

S0ZO MINISTRIES INTERNATIONAL

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR
Year Ended 31 October 2020

*David Tripp & Co.
Tree Tops
Richmond Close
Chandlers Ford
Hampshire*

Financial Statements
Year Ended 31 October 2020

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Report of the Trustees for Year Ended 31 October 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st October 2020. The trustees have adopted the provisions of the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 effective January 2016 and the Charities SORP (102) effective January 2019, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard)

REFERENCE AND ADMINISTRATION DETAILS

Status	A Charitable Company
Registered Company number	5547814
Incorporation date	26 August 2005
Registered Charity number	1111647
Principal	Mrs M R Daniel
Trustees	Mrs M R Daniel Mrs R A Sherlock Mr R H Cary Mr P Sullivan Mr A S Daniel Mr S Badger
Company Secretary	R H W Cary
Ministry office	Dunwood Oaks Danes Road Awbridge Romsey SO51 0GF
Registered office	As above
Bankers	Caf Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling ME19 4TA
Independent Examiner	Mr D M Tripp F.A.I.A. Tree Tops Richmond Close Chandlers Ford Hampshire
Accountants	David Tripp & Co. Tree Tops Richmond Close Chandlers Ford Hampshire

Report of the Trustees for Year Ended 31 October 2020**STRUCTURE, GOVERNANCE AND MANAGEMENT****Recruitment and appointment of new trustees**

The power of appointment and removal of trustees rests with the trustees. In order that the trustee body remains in touch with and in wholehearted support of our mission, new trustees are only selected when they have worked alongside the body of fellowlabourers who are committed to our vision for a considerable time. During which time they will have proved their suitability for the work and their integrity. On being appointed new trustees spend time with the existing trustees to ensure they understand their responsibilities and the legal and financial framework in which the ministry operates. For reference all trustees are issued with the Charity Commission's publication 'The Essential Trustee: What you need to know.'

OBJECTIVES AND ACTIVITIES**Objects**

The objects of the charity are to advance the Christian Religion by proclaiming the Gospel of God concerning his Son, Jesus Christ Our Lord, and the teaching of the uncompromised Word of God in the United Kingdom and elsewhere.

THE MINISTRY: ITS AIMS AND OBJECTIVES

We are not a church in structure, but an established ministry within the Body of Christ with a vision for healing, miracles, liberty, freedom and victorious living in Christ. Our mission is 'Bringing Wholeness to the World through Jesus.'

The spiritual life and teaching of the ministry is led by the pastor/principal Mrs M R Daniel in consultation with the trustees who together have pastoral oversight of the ministry, as well as governing responsibility for the charity. Day to day running of the ministry is the responsibility of the principal Mrs M R Daniel, with budgets set and monitored by the trustees. An executive group comprising the Principal, Treasurer and Office Manager meets regularly to discuss the Ministry's affairs.

The Chief Executive Officer with day to day delegated management responsibility is Mrs M R Daniel, who is a full time member of staff.

Public Benefit

The trustees are mindful of the Charities Commission's Public Benefit General Guidance in the way the work of the ministry is planned and provided.

The benefit we offer to the public is to provide opportunities to hear how anyone can personally receive wholeness through the life, death and ongoing intercession of the Lord Jesus Christ.

Our mission is bringing wholeness to the world through Jesus. At the very least we consider wholeness to include eternal salvation to the soul, physical healing to the body, inner healing and peace to the mind, emotions and soul, deliverance from oppression and the forgiveness of sins.

We seek to widen the provision of this benefit by: providing regular meetings open to the public at no charge; travelling to different locations; and providing free or subsidised places for conferences and media resources to those unable to pay. Examples of this can be seen in the rest of this report.

We are grateful to God for the steady flow of testimonies from members of the public giving thanks for the way they have benefited from the ministry. With consent, we publish many of these in our monthly newsheet as well as a testimony booklet 'We Are Healed'.

