



SAT-7 UK Trust Limited

(A Company Limited by Guarantee)

Company Registration No 03301736

Registered Charity no 1060612

Report of the Trustees and Accounts

For the Year Ended

31st December 2019

Contents

	Page
Reference and administrative details	3
Directors / Trustees Report	4-16
Independent Auditors Report to the Members of SAT-7 UK Trust Limited	17-19
Statement of Financial Activities	20
Balance Sheet	21
Statement of Cash Flows	22
Notes to Financial Statements	23-36

SAT-7 UK TRUST LIMITED

Reference and administrative details of the charity, its Trustees and Advisers for the year ended
31st December 2019

Company Information

Registered name SAT-7 UK Trust Limited, also known as 'SAT-7 UK'

Registered charity number 1060612

Registered company number 03301736

Registered office 2nd Floor, 3-4 New Road, Chippenham
Wiltshire SN15 1EJ

Operations centre 2nd Floor, 3-4 New Road, Chippenham
Wiltshire SN15 1EJ

Company Secretary Mrs R Fadipe

Chief Executive Officer Mrs R Fadipe

Trustees

The trustees (who are directors for the purpose of company law) who served during the year were as follows: Mr R Kemp (Chairman), Mr J Clark, Mr S Dengate, Mr C Miles, Mr M Haines, Mr R Giles, Mr O Morris

Advisers to the Charity

Keelys Solicitors (HR Advisor) 28 Dam St, Lichfield WS13 6AA

Auditor

Burton Sweet Chartered Accountants, The Clock Tower, 5 Farleigh Court, Old Weston Road, Flax Bourton Bristol BS48 1UR

Bankers

Unity Trust Bank plc, Nine Brindley Place, Birmingham, B1 2HB

Solicitors

Bates Wells Braithwaite, 10 Queen Street Place, London EC4R 1BE

The trustees, who are also the Directors and members of SAT-7 UK Trust Limited for the purposes of the Companies Act, have pleasure in presenting the Report and Accounts for the year ended 31st December 2019. The trustees have adopted the provisions of the Statement of Recommended Practice (FR102 SORP) Accounting and Reporting by Charities' in preparing the Annual Report and financial statements for the charity.

1. Governing Document

SAT-7 UK Trust Limited is a charitable company limited by guarantee, incorporated on 14th January 1997 and registered as a charity on 11th February 1997. The company was established under a Memorandum of Association which established the objects of the charitable company and is governed under its Articles of Association. These were amended by special resolution on 14th February 2019, 24th March 2014, 21st October 2009 and 19th October 2005. In the event of the company being wound up members are required to contribute an amount not exceeding one-pound sterling. In 2016 a special resolution was passed to change the name of the charity from SAT-7 Trust Ltd to SAT-7 UK Trust Ltd.

During 2019 the Objects of the Charity were broadened to

1. the advancement of the Christian faith;
2. the advancement of education;
3. the advancement of good physical and mental health;
4. the prevention and relief of poverty;
5. the promotion of equality;
6. the promotion of freedom of religion (as set out in Articles 18 of the Universal Declaration of Human Rights and subsequent United Nations convention and declarations) throughout the world by all or any of the following means:
 - a) relieving need among the victims of human rights abuse;
 - b) educating the public about human rights;
 - c) raising awareness of human rights issues; and
7. the advancement of conflict resolution and reconciliation;

as an expression of the Christian faith, in particular (but without limitation) through the production, broadcasting and dissemination of television, film, and other digital media content.

The change in the charity's objects are not reflective of any change in the substantive activities of the charity, nor did it cause any detriment or change to its existing beneficiaries. The broadcasting of education, healthcare and social development programming have been longstanding and important aspect of the work in the Middle East and North Africa. By broadening the objects to encompass these from the sole object of *"the advancement of the Christian faith"*, SAT-7 UK intends to more transparently reflect the range of activities already carried out by the charity whilst recognising that all we do is motivated by and an expression of the Christian faith.

2. The Board and Management of the Charity

The trustees, (who are also the Directors and members of SAT-7 UK Trust Limited) in consultation with the Chief Executive Officer (CEO), set the strategic direction of the charity, agreeing financial plans and assessing the risk implications. The key management personnel of the charity are the Board of Trustees, the CEO & the External Engagement Director. The Board of trustees agree the annual salary levels of the key management personnel. The Board have delegated overall management of the charity to the CEO. The CEO has in turn recruited a staff team who have specific responsibility for implementing strategy.

Meetings of the trustees are held quarterly and are used to review progress, to set objectives, to establish policies, as well as other issues of relevance. Communication between meetings is extensive through email, telephone and the meeting of sub-committee members.

The Board has from time to time set up sub-committees to assist it in governance. Currently it has a Finance Sub-Committee to monitor the financial affairs of the Trust, act as the audit sub-committee and to review and advise the Board and senior staff on all employment matters affecting SAT-7 UK.

