

SONRISE SERVICES INTERNATIONAL LIMITED

REGISTERED CHARITY NO: 1153661

COMPANY NO: 08576520

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

31ST DECEMBER 2020

SONRISE SERVICES INTERNATIONAL LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES

DIRECTORS AND TRUSTEES:-	A Hawkins R Rierson B Rowland J Smith
REGISTERED CHARITY NO:-	1153661
COMPANY REGISTRATION NO:-	08576520
REGISTERED OFFICE:-	65-68 Leadenhall Street London EC3A 2AD
PRINCIPAL ADDRESS:-	Johnston House Hatchlands Road Redhill Surrey RH1 1BG
AUDITORS:-	Moore Kingston Smith LLP Betchworth House 57-65 Station Road Redhill Surrey RH1 1DL

The directors and trustees submit their annual report and the accounts of the charitable company for the year ended 31st December 2020

OBJECTIVES AND ACTIVITIES

The company is a registered charity and was established and registered in the UK in September 2013. The objectives and core purpose of Sonrise Services International is to support missionaries and mission programs; this is to be accomplished through the following activities:

- To provide support in personnel, logistics, equipment and resources;
- To establish churches and community centres;
- To carry out and direct discipleship and evangelistic work;
- To set up, administer or support training and educational facilities;
- To provide advice, resources and services to those affected by social and economic circumstances;
- To establish mentoring programmes to equip people with values in line with Christian principles;
- To promote and organize programmes to engage with young people in the community;
- To support, administer, set up or cooperate with other charities, voluntary organisations, clubs or institutions;
- To hold exhibitions, meetings, lectures, seminars and courses;
- To raise funds, but in doing so the Charity will not undertake any substantial trading activity;
- To provide resources applicable to the promotion of the Objects;

The activities above allow the company to meet its aims by providing support to missionaries while in the UK. The charity's strategy is to use the properties owned by the charity to enable it to provide support to said missionaries.

The charity measures its success against the above objectives. The charity's main achievements are the continued meeting of the above objectives, which it has continued to do during the financial year.

SONRISE SERVICES INTERNATIONAL LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES (continued)

The charity's strategy to enable it to achieve its aims is to continue the support of its operatives in the UK and to enable them to carry out the above objectives.

LEGAL AND ADMINISTRATIVE INFORMATION

The Charity is a private company limited by guarantee, registered number 08576520, and its affairs are governed by the provisions of its Memorandum and Articles of Association dated 19 June 2013. The charity is registered with the Charity Commission under registration number 1153661.

GOVERNANCE

The company is regulated by the Companies Act 2006 and by its Memorandum and Articles of Association. Sonrise Services International Limited is governed by a four-member Board of Directors. Directors are appointed through ordinary resolution of the existing Board of Directors. The Board of Directors hold final authority within the organisation with the Treasurer, Joel Smith, responsible for the day-to-day management of the charity.

TRUSTEE RECRUITMENT AND TRAINING

When new Trustees are required, the board considers applications from individuals presently serving in a similar position or line of work as well as those recommended by their charitable networks. All applicants are assessed based on: education and work experience; passion for, and commitment to, the charity's mission; and ability to devote the time required for successful governance of the charity. Trustees' who are recruited to manage the charity are paid in line with market rates.

The Board's skills base is reviewed regularly to identify recruitment and training needs to ensure effective governance. Regular Board meetings are also used to identify areas where training would improve the performance of the Board.

DIRECTORS

Sonrise Services International is a company limited by guarantee and does not have share capital. The trustees do not therefore have any financial interests in the company.

RESERVES POLICY

The charity holds free reserves to ensure that it can meet its foreseeable commitments, bearing in mind the current level of activity and uncertain financial markets.

The trustees consider that the charity should aim to maintain free reserves of \$13,000. Should reserves fall out of line, the trustees would take steps either to increase fundraising or to spend less funds on suitable projects. The policy is reviewed annually by the trustees and regularly monitored by the treasurer.

As at 31 December 2020, the amount of these reserves in the Charity's unrestricted funds amounted to \$41,178. This surplus is in line with the Trustees expectations for the year, the level of free reserves is sufficient to ensure that the Charity will continue to operate as a going concern. More information on this can be found in the notes of the financial statements.