Risk Management

All major insurable risks are subject to normal Church and employers' insurance reviewed in February each year. Contractual risks are reviewed before being entered into in order to assess whether or not they would significantly impact the ministries ability to fulfil its objectives.

The trustees continue to monitor GDPR in line with a briefing paper Advice for Voluntary Sector by Daryl Martin of afvs.org so the new regulations are effectively followed.

Report of the Trustees for Year Ended 31 October 2020

An annual review of all areas of risk is undertaken by the trustees in conjunction with the staff and volunteers responsible for the area of activity.

THE YEAR: ITS OBJECTIVES AND ACHIEVEMENTS

During the year the Ministry achieved its objectives by focusing resources in the following 8 areas of charitable activity.

1 Sozo Day Conferences

November	The Healing Fruit of Peace
December	The Healing Fruit of Love
	Hanukkah Celebration at Dunwood Oaks
January	The Healing Fruit of Joy
February	
March	Postponed - Freedom from cults and brotherhoods

As a thanksgiving to God for our new sanctuary at Dunwood Oaks we have offered most our conferences this year free of charge.

2 Sozo Sunday Healing Conferences

We had 4 regular Healing and Deliverance conferences held on the first Sunday of each month in our sanctuary at Dunwood Oaks, Awbridge up to the first Covid 19 Lockdown in March. There is no charge for these and they continue to provide a valuable means to minister to members of the general public who come from all over Britain and have been well attended by up to 120. This year we continued to incorporate the Hebraic roots of the Christian faith as well as preaching our Foundation of Wholeness messages. Some of these titles were announced in advance to enable people to plan ahead to attend.

These conferences help us fulfil our mission to 'Bring Wholeness to the World through Jesus' and start at 1:00pm with the opportunity to take an uninterrupted journey of thanksgiving, praise and worship; followed by an hour's preaching and teaching from the Word of God during and after which people can respond to corporate and individual prayer. We offer tea and refreshments at 4:00pm after which personal Biblical prayer ministry is available from our ministry team until 7:00pm. During this time we also run an After Sozo Club for children whose parents who are receiving personal Biblical prayer ministry. These conferences are open to and for the benefit of the general public at no charge.

During the Lockdowns we continued to upload recorded ministry from the Bible on a weekly basis which could be accessed from our website using the You Tube platform.

3 Care & Prayer Days

Dunwood Oaks allows us the space to offer midweek Care & Prayer days, which we schedule on Wednesdays 10 days after the Sunday Healing Conferences, so that people can receive additional set aside time with members of the ministry team. We start the day with a Bible study and offer sessions by appointment in the morning and after lunch. Again, these are open to and for the benefit of the general public at no charge. We ask only that attendees have come to a Sunday conference before.

Again during the Lockdowns we continued to link up members of the public with our ministry team to pray for each other remotely. But rather than focus on a single day once a month, we spread these appointments across the month at times which were mutually convenient between those seeking prayer and the ministry team based from their homes. It has been especially helpful to have been able to direct people to free and downloadable messages from our website to give them the help we have been unable to offer in person.

4 Sozo Online

We continue to develop our new website launched in August 2018, which now supports every aspect of our ministry. This includes the new facility to stream meetings for those unable to attend physically and Sozo Cloud, which is a dedicated section we hope to grow in order to provide downloadable resources to full time ministers and pastors in more remote areas of the world.

Report of the Trustees for Year Ended 31 October 2020

Sozo Books is a book and media retail outlet set up to provide a good selection of King James Version Bibles and other Christian media which teach the uncompromised Word of God as well as to produce and distribute the Ministry's own teaching material on CD, DVD and more recently MP3 format which is downloadable free from the website. These are made available by mail order, over the internet and from our bookstall at Dunwood Oaks. In addition we donated and discounted £2,463 of books, tapes and CD's of which £1,418 were given away as love gifts for the benefit of those who cannot afford to buy them.

www.sozobooks.com.

our new internet bookshop continues to consolidate our ministry to members of the public throughout the world by increasing the range and presentation of materials and providing sales over the internet. The uptake of our service to provide free downloadable teaching messages in MP3 format has also increased.