The Board of SAT-7 UK agreed a joint ministry agreement with SAT-7 International during 2017. SAT-7 UK is formally represented on the International Council and Executive Board of SAT-7 International Trust, (registered in Cyprus under the international trust law of the Republic of Cyprus). SAT-7 UK made grants of £1,231,196 to SAT-7 International Trust during 2019.

3. The recruitment of Trustees

It is the policy of SAT-7 UK to maintain a Board of trustees that will be able to promote the interests of SAT-7 UK in Great Britain and Ireland effectively, to make it a commonly known, clearly understood, and widely supported inter-denominational Christian charity. Trustees are selected to utilise their specific skills and experience. The skills of potential trustees are therefore taken into consideration before appointment to ensure that a diversity of skills (including finance, marketing and fundraising), experience and Christian traditions are represented on the board. Trustees are recruited by a variety of means which may include personal recommendations, advertising, the charities website and through the Christian media. Prospective candidates are interviewed by the existing trustees and the CEO and are selected by nomination and a vote by the Board. All trustees must be fully supportive of SAT-7's ethos and statement of faith.

Each Trustee serves for a term of three years and then is subject to re-election. There is no limit set to the number of terms a trustee can stand for. During 2019 no changes were made to the Board of Trustees.

4. Induction and training of Trustees

The processes of induction and training are intended to ensure that individual trustees are enabled to bring as much added value to the work of the Board as their personal background, experience and skills equip them to do. New trustees are provided with information about the charitable company together with copies of the Charity Commission's booklet for new trustees. Seminars and training courses relevant to specific aspects of the Trust's work are brought to the attention of trustees. New trustees are encouraged to visit the office of the charity at an early stage and meet with the staff. Annual board retreats are organised which include an opportunity to meet with key staff and receive training if required. A trustee skills matrix and meeting log are regularly reviewed to ensure the trustees are effective in their roles. All Board members are expected to keep up-to-date in their own professional disciplines where this is appropriate. Board members are also encouraged to take at least one overseas trip to see the work of SAT-7 International. During 2019, as part of the trustees away days in October, the Charity Governance Code was reviewed.

5. Risk Management and Assessment

SAT-7 UK maintains a risk register produced in accordance with the Charity Commission's guidelines. Risks are monitored at each board meeting with an annual formal review of the full risk register. The register monitors likely risk and designates responsibility for each risk area. The trustees are satisfied that the register manages the key risks to the operations of SAT-7 UK.

The trustees are aware that, apart from meeting SAT-7 UK's own operating costs, they are choosing to deploy the funds at their disposal in a region of the world characterised by social, economic and political instability. They accept that these factors bring to the work of SAT-7 UK an inescapable element of risk of loss of resources which is managed through active relationships with those involved in the field and through close monitoring of funds and resources made available to SAT-7 International and other Partners involved in the work.

The Council of SAT-7 International makes every effort to reduce these risks through its strict ethos and programming policy which ensures that broadcasts are culturally relevant, do not speak against other religions, do not make political statements and make every effort not to cause offence to other religious groups. SAT-7 International understands the risks very well and do all they can to guard against them or at least mitigate their consequences through the programmes and broadcasts made.

6. Fundraising, Data Protection, Safeguarding & Grant Making Policies

Fundraising

In accordance with the Charities (Protection and Social Investment) Act 2016, the following statement outlines the fundraising practice of SAT-7 UK in 2019.

SAT-7 UK is registered with the Fundraising Regulator and adheres strictly to their Code of Fundraising Practice. In 2019 there were no failures to comply with this Code of Practice. In addition, as outlined in the privacy notice we do not sell or swap data with other charities or organisations outside the SAT-7 family or make any cold telephone calls to the general public. In 2019 SAT-7 UK did not contract the services of any professional fundraisers as defined by section 58 of the Charities Act 1992.

We are registered with the Fundraising Preference Service (FPS) and during 2019 received no requests through this service. During 2019, we received no formal complaints about our fundraising practices.

At all times in our fundraising we seek:

- To raise money only when we know the likely income will be matched by needs.
- To represent the context, needs and opportunities of the Middle Eastern & North African church faithfully and accurately, based on credible research and true case-studies, within the security constraints placed upon our communications due to the sensitive nature of our work.
- To always be mindful that some of our supporters may be vulnerable people and where vulnerable people or those acting on their behalf request to cease communications, we act on their wishes.
- To communicate clearly about how our supporters' money will be used.
- To ensure that all Gift Aid conditions are met before claiming Gift Aid in respect of a donation.

We do not engage in persistent or intrusive fundraising practices with any of our supporters, including vulnerable people.

Data protection

SAT-7 UK recognises that personal data of our supporters is valuable and seeks to embody best practice in the way we gather, store and use supporters' data.

- We adhere to current data protection legislation and is registered with the Information Commissioner's Office.
- We protect the confidentiality of personal information and ensure its security at all times.
- We do not pass on supporters' details to any other charity or organisation outside the SAT-7 family. Nor do we purchase prospect supporter's data from third parties.

