

Annual Report and Financial Statements
for the Year Ended 31 December 2021

The Sovereign Grace Advent Testimony

Charity registration number: 261489

Independent Examiners Ltd
2 Broadbridge Business Centre
Delling Lane
Bosham
Chichester
West Sussex
PO18 8NF

THE SOVEREIGN GRACE ADVENT TESTIMONY

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Reference and Administrative Details

Trustees	John Douglas Ivan Foster Martin Humphrey Ian Shaw Stephen Toms
Principal Office	1 Donald Way Chelmsford CM2 9JB
Charity Registration Number	261489
Independent Examiner	G W Schulz ACMA Independent Examiners Ltd 2 Broadbridge Business Centre Delling Lane Bosham Chichester West Sussex PO18 8NF

THE SOVEREIGN GRACE ADVENT TESTIMONY

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 December 2021.

Objectives and activities

Objects and aims

The main object of the charity is the promotion and diffusion of the Christian faith,

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

The Sovereign Grace Advent Testimony was formed in 1918 for the purpose of the promotion and diffusion of the Christian faith, being the doctrine of God's sovereign grace in the matter of man's salvation and the truth of the second advent of the Lord Jesus Christ.

To fulfil the aims of the Testimony during 2021, regular monthly meetings have been held, but due to the lockdown, we have been unable to have the meetings in London as usual. But the regular meetings. Including Spring and Autumn conferences, have been broadcast by means of Zoom, enabling friends all over the world to join with us. There have been a variety of speakers at these meetings.

Additionally, various items of literature have been circulated. Each quarter, 3000 copies of the magazine of the Sovereign Grace Advent Testimony, entitled 'Watching and Waiting' have been printed and distributed throughout various parts of the world. Although a subscription of £5.00 is suggested, many persons receive the magazine and other literature free of charge, or has been subsidised. as our purpose is to circulate knowledge of the truth. Some other items of literature have been produced.

The trustees of the Testimony for 2021 were Rev John Douglas, Rev Ivan Foster, Pastor Martin Humphrey, Mr Ian Shaw and Mr Stephen A Toms.

Those serving on the Council of the Testimony during 2021 were Mr Peter Fleming, Pastor Martin Humphrey, Rev Brian McClung, Rev David McMillan, Rev Richard Monteith, Mr Andrew Toms, Mr Paul Toms, and Mr Stephen A Toms.

The work of trustees and committee members is carried out voluntarily. No trustee or committee member receives any remuneration at all, nor even an honorarium, for serving as trustee or committee member. Expenses are paid to some when they address meetings.

Financial review

Income for the year amounted to £28,151 (2020: £28,552) and expenditure £27,836 (2020: £22,933). The surplus was added to funds brought forward.

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Trustees' Report

Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Structure, governance and management

Nature of governing document

The charity was established by a deed of trust dated 2 March 1949.

Recruitment and appointment of trustees

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Trust deed.

Risk management

The trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

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Trustees' Report

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 accounting standards 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 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 comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 2 June 2022 and signed on its behalf by:

.....
Stephen Toms
Trustee

THE SOVEREIGN GRACE ADVENT TESTIMONY

Independent Examiner's Report to the trustees of The Sovereign Grace Advent Testimony

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 6 to 14.

Respective responsibilities of trustees and examiner

As the charity's trustees of The Sovereign Grace Advent Testimony you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the The Sovereign Grace Advent Testimony's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of The Sovereign Grace Advent Testimony as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
G W Schulz ACMA

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2 June 2022

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Statement of Financial Activities for the Year Ended 31 December 2021

	Note	Unrestricted funds £	Total 2021 £	Total 2020 £ (restated)
Income and Endowments from:				
Donations and legacies	2	9,382	9,382	8,852
Investment income	3	5,637	5,637	7,473
Other income	4	13,132	13,132	12,227
Total income		<u>28,151</u>	<u>28,151</u>	<u>28,552</u>
Expenditure on:				
Charitable activities	5	<u>27,922</u>	<u>27,922</u>	<u>22,933</u>
Total expenditure		<u>27,922</u>	<u>27,922</u>	<u>22,933</u>
Gains/losses on investment assets		<u>(46,146)</u>	<u>(46,146)</u>	<u>(263,684)</u>
Net income		<u>46,375</u>	<u>46,375</u>	<u>269,303</u>
Net movement in funds		46,375	46,375	269,303
Reconciliation of funds				
Total funds brought forward as previously reported		1,273,100	1,273,100	1,267,481
Prior year adjustment	14	<u>263,684</u>	<u>263,684</u>	<u>-</u>
Total funds brought forward as restated		<u>1,536,784</u>	<u>1,536,784</u>	<u>1,267,481</u>
Total funds carried forward	12	<u>1,583,159</u>	<u>1,583,159</u>	<u>1,536,784</u>

The notes on pages 8 to 14 form an integral part of these financial statements.