5 Fellow-labourers.

In order to run the Ministry a body of volunteers who we call fellowlabourers has come together to serve the ministry. We are indebted to and blessed by their strong support many of whom have become involved in our vision, because they have been healed, or a friend or family member, has been healed through the ministry. We continued to meet at Dunwood Oaks on the Sundays in between our monthly Healing & Deliverance Conferences for prayer including regular prayer for Israel, worship, teaching and fellowship over lunch from 10.00 am 'til 3.00 pm. In this way throughout the year we run a programme to teach, edify and equip fellow labourers for Christian service, some of whom join our ministry team.

From March onwards, we hosted a weekly Bible Study on the Zoom platform on Thursday evenings. A welcome blessing for us all was that, for the first time, we found ourselves able study the Bible and fellowship with supporters from as far away as Coventry, Galway, and Cambridge.

This year again we celebrated Hanukkah, the Feast of Dedication at Dunwood Oaks and continued to keep the Biblically mandated feasts spoken of in Leviticus 23 being Pesach (Passover), Shavuot (Pentecost) and Sukkot (Tabernacles) as well as our other commitments have allowed, but this year from our homes.

6 Faith School & Youth Group

Alongside the monthly Healing & Deliverance Sunday conferences we run a Faith School to teach children from the Word of God, whilst their parents attend the adult sermons. They are divided into a crèche, Abrahams Children for the 4 to 13 year olds and Youth Group. In addition we run further events during the holidays.

This year our Youth Group met regularly on Zoom to strengthen their faith learning new songs whilst enjoying, home based activities, and lots of fun including memorising Scriptures.

7 Ministry Giving

This year we distributed £14,167 for instance to widows known to the ministry and to established ministries including: Ministries to the Poor – Romsey Food Bank;. KJV & Watchmen Ministries – British Church Newspapers; Christian Voice; Christian Institute; and the Trinitarian Bible Society; Gospel Ministries – Derek Prince Ministries; Ministries to the Jews – Christian Friends of Isra'el; Pandemic Assistance – Mosame Trust UK in the Cameroon; New Life In Christ Intl. UK for Pakistan; Fruit and Veg boxes distributed by Graham Noble in the Romsey area.

We made regular donations amounting to £2,070 to Hatty and Dan, our missionaries in the Philippines, who joined us for our Hanukkah celebration in early December to update us about their work sharing the Gospel and feeding 250 youth and children every week as well as running a back to school programme and supporting their first orphan.

8 The Sozo Office

The Sozo Office is open during normal office hours from Tuesday to Friday. As well as providing administration, the office is set up to extend the charitable activities of the ministry at no charge to the public by:

Providing telephone prayer and Biblical advice to those who call in;

Report of the Trustees for Year Ended 31 October 2020

By making the Barn/conference room at Dunwood Oaks available to fellowlabourers for regular Bible studies and advice during set aside days;

Regular prayer and intercession days;

Responding to requests from members of the public who contact us from our website or from our database of 4,500;

Producing Sozo News, our newsletter available online and also distributed now by email once a month to around 275 people. Many recipients have taken up our request to receive an emailed copy and save postage, which allows us to continue to post copies to those not able to receive email.

We also report the following additional items:

Office, Staff and Volunteers

Our staffing levels remained 4 full time and 1 part time staff for most of the year,

We continued to be well supported by a thriving team of fellow-labourer volunteers without whom we could not achieve our mission.

