

South England Conference of Seventh-day Adventists

Registered Charity No (England and Wales): 1045587

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2018

South England Conference of Seventh-day Adventists

Contents

	Page
Trustees	1
Reference and administrative details of the Charity and advisers	2
Trustees' report	3 - 12
Independent auditor's report	13-14
Statement of financial activities	15-16
Balance sheet	17
Cash flow statement	18
Notes to the financial statements	19 - 35

South England Conference of Seventh-day Adventists

Trustees

Pastor Emmanuel Osei	(Chairman)
Pastor Douglas W McCormac	
Mr. Frederic B Shone	
Pastor Mohan Rao Abbadasari	(Resigned 25 March 2018)
Mrs. Esther Aryee	
Mr. Samuel Asamoah	
Mr. Victor Barendse	
Mrs. Gloria Christopher	
Pastor Simeon Essen	(Appointed 25 March 2018)
Pastor Anthony Fuller	
Mr. Dominic Gyasi	
Miss Careen Hanson	
Pastor Clifford Herman	
Pastor Ebenezer Jones-Larty	(Resigned 25 March 2018)
Dr. Christopher Levy	
Pastor Robin Lewis	
Mrs. Eulalee Marshall-Wigan	
Mrs. Pamela Millington	
Mr. Derek Morrison	
Mrs. Judith Redman	
Pastor Steve Roberts	(Appointed 25 March 2018)
Mr. Dave St Marie	
Pastor James Shepley	
Mr. Stephen Weekes	
Mrs. Abigail Wright	

South England Conference of Seventh-day Adventists

Reference and Administrative Details of the Charity and List of Advisors

Charity number	1045587
Registered Office	25 St John's Road Watford Hertfordshire WD17 1PZ
Bankers	HSBC Bank plc 73 High Street Watford Hertfordshire WD17 4RB
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham West Midlands B3 2ES
Auditors	Moore Kingston Smith LLP 4 Victoria Square St Albans Hertfordshire AL1 3TF
Employment Advisor	Citation Plc Citation House 1 Macclesfield Road Wilmslow SK9 1BZ

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2018

The Trustees of South England Conference of Seventh-day Adventists present this report for the year ended 31st December 2018 together with the consolidated charity accounts, which have been audited by Moore Kingston Smith LLP.

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

Structure, governance and management of the Charity

CONSTITUTION

The Constitution was adopted in 1995. There have been no changes to the Constitution, Objects or Objectives since the last annual report.

METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The strategic oversight of the charity is the responsibility of the Trustees who are elected and/or co-opted under the terms of the written Constitution.

POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The majority of new Trustees start their term of office at the commencement of the new quadrennium (most recently this was September 2015) and the primary induction is provided at the first meeting of that Board of Trustees and during the 3 day residential training session.

New Trustees are provided with a copy of the Charity's Constitution, Policy Book and minutes of the Board of Trustees (known within the charity as the 'Executive Committee') meetings for the past year. Each Trustee also receives a copy of the Charity Commission document "The Essential Trustee - what you need to know" and the Charity Commission newsletters as they are published.

During their term of office, Trustees are provided with regular opportunities for learning and continuing Trustee development through technical briefings, presentations and updates on the charity sector plus any specific strategic projects being undertaken by the Charity, its local congregations, its educational institutions and related parties.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

The Trustees meet seven times a year, to direct the activities of the charity. Between meetings, the day-to-day operations are managed by three executive officers (President, Secretary and Treasurer), all of whom are also Trustees.

RELATED PARTY RELATIONSHIPS

The charity has relationships with the following constituent bodies of the Seventh-day Adventist church in Great Britain:

British Union Conference of Seventh-day Adventists ("BUC"), to whom the charity is affiliated (charity number 1044071);

Seventh-day Adventist Association Limited (a charitable company, charity number 209780, controlled by the British Union Conference of Seventh-day Adventists), which holds the charity's land in trust.

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. A complete review has been made to ensure robust systems, internal controls and procedures are in place and in operation to mitigate exposure to the major risks.

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2018

Objectives, Activities and Public Benefit

POLICIES AND OBJECTIVES

The principal object of the charity is to proclaim and teach the everlasting gospel of Jesus Christ as understood by the world-wide Seventh-day Adventist Church.

STRATEGIES FOR ACHIEVING OBJECTIVES

The Charity fulfils its aim by supporting local congregations of Seventh-day Adventists in the South of England, and by operating primary schools, a voluntary aided secondary school and a conference centre. Personnel at the head office provide training and support programmes for the local congregations to enable them to carry out the mission of the church.

The charity also supports denominational activities in the wider geographical field, being part of a world-wide movement. In setting out its strategies, the Trustees have considered the regular briefings from the Charity Commission on Public Benefit.

GRANT MAKING POLICIES

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

CHARITY FUNDS AND RESERVES POLICY

The charity's reserves are generated from either restricted funds or unrestricted funds:

Restricted funds

Restricted funds are generated when the donor stipulates how their donation may be spent. In most cases there will be a time lag between when such funds are received and when they are expended.

Unrestricted funds

Unrestricted funds are generated when the donor does not stipulate how their donation may be spent. Unrestricted funds include designated funds, where the Trustees have set aside monies for a specific purpose. At 31st December 2018, the principal funds were:

Tithe fund

Tithe Fund represents contributions to the South England conference by members within our territory, and is the core fund out of which the Conference operates (operating reserves). The use of Tithe is restricted by Church policy to the support of Church Ministry in the form of Pastoral support and the structures required to deliver Ministry. The purchase of Churches, Schools and operating costs of institutions other than pastoral services are specifically excluded from use by the Tithe Fund. These funds are received from the local congregations monthly in arrears. It is policy of the Charity to hold an operating reserve equal to 20% of annual operating budget.

Investment in property fund

This fund comprises the fund invested in fixed assets, church buildings and places of worship and other functional charity buildings, that enable the charity and the local church groups to carry out their work effectively. Because this reserve comprises fixed assets, it is not possible to utilise these funds elsewhere within the charity.

General Reserve

The charity supports 233 church groups (2017: 233) and 4 subsidiary institutions (2017: 4) each with attendant risks and exposure. Allocations from the general reserve are typically applied to these activities.

South England Conference of Seventh-day Adventist

Trustees Report

for the year ended 31 December 2018

Achievements and performance

2018 REVIEW OF ACTIVITIES

Adventist Radio London

Adventist Radio London began test broadcasting in September 2017 and began live broadcasts on Sunday 8th April 2018 with a core team of 10 persons; including 4 full time producer/presenters, a personal assistant, a programmes manager, a religion editor, a technician, a marketing manager and a director. In preparation for the live broadcasts, an intensive training weekend was conducted in January 2018 for the core team, followed by a dedication service on 7th April 2018. Our target audience has been young people within the 25-35 age group.

The main live shows are Monday to Friday, starting with the breakfast show (07:00-09:00); Drive Time (17:00-19:00); and Explore (Bible Study 19:00-20:00). The weekday programming was supplemented by a team of seven regular weekend volunteer presenters who covered the broadcasting schedule from 07:00 on a Saturday until 14:00 on Sundays with a variety of programming. Much of the daily schedule was filled with gospel and inspirational music and other pre-recorded materials, such as sermons and interviews, sourced from a variety of places.

