1,175,720</u>

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

16 Creditors: Amounts falling due within one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank Loans and Overdrafts	2,716,535	1,445,574	2,716,535	1,445,574
Suppliers	220,207	452,478	218,848	452,478
Advances for charitable activities	107,469	119,641	-	-
Due to group undertakings	-	-	-	136,218
Due to pension fund	65,288	-	65,288	-
Due to associated charities	868,420	492,308	868,420	492,308
Due to local congregations	130,385	218,508	130,385	218,508
Employees	6,165	10,610	6,165	10,610
Accrued expenses	325,225	745,007	311,718	454,097
Deferred income	79,809	-	-	-
Agency/Trust Accounts	145	-	145	-
Taxes payable	178,682	208,966	178,682	208,966
Other Creditors	126,086	54,743	134,453	134,893
	4,824,416	3,747,835	4,630,639	3,553,652

17 Creditors: Amounts falling due after one year

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	178,405	271,324	178,405	271,324
Amounts due to associated charities	99,476	145,567	99,476	91,889
	277,881	416,891	277,881	363,213
Of which amounts falling due after 5 years:				
Repayable by instalments	19,244	25,919	19,244	25,919

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

18 Statement of Funds (Group)

	Brought Forward	Incoming Resources	Resources Expended	Transfers In / Out	Carried Forward
	£	£	£	£	£
Designated Funds					
Invested in Property	34,941,618		(504,677)	(1,023,735)	33,413,206
Church and School Buildings	399,954				399,954
Local Congregation Needs	444,806	10,221	(152,820)	304,717	606,924
Buildings Maintenance	450,000		(450,000)		-
General Conventions	85,000				85,000
Other Program Funds	6,165				6,165
Total Designated Funds	36,327,543	10,221	(1,107,497)	(719,018)	34,511,249
General Funds					
Tithe Fund	(440,622)	9,655,139	(9,409,209)	(229,027)	(423,719)
Other General Funds	(2,954,355)	8,854,509	(6,701,911)	806,903	5,146
Total General Funds	(3,394,977)	18,509,648	(16,111,120)	577,876	(418,573)
Total Unrestricted Funds	32,932,566	18,519,869	(17,218,617)	(141,142)	34,092,676
Restricted Funds					
Donations for World Missions	150,550	456,890	(407,146)	95	200,389
Retirement Home	291,808				291,808
Church Building Funds	120,132	5,104			125,236
Schools' resources	29,492	1,854	(3,766)		27,580
Local Congregational Funds	8,482,470	2,421,902	(1,809,434)	141,047	9,235,985
Other restricted funds	54,483	159,401	49,894		263,778
Total Restricted Funds	9,128,935	3,045,151	(2,170,452)	141,142	10,144,776
Total Funds	42,061,501	21,565,020	(19,389,069)	-	44,237,452

18 Statement of Funds (Charity)

Page 35

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

19 Analysis of net assets between funds	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Tangible fixed assets	36,354,697	-	36,354,697	35,133,570
Investment property	505,000	-	505,000	505,000
Current Assets	2,335,276	10,144,776	12,480,052	10,587,657
Creditors due within one year	(4,824,416)	-	(4,824,416)	(3,747,835)
Creditors due in more than one year	(277,881)	-	(277,881)	(416,891)
Total Funds	34,092,676	10,144,776	44,237,452	42,061,501

20 Net cash flow from operating activities	2020 £	2019 £
Net incoming resources before revaluations	2,175,951	(587,772)
Returns on investments & servicing of finance	18,043	(131,124)
Depreciation of tangible fixed assets	510,656	518,910
Provision for bad debts made/(released)	(2,396)	(52,945)
Deficit / Surplus on disposal of fixed assets	1,303,441	-
Revaluation of investments	(61,599)	(61,599)
(Increase) / Decrease in stocks	(2,928)	22,172
(Increase) / Decrease in debtors	1,036,039	82,145
Increase / (Decrease) in creditors	(240,471)	775,562
	4,736,736	565,349

21 Analysis of cash flows from investing activities	2020 £	2019 £
Dividends, interest and rents from investments		
Interest received	14,319	163,486
Interest paid	(32,362)	(32,362)
	(18,043)	131,124
Investments made	9,859	(26,708)
Purchase of property, plant and equipment	(3,035,224)	(4,609,547)
Net cash inflow from investing activities	(3,043,408)	(4,505,131)

22 Analysis of cash flows from financing activities		
Loans received	1,340,736	1,154,426
Less loans repaid	(162,694)	(84,769)
Net cash inflow from investing activities	1,178,042	1,069,657

South England Conference of Seventh-day Adventists
Notes to the Financial Statements
For the year ended 31 December 2020

23 Related party transactions

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

The charity also has relations with The Eden School, a private primary school operated by the spouse of an officer of the charity.

	British Union Conference	The Eden School	Total 2020	Total 2019
	£	£	£	£
Tithe-sharing grants received	103,918		103,918	137,722
Tithe-sharing grants made	3,513,883		3,513,883	3,776,431
Tithe-sharing for Pension Deficit	1,464,118		1,464,118	1,542,043
Other grants made		-	-	60,000
Amounts due to charity < 1 year		42,903	42,903	106,903
Loans due by charity < 1 year	34,676		34,676	72,016
Loans due by charity > 1 year	99,476		99,476	145,567
Other amounts due by charity < 1 year	<u>833,889</u>	<u>-</u>	<u>833,889</u>	<u>429,751</u>

24 Other related entities

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