Monitoring of Regulatory Activity

The Chief Executive Officer is responsible for data protection and for keeping up-to-date with The Code of Fundraising Practice to ensure that all response devices and data capture forms comply with the data protection guidelines.

Safeguarding

During 2019 SAT-7 UK updated its safeguarding policies and will continue to review its practices and training in this area in 2020.

Grant Making Policy

SAT-7 UK makes grants primarily to those partner organisations it has a joint ministry agreement with and does not normally accept unsolicited grant applications. Since 2017 SAT-7 UK has had a joint

ministry agreement with SAT-7 International Trust, (registered in Cyprus under the international trust law of the Republic of Cyprus).

The SAT-7 UK Board of Trustees has delegated the day to day management of the grant making process to the Finance Sub Committee (FSC) who report at each Board meeting on grants made since the last meeting. The grant making process includes policies on gift acceptance, anti-money laundering policy, the management of general funds and payment to overseas bodies.

7. Public Benefit

The trustees have referred to the guidance in the Charity Commission's general guidance on Public Benefit when reviewing the aims and objectives and in planning activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set. All activities recorded above therefore reflect the trustees' desire to follow the aims of the Trust and to meet the requirements of general public benefit.

The ministry benefits all those wishing to explore the Christian message both in the UK and further afield presented through personal conversation and media communications in a way that is both relevant and appropriate.

Sharing the core foundations and message of the Gospel is made freely without obligation or cost via satellite systems, the internet, mobile devices, working through partner organisations and through personal conversations and is freely available to all who want to connect and participate. It is made available without any sense of judgement about viewers' personal circumstances. The aim of all activities is to inform and to engage the viewer about the Christian faith as per the trust's objective to advance the Christian Religion.

8. Purpose of SAT-7 UK

SAT-7 UK exists to encourage the development of a growing and flourishing Church in the MENA – confident in Christian faith and witness, in serving the community and positively contributing to the good of society.

Through highlighting the needs of the MENA churches we seek to encourage our supporters in the United Kingdom to pray regularly, to engage actively and to provide funding and resources towards the work of this vital ministry – helping to support the broadcasting of the Christian message into the homes and hearts of the millions of people engaging with the programmes.

SAT-7 UK has a joint ministry agreement with SAT-7 International Trust as part of the wider international family of SAT-7 supporting the churches and Christians of the MENA region. It is through SAT-7 International Trust that the programmes of the SAT-7 channels are made and transmitted across the Middle East and North Africa. SAT-7 provides support for Christians in areas where the Church is subject to persecution and in places where there is no established church. Television programmes are made by Christians of the Middle East for Christians of the Middle East. The programmes provide an authentic Christian voice showing how communities can both be Christian and Middle Eastern.

9. Main charitable activities

SAT-7 UK's charitable activities in the UK and Ireland are:

- a. Making grants to **encourage the development of a growing Church and to make the Gospel available to everyone in the Middle East and North Africa**; especially to those who would otherwise never have had the opportunity to hear it; through the development and broadcast of Arabic, Farsi and Turkish (and dialects) language Christian programmes. To help our MENA partner to develop a strong and sustainable organisation that will be equipped to efficiently and effectively achieve its vision and mission, both today and tomorrow.
- b. **Raising awareness about our work, providing information about the region we operate in and encouraging prayer.** Resources (printed and digital) are produced for Christians in the UK

and Ireland, alerting them to the needs of the church in the Middle East, the work of SAT-7 and providing specific information to encourage prayerful action.

- c. **Engaging and mobilising the Church** in the UK and Ireland – a programme of personal engagement and communication through staff, Ambassadors (volunteers), trustees, and supporters in churches and at Christian events; designed to initiate and deepen active concern for the challenges facing the MENA Church and region.
- d. **Preparing the next generation of supporters** – specific attention is increasingly being given to informing and engaging a new generation of supporters of all ages in prayerful action for SAT-7 and the MENA Church through innovative events, campaigns and resources.

10. Current and Future Strategy

To deliver its vision and charitable objects, in 2017 SAT-7 UK began a new five-year strategic planning cycle. This strategic plan has the goal of achieving a sustainable income in excess of £2M by 2022 enabling grants to be made in excess of £1.4M. Each year of the strategic plan has seen plans and goals refined based on the actual income achieved.

The strategic plan set out two core objectives i) Better establish **who we are** and **what we do** in the hearts and minds of UK Christians and church networks & ii) To be known as one of the leading charities supporting the Church across the Middle East and North Africa – bringing hope to the lives of millions of people. The strategic plan builds on the previous strategic plan, continuing the programme of development through a focus on four key areas:

- **Maximising supporter engagement – building relationships**
Clear communication with our supporters and giving them opportunities to engage with SAT-7 both in the UK and overseas are vital parts of building deeper relationships with them.
- **Reach and Visibility – building identity**
To engage in activity that firmly establishes SAT-7 in the hearts and minds of UK Christians and church networks – the ‘who we are’ and ‘what we do’ of SAT-7. Develop campaigns to help SAT-7 to become better known and understood for their support of the Church in the Middle East and North Africa (MENA). Through a programme of events and conferences engage with the Christian community across the UK.
- **Income retention and growth – building sustainability**
To achieve a stable and sustainable income base of over £2M with year-on-year growth from three main income streams: **individuals**, **churches** and **grant making bodies**. Priority areas include developing a new messaging and regular individual proposition, strengthening mid-level and high value donor programmes & growing the proposal-based grant fundraising for the three areas– advocacy, discipleship and education.
- **Organisation Development – building team**
To ensure that SAT-7 UK is fully staffed with a team who are well **trained, confident, empowered and equipped** to achieve individual, team and organisational objectives.