RISK MANAGEMENT

The trustees are aware of the requirements of the charities SORP and have implemented systems to mitigate all major risks to which the charity is exposed. The charity maintains a Corporate Risk Assessment and has reviewed the personal risks, the financial risks and the compliance and administration risks which face the charity. The report sets out to highlight certain pertinent areas where the charity should and has taken steps to mitigate the risks.

SONRISE SERVICES INTERNATIONAL LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES (continued)

PERFORMANCE REVIEW

In 2019 the Charity received a donation of properties that has helped enable it to achieve its objectives of supporting missionaries and mission programs, by providing housing for the operatives and their families.

FINANCIAL REVIEW

In 2020, Sonrise Services International Limited received a total income of \$607,756 (2019: \$7,092,471). Total funds at the year end were \$6,383,713 (2019: \$6,500,038).

Income fell significantly in the year and expenditure increased slightly, resulting in a deficit for the year of \$116,325 (2019: surplus \$6,424,810). This decrease was a result of significant properties being donated to the charity in the prior year, with the donation accounting for \$6,583,945 of total income recorded in 2019.

FUTURE PLANS

In 2021 the Charity will continue its activities, supporting members of the Christian faith to advance its teachings worldwide, and providing administrative and other support in achieving the Objectives. It will work to improve donated properties and increase capacity for providing support services.

PUBLIC BENEFIT

The trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on Public Benefit, including 'public benefit: running a charity (PB2)' when reviewing their aims and objectives.

ORGANISATIONAL STRUCTURE

The trustees have full control of the day-to-day management of the charity and they directly manage all employees. The trustees make all decisions for the charity and no management decisions are delegated to staff.

TRUSTEES' RESPONSIBILITIES

The trustees (who are also directors of Sonrise Services International Limited for the purposes of company law) 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.)

Company law requires trustees to prepare financial statements for each financial period which give a true and fair view of the state of the affairs of the charitable company and of the outgoing resources and application of resources, including the income and expenditure, of the charitable company 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 including FRS 102, have been followed subject to any material departures disclosed and explained in the financial statements;
- state whether applicable Standards of Recommended Practice (SORP) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SONRISE SERVICES INTERNATIONAL LIMITED
REPORT OF THE DIRECTORS AND TRUSTEES (continued)

STATEMENT OF DISCLOSURE TO AUDITORS

- a) So far as the trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- b) They 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 charitable company's auditors are aware of that information.

SMALL COMPANIES EXEMPTION

This report has been prepared with regard to the Statement 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 on 23 SEPT 2021



J Smith
Trustee/Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SONRISE SERVICES INTERNATIONAL LIMITED

Opinion

We have audited the financial statements of Sonrise Services International Limited ('the company') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet 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 Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its 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 Companies Act 2006.

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 charitable company'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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SONRISE SERVICES INTERNATIONAL LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report and from preparing a Strategic Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 3, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SONRISE SERVICES INTERNATIONAL LIMITED (continued)

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 charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, 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 charitable company complies with these requirements by discussions 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 instances 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.
- 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 charitable company'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 charitable company 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SONRISE SERVICES INTERNATIONAL LIMITED (continued)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Ian Matthews (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP

24 September 2021

Chartered Accountants
Statutory Auditor

Betchworth House
57-65 Station Road
Redhill
Surrey
RH1 1DL

SONRISE SERVICES INTERNATIONAL LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31ST DECEMBER 2020

	<u>Notes</u>	<u>Unrestricted Funds</u> \$	<u>Restricted Funds</u> \$	<u>Total Funds 2020</u> \$	<u>Total Funds 2019</u> \$
<u>INCOME FROM</u>					
Donations		607,756	-	607,756	7,092,471
TOTAL		607,756	-	607,756	7,092,471
<u>EXPENDITURE ON</u>					
Direct Charitable Activities	4	724,081	-	724,081	667,661
TOTAL		724,081	-	724,081	667,661
NET INCOME		(116,325)	-	(116,325)	6,424,810
TRANSFERS BETWEEN FUNDS		-	-	-	-
NET MOVEMENTS IN FUNDS		(116,325)	-	(116,325)	6,424,810
TOTAL FUNDS BROUGHT FORWARD		6,500,038	-	6,500,038	75,228
TOTAL FUNDS CARRIED FORWARD	9	6,383,713	-	6,383,713	6,500,038