Sozo Building Fund

This year regular donors to the fund raised £15,351 towards the maintenance and development of our buildings

SMI Orphans Fund

Donations of £480 were received from supporters and are held in a separate bank account and distributions are made to orphans' families known to the ministry. No assets are held except cash in the bank. We have allowed a balance to accrue because past experience has shown us that to give substantive amounts, for instance to fund a larger family car, can be of great assistance to families who are taking in orphans at short notice.

Dan and Hatty have developed strong relationships with a church in the Philippines and together they have established a ministry to share the Gospel and the practical love of Jesus with street children and so we continue to support this outreach from our Orphans Fund alongside others from the fellowship. In May they returned home to England to having have a rest and some time to regroup ready for a busy Summer. Hatty reports 'We are super excited to have started a new outreach in Cadlum running a similar program to our other outreaches in Planza & Sanjoaquin. It's a very poor area nearer where we live and we are able to take a big pot of cooked food for the children and parents when we go. We are running a daily vocational bible school for children and younger youth, running for a week in which we will feed them well and build them up spiritually. June will be a new school year so we will buy new uniforms and backpacks for the 6 children and youth that your giving supports.'

Plans for The Coming Year

The main strategies for the ministry are to remain the same, including a number of day conferences at Dunwood Oaks. The titles will include: Men & Women YES You Can! In addition, we have planned 12 Healing Conferences at Dunwood Oaks on the first Sunday of each month followed by Care & Prayer days on the Wednesdays 10 days later. In between we will continue to hold weekly Sunday fellowship meetings at Dunwood Oaks to build up the body of local fellowlabourers.

Following the March Lockdowns, we plan to continue hosting and developing our Zoom type meetings including: Pastor's Coffee 11 am every other Tuesday; Thursday evening weekly Bible Study; Men Together on Saturday mornings; Wednesday Prayer Meetings; and further pop-up events.

Resume in person meetings as and when government guidelines advise.

Our Orphans Fund will continue to support Hatty and Dan's ministry to street children alongside a church in the Philippines at Pamukid.

Report of the Trustees for Year Ended 31 October 2020**RESERVES POLICY:****General Fund – Unrestricted Fund**

Background – where the Trustees have accumulated surpluses in previous years they have invested them by acquiring suitable freehold property, which accommodates the needs of the charity.

To this end, the charity has completed a three-step acquisition programme. The first step was to purchase Sozo House in 1999 and the second being to acquire the adjoining Falcon House in July 2002. Together these provided an administrative base and a day conference facility for up to 50 people. The third step has been to sell Sozo House and invest the proceeds to build a 300 seater Sanctuary at our Dunwood Oaks site acquired in 2012. This now accommodates our bigger meetings and conferences together with an administration base and a hospitality suite for other functions. We continue to give thanks to God that, on Sunday the 8th of January 2017, we held our first healing conference in the new completed Sanctuary. Our final goal is to provide a manse for Pastor Marion in Romsey area, as and when funds and opportunities arise.

During this acquisition programme the reserves policy is to hold a reserve of £27,000, which equates to one month's regular expenditure, and to invest the remaining surpluses in the building programme and to accumulate future surpluses to fund the final step of the programme. This reserve is regularly reviewed in the light of expenditure patterns and incoming resource flows.

Sozo Building Fund – Restricted Fund

Background – the building fund was set up to assist the acquisition programme and to insure and maintain the purchased buildings.

During the programme all funds will be invested in the new buildings. Thereafter, it is planned to build up a reserve of £50,000 to meet long-term maintenance requirements. The reserve is regularly reviewed in the light of future maintenance costs.

SMI Orphans Fund – Restricted Fund

Background – the orphans fund was set up to financially assist the needs of orphans known to the ministry.

The Fund continues to support Hatty and Dan's work sharing the Gospel and feeding street children in the Philippines

The reserves policy is first to meet the present needs of the orphans, and then to build up a reserve of £50,000 to meet future educational plans. The reserve is regularly reviewed in the light of present needs and future educational costs.