11. Review of the year – work in the MENA

SAT-7 International Overview

Satellite television is a hugely effective means of reaching the 560 million people of the Middle East and North Africa (MENA). Almost every home has a television, and more than 90% of people watch by satellite. Programmes are received directly into homes, bypassing both government censorship and monitoring, hostile social pressures and overcoming the barriers imposed by widespread illiteracy. Without SAT-7 International’s television programmes, millions of people would be unable to access such a wide range of positive, life-changing and values-based Christian programming; an offering that after 25 years of broadcasting remains unique across the MENA region to this day.

SAT-7 broadcasts 24/7 on four channels in the MENA's three main languages – Arabic, Farsi and Turkish – to 25 countries. According to independent IPSOS research in 2018, SAT-7 is regularly watched by more than 25 million viewers. More than 80 per cent of SAT-7's programmes are created in the Middle East by Christians from the region. As a result, its programmes are expertly contextualized, easily understood and culturally sensitive. Viewer support teams receive more than 900 contact every day testifying to the impact programmes have had on their viewers.



SAT-7 ARABIC broadcasts via the Nilesat (E7WA) satellite to 20 Arabic-speaking countries in the MENA.

Arabic language website: www.sat7.com



SAT-7 KIDS also uses the Nilesat (E7WA) satellite. It was the first Arabic Christian channel dedicated exclusively to children and young people.

Arabic language website for children: www.sat7kids.com and www.sat7academy.com,



SAT-7 PARS is a Persian-language Christian television channel. It broadcasts via the Yahsat 13 and Eutelsat Hot Bird satellites into Iran, Afghanistan and Tajikistan to a potential audience of 20 million viewers.

Farsi language website: www.sat7pars.com



SAT-7 TÜRK is the only Christian channel broadcasting on Türksat, the national satellite. It reaches a potential audience of around 50 million Turkish speakers in Turkey and many more in Azerbaijan.

Turkish language website: www.sat7turk.com

As well as broadcasting via satellite, SAT-7 International runs and maintains all the channels online via channel specific websites. These websites include programme schedules, live streaming of SAT-7, ways to contact SAT-7, competitions, programme information and much more.

SAT-7 is also taking advantage of new opportunities afforded by social media and online platforms. The widespread use of mobile devices has opened up new audiences, and an online e-Learning platform has been developed for SAT-7's educational content.

SAT-7 International strategic programming goals

Making the Gospel visible

SAT-7 TÜRK is engaging viewers through various kinds of programme. A key element of the channel's output is Christian news; individuals serve as contacts for their churches and send in updates and prayer requests. **SAT-7 PARS** broadcasts not only in Farsi, but also to Dari (Afghan) and Tajik-speakers. The channel launched its new, enhanced website at the start of 2019. In 2019 these channels' Viewer Support Teams responded to 18,104 and 21,890 "cases" (individual or serial conversations) respectively.

Millions of **children** in the MENA region continue to face conflict and uncertainty. **SAT-7 KIDS** is known and trusted by parents of all backgrounds and is watched by around 5.6 million people. The channel continues to produce and broadcast high-quality programming. During 2019 the channel's audience engagement and social media presence have increased, especially on YouTube and Facebook. The thousands of Facebook comments provided important feedback, and the Viewer Support Team received over 3,000 other cases.

Many **women** in the MENA lack basic freedoms and are undervalued. **SAT-7 ARABIC** and all channels aims to give them a voice and a platform for discussion, equip them to understand their worth and achieve their potential, and challenge traditional views that restrict and demean them.

Programme Examples:

- In *One Bicycle, Seven Churches*, (SAT-7 TÜRK) pastor Engin Yildirim visits each of the towns of the seven churches of Revelation, discussing what we can learn from them and demonstrating that Christianity is a part of Turkey's heritage.
- In the popular SAT-7 PARS programme *Signal* the presenters share regional and global news, a pastor provides teaching, and viewers are invited to share their testimonies and news on air.
- SAT-7 KIDS programmes *Bible Heroes* and *A Riddle and a Story* are now broadcast live on Facebook. The presenters take calls from their young viewers and share their own experience.
- The SAT-7 PARS programme *A Girl's World* helps girls and young women to build their self-esteem and helps them to fulfil their potential.
- SAT-7 ARABIC's *Woman and the Mirror* deals with problems Sudanese women face. By tackling difficult topics openly, the programme aims to help women see themselves as God does.
- The programme *Speak Up*, also on SAT-7 ARABIC, shares stories of women (and men) who have struggled with serious challenges and have triumphed over their circumstances.