The Church Growth and Advent Mission Department

The Church Growth and Adventist Mission department continues to serve as a resourcing and equipping agent. Through teaching, preaching and various seminars and training weekends we seek to inspire greater health and dynamism within our faith communities as a springboard to greater blessing within the wider communities that our members are a part of.

With this in mind, we invest by offering:

- Regular training opportunities and coaching for local church pastors and congregations in community engagement;
- Sacred and safe spaces for personal prayer and contemplation;
- Opportunities to learn about Christian faith through sermons, courses and small groups.
- Pastoral care for people living in the community including visitation of the sick and the bereaved;
- Religious assemblies in schools;
- Various clubs that operate from the local church building with a Christian ethos for such groups as teens, youth, senior citizens, parents and toddlers, single mums, the homeless and many other need-specific groups;
- A wide variety of other activities have been encouraged and organised through the local churches including keep fit classes, stop smoking courses, stress management, healthy life style, cooking on a budget and positive parenting.

While many of our Churches operate out of hired buildings, they collaborate with local councils and community groups to offer services to the wider community. Those of our Churches who own their buildings and meeting rooms have also made these available for use by local community groups.

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

Communications and Media

"The Communication and Media Department produces a magazine – The SEC Communicator, which focused on themes including, 1. Healthy Relationships, 2. Dealing with Diversity and 3. Education and 4. Millennials. The magazine also launched its online version in the course of the year for the public to benefit from its articles.

Our media team embarked on producing short videos on YouTube for public consumption. The topics were on current news items with three points to take away which are relevant for everyday occurrences."

South England Conference of Seventh-day Adventist Trustees Report for the year ended 31 December 2018

Cornerstone Counselling Services (CCS)

Activities around mental health continue to gain traction, with more people willing to talk about their mental health challenges and their experiences with the NHS and other organisations that work towards improving mental health.

The growing demand for mental health professionals including counsellors and psychotherapists has paved the way for Cornerstone to continue making a significant difference in various communities across Southern England. The increase in its satellites from thirteen (13) to seventeen (17) in 2018 is a testament to the ever-increasing demand of the services provided by Cornerstone.

The focus for the year ahead continues to be equipping Cornerstone personnel to impact the communities by supporting more clients, working with other Seventh Day Adventist Departments and Churches through support groups and presentations on mental health wellbeing awareness.

The activities of Cornerstone in the past year can be broadly split into two parts as follows:

INTERNAL INITIATIVES

- 1 Recruitment - Cornerstone recruited an administrative assistant and more counsellors, bringing the team total to 20.
- 2 Training – Training activities can be split in two as follows: Counselling Skills Training - 27 students have now been trained in Counselling Skills Levels 2 and 3, with 4 of these now doing their Level 4 (Diploma) This is a CPCAB accredited course. These students have been a valuable resource for promoting mental wellbeing in the churches and community events like health expos and retreats.
- 3 Regulatory/Legal – Following the implementation of the new GDPR requirements in May 2018, all systems at Cornerstone have been updated to reflect the GDPR procedures as outlined by the SEC ACC, BACP guidelines.

EXTERNAL INITIATIVES

- 1 Education - Cornerstone team visited and promoted emotional and mental health, distributed resources and led workshops in churches and communities across the South of England
- 2 Clinical Counselling – Individuals and families received counselling from qualified counsellors at Cornerstone for a variety of issues as shown in the pie chart below.
- 3 Expansion/Accessibility – The following activities contributed to the expansion of Cornerstone, and made it more accessible to clients: Skype, Telephone counselling, new satellites in different areas, increased social media presence, Radio presence and increased awareness of the service.

In Conclusion, 2018 has been a productive year for Cornerstone. The team looks forward to the year ahead with excitement as it continues to impact lives and communities positively, reclaiming emotional health through a growing confidential counselling service.

Disability and Diversity Department

There are over 13 million people living with disabilities in the UK. Many live in social isolation and exclusion from society due to the lack of adequate facilities or negative attitudes towards people with disability. The aim of the disability and diversity department is to address these attitudes within the church membership that create barriers and challenges for people with disabilities to access the church activities and opportunities.

The Disability and Diversity department has developed and presented over 20 disability and diversity awareness programmes in 2018 aimed at enabling the churches to develop places of belonging. The department has also set up a British Sign Language 'school' within the church structure to develop the members in the area and Deaf Ministry. The department works closely with other Christian organisations towards developing partnerships and sharing resources. The programmes, resources and activities have empowered and enabled the membership to be able to engage and provide effective spiritual, social, physical and emotional support for people living with disability and special needs in their local communities.

South England Conference of Seventh-day Adventist

Trustees Report

for the year ended 31 December 2018

Education Department

With the government reporting of the phenomenally increasing number of children 'lost' in the education system; and the great number of parents opting for 'Home Schooling',- this year has been a tremendously busy one for our Education Department.

Working closely with our Religious Liberty Department, we held a number of seminars, educating our congregations and the local public on the current educational affairs and how they affect us as parents, our children and our teachers. We continue to tour all over England with these seminars in the hope of making parents aware and proactive in current educational legislation.

The Department continues to work closely with the Head Teachers of our SEC schools, supplying training and professional support. We have shared 'good practice', ensuring that our schools continue to uphold Christian values and promote high educational standards. Parents continue to testify to the benefits of educating their children in our Adventist schools; education which prepares their children for today's world and the world to come. Our schools continue to be beacons in their local communities.

The department is working with some churches as they run supplementary schools / homework clubs / homeschooling / visiting our youth at university / career fairs.

We run Holiday Play Schemes for the community in support of keeping children off the streets and the prevention of knife crime.

Our long-term plan has been to make Adventist Education a 1st Choice for parents in that local area.

We have also empowered students to be in control of their learning and spiritual journey.

Both Adventist students and non-Adventist students have benefitted from our support.

The work of our Education Department is the preparation of young people to be productive citizens in their society today and to be productive citizens for Eternity.

Family Ministries Department

The Family Ministries department has over the last twelve months provided for the wider community educational and relational programmes to influence early parenting. We have endeavoured to provide a framework which will support and strengthen all families.

The family is the foundation force that directs the attitude, the values, the hopes and ambitions of any given person. When this foundational base dismantles, it is the children that usually suffer or are damaged. Therefore, the Family Ministries department has worked to strengthen and support parents from various backgrounds by giving information and sharing strategies for bringing up children. The department also provided programmes to help married couples prepare for marriage or enrichment strategies for their relationship or review and improve their co-parenting by reflecting on areas of their strengths or weaknesses. The end result is to inspire hope, give encouragement and support the families.

Health Department

The members of the our Conference have been using our unique health message to help their local communities. Congratulations and a big thank you to the health expo team led by Millie Williams. This vital service sows much needed seeds in the communities where we live. Many serious illnesses have been averted by members of the public attending screening sessions and being told to contact their GPs as their results caused significant concern.