SONRISE SERVICES INTERNATIONAL LIMITED

BALANCE SHEET AS AT 31ST DECEMBER 2020

	<u>Notes</u>	<u>2020</u>	<u>2019</u>
		\$	\$
<u>NON-CURRENT ASSETS</u>			
Tangible fixed assets	5	6,372,040	6,491,743
<u>CURRENT ASSETS</u>			
Debtors	6	5,850	1,445
Cash		63,388	43,176
		<u>69,238</u>	<u>44,621</u>
<u>LESS CREDITORS</u>			
Amounts due within one year	8	<u>(57,565)</u>	<u>(36,326)</u>
<u>NET CURRENT ASSETS</u>		<u>11,673</u>	<u>8,295</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>6,383,713</u>	<u>6,500,038</u>
<u>FUNDS OF THE CHARITY</u>			
Unrestricted funds	10	6,383,713	6,500,038
Restricted funds	10	<u>-</u>	<u>-</u>
	9	<u>6,383,713</u>	<u>6,500,038</u>

The financial statements have been prepared in accordance with the provisions applicable to companies within Part 15 of the Companies Act 2006 relating to smaller entities.

Approved by the Board for issue on 23 SEPT 2021



J Smith
Trustee/Director

Registered Company No. 08576520

SONRISE SERVICES INTERNATIONAL LIMITED

STATEMENT OF CASH FLOWS

<u>Statement of Cash Flows</u>	<u>2020</u>	<u>2019</u>
	\$	\$
Net cash used in operating activities	42,023	(33,707)
Cash flows from investing activities:		
Purchase of property, plant and equipment	(21,811)	-
Net cash (used in)/provided by investing activities	<u>(21,811)</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period	20,212	(33,707)
Cash and cash equivalents at the beginning of the reporting period	<u>43,176</u>	<u>77,519</u>
Cash and cash equivalents at the end of the reporting period	<u><u>63,388</u></u>	<u><u>43,176</u></u>
 <u>Reconciliation of net income/(expenditure) to net cash flow from operating activities</u>		
Net income for the reporting period	(116,325)	6,424,810
<u>Adjustments for:</u>		
Depreciation charges	141,514	115,576
Donated property		(6,583,945)
(Increase)/ decrease in debtors	(4,405)	(684)
(Decrease) / increase in creditors	<u>21,239</u>	<u>10,536</u>
Net cash used in operating activities	<u><u>42,023</u></u>	<u><u>(33,707)</u></u>
 <u>Analysis of cash and cash equivalents</u>		
Cash in hand	<u>63,388</u>	<u>43,176</u>
Total cash and cash equivalents	<u><u>63,388</u></u>	<u><u>43,176</u></u>

SONRISE SERVICES INTERNATIONAL LIMITED

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31ST DECEMBER 2020

1. CONSTITUTION

The company is limited by guarantee and does not have a share capital. Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up while they are a member, or within one year after they cease to be a member, for the payment of debts and liabilities contracted before he or she ceased to be a member, such amount as may be required, not exceeding £10.

The company is a registered charity and as such is exempt from taxes under the provisions of the Income and Corporation Taxes Act 1988.

The charity is registered in England and Wales, the registered office is 65-68 Leadenhall Street, London, EC3A 2AD.

2. ACCOUNTING POLICIES

Accounting Convention

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The company is a public benefit entity for the purposes of FRS 102 and a registered charity established as a company limited by guarantee 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 Financial Reporting Standards applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and Charities Act 2011.

The financial statements are prepared in US dollars, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest dollar.

The financial statements are prepared under the historic cost convention. The principal accounting policies adopted are set out below.

Going Concern

The trustees have assessed the impact of Covid-19 on the charitable company and whilst there have been some delays and cancellations to projects, the delays have been short and the impact on the charitable company has been relatively small. Whilst the ultimate impact of the pandemic cannot as yet be assessed with certainty, due to the nature of the charitable company's activities the trustees are confident that the pandemic will not impact the going concern status of the charitable company. As a result the trustees believe that the charitable company will be able to continue in operation and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of the financial statements.

Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation has been provided on fixed assets at rates calculated to write off the cost less estimated net residual value, of each asset over its effective life, as follows:-

Freehold property	- 2% straight line per annum
Motor vehicles	- 25% of written down value

SONRISE SERVICES INTERNATIONAL LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020 (continued)

2. ACCOUNTING POLICIES (CONTINUED)

Incoming Resources

All Monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met. Gifts-in-kind are accounted for at the trustees' estimate of value to the charity or sale value as follows:

- assets received for distribution by the charity are recognised only when distributed.
- assets received for resale are recognised, where practicable, when receivable or otherwise when sold.
- gifts or fixed assets for charity use or funds for acquiring fixed assets for charity use are accounted for immediately on receipt.

Intangible income is valued in income to the extent that it represents goods or services which would otherwise be purchased. An equivalent amount is charged as expenditure. Voluntary help is not included as income.

Cash collected to which the charity is legally entitled but which has not been received at the year end is included as income.

Donations under deed of covenant and gift aid together with the associated income tax recoveries are credited when donations are received.

Government grants

Government grants are recognised in income in the period they are received.

Resources Expended

All costs are allocated between expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Expenditure, which is charged on an accruals basis, is allocated between:

- costs of raising funds;
- expenditure on charitable activities; and
- other expenditure represents those items not falling into any other heading.

Support costs include central functions and have been allocated to activity costs categories on a basis consistent with the use of resources, e.g. staff costs by the time spent and other costs by their usage. Governance costs comprise the cost of running the charity, including external accountancy, Trustees' legal advice and constitutional and statutory compliance costs. These have been included in support costs.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Fund Accounting

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Foreign Currency Translation

Transactions denominated in foreign currencies are translated into US Dollars at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into US Dollars at the rates of exchange running at the end of the financial year. The rate of exchange between US Dollars and sterling at the year end was \$1.36 to £1 (2019: \$1.31 to £1). All exchange differences are dealt with in the Statement of Financial Activities.

SONRISE SERVICES INTERNATIONAL LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020 (continued)

2. ACCOUNTING POLICIES (CONTINUED)

Financial Instruments

i) **Cash and cash equivalents**

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity of three months or less.

ii) **Debtors and creditors**

Debtors and creditors receivable or payable within one year of the reporting date are carried at their transaction price. Debtors and creditors that are receivable or payable in more than a market rate of interest are measured at the present value of the expected future receipts or payment one year and not subject to discounted at a market rate of interest.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

In the view of the trustees in applying the accounting policies adopted, no judgements were required that have a significant effect on the amounts recognised in the financial statements nor do any estimates or assumptions made carry a significant risk of material adjustment in the next financial year.

4. DIRECT CHARITABLE EXPENDITURE

	<u>2020</u>	<u>2019</u>
	\$	\$
Computer running costs	4,611	7,195
Printing, postage and stationery	985	2,563
Hosting and property expenses	165,301	144,855
Staff costs	396,887	377,197
Legal and professional	2,499	8,332
Audit fees	12,284	11,943
Depreciation	141,514	115,576
	<u>724,081</u>	<u>667,661</u>

5. TANGIBLE FIXED ASSETS

	<u>Freehold</u>	<u>Motor</u>	
	<u>Property</u>	<u>Vehicles</u>	<u>Total</u>
	\$	\$	\$
Cost			
At 1st January 2020	6,583,945	31,166	6,615,111
Additions	-	21,811	21,811
At 31st December 2020	<u>6,583,945</u>	<u>52,977</u>	<u>6,636,922</u>
Depreciation			
At 1st January 2020	109,732	13,636	123,368
Provided for year	131,678	9,836	141,514
At 31st December 2020	<u>241,410</u>	<u>23,472</u>	<u>264,882</u>
Net Book Value			
At 31st December 2020	<u>6,342,535</u>	<u>29,505</u>	<u>6,372,040</u>
At 31st December 2019	<u>6,474,213</u>	<u>17,530</u>	<u>6,491,743</u>

SONRISE SERVICES INTERNATIONAL LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020 (continued)

6. **DEBTORS**

	<u>2020</u>	<u>2019</u>
	\$	\$
Prepayments	5,850	1,445

7. **FINANCIAL INSTRUMENTS**

The financial statements include the following in respect of items held at fair value at 31 December:

	<u>2020</u>	<u>2019</u>
	\$	\$
Financial assets measured at amortised cost	-	-
Financial liabilities measured at amortised cost	44,657	27,893