Viewer Comment:

"Thank you for making programmes that protect and inform women. I now know what do if I am faced with any harassment." – Melisa, Turkey

Encouraging, supporting and empowering the Church

SAT-7's programmes support Christians across the MENA from all denominations and backgrounds. Many churches need encouragement as they seek to be salt and light in a challenging and even hostile environment. SAT-7's programmes provide a platform for Christians to support one another and join other believers in prayer and worship.

Programme Examples:

- SAT-7 broadcasts a variety of weekly church services across its channels. In addition, the SAT-7 PARS programme *Heavenly Worship* is dedicated to encouraging believers in house churches inside Iran.
- In SAT-7 TÜRK's teaching programme *Beyond the Veil*, Pastor Vahan Isaoglu encourages viewers to wrestle honestly with hard questions from the Bible and shares with them the joys of exploring the Scriptures.

Viewer Comment:

"God bless your ministry and bless our beloved pastor; thank you for the rich and clear explanation for the Word of God." – Jameel, Lebanon

Responding to political turmoil and persecution

The MENA region has the world's highest incidence of inter-religious tension, laws restricting religious freedoms and governmental discrimination against religious groups. SAT-7's programmes provide encouragement and strength for isolated believers and hope for Christians facing persecution and the effects of conflict.

Programme Examples:

- *Seminary On The Air (SOTA)* programmes on SAT-7 PARS are designed to equip believers who are leading house churches but have no access to on-the-ground theological training or Christian materials.
- *Christianity from Alpha to Omega* aims to educate Arabic viewers on the multiple expressions of Christian culture in the region.

Inspiring social change

SAT-7 ACADEMY's educational programmes provide basic teaching and promote positive values. In 2019 ACADEMY programmes have grown their presence on social media platforms, and in 2020 this will expand further.

Programme Examples:

- *City of Stars* addresses negative social stereotypes about children with special needs, through their participation in drama workshops, music, dancing and games. The programme emphasizes that all children deserve the same rights and respect.
- The fourth season of *My School* offered lessons covering the 3rd-grade curriculum in five foundational subjects. The programme also launched live sessions on Facebook.

Viewer Comment:

"My education had to stop once I finished elementary school. My parents didn't help me to finish my studies because I am a village girl, even though they knew I was studying hard. But my dream never stopped. When I saw your SAT 7 ACADEMY channel I knew that studying was not limited to age. I learned languages, and became good at English. Thank you so much for your programme, which is the only hope for me. I love you!" Darya, Morocco

12. Review of the year – work in the UK

a. Maximising supporter engagement – building relationships

Communication with supporters

SAT-7 UK continued to engage with supporters through the INSIGHT magazine (three were sent during the year), a bi-monthly News & Prayer diary (plus monthly email version), a monthly 'Briefing' email giving wider context to SAT-7's work, through urgent financial appeals and digitally through the website and social media. In 2019 SAT-7 UK launched an Instagram page seeing a steady and growing following developing.

INSIGHT magazine themes this year focused on 'Impacting More Lives than Ever', where viewer testimonies were the main focus, 'Making the most of key opportunities' and the theme of Advocacy – how SAT-7 gives a voice to Christians and others on the margins of society in the MENA.

The Lent Prayer campaign was built around the theme 'This is Love' highlighting the mistreatment of women in the MENA and the impact this has on families and communities, showing how SAT-7 is working to help women – and indeed all people – be restored to their God-given image and value.

An Advent prayer guide was developed, on the theme 'Joy to the World'. The prayer guide took readers on a daily journey through the 25 countries where SAT-7 International works, and includes testimonies, prayer pointers, a Christmas reflection and a small group Bible study session.

Developing relationships

SAT-7 UK has been blessed through partnership with a growing number of engaged supporters able to support SAT-7 International at a significant level. In 2019 42 such ministry partners gave gifts totalling over £800,000.

b. Reach and Visibility – building identity

Engagement opportunities

Prayer continued to be a significant focus during 2019 along with the monthly prayer diary, prayer campaigns were run across Lent and Advent.

SAT-7 UK continues to benefit from a strong volunteer network of Church and Speaker Ambassadors. The programme of Ambassador training continued in 2019. Through the work of Ambassadors, staff

and trustees, SAT-7 UK visited more than 136 churches during 2019 to either speak in main church services or small group meetings. Representatives from SAT-7 UK and volunteers also attended Christian conferences/festivals ranging from national to smaller regional events. A team of 14 runners, from SAT-7 UK and SAT-7 PARS London studio, were sponsored to run in the Richmond RunFest in Kew Gardens in September 2019.

Four 'Envision on the road' supporter events were held across the country during 2019. Events were held in Leicester, Exeter, Bristol & Scotland. These regional events provided a very positive way of engaging with our traditional supporter base and to recruit new Ambassadors.