Some of the highlights include:

Eastbourne and Bexhill churches put on a marvelous Public Health day. Members of the public travelled from far to hear messages on how to beat Diabetes, Obesity & Depression.

The Chatham and Plymouth health teams transformed their churches into a one-stop health shops. Lots of short presentations on important topics.

Central London Church provided a very well attended Health day for the local community.

Croydon held a series of public health talks, which really attracted the local community. It was all about reversing disease.

Gloucester provided a unique way to reach the public by using a very attractive museum hall.

South England Conference of Seventh-day Adventist

Trustees Report

for the year ended 31 December 2018

I really appreciated the atmosphere created at Aylesbury as we discussed, quite openly, our own struggles with stress, anxiety & depression. Decisions were made to create opportunities to come together in smaller groups regularly to create spaces to encourage and support each other.

Bristol seems to reach further and further each year. The community health day had a local (vegan) MP Kerry McCarthy, who also spoke so well on health & lifestyle. Local councilor Dr Carole Johnson also spoke to lift our spirits.

Pathfinders & Adventurers Clubs

The Pathfinder and Adventurer Clubs continue to grow with new clubs being established in many areas, significantly in the south west regions which largely involve children from the community and their parents. Many of the clubs with drum corps have been engaged in civic responsibilities supporting Remembrance Day Parades in London and other local authority led events throughout the south of England

Each area held curriculum camps to facilitate the relevant course requirements for their Pathfinders which were well attended and thoroughly enjoyed by the Pathfinders and supporting staff. The Teen Leadership Training programme which is a four-year leadership training programme for teenagers starting at age fourteen continues to grow in popularity as older teenagers tell of the impact the programme is having on their lives, significantly, when applying for jobs. Currently, we are in the process of getting the programme accredited.

The Master Guide programme continues to grow with more adults completing the programme and therefore able to support the local clubs as they grow. The Pathfinder Bible Experience continues in popularity amongst Pathfinders and members in general. The impact is noted in messages from school teachers who have commented on how a child's attitude towards learning, grades and general behaviour have improved tremendously.

Personal Ministry & Sabbath School Departments

The departments supported the local churches in continuing to be more relevant (visible, valuable and available) to their immediate communities and wider society. Churches were trained to mingle and minister better to the immediate needs (physical, emotional, social, relational and spiritual). More than 20 churches participated in the training of members to be effective relational Disciple Makers.

This training and follow up support helped many churches, groups and individuals to serve their communities in a very tangible way. The Vocational Bible School provided for children in the community to use their break time for structured social activities and to get tuition support. Through the Summer Party in Park program the church provided for families to socialise through games and other fun activities. The ADRA Fun Run was also another opportunity for everyone to participate in a healthy experience while raising funds to mitigate the effect of natural disaster and other human forms of suffering

Our department will continue to support the local churches to empower and inspire their local communities.

Stewardship and Trust Services Department

Stewardship as a ministry and a way of life is very important to every member as it helps them to grow in their personal relationship with Jesus, being God's stewards. The result of this experience with Jesus motivates and helps everyone who attends our congregations to actively participate in fulfilling the mission of the church to the community, and be faithful stewards in their God-given skills, time, health, finances, environment, relationships, technologies and also their stories and personal experiences.

In 2018, the stewardship department was able to visit and hold Stewardship emphasis Sabbaths, combined with an afternoon seminar/workshop to 38 churches and congregations. A Stewardship Conference/Summit was also held on the 27-29 April 2018 where 30 Stewardship leaders were trained and taught Stewardship principles and dynamics to help them share it to their local churches. The department were also able to assist a good number of individuals and families to write their will.

South England Conference of Seventh-day Adventist

Trustees Report

for the year ended 31 December 2018

Teens Department

The Teens' Department celebrated eight events throughout the 2018:

- 1 Prayer and Faith Conference April (PFC)
- 2 Camp Meeting: Teen Services in June
- 3 Student Camp (18+) in July
- 4 Extreme Teens Camp in August
- 5 Summer Teens Concert in September
- 6 Student Congress (18+) in October
- 7 PFC October
- 8 Teens Day of Fellowship: in December

These events are designed to cater for teens ages 13 – 18. In every event we aim to empower them to face the challenges of a busy world and to nurture their spiritual lives. Our objective is to teach them how to live a healthy social and spiritual life. To achieve these objectives the events, combine spiritual activities such as prayer and worship service. This part of the programme also includes a session where the teens share their lives, victories and struggles. We emphasise the importance of caring for our fellow human beings.

The workshops tackle psychological, emotional and social issues that challenge the teens of the 21st century. The topics include, but are not limited to, how to build a healthy self-esteem, the importance of openness, dealing with depression, lesson on team work, what to do with suicidal thoughts and self-harm, media and self-image, bullying, littering, coping with stress, tips on how to study at school, helping at home, how to be law abiding citizens, respect for the authorities, how to be relevant in your community, etc. There is also a social dimension to these events where the teens and students play games, build together, do arts and crafts and sports. All teens are welcome.

We are still working on how to create a forum for the parents and guardians of the teens. This is because they often struggle not knowing how to cope or handle the modern pressure their children are submitted to. Hence the idea of a forum or network that will facilitate and promote mutual and professional support among the parents and guardians with talks and seminars.

Women's Ministries Department

Our focus during 2018 was to take a look at healthy and unhealthy relationships through various programs. We did have a major retreat to address the issue of abuse in relationships. One hundred and eighty women were in attendance. Though the topic of abuse was difficult, women were able to openly discuss the issues they face in a safe environment with support staff available for those who needed it. Other related issues such as stress were also tackled. Ample time was also made for women to socialise and interact with one another. Comments received were "this was one of the best retreats I have been to in a long time. It has been real, real issues with some solutions". Every woman was encouraged to go forward and be the change that they wanted to see.

Our Easy Sew sewing schools have continued to develop during the year. A new sewing school for children was started at Hyland House. Whilst women were able to mentor one another through sewing, the sewing school for children will help children and parents bond through this enjoyable craft that aids learning and development for children and adults alike. We have had much positive feedback from parents about the school "my child really loves sewing; we have even brought our own sewing machine and are making simple items together. Thank you for this opportunity to get to know my child better."

South England Conference of Seventh-day Adventist

Trustees Report

for the year ended 31 December 2018

Youth Department

The Youth Department for 2018 has focused its attention on training and empowerment of youth leaders and workers whilst bringing the gospel of Jesus Christ through different project and programs. In June we ran a program called Vision Cast, looking at the current state of the youth within the SEC conference, analysing current trends whilst discussing ideas, challenges and innovative ways the church can move forward taking into consideration generational change. The main launch for the event was the 'Active Christian Transforming Society' (ACTS) initiative which is made up of youth forming small groups focusing on the three areas; social, spiritual and service to the community.

We invested in 4 training programs to help tackle the knife and gang crime during the early part of the year and ran throughout the summer. The training programs were:

- 1 Parental awareness,
- 2 Gang culture,
- 3 Knife protection, and
- 4 Street knowledge.