Funds

The majority of the income of the charity comes from voluntary donations and associated tax repayments. At 31st October 2020 the accumulated funds were £1,797,368 of which £242,246 were restricted funds. The trustees have ensured that there are adequate funds in reserve in order to carry out the purposes of the trust.

RESPONSIBILITIES OF TRUSTEES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Trustees for Year Ended 31 October 2020

The trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that, on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements

Independent Examiner

The Trustees have appointed Mr D M Tripp F.A.I.A as Independent Examiner

This report has been prepared in accordance with the Statements of Recommended Practice - Accounting and Reporting by Charities and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

ON BEHALF OF THE BOARD OF TRUSTEES:

Richard Cary
23 July 2021

Trustee

Independent Examiner's Report to the Trustees of Sozo Ministries International

I report on the financial statements of the Charity on pages 9 to 18 for the year ended 31 October 2020 which have been prepared in accordance with the Charities Act 2016 (the Act) and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard) as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, the Charities SORP (102) effective January 2019, under the historical cost convention and the accounting policies set out on page 12.

Respective responsibilities of trustees and examiner

The Charity's trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements.

The trustees are satisfied that the audit requirement of Section 144(1) of the Act does not apply, and that there is no requirement in the governing document or constitution of the Charity for the conducting of an audit. The trustees consider that an independent examination is needed. The gross income of the charity exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Association of International Accountants and hold a current practising certificate of that body.

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

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

Basis of independent examiner's report

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

Independent examiner's statement

No matter has come to my attention in connection with my examination which gives me reasonable cause to believe that in any material respect the requirements;

- (i) to keep accounting records in accordance with section 386 of the Companies Act 2006;
- (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and;
- (iii) that the financial statements be prepared in accordance with the methods and principles set out in the Statement of Recommended Practice - Accounting and Reporting by Charities not been met; or to which, in my opinion, attention should be drawn in my report in order to enable a proper understanding of the accounts to be reached;

D M Tripp F A I A
23 July 2021

Tree Tops
Richmond Close
Chandlers Ford
Hampshire

Statement of Financial Activities
Year Ended 31 October 2020

	Note	Unrestricted funds	Restricted funds	<u>2020</u> Total funds £	<u>2019</u> Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	241,150	15,831	256,981	264,185
Investment income	3	15,383	-	15,383	13,519
Test Valley lockdown grant	3a	25,000		25,000	-
		-----	-----	-----	-----
Total incoming resources		281,533	15,831	297,364	277,704
RESOURCES EXPENDED					
Charitable activities					
Cost of Activities	4	176,474	8,027	184,501	222,547
Support Costs	5	36,055	-	36,055	36,618
Governance costs	6	5,163	-	5,163	5,183
		-----	-----	-----	-----
Total resources expended		217,692	8,027	225,719	264,348
		-----	-----	-----	-----
NET INCOMING/ (OUTGOING) RESOURCES		63,841	7,804	71,645	13,356
RECONCILIATION OF FUNDS					
Total funds brought forward		1,491,101	234,622	1,725,723	1,712,367
		-----	-----	-----	-----
TOTAL FUNDS CARRIED FORWARD		1,554,942	242,426	1,797,368	1,725,723
		-----	-----	-----	-----

The notes form part of these financial statements

Income and Expenditure Account
Year Ended 31 October 2020

	Note	<u>2020</u>	<u>2019</u>
		£	£
Turnover	2 & 3	256,981	264,185
Direct costs of turnover	4 & 5	(220,556)	(259,165)
Gross surplus/(deficit)		<u>36,425</u>	<u>5,020</u>
Governance costs	6	(5,163)	(5,183)
Operating surplus/(deficit)		<u>31,262</u>	<u>(163)</u>
Other income:			
Rent received		15,376	13,512
Interest received		7	7
Lockdown grant received		25,000	-
Other expenditure:		-	-
Retained surplus/(deficit) for the financial year		<u>71,645</u>	<u>13,356</u>