SAT-7's Westminster Briefing: SAT-7 held its first 'Westminster Briefing' event in the Palace of Westminster in March with the theme of Freedom of religion and women's rights which encouraged some excellent discussion. The event was attended by MPs, parliamentarians, journalists and church representatives. The panel was made up of SAT-7 UK CEO, Baroness Berridge, Hengameh Borji (SAT-7 PARS) and Kate Green MP.

The focus of increasing profile through editorial in the Christian press continued in 2019, with articles and features in a number of Christian publications.

c. Income retention and growth – building sustainability

Income growth and reaching a new audience

In July 2019, SAT-7 UK launched a new messaging platform and fundraising campaign based around *"bringing moments of joy to the people of the Middle East and North Africa"*. The main aim of this new campaign is to drive our reach and visibility, enabling us to maximise new supporter engagement and to deliver new and sustainable income growth. The 3-year campaign aims to generate 1,000 new supporters and £250,000 of new income. The campaign seeks to reach a new audience focused particularly on woman aged 35-55 from a wide-ranging British demographic, with evangelical / social justice church allegiances. The campaign launched on four channels – Premier Christian Communications, SAT-7 UK's digital media platforms, Christian conferences and through our network of volunteer ambassadors and churches. During the first six months of the campaign SAT-7 UK was able to significantly raise its profile to many thousands of people; online at events and speaking engagements, and through radio. We were also able to inspire more than 1,400 people to connect with SAT-7 UK for the first time, to get involved in the campaign and to receive our Joy-branded resources, mailings and digital communications. The campaign will continue throughout 2020.

Appeals and applications to grant-making trusts, organisations and individuals

Four direct financial appeals were sent to supporters during 2019 raising over £60,000.

SAT-7 UK continues to make regular applications to grant-making trusts and organisations to secure funding for our programmes. In 2019, 66 grant-making bodies awarded grants, totalling over £420,000. In 2019 SAT-7 submitted applications to the Department for International Development (DfID) through the UK Aid Direct and the Guernsey Overseas Aid Fund. Our applications were not successful on this occasion.

d. Organisation Development – building team

During 2019 the staff team went through 'Leading your strengths' workshop which provided each person with a sophisticated, objective insights and action steps about their unique strengths – data that enhances our ability to work together. During the year the team also benefited from both professional development training, online training courses as well as in house training in specialist areas.

13. Looking ahead to 2020

Each year of the strategic plan has seen plans and goals refined based on the actual income achieved. Priorities have been identified to ensure SAT-7 UK remains on-track to deliver the workplan for 2020 and to continue building towards the longer-term strategic goals:

a. Maximising supporter engagement – building relationships

Engagement opportunities

To build on the Joy messaging framework for individuals whilst developing a new parallel 'churches in partnership' programme.

To re-engage with and research the potential for new engagement with a range of Christian organisations, denominations and networks – looking for grant, partnership or collaboration opportunities.

To build on the work with ministry partners providing significant financial support for SAT-7 through increasing the resource given to this area of our work.

We plan to hold two 'Middle East Westminster Briefing' events, to build on SAT-7's political and advocacy engagement. The proposed focused is Freedom of Religion and Believe (FORB), with each event having a specific country and/or thematic focus.

b. Reach and Visibility – building identity

Income growth and reaching a new audience

Continue to deliver the multi-layered, multi-channel 'Choose Joy' campaign that aims to drive SAT-7 UK's reach and visibility, enabling us to maximize new supporter engagement and to deliver new and sustainable income growth.

c. Income retention and growth – building sustainability

During 2020 SAT-7 UK will seek to maximize the wider benefit of the campaign on Premier Radio through opportunities to leverage wider profile and engagement on other to maximise the campaign reach and response at a time when SAT-7's profile will have been significantly increased.

d. Organisational Development – building the team

Create and appoint a new Fundraising & Engagement Manager to lead the team responsible for direct fundraising activity with individuals and our wider engagement with churches, groups and volunteers. Complete a Hayes salary benchmark and seek to maintain staff morale, nurture employee engagement and company culture, and encourage teamwork and collaboration to maintain good productivity.

14. Financial Review

The financial results for the year are set out in the Statement of Financial Activities. In 2019 SAT-7 UK's income was £2,013,818 (2018: £2,221,633) a decrease of 9.35% from 2018. Income for 2018 however included an investment property valued at £160,000, gifted in kind. When excluding this investment property income grew by 2%.

Expenditure on raising funds was £298,532 (2018 £261,602) while expenditure on charitable activities was £1,817,132 (2018: £1,800,884). Net income and expenditure in 2019 showed a deficit of £101,846 (£2018: surplus £159,147). The cause of the deficit was the £168,843 spent from the designated funds on charitable activities specifically UK Development Activities including campaign with Premier Radio.

Net assets at 31 December 2019 were £464,865 (2018: £566,711). Cash at bank and in hand at 31 December 2019 amounted to £169,176 (2018: £291,969).