These classes ranged from teens to older adults and were received well by those in attendance. In addition to the above, the Top Boys and Top Girls mentoring program was launched in the summer of 2018 to provide sustainable mentoring for children led by young people and youth leaders. The project uses youth and young adults to mentor, train and inspire children and teens to make better life choices.

Three youth training programs were run:

- 1 Introduction to mentoring,
- 2 Youth Leadership, and
- 3 Chaplaincy which were all fully booked.

In October we held a London youth rally day which was held in recognition to home grown community youth led ministries that operate within the city. The youth department has also been responsible for leading out in sport programs such as the London Sports Athletic day which catered for 300 youths and two football 5 a side football tournament was also held across the summer. Every Sunday from September 2018 an under 11 side football club is being held at North London that works in addition to Top Boys and Girls where young adults provide training and mentoring to the next generation of boys and girls.

South England Conference of Seventh-day Adventist

Trustees Report

for the year ended 31 December 2018

Financial review

Without our committed staff and faithful church members, the success achieved during 2018 would not have been possible. Strong leadership was provided by our 207 employees and hundreds of volunteers in local churches. Pivotal to the work of the charity during the year was the financial support of our membership, who gave a total of over £14.7m in tithes and freewill offerings and donations to support the work. These funds were used for staff salaries, evangelistic endeavours, humanitarian work, education, retirement benefits and the general governance and administrative operations of the South England Conference.

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

Restricted and Unrestricted Funds and Reserves

Restricted funds are generated when the donor stipulates how their donation may be spent. In most cases there will be a time lag between when such funds are received and when they are expended. At 31 December 2018, restricted funds totalled £7,784,699 (2017: £5,437,364).

Unrestricted funds are generated when the donor does not stipulate how their donation may be spent. Unrestricted funds include designated funds, where the Trustees have set aside monies for a specific purpose. At 31 December 2018, the principal unrestricted funds were:

Tithe fund (Operating Reserves)

It is Charity policy to hold an operating reserve equal to 20% of annual operating budget. Anticipated resources for 2018 of £10,587,000 - which excludes the schools, Adventist Radio London and Cornerstone Counselling Services. This indicates a reserve requirement of £2,117,400. This fund amounted to £2,091,887 at 31 December 2018 (2017: £2,280,000).

Investment in property fund

At 31 December 2018, the level of the reserve for Property, Churches and School Buildings was £31,467,333 (2017: £28,037,990) and includes the assets disclosed in the notes to the financial statements.

Unrestricted Funds

At 31 December 2018, unrestricted funds totalled £34,849,341 (2017: £35,670,756).

OPERATIONAL PERFORMANCE AND SAFEGUARDING THE VULNERABLE

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

The Trustees are confident that the South England Conference was operated in harmony with its Purpose, which as stated in its Constitution is "to proclaim and teach the everlasting gospel".

The South England Conference is indebted to its staff and the membership for their support and effort in achieving its objectives.

South England Conference of Seventh-day Adventists

Trustees Report

for the year ended 31 December 2018

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

The Trustees are required to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and the group and of the outgoing resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Statement of Disclosure to Auditors

- So far as the Trustees are aware, there is no relevant audit information of which the charity's auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Approved by the Trustees of South England Conference of Seventh-day Adventists signed on their behalf by:

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Date:

D McCormac
Executive Secretary

**Independent Auditor's Report to the Trustees and
Members Of the South England Conference of Seventh-Day Adventists
for the year ended 31 December 2018**

Opinion

We have audited the financial statements of the South of England Conference of Seventh-Day Adventists for the year ended 31 December 2018 which comprise the Group and Charity's Statement of Financial Activities, the Group and Parent Charity's Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charity's affairs as at 31 December 2018 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

Matters on which we are required to report by exception

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

- the information given in the Trustees Annual Report is inconsistent in any material respect with the financial statements; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent 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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Independent Auditor's Report to the Trustees and
Members Of the South England Conference of Seventh-day Adventists
for the year ended 31 December 2018**

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 151 of the Charities Act 2011 and report in accordance with that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- 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 group and parent 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 group and parent 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 group or parent 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

Use of our report

This report is made solely to the 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 charitable company's members those matters which 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.

Silvia Vitiello (Senior Statutory Auditor)
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

Date
4 Victoria Square
St Albans
Hertfordshire
AL1 3TF

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

South England Conference of Seventh-day Adventists

Group Statement of Financial Activities

for the year ended 31 December 2018

	Notes	2018			2017		
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
Income from:							
Income from donations and legacies		£	£	£	£	£	£
Donations		15,629,956	2,126,790	17,756,746	14,730,457	1,727,412	16,457,869
Grants		873,025	-	873,025	212,219	-	212,219
Legacies		18,393	-	18,393	18,392	-	18,392
Government grants		2,064,998	1,398,261	3,463,259	890,463	1,313,289	2,203,752
	2	18,586,372	3,525,051	22,111,423	15,851,531	3,040,701	18,892,232
Income from charitable activities	3	1,370,523	-	1,370,523	1,463,007	-	1,463,007
Investment income	4	189,436	-	189,436	92,230	-	92,230
Other income	5	-	-	-	411,556	-	411,556
Total		20,146,331	3,525,051	23,671,382	17,818,324	3,040,701	20,859,025
Expenditure on:							
Charitable activities:	6	(18,733,528)	(3,260,156)	(21,993,684)	(18,901,471)	(1,296,372)	(20,197,843)
Governance	9	(22,911)	-	(22,911)	(26,160)	-	(26,160)
		(18,756,439)	(3,260,156)	(22,016,595)	(18,927,631)	(1,296,372)	(20,224,003)
Net income/(expenditure)		1,389,891	264,895	1,654,786	(1,109,307)	1,744,329	635,022
(Losses)/gains on investments		(155,257)	-	(155,257)	146,958	-	146,958
Transfers between funds		(2,065,786)	2,065,786	-	-	-	-
Net movement in funds		(831,152)	2,330,681	1,499,529	(962,349)	1,744,329	781,980
Fund balances brought forward							
As previously stated		35,681,466	5,468,278	41,149,744	36,643,815	3,723,949	40,367,764
Fund balances carried forward		34,850,314	7,798,959	42,649,273	35,681,466	5,468,278	41,149,744

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

South England Conference of Seventh-day Adventists
Charity Statement of Financial Activities
for the year ended 31 December 2018