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Balance Sheet as at 31 December 2021

	Note	2021 £	2020 £ (As restated)
Fixed assets			
Tangible assets	7	748,574	748,704
Investments	8	<u>406,732</u>	<u>360,586</u>
		<u>1,155,306</u>	<u>1,109,290</u>
Current assets			
Stocks	9	9,880	5,130
Debtors	10	600	594
Cash at bank and in hand		<u>418,213</u>	<u>422,519</u>
		428,693	428,243
Creditors: Amounts falling due within one year	11	<u>(840)</u>	<u>(749)</u>
Net current assets		<u>427,853</u>	<u>427,494</u>
Net assets		<u>1,583,159</u>	<u>1,536,784</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>1,583,159</u>	<u>1,536,784</u>
Total funds	12	<u>1,583,159</u>	<u>1,536,784</u>

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on 2 June 2022 and signed on their behalf by:

.....
Stephen Toms
Trustee

THE SOVEREIGN GRACE ADVENT TESTIMONY

Notes to the Financial Statements for the Year Ended 31 December 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

The Sovereign Grace Advent Testimony meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Gift aid

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category.

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Notes to the Financial Statements for the Year Ended 31 December 2021

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Tangible fixed assets

Individual fixed assets are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Freehold property owned by the charity is included in the financial statements at its historical deemed cost and depreciated by writing off the difference between the cost and the estimated residual value over the useful economic life. The useful economic life of these assets is so long and residual value so high that any depreciation would not be material. These assets are subject to annual impairment reviews. Provision will be made if there has been any permanent diminution in value.

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land and buildings	not depreciated
Furniture and equipment	33% on cost

Fixed asset investments

Fixed asset investments are included at market value.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

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Notes to the Financial Statements for the Year Ended 31 December 2021

Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

2 Income from donations and legacies

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Donations and legacies;			
Donations	9,262	9,262	8,732
Gift aid reclaimed	120	120	120
	<u>9,382</u>	<u>9,382</u>	<u>8,852</u>

3 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Income from dividends;			
Dividends receivable from other listed investments	5,596	5,596	7,120
Interest receivable and similar income;			
Interest receivable on bank deposits	41	41	353
	<u>5,637</u>	<u>5,637</u>	<u>7,473</u>

4 Other income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Rental income	<u>13,132</u>	<u>13,132</u>	<u>12,227</u>

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Notes to the Financial Statements for the Year Ended 31 December 2021

5 Expenditure on charitable activities

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Production of publications and literature purchases	6,674	6,674	3,912
"Watching and Waiting" Printing	2,724	2,724	3,237
Rates, light and heat	3,306	3,306	3,246
Repairs and maintenance	4,923	4,923	3,826
Insurance	953	953	373
Expenses of meetings & travelling	620	620	925
Printing, postage, advertising, stationery and telecommunications	6,158	6,158	6,258
Website, audio & video expenses	1,394	1,394	301
Gifts	200	200	-
Independent examiner's fee	840	840	725
Depreciation	130	130	130
	<u>27,922</u>	<u>27,922</u>	<u>22,933</u>

6 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

The only other payments made to the trustees, or any person connected with them, consisted of reimbursements of expenditure incurred on behalf of the charity in furthering the charity's objects.

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Notes to the Financial Statements for the Year Ended 31 December 2021

7 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2021	748,439	395	748,834
At 31 December 2021	748,439	395	748,834
Depreciation			
At 1 January 2021	-	130	130
Charge for the year	-	130	130
At 31 December 2021	-	260	260
Net book value			
At 31 December 2021	748,439	135	748,574
At 31 December 2020	748,439	265	748,704

8 Fixed asset investments

	Listed investments £	Total £
Cost or Valuation		
At 1 January 2021	360,586	360,586
Revaluation	46,146	46,146
At 31 December 2021	406,732	406,732
Net book value		
At 31 December 2021	406,732	406,732
At 31 December 2020	360,586	360,586

9 Stock

	2021 £	2020 £
Books and publications	9,880	5,130

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Notes to the Financial Statements for the Year Ended 31 December 2021

10 Debtors

	2021 £	2020 £
Prepayments	480	474
Accrued income	<u>120</u>	<u>120</u>
	<u>600</u>	<u>594</u>

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	<u>840</u>	<u>749</u>

12 Funds

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Other resources recognised gains/(losses) £	Balance at 31 December 2021 £
Unrestricted funds					
General					
General Funds	<u>1,273,100</u>	<u>74,297</u>	<u>(27,922)</u>	<u>263,684</u>	<u>1,583,159</u>

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds				
General				
General Funds	<u>1,267,481</u>	<u>292,236</u>	<u>(22,933)</u>	<u>1,536,784</u>

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Notes to the Financial Statements for the Year Ended 31 December 2021

13 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 December 2021 £
Tangible fixed assets	748,574	748,574
Fixed asset investments	406,732	406,732
Current assets	428,693	428,693
Current liabilities	(840)	(840)
Total net assets	<u>1,583,159</u>	<u>1,583,159</u>

	Unrestricted funds General £	Total funds at 31 December 2020 £
Tangible fixed assets	748,704	748,704
Fixed asset investments	360,586	360,586
Current assets	428,243	428,243
Current liabilities	(749)	(749)
Total net assets	<u>1,536,784</u>	<u>1,536,784</u>

14 Prior year adjustment

Investments were previously included at cost. These have now been restated at market value with last year's accounts being restated to include the unrealised gain.