Reserves Policy

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets (the "free reserves") held by the charity should be sufficient at the end of any calendar month to meet the planned working requirements of the charity for the next two to four months. For 2020 planned working requirements are budgeted to be £60,000 per month. The trustees are of the opinion that this level is adequate to ensure that the trust continues at a sustainable level. The trustees do not have any material uncertainties surrounding the charity continuing as a going concern, so the trustees do not consider that it is necessary to reflect within the level of reserves any estimate of the costs of closure.

At 31 December 2019 SAT-7 UK Trust ['the charity'] held total reserves of £464,865 comprising:

- The Expendable Endowment Fund was established to reflect the (non-binding) wish of a donor that the assets donated to the charity would be used to generate income for the charity over the long run. This fund stands at £310,000 all of which is held in investment properties. The trustees have the power to sell the investment properties and the power to transfer expendable endowment funds to general funds.
- The Designated Funds were established by the trustees to set aside funds for specific projects planned within 12 - 18 months. At 31 December 2019 the fund stood at £19,213.
- General Unrestricted Funds stood at £135,652 representing tangible fixed assets held for the charity's own use of £9,408 and free reserves of £126,244.
- No Restricted Funds were held by the charity at 31 December 2019.

At 31 December 2019 the Free Reserves stood at £126,244. This represented 2.10 months of expenditure on planned working requirements in 2020 which is within the range of the charity's reserves policy and considered by the trustees to be satisfactory. When carrying out periodic reviews of the reserves held, the trustees take into account that, given the purpose of the Expendable Endowment and Designated funds, these funds could be drawn upon in the event of deterioration in the free reserves position.

The Trustees continue to keep the charity's reserves policy under review to ensure that it maintains the right level for SAT-7 UK Trust and explains to its funders, donors and beneficiaries why it is holding this level of reserves.

Implications of COVID 19

The Trustees do not consider that there is an impact on the going concern status of the charity from the effects of COVID 19. At the point of signing the financial statements there are no indications that there will be a loss in core income to the charity, some of which comes through monthly regular giving. There may be a short-term decrease in the quantity of donations received by the charity during this period, however as a control measure the amounts of grants payable can be reduced as a result of this impact.

The level of unrestricted free reserves at 29th February 2020 was £133,949 which is considered sufficient to enable the charity to carry on its activities and meet any committed expenditure during this period.

Funds held as custodian trustee

SAT-7 UK acts as a custodian trustee holding cash on behalf of SAT-7 International Trust. SAT-7 International Trust's objects are consistent with those of SAT-7 UK. SAT-7 UK holds this cash in a separate designated bank account with a trustee approved bank mandate safeguarding the movement of these funds.

Refer to note 19 for details of the funds received, payments made and balances held on behalf of SAT-7 International Trust in the year.

Investments

Investments relate to two flats donated in 2015 and 2018. These flats remain rented out. The flats are held as investment properties within the existing expendable endowment fund and have been reclassified as current assets in the balance sheet as the intention is to sell them in the next 12 months.

15. Statement of Trustees' Responsibilities

The trustees (who are also directors of SAT-7 UK Trust Limited for the purposes of company law) are responsible for preparing the trustees' report (incorporating the strategic report and directors' report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Accepted Accounting Practice).

Company law 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 charitable company and of the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to make themselves aware of that information.

Auditor

Burton Sweet was re-appointed as the Charity's auditor during the year and has expressed their willingness to continue in that capacity.

This report and the financial statements have been prepared in accordance with the Companies Act 2006 the charitable Company's Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities", (FRS102 SORP).

Registered office:

2nd Floor
3-4 New Road
Chippenham
Wiltshire SN15 1EJ

SAT-7 UK TRUST LIMITED

If you have questions or would like more detail about the Trust, please contact the Chippenham office, where staff will be happy to respond to your queries

Approved by the trustees on

Signed on behalf of the trustees

Mr Roy Kemp
Chairman

Mrs Rachel Fadipe
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SAT-7 UK TRUST LIMITED

Opinion

We have audited the financial statements of SAT-7 UK Trust Limited (the "Charity") for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity'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 Charity's members those matters we are required to state in 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 anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as at 31 December 2019 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with international Standards in Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity 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 were:

- 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 Charity'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 trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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 the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable law requirements.

Matters on which we are required to report by exception

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

- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm. This description forms part of our auditor's report.