	Notes	2018			2017		
		Unrestricted Funds	Restricted Funds	Total Funds	Unrestricted Funds	Restricted Funds	Total Funds
Income from:							
Income from donations and legacies		£	£	£	£	£	£
Donations		15,629,439	2,126,790	17,756,229	14,730,730	1,724,357	16,455,087
Grants		295,013	-	295,013	131,091	-	131,091
Legacies		18,392	-	18,392	18,392	-	18,392
Government grants		2,064,998	1,398,261	3,463,259	890,464	1,313,289	2,203,753
	2	18,007,842	3,525,051	21,532,893	15,770,677	3,037,646	18,808,323
Charitable activities	3	619,589	-	619,589	661,435	-	661,435
Investment income	4	188,450	-	188,450	91,324	-	91,324
Other income	5	-	-	-	404,699	-	404,699
Total		18,815,881	3,525,051	22,340,932	16,928,135	3,037,646	19,965,781
Expenditure on:							
Charitable activities:	6	(17,376,687)	(3,260,156)	(20,636,843)	(17,851,185)	(1,296,372)	(19,147,557)
Governance	9	(22,911)	-	(22,911)	(26,160)	-	(26,160)
		(17,399,598)	(3,260,156)	(20,659,754)	(17,877,345)	(1,296,372)	(19,173,717)
Net income/(expenditure)		1,416,283	264,895	1,681,178	(949,210)	1,741,274	792,064
Gains/losses on investment assets		(155,257)	-	(155,257)	146,958	-	146,958
Transfers between funds		(2,082,440)	2,082,440	-	-	-	-
Net movement in funds		(821,414)	2,347,335	1,525,921	(802,252)	1,741,274	939,022
Fund balances brought forward							
As previously stated		35,670,756	5,437,364	41,108,120	36,473,008	3,696,090	40,169,098
Fund balances carried forward		34,849,342	7,784,699	42,634,041	35,670,756	5,437,364	41,108,120

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

South England Conference of Seventh-day Adventists
Consolidated Balance Sheet
as at 31 December 2018

	Notes	Group		Charity	
		2018	2017	2018	2017
		£	£	£	£
Fixed Assets					
Tangible Fixed Assets	12	31,042,933	27,560,445	30,962,333	27,517,575
Investment Properties	13	505,000	505,000	505,000	505,000
		31,547,933	28,065,445	31,467,333	28,022,575
Current Assets					
Stocks	14	88,892	100,833	88,892	100,833
Debtors	15	2,795,104	2,294,854	3,125,020	2,536,350
Investments	16	1,087,413	1,174,304	1,087,413	1,174,304
Cash at bank and in hand		9,449,438	11,822,980	9,105,852	11,504,442
Total Current Assets		13,420,847	15,392,971	13,407,177	15,315,929
Creditors: Amounts due within a year	17	(1,563,244)	(1,467,102)	(1,519,037)	(1,409,663)
Net Current Assets		11,857,603	13,925,869	11,888,140	13,906,266
Creditors: Amounts due after one year	18	(756,263)	(841,570)	(721,432)	(820,721)
		(756,263)	(841,570)	(721,432)	(820,721)
Total Net Assets		42,649,273	41,149,744	42,634,041	41,108,120
Fund balances					
Unrestricted	19	34,850,314	35,681,466	34,849,342	35,670,756
Restricted		7,798,959	5,468,278	7,784,699	5,437,364
Total Funds	19	42,649,273	41,149,744	42,634,041	41,108,120

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

C Layson
Treasurer

The notes on pages 23 to 35 form part of these accounts.

South England Conference of Seventh-day Adventists
Cash flow statements
for the year ended 31 December 2018

A Statement of cash flows	Note	2018 £	2017 £
Cash flow from operating activities			
Net cash provided by (used in) operating activities	21	1,693,319	413,089
Cash flows from investing activities			
Net cash provided by (used in) investing activities	22	(3,874,096)	(643,128)
Cash flows from financing activities			
Net cash provided by (used in) financing activities	23	(192,765)	(295,190)
Change in cash and cash equivalents in the year		(2,373,542)	(525,229)
Cash and cash equivalents at the beginning of the year		11,822,980	12,348,209
Cash and cash equivalents at the end of the year		9,449,438	11,822,980

B Analysis of changes in net debt	01 January 2018	Cash flow	Other non- cash	31 December 2018
Cash:				
Cash at bank and in hand	11,822,980	(2,373,542)		9,449,438
less: Deposits treated as liquid resources	(11,279,930)	3,100,655		(8,179,275)
	543,050	727,113		1,270,163
Cash equivalents:				
Deposits included in cash	11,279,930	(3,100,655)		8,179,275
	11,822,980	(2,373,542)		9,449,438
Debt:				
Debts due within one year	(273,623)	192,765	(101,649)	(182,507)
Debts due after more than one year	(679,778)		101,649	(578,129)
	10,869,579	(2,180,777)	-	8,688,802

South England Conference of Seventh-day Adventists

Notes to the Financial Statements

For the year ended 31 December 2018

Accounting Policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The company is a public benefit entity for the purposes of FRS102 and a registered charity 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 Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP) and Charities Act 2011.

1.2 Basis of consolidation

The Group's financial statements consolidate the financial statements of The South England Conference of Seventh-day Adventists and its subsidiary undertakings drawn up to 31st December each year. The results of subsidiaries acquired or sold are consolidated for periods from or to the date upon which control passed. Acquisitions are accounted for under the acquisition method.

All intra-group transactions, balances and unrealised gains on transactions between group entities are eliminated on consolidation.

1.3 Going concern

The trustees have assessed whether the use of going concern is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. After making enquiries, the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Fund accounting

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

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

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

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

1.5 Grant-making policies

The trustees allocate grants in accordance with the objects set out in the Memorandum and Articles of Association of the charitable company, which are summarised in the Trustees' Annual Report. In general, grants are made to associated charities through appropriate committee requests and policy arrangements rather than public application.

1.6 Incoming resources

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

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

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

1.7 Resources expended

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

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

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

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

1.8 Risk mitigation

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

South England Conference of Seventh-day Adventists

Notes to the Financial Statements For the year ended 31 December 2018

1.9 Fixed Assets

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

Freehold property	1-4%
Long term leasehold property - over the term of the lease	

Furniture fixtures and equipment	5-20%
----------------------------------	-------

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

1.10 Stock

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

1.11 Operating leases

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

1.12 Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year. Investments in subsidiaries are valued at cost less provision for impairment.

1.13 Investment properties

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

1.14 Financial instruments

a. Cash and cash equivalents

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

b. Debtors and creditors

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

1.15 Critical accounting estimates and judgments

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

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

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

The Charity makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, Trustees consider factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

The annual depreciation charge for fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually.