The notes form part of these financial statements

Balance Sheet
At 31 October 2020

	Note	Unrestricted funds £	Restricted funds £	<u>2020</u> Total funds £	<u>2019</u> Total funds £
FIXED ASSETS					
Tangible Assets	10	1,659,371	-	1,659,371	1,670,150
CURRENT ASSETS					
Stocks		11,874	-	11,874	11,995
Debtors	11	2,798	-	2,798	2,830
Cash at bank & in hand		149,063	22,980	172,043	87,722
		163,735	22,980	186,715	102,547
CREDITORS					
Amounts falling due within one year	12	48,718	-	48,718	46,974
Net Current Assets/(Liabilities)		115,017	22,980	137,997	55,573
TOTAL ASSETS LESS CURRENT LIABILITIES		1,774,388	22,980	1,797,368	1,725,723
NET ASSETS				1,797,368	1,725,723
CAPITAL AND RESERVES				=====	=====
	14			1,554,942	1,491,101
Unrestricted income funds				242,426	234,622
Restricted income funds				1,797,368	1,725,723
				=====	=====

The Trustees are satisfied that the company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st October 2020

No notice has been deposited requiring the company to obtain an audit of its financial statements for the year ended 31st October 2020 in accordance with Section 476 of the Companies Act 2006

The Trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard 102 for Smaller Entities (effective January 2016).

These financial statements were approved by the directors on the date given below, and are signed on their behalf by:

Mrs M R Daniel

Trustee

23 July 2021

The notes form part of these financial statements

Notes to the accounts
Year Ended 31 October 2020

1. ACCOUNTING POLICIES

Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard 102 (as applied to small entities by section 1A of the standard), and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities, updated by the Charities SORP (102) effective January 2019 and the Companies Act 2006 together with applicable accounting standards.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. All income is accounted for gross. The value of services provided by volunteers is not included in the financial statements because of the difficulty of valuing these.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Costs have been directly attributed to either costs of charitable activities, support costs or governance costs according to either floor area, time estimate or function. Property expenses have been allocated on the basis of floor area and salaries and telephone charges have been allocated on a time basis. Where suffered resources expended include attributable VAT which cannot be recovered. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its useful economic life

Freehold Property	not provided
Equipment, Fixtures & Fittings	15% reducing balance
Motor vehicles	15% reducing balance

No depreciation is charged in the accounts in respect of the freehold property as the Trustees believe that the property has a market value in excess of its book value and it is their policy to maintain the property in good condition. Accordingly any depreciation on property is considered to be immaterial

Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is taken as 50% of the resale value, being the average gross profit margin achieved on sales of books.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated Funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the accounts
Year Ended 31 October 2020

1. ACCOUNTING POLICIES - continued

Value Added Tax

The charity is not registered for VAT.

Leasing Commitments

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure accounts as incurred.

Pensions

The charity operates a workplace pension scheme under the supervision of The Pensions Regulator and administered by Smart Pension Ltd . Employers contributions payable for the year are charged in the income and expenditure account.

2. VOLUNTARY INCOME

	<u>2020</u>	<u>2019</u>
	£	£
Donations	188,316	190,551
Orphans Fund	480	810
Gift Aid Tax Refunds	32,145	26,336
Conference Fees	2,490	15,235
Building Fund	15,351	14,230
Sozo Book Sales	18,199	17,023
	-----	-----
	256,981	264,185
	=====	=====

3. INVESTMENT INCOME

Rent received	15,376	13,512
Interest received	7	7
	-----	-----
	15,383	13,519
	=====	=====

3a. OTHER INCOME:

Test Valley lockdown grant	25,000	-
	-----	-----
	25,000	-
	=====	=====

Notes to the accounts
Year Ended 31 October 2020

	<u>2020</u>	<u>2019</u>
	£	£
4. COST OF ACTIVITIES		
Wages & Staff Costs	107,088	133,790
Social Security	4,912	9,135
Conference Expenses	1,636	3,476
Sozo Book Purchases	9,553	12,753
Tithes	14,167	14,004
Licenses	420	408
Rates & Water	4,561	2,861
Light & Heat	9,567	6,192
Insurance	3,095	2,793
Repairs & Maintenance	2,258	3,122
Telephone	2,334	2,889
Motor Expenses	1,256	1,948
Postage, Stationery & Website	7,123	4,851
Refreshments	3,080	6,033
Faith School & Youth Ministry	177	1,113
Literature	167	146
Copyright	480	-
Travel & Accommodation	131	1,169
Depreciation of Musical Instruments	2,090	2,458
Depreciation of Ministry Equipment	2,379	2,602
	-----	-----
	176,474	211,743
	=====	=====
Restricted: Orphans Expenses	2,070	2,010
Restricted: Repairs & Maintenance	5,957	8,794
	-----	-----
	184,501	222,547
	=====	=====
5. SUPPORT COSTS		
Staff Costs	19,096	19,096
Social Security	1,486	1,486
Rates & Water	507	318
Light & Heat	1,064	688
Insurance	344	311
Telephone	1,557	1,927
Bank Charges	397	528
Credit Card Commission	498	548
Repairs & Maintenance	913	1,325
Sundry & Cleaning	2,403	1,316
Subscriptions	227	200
Depreciation of Furniture & Fittings	7,357	8,633
Depreciation of Motor Vehicles	206	242
	-----	-----
	36,055	36,618
	=====	=====

Notes to the accounts
Year Ended 31 October 2020

	<u>2020</u>	<u>2019</u>
	£	£
6. GOVERNANCE COSTS		
Accountancy	2,150	2,150
Legal & Professional Fees	13	33
Book-keeping & Administration	3,000	3,000
	-----	-----
	5,163	5,183
	=====	=====

7. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

Depreciation - owned assets	12,032	13,935
Accountancy Costs - Independent Examination	2,150	2,150
	-----	-----
	14,182	16,085
	=====	=====

8. TRUSTEES' REMUNERATION AND BENEFITS

The emoluments of the Trustees were:

Remuneration of Trustees	12,919	17,982
Remuneration for services other than Trustees	66,551	63,831

Trustees' Expenses

£nil was paid for expenses of travel for Trustees for the year ended 31st October 2020 and £221 was paid for expenses of travel for Trustees for the year ended 31st October 2019

9. EMPLOYEE COSTS

Wages and Salaries	116,086	145,323
Social Security Costs	6,398	10,621
Staff Healthcare	5,735	4,488
Pension Contributions	4,363	3,075
	-----	-----
	132,582	163,507
	=====	=====

No employee received emoluments of over £60,000 during the year.

The average number of staff employed by the trust during the financial year amounted to:

	<u>2020</u>	<u>2019</u>
Full-time	4	4
Part-time	2	3

Notes to the accounts
Year Ended 31 October 2020

10. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and equipment £	Totals £
Cost at 1 November 2019	1,591,209	276,350	1,867,559
Additions in year	-	1,253	1,253
Disposals	-	-	-
	-----	-----	-----
Total at 31 October 2020	1,591,209	277,603	1,868,812
	-----	-----	-----
Depreciation at 1 November 2019	-	197,409	197,409
Depreciation on disposals	-	-	-
Depreciation for year	-	12,032	12,032
	-----	-----	-----
Total at 31 October 2020	-	209,441	209,441
	-----	-----	-----
Net Book Value at 31 October 2020	1,591,209	68,162	1,659,371
	=====	=====	=====
Net Book Value at 1 November 2019	1,591,209	78,941	1,670,150
	=====	=====	=====

The breakdown of Land and Buildings is as follows:

	Freehold Property	Leasehold Property	Totals
Cost:			
At 1 November 2019	1,591,209	-	1,591,209
Additions in year	-	-	-
Disposals in year	-	-	-
	-----	-----	-----
At 31 October 2020	1,591,209	-	1,591,209
	=====	=====	=====

Notes to the accounts
Year Ended 31 October 2020

	<u>2020</u> £	<u>2019</u> £
11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Other Debtors	1,634	1,163
Prepayments	1,164	1,667
	-----	-----
	2,798	2,830
	=====	=====
12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Taxation and Social Security	2,197	2,252
Other Creditors & Loans	40,748	40,943
Accruals	5,773	3,779
	-----	-----
	48,718	46,974
	=====	=====

13. PENSION COMMITMENTS

The charity operates a workplace pension scheme under the supervision of The Pensions Regulator and administered by Smart Pension Ltd . Employer's contributions payable for the year are charged in the income and expenditure account. The pension cost charge represents contributions payable by the charity to Smart Pension Ltd. and amounted to £4,363 in the current year.

14. MOVEMENT IN FUNDS

	At 1.11.19 £	Net movement in funds £	Transfers between funds £	At 31.10.20 £
Unrestricted income funds:				
General fund	1,193,941	48,436	-	1,242,377
Designated funds:				
Tithe	102,685	15,405		118,090
Building fund	194,475	-	-	194,475
	-----	-----	-----	-----
	1,491,101	63,841	-	1,554,942
	-----	-----	-----	-----
Restricted income funds:				
Building fund	227,738	9,394	-	237,132
Orphans fund	6,884	(1,590)	-	5,294
	-----	-----	-----	-----
	234,622	7,804	-	242,426
	-----	-----	-----	-----
TOTAL FUNDS	1,725,723	71,645	-	1,797,368
	=====	=====	=====	=====

Notes to the accounts
Year Ended 31 October 2020

net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
Unrestricted income funds:			
General fund	251,961	(203,525)	48,436
Designated funds - Tithe	29,572	(14,167)	15,405
	-----	-----	-----
	281,533	(217,692)	63,841
Restricted income funds			
Building fund	15,351	(5,957)	9,394
Orphans fund	480	(2,070)	(1,590)
	-----	-----	-----
	15,831	(8,027)	7,804
	-----	-----	-----
TOTAL FUNDS	297,364	(225,719)	71,645
	=====	=====	=====

The designated tithe fund represents the tithing of 10% of all unrestricted and restricted income less direct conference expenses, and the fund is used to support various Christian organisations and individuals. The restricted building fund consists of donations received specifically towards the acquisition and maintenance of existing buildings and a large building to accommodate bigger meetings and conferences. The restricted orphans fund consists of donations received towards meeting the educational and other needs of orphans with whom the charity has contacts.

Analysis of Net Assets between Restricted and Unrestricted Income Funds:

	Tangible Fixed Assets	Other Net Assets	Total
Restricted income funds	-	242,426	242,426
Unrestricted income funds	1,659,371	(104,429)	1,554,942
	-----	-----	-----
	1,659,371	137,997	1,797,368
	=====	=====	=====

15. RELATED PARTY DISCLOSURES

The charity has received a loan from J Daniel, a relative of Mrs M R Daniel, one of the Trustees. The loan amounted to £10,000 at 31 October 2020 (£10,000 at 31 October 2019).

The charity has received a loan from J Penberthy-Smith, the husband of Mrs R J Penberthy-Smith, a retired Trustee. The loan amounted to £12,600 at 31 October 2020 (£12,600 at 31 October 2019).

The charity has also received a loan from Mrs M R Daniel, a trustee. The loan amounted to £15,000 at 31 October 2020 (£15,000 at 31 October 2019)

The above loans are given 'interest free' and are repayable upon demand.

16. STATUS OF COMPANY

The company is limited by guarantee, and each member of the company guarantees to pay up to £50 towards the costs of any liabilities incurred by the charity in the event of the charity being wound up.