8. **CREDITORS FALLING DUE WITHIN ONE YEAR**

	<u>2020</u>	<u>2019</u>
	\$	\$
Trade creditors	15,713	-
Tax and social securities	12,908	8,433
Accruals	16,180	11,943
Other creditors	12,764	15,950
	57,565	36,326

9. **ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<u>General</u> <u>Funds</u> <u>2020</u> \$	<u>Fixed Asset</u> <u>Funds</u> <u>2020</u> \$	<u>Restricted</u> <u>Funds</u> <u>2020</u> \$	<u>Total</u> <u>Funds</u> <u>2020</u> \$
Non-current assets	29,505	6,342,535	-	6,372,040
Current assets	69,238	-	-	69,238
Current liabilities	(57,565)	-	-	(57,565)
Net assets	41,178	6,342,535	-	6,383,713

	<u>General</u> <u>Funds</u> <u>2019</u> \$	<u>Fixed Asset</u> <u>Funds</u> <u>2019</u> \$	<u>Restricted</u> <u>Funds</u> <u>2019</u> \$	<u>Total</u> <u>Funds</u> <u>2019</u> \$
Non-current assets	17,530	6,474,213	-	6,491,743
Current assets	44,621	-	-	44,621
Current liabilities	(36,326)	-	-	(36,326)
Net assets	25,825	6,474,213	-	6,500,038

10. **MOVEMENT IN FUNDS**

	<u>At 1st</u> <u>January</u> <u>2020</u> \$	<u>Incoming</u> <u>Resources</u> \$	<u>Outgoing</u> <u>Resources</u> \$	<u>Transfer</u> <u>Between</u> <u>Reserves</u> \$	<u>At 31st</u> <u>December</u> <u>2020</u> \$
Restricted Funds					
Total Restricted Funds	-	-	-	-	-
Unrestricted Funds					
Fixed Asset Fund	6,474,213	-	(131,678)	-	6,342,535
General Funds	25,825	607,756	(592,403)	-	41,178
Total Unrestricted Funds	6,500,038	607,756	(724,081)	-	6,383,713
Total Funds	6,500,038	607,756	(724,081)	-	6,383,713

SONRISE SERVICES INTERNATIONAL LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31ST DECEMBER 2020 (continued)

10. MOVEMENT IN FUNDS (Continued)

	<u>At 1st</u> <u>January</u> <u>2019</u> \$	<u>Unaudited</u> <u>Incoming</u> <u>Resources</u> \$	<u>Unaudited</u> <u>Outgoing</u> <u>Resources</u> \$	<u>Transfer</u> <u>Between</u> <u>Reserves</u> \$	<u>At 31st</u> <u>December</u> <u>2019</u> \$
Restricted Funds					
Total Restricted Funds	-	-	-	-	-
Unrestricted Funds					
Fixed Asset Fund	-	6,583,945	(109,732)	-	6,474,213
General Funds	75,228	508,526	(557,929)	-	25,825
Total Unrestricted Funds	75,228	7,092,471	(667,661)	-	6,500,038
Total Funds	75,228	7,092,471	(667,661)	-	6,500,038

11. EMPLOYEES

	<u>2020</u> \$	<u>2019</u> \$
The average monthly number of employees during the year was 7 (2019: 9)		
Staff costs amounted to:-		
Wages and salaries	371,766	377,197
Social security costs	19,984	23,058
Pension costs	5,137	5,601
	396,887	405,856

1 (2019: 2) employees were paid between £60,000 and £70,000 during the year.

No directors or trustees received any reimbursements for any expenses incurred during the year.

Employees of the charity are provided with rent free accommodation.

During the year J. Smith, a trustee of the charity, received a salary and benefits totalling \$41,156 (2019: \$93,724) for his role as Financial Administrator. The services provided were under the provisions of the governing document of the charity. No other trustees received remuneration.

The key management personnel of the charity comprise the directors and trustees. The total employee benefits of the key management personnel of the charity were \$41,156 (2019: \$97,837).

12. CONTROL

Throughout the year the charitable company has been under the control of its trustees.

13. RELATED PARTY TRANSACTIONS

There were no related party transactions in the reporting period requiring disclosure.

14. POST BALANCE SHEET EVENTS

After the year end it was formally agreed that the Trustees of Sonrise Services International Limited are to be determined by International Mission Board.