South England Conference of Seventh-day Adventists

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

2 Income from donations and legacies	Unrestricted	2018 Restricted	Total	Unrestricted	2017 Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
a. Group:	£	£	£	£	£	£
Tithe contributions from members in affiliated congregations	15,584,814	-	15,584,814	14,717,249	-	14,717,249
Grants from British Union Conference of Seventh-day Adventists	295,012	-	295,012	126,842	-	126,842
Donations for charity's activities in other geographical areas, from members of affiliated congregations	-	703,215	703,215	-	722,635	722,635
Donations in local congregations for local use	-	1,423,575	1,423,575	-	979,703	979,703
Tax recoverable on Gift Aid donations	2,064,998	1,398,261	3,463,259	890,463	1,313,289	2,203,752
Subtotal of base donations	17,944,824	3,525,051	21,469,875	15,734,554	3,015,627	18,750,181
Donations	45,142	-	45,142	13,208	25,074	38,282
Legacies	18,393	-	18,393	18,392	-	18,392
Grants	578,013	-	578,013	85,377	-	85,377
Subtotal of other donations	641,548	-	641,548	116,977	25,074	142,051
Total income from donations and legacies	18,586,372	3,525,051	22,111,423	15,851,531	3,040,701	18,892,232

b. Charity:	Unrestricted	2018 Restricted	Total	Unrestricted	2017 Restricted	Total
	Funds	Funds	Funds	Funds	Funds	Funds
Tithe contributions from members in affiliated congregations	15,584,814	-	15,584,814	14,717,249	-	14,717,249
Grants from British Union Conference of Seventh-day Adventists	295,012	-	295,012	126,842	-	126,842
Donations for charity's activities in other geographical areas, from members of affiliated congregations	-	703,215	703,215	-	722,635	722,635
Donations in local congregations for local use	-	1,423,575	1,423,575	-	979,703	979,703
Tax recoverable on Gift Aid donations	2,064,998	1,398,261	3,463,259	890,464	1,313,289	2,203,753
Subtotal of base donations	17,944,824	3,525,051	21,469,875	15,734,555	3,015,627	18,750,182
Donations	44,625	-	44,625	13,481	22,019	35,500
Legacies	18,392	-	18,392	18,392	-	18,392
Grants	1	-	1	4,249	-	4,249
Subtotal of other donations	63,018	-	63,018	36,122	22,019	58,141
Total income from donations and legacies	18,007,842	3,525,051	21,532,893	15,770,677	3,037,646	18,808,323

South England Conference of Seventh-day Adventists

Notes to the Financial Statements

for the year ended 31 December 2018 (continued)

3 Incoming Resources from charitable activities	2018			2017		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds £	Funds £	Funds £	Funds £	Funds £	Funds £
Group						
Church Ministry	649,463	-	649,463	669,165	-	669,165
Education	721,059	-	721,059	793,842	-	793,842
Total Charitable Income	1,370,522	-	1,370,522	1,463,007	-	1,463,007
Charity						
Church Ministry	619,589	-	619,589	661,435	-	661,435
Education	-	-	-	-	-	-
Total Charitable Income	619,589	-	619,589	661,435	-	661,435
4 Investment Income	2018			2017		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds £	Funds £	Funds £	Funds £	Funds £	Funds £
Group						
Locally listed investments	189,436	-	189,436	92,230	-	92,230
Unrealised (Losses) / Gains on Investment	(155,257)	-	(155,257)	146,958	-	146,958
	34,179	-	34,179	239,188	-	239,188
Charity						
Locally listed investments	188,450	-	188,450	91,324	-	91,324
Unrealised (Losses) / Gains on Investment	(155,257)	-	(155,257)	146,958	-	146,958
	33,193	-	33,193	238,282	-	238,282
5 Other Incoming Resources	2018			2017		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	Funds £	Funds £	Funds £	Funds £	Funds £	Funds £
Group						
Gain on sale of assets	-	-	-	404,416	-	404,416
Other income	-	-	-	7,140	-	7,140
Total Other Income	-	-	-	411,556	-	411,556
Charity						
Gain on sale of assets	-	-	-	404,416	-	404,416
Other income	-	-	-	283	-	283
Total Other Income	-	-	-	404,699	-	404,699

South England Conference of Seventh-day Adventists

Notes to the Financial Statements

for the year ended 31 December 2018

6 Expenditure by Charitable Activity

	2018			2017		
Summary by fund type	Unrestricted Funds £	Restricted Funds £	Total Funds £	Unrestricted Funds £	Restricted Funds £	Total Funds £
Group						
Church Ministry	10,541,917	2,654,932	13,196,849	11,558,716	600,009	12,158,725
Education	2,528,478	-	2,528,478	2,427,529	-	2,427,529
Objectives in other geographical areas	4,167,091	605,224	4,772,315	3,531,805	696,363	4,228,168
Retirement responsibilities	1,496,042	-	1,496,042	1,383,421	-	1,383,421
Total Charitable Expenditure	18,733,528	3,260,156	21,993,684	18,901,471	1,296,372	20,197,843
Charity						
Church Ministry	9,696,163	2,654,932	12,351,095	10,981,431	600,009	11,581,440
Education	2,017,391	-	2,017,391	1,954,528	-	1,954,528
Objectives in other geographical areas	4,167,091	605,224	4,772,315	3,531,805	696,363	4,228,168
Retirement responsibilities	1,496,042	-	1,496,042	1,383,421	-	1,383,421
Total Charitable Expenditure	17,376,687	3,260,156	20,636,843	17,851,185	1,296,372	19,147,557

South England Conference of Seventh-day Adventists

Notes to the Financial Statements

for the year ended 31 December 2018 (continued)

7 a. Analysis of Resources by Activity

Group	2018			
	Grant Funding of Activities £	Activities Directly Undertaken £	Support Costs £	Total Expense £
Church Ministry	-	11,611,328	1,583,026	13,194,354
Education	359,435	1,974,416	197,121	2,530,972
Humanitarian Aid and Welfare	-	-	-	-
Objectives in other geographical areas	4,772,315	-	-	4,772,315
Retirement responsibilities	1,496,042	-	-	1,496,042
	6,627,792	13,585,744	1,780,147	21,993,683

	2017			
	Grant Funding of Activities £	Activities Directly Undertaken £	Support Costs £	Total Expense £
Church Ministry	10,448	10,042,374	2,105,903	12,158,725
Education	372,222	1,800,088	255,219	2,427,529
Humanitarian Aid and Welfare	-	-	-	-
Objectives in other geographical areas	4,228,168	-	-	4,228,168
Retirement responsibilities	1,383,421	-	-	1,383,421
	5,994,259	11,842,462	2,361,122	20,197,843

Charity	2018			
	Grant Funding of Activities £	Activities Directly Undertaken £	Support Costs £	Total Expense £
Church Ministry	103,979	11,131,466	1,113,097	12,348,542
Education	659,435	1,236,830	123,677	2,019,942
Humanitarian Aid and Welfare	-	-	-	-
Objectives in other geographical areas	4,772,315	-	-	4,772,315
Retirement responsibilities	1,496,042	-	-	1,496,042
	7,031,771	12,368,296	1,236,774	20,636,841

	2017			
	Grant Funding of Activities £	Activities Directly Undertaken £	Support Costs £	Total Expense £
Church Ministry	10,448	9,684,356	1,886,634	11,581,438
Education	668,862	1,076,040	209,626	1,954,528
Humanitarian Aid and Welfare	-	-	-	-
Objectives in other geographical areas	4,228,168	-	-	4,228,168
Retirement responsibilities	1,383,421	-	-	1,383,421
	6,290,899	10,760,396	2,096,260	19,147,555

South England Conference of Seventh-day Adventists

Notes to the Financial Statements

for the year ended 31 December 2018 (continued)

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

Group	2018			Total £
	Staff Costs	Depreciation	Other Costs	
	£	£	£	
Church Ministry	6,669,229	492,707	6,009,964	13,171,900
Education	1,793,549	13,673	361,820	2,169,042
	8,462,778	506,380	6,371,784	15,340,942

	2017			Total £
	Staff Costs	Depreciation	Other Costs	
	£	£	£	
Church Ministry	5,770,966	450,954	5,926,356	12,148,277
Education	1,693,743	9,034	352,531	2,055,307
	7,464,709	459,988	6,278,887	14,203,584

Charity	2018			Total £
	Staff Costs	Depreciation	Other Costs	
	£	£	£	
Church Ministry	6,337,328	440,385	5,443,888	12,221,601
Education	704,148	48,932	604,877	1,357,957
	7,041,476	489,317	6,048,765	13,579,558

	2017			Total £
	Staff Costs	Depreciation	Other Costs	
	£	£	£	
Church Ministry	5,848,079	405,858	5,317,054	11,570,990
Education	649,787	45,095	590,784	1,285,666
	6,497,865	450,953	5,907,838	12,856,656

South England Conference of Seventh-day Adventists

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

8 Analysis of grants

	2018		2017	
	Number of Beneficiaries	Total £	Number of Beneficiaries	Total £
Grants to individuals				
Group - Education Grants & Support	62	229,435	66	240,462
Charity - Education Grants & Support	62	229,435	66	240,462

		2018		2017	
		Group £	Charity £	Group £	Charity £
Grants to institutions					
Name of Institution / grant	Grant description				
Primary schools	Christian education	130,000	430,000	131,760	428,400
Adventist Radio London	Evangelism		334,720		
British Union Conference of Seventh-day Adventists	Mission in other areas	1,949,917	1,949,917	1,873,408	1,873,408
	General Operations	2,822,398	2,822,398	2,354,760	2,354,760
	Past pension deficit	1,496,042	1,496,042	1,383,421	1,383,421
Local congregations	General Operations	-	-	10,448	10,448
Other grants to Church Entities	General Operations	-	103,979	-	-
Total Institutional Grants		6,398,357	7,137,056	5,753,797	6,050,437
Total Grants		6,627,792	7,366,491	5,994,259	6,290,899

9 Governance costs

	2018		2017	
	Group £	Charity £	Group £	Charity £
Audit costs	17,760	17,760	19,560	19,560
Trustee expenses	5,151	5,151	6,600	6,600
	-	-	-	-
	22,911	22,911	26,160	26,160

South England Conference of Seventh-day Adventists

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

10 Net resources expended	Total 2018 £	Total 2017 £
This is stated after charging:		
Depreciation of tangible fixed assets:	506,380	459,988
Reimbursement of expenses to trustees	5,151	6,600
Fees payable to the charity's auditor for the audit of the annual accounts	17,760	19,560
	<hr/>	<hr/>

During the year retirement benefits were accruing to 11 Trustees in respect of pension schemes

11 Staff Costs	Total 2018 £	Total 2017 £
Staff costs were as follows:		
Wages and Salaries	6,814,818	6,116,002
Social Security Costs	703,516	617,618
Other pension Costs	944,444	731,089
	<hr/>	<hr/>
	8,462,778	7,464,709

	2018 no	2017 no
The average number of employees during the year in the following categories were:		
Charitable activities	157	158
Support activities	33	32
Management and administration	19	17
	<hr/>	<hr/>
	209	207

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

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

	2018 £	2017 £
Key management	155,422	145,175
Other trustees	268,474	259,760

South England Conference of Seventh-day Adventists

Notes to the Financial Statements

for the year ended 31 December 2018 (continued)

12 Tangible Fixed Assets	Freehold Property £	Leasehold property £	Operational Equipment £	Other Fixed Assets * £	Total £
Group Cost					
As at January 1, 2018	30,462,526	1,054,911	739,283	1,484,410	33,741,130
Additions	1,703,481	-	122,519	2,163,068	3,989,068
Disposals	-	-	-	-	-
As at December 31, 2018	32,166,007	1,054,911	861,802	3,647,478	37,730,198
Depreciation					
As at January 1, 2018	5,346,276	202,179	632,230	-	6,180,685
Charge for Year	427,639	10,074	68,867	-	506,580
On Disposals	-	-	-	-	-
As at December 31, 2018	5,773,915	212,253	701,097	-	6,687,265
Net Book Value					
As at January 1, 2018	25,116,250	852,732	107,053	1,484,410	27,560,445
As at December 31, 2018	26,392,092	842,658	160,705	3,647,478	31,042,933
Charity Cost					
As at January 1, 2018	30,462,526	1,054,911	581,548	1,484,410	33,583,395
Additions	1,665,098	-	106,006	2,163,068	3,934,172
Disposals	-	-	-	-	-
As at December 31, 2018	32,127,624	1,054,911	687,554	3,647,478	37,517,567
Depreciation					
As at January 1, 2018	5,346,276	202,179	517,365	-	6,065,820
Charge for Year	427,639	10,074	51,701	-	489,414
On Disposals	-	-	-	-	-
As at December 31, 2018	5,773,915	212,253	569,066	-	6,555,234
Net Book Value					
As at January 1, 2018	25,116,250	852,732	64,183	1,484,410	27,517,575
As at December 31, 2018	26,353,709	842,658	118,488	3,647,478	30,962,333

* Note: Other Fixed Assets includes Work in Progress

South England Conference of Seventh-day Adventists

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

13 Investment Property	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Market Value at 01 January	505,000	505,000	505,000	505,000
Market value at 31 December	505,000	505,000	505,000	505,000

The valuation was undertaken on March 13, 2013 by Lawton Prior & Mecklenburgh a firm of chartered surveyors.

14 Stocks	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Departmental supplies	88,892	100,833	88,892	100,833
	88,892	100,833	88,892	100,833

South England Conference of Seventh-day Adventists

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

15 Debtors

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Due after more than one year				
Loans owed by employees	113,505	121,533	113,505	121,533
Other receivables	23,787	28,250	23,787	28,250
	137,292	149,783	137,292	149,783
Due within one year				
Trade debtors	77,369	52,321	300	21,991
Other amounts owed by related charities	172,329	106,748	583,802	357,174
Amounts owed by local congregations	865,590	511,075	865,590	511,075
Government grants due	1,094,170	1,125,971	1,094,170	1,124,971
Accrued Income	219,079	78,390	219,079	78,390
Prepayments	58,133	29,504	53,647	25,514
Employees	153,335	55,919	153,335	55,919
Other Receivables	17,807	185,143	17,805	210,533
	2,657,812	2,145,071	2,987,728	2,386,567
Total	2,795,104	2,294,854	3,125,020	2,536,350

16 Current Asset Investments

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Listed investments	1,087,413	1,174,304	1,087,413	1,174,304
Unlisted investments	-	-	-	-
	1,087,413	1,174,304	1,087,413	1,174,304

South England Conference of Seventh-day Adventists

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

17 Creditors: Amounts falling due within one year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Bank Loans and Overdrafts	96,688	273,623	96,688	273,623
Suppliers	180	91,887	180	91,887
Advances for charitable activities	73,515	63,013	-	-
Due to associated charities	703,061	415,902	807,040	415,902
Due to local congregations	74,293	165,433	60,041	165,433
Employees	4,393	7,549	4,393	7,549
Accrued expenses	352,188	275,542	345,365	275,542
Taxes payable	189,771	169,320	189,771	169,320
Other Creditors	69,155	4,833	15,559	10,407
	1,563,244	1,467,102	1,519,037	1,409,663

18 Creditors: Amounts falling due after one year

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Bank loans	550,553	679,778	550,553	679,778
Amounts due to associated charities	143,879	131,438	143,879	131,438
Deferred income	61,831	30,354	27,000	9,505
	756,263	841,570	721,432	820,721

Of which amounts falling due after 5 years:

Repayable by instalments	181,421	259,419	181,421	259,419
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South England Conference of Seventh-day Adventists

Notes to the Financial Statements

for the year ended 31 December 2018 (continued)

19 a Statement of Funds (Group)

	Brought Forward	Incoming Resources	Resources Expended	Transfers In / Out	Carried Forward
	£	£	£	£	£
Designated Funds					
Invested in Property	28,065,445	-	-	3,401,887	31,467,332
Church and School Buildings	933,524	-	-	(539,570)	393,954
Local Congregation Needs	1,005,482	-	(419,084)	(316,126)	270,272
Buildings Maintenance	450,000	-	-	-	450,000
General Conventions	85,000	-	-	-	85,000
Youth Camp Facilities	1,600,000	-	-	(1,600,000)	-
Other Program Funds	6,165	-	-	-	6,165
Total Designated Funds	32,145,616	-	(419,084)	946,191	32,672,723
General Funds					
Tithe Fund	2,280,000	15,584,814	(15,177,705)	(595,222)	2,091,887
Other General Funds	1,255,850	4,406,259	(3,159,650)	(2,416,755)	85,704
Total General Funds	3,535,850	19,991,073	(18,337,355)	(3,011,977)	2,177,591
Total Unrestricted Funds	35,681,466	19,991,073	(18,756,439)	(2,065,786)	34,850,314
Restricted Funds					
Donations for World Missions	30,736	605,491	(605,224)	-	31,003
Retirement Home	291,808	-	-	-	291,808
Church Building Funds	117,714	-	-	-	117,714
Schools' Equipment	30,914	-	-	-	30,914
Local Congregational Funds	4,936,838	2,919,560	(2,654,932)	2,065,786	7,267,252
Other restricted funds	60,268	-	-	-	60,268
Total Restricted Funds	5,468,278	3,525,051	(3,260,156)	2,065,786	7,798,959
Total Funds	41,149,744	23,516,124	(22,016,595)	-	42,649,273

South England Conference of Seventh-day Adventists

Notes to the Financial Statements

For the year ended 31 December 2018

19 b Statement of Funds (Charity)

	Brought Forward	Incoming Resources	Resources Expended	Transfers In / Out	Carried Forward
	£	£	£	£	£
Designated Funds					
Invested in Property	28,037,990	-	-	3,429,343	31,467,333
Church and School Buildings	933,524	-	-	(539,570)	393,954
Local Congregation Needs	1,005,482	-	(419,084)	(316,126)	270,272
Buildings Maintenance	450,000	-	-	-	450,000
General Conventions	85,000	-	-	-	85,000
Youth Camp Facilities	1,600,000	-	-	(1,600,000)	-
Other Program Funds	6,165	-	-	-	6,165
Total Designated Funds	32,118,161	-	(419,084)	973,647	32,672,724
General Funds					
Tithe Fund	2,280,000	15,584,814	(15,225,179)	(547,748)	2,091,887
Other General Funds	1,272,595	3,075,810	(1,755,335)	(2,508,339)	84,731
Total General Funds	3,552,595	18,660,624	(16,980,514)	(3,056,087)	2,176,618
Total Unrestricted Funds	35,670,756	18,660,624	(17,399,598)	(2,082,440)	34,849,342
Restricted Funds					
Donations for World Missions	30,736	605,491	(605,224)	-	31,003
Retirement Home	291,808	-	-	-	291,808
Church Building Funds	117,714	-	-	-	117,714
Local Congregational Funds	4,936,838	2,919,560	(2,654,932)	2,082,440	7,283,906
Other restricted funds	60,268	-	-	-	60,268
Total Restricted Funds	5,437,364	3,525,051	(3,260,156)	2,082,440	7,784,699
Total Funds	41,108,120	22,185,675	(20,659,754)	-	42,634,041

South England Conference of Seventh-day Adventists

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

20 Analysis of net assets between funds	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
	£	£	£	£
Tangible fixed assets	31,042,933	-	31,042,933	27,560,445
Investment property	505,000	-	505,000	505,000
Current Assets	4,780,660	7,815,613	12,596,273	15,392,971
Creditors due within one year	(1,746,159)	-	(1,746,159)	(1,467,102)
Creditors due in more than one year	(673,348)	-	(673,348)	(841,570)
Total Funds	33,909,086	7,815,613	41,724,699	41,149,744

21 Net cash flow from operating activities	2018	2017
	£	£
Net incoming resources before revaluations	574,955	781,980
Returns on investments & servicing of finance	(28,080)	(231,964)
Depreciation of tangible fixed assets	506,579	462,877
Deficit / Surplus on disposal of fixed assets	-	(387,819)
Revaluation of investment properties	-	-
(Increase) / Decrease in stocks	11,941	(22,973)
(Increase) / Decrease in debtors	324,324	(220,728)
Increase / (Decrease) in creditors	303,600	31,716
	1,693,319	413,089

22 Analysis of cash flows from investing activities	2018	2017
	£	£
Dividends, interest and rents from investments		
Interest received	120,084	135,841
Interest paid	(5,110)	(6,318)
	114,974	129,523
Proceeds of sale of property, plant & equipment	-	404,416
Purchase of property, plant and equipment	(3,989,068)	(1,177,067)
Net cash outflow from investing activities	(3,874,096)	(643,128)

23 Analysis of cash flows from financing activities	2018	2017
	£	£
Loans received	295,627	-
Less loans repaid	(488,392)	(295,190)
Net cash outflow from financing activities	(192,765)	(295,190)

24 Analysis of cash and cash equivalents		
Cash at bank and in hand	9,449,438	11,822,980
Less loans payable	(647,241)	(953,401)
	8,802,197	10,869,579

South England Conference of Seventh-day Adventists

Notes to the Financial Statements for the year ended 31 December 2018 (continued)

25 Related party transactions

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

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

	British Union Conference £	The Eden School £	Total 2018 £	Total 2017 £
Tithe-sharing grants received				126,842
Tithe-sharing grants made	3,740,106		3,740,106	3,532,140
Tithe-sharing for Pension Deficit	1,496,042		1,496,042	1,383,421
Other grants made		60,000	60,000	71,760
Amounts due to charity < 1 year		169,681	169,681	75,116
Loans due by charity < 1 year	69,112		69,112	96,128
Loans due by charity > 1 year	146,783		146,783	131,438
Other amounts due by charity < 1 year	622,353	-	622,353	304,781

26 Other related entities

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