Neil Kingston FCA (Senior Statutory Auditor)

For and on behalf of Burton Sweet Chartered Accountants and Statutory Auditor

The Clock Tower

5 Farleigh Court

Old Weston Road

Flax Bourton

Bristol BS48 1UR

Date:

SAT-7 UK Trust Limited
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2019

	Note	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £	Total Funds 2018 £
Income and endowments from:							
Donations and legacies	2	1,424,885	-	563,597	-	1,988,482	2,199,178
Investments		22,207	-	-	-	22,207	20,081
Other trading activities		3,129	-	-	-	3,129	2,374
Total income		<u>1,450,221</u>	<u>-</u>	<u>563,597</u>	<u>-</u>	<u>2,013,818</u>	<u>2,221,633</u>
Expenditure on:							
Raising funds	3	298,532	-	-	-	298,532	261,602
Charitable activities	3	1,084,692	168,843	563,597	-	1,817,132	1,800,884
Total expenditure		<u>1,383,224</u>	<u>168,843</u>	<u>563,597</u>	<u>-</u>	<u>2,115,664</u>	<u>2,062,486</u>
Net income/(expenditure)	5	66,997	(168,843)	-	-	(101,846)	159,147
Transfers between funds	15	(100,000)	125,969	-	(25,969)	-	-
Net movement in funds		<u>(33,003)</u>	<u>(42,874)</u>	<u>-</u>	<u>(25,969)</u>	<u>(101,846)</u>	<u>159,147</u>
Funds brought forward at 1 January	15	168,655	62,087	-	335,969	566,711	407,564
Funds carried forward at 31 December	15	<u>135,652</u>	<u>19,213</u>	<u>-</u>	<u>310,000</u>	<u>464,865</u>	<u>566,711</u>

Net expenditure for Companies Act purposes is £75,877, representing net expenditure of £101,846 and the transfer from the expendable endowment of £25,969.

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 23 to 36 form part of these financial statements
See note 20 for fund-accounting comparative figures

SAT-7 UK Trust Limited**BALANCE SHEET****AT 31 DECEMBER 2019****Company Number: 03301736**

	Note	2019 £	2018 £
Fixed Assets			
Tangible fixed assets	8	9,408	17,418
Investments	9	-	310,000
Current assets			
Investments	9	310,000	-
Stock		1,378	757
Debtors	10	37,870	27,289
Cash at bank and in hand		169,176	291,969
		518,424	320,015
Creditors : Amounts falling due within one year	11	(62,967)	(80,722)
Net current assets		455,457	239,293
Net assets		464,865	566,711
Endowment funds	16	310,000	335,969
Income funds			
Unrestricted funds:	16		
General funds	16	135,652	168,655
Designated funds	16	19,213	62,087
Total funds		464,865	566,711

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

These financial statements were approved by the trustees on and are signed on their behalf by:

Roy Kemp
Chairman

The notes on pages 23 to 36 form part of these financial statements

SAT-7 UK Trust Limited
CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Operational cash flows			
Cash flows from operating activities:			
Costs of Charitable Activities	13	<u>(1,835,775)</u>	<u>(1,753,407)</u>
Net outflow from operating activities		(1,835,775)	(1,753,407)
Cash flows for operating activities:			
Donations and Legacies	13	1,988,426	2,041,528
Other trading activities	13	3,129	2,374
Costs of raising funds	13	(299,270)	(259,959)
Endowed funds converted into income		<u>25,969</u>	<u>65,000</u>
Net inflow for operating activities		1,718,254	1,848,943
Net outflow of operating activities		(117,521)	95,536
Non-operational cash flows			
Investing activities			
Investments - investment property income	13	22,207	20,081
Acquisition of tangible fixed assets	8	<u>(1,510)</u>	<u>(4,875)</u>
		20,697	15,206
Financing activities			
Endowed funds converted into income		<u>(25,969)</u>	<u>(65,000)</u>
		(25,969)	(65,000)
Net cash inflow/(outflow) for the year	14	<u>(122,793)</u>	<u>45,742</u>

Cashflow Restrictions

Charity law prohibits the use of net cash inflows on any endowed or other restricted fund to offset net cash outflows on any fund outside its own objects, except on special authority. In practice, this restriction has not had any effect on cash flows for the year.

The notes on pages 23 to 36 form part of these financial statements

1 Accounting policies

- a) The financial statements have been prepared under the historical cost convention and 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 the Republic of Ireland (FRS 102) and the Charities SORP FRS 102.

The charity is a public benefit entity as defined under FRS102.

There are no material uncertainties affecting the ability of the charity to continue as a going concern.

- b) Income is accounted for as receivable once there is a reasonable certainty of the probable economic benefit from the resource and the amount can be reliably measured. Income from donations is included when these are receivable, except as follows:

I. When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods;

II. When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-conditions have been met.

- c) Expenditure is recognised in the period in which a legal or constructive obligation arises. Expenditure includes attributable VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and this has been included in those cost categories. Other costs, which are attributable to more than one category, are apportioned across cost categories on the basis of workload surveys carried out from time to time.

- d) Grants payable are charged in the year when the offer is conveyed to the recipient.
- e) Functional fixed assets are held at cost less accumulated depreciation. Assets costing less than £500 are generally not capitalised.

Depreciation is calculated so as to write off the cost of an asset, less its estimated ultimate residual value, over the useful life of that asset as follows:

Leasehold improvements - straight line over the length of the lease to the break clause

Office equipment - 33% p.a. straight line

Office furniture - 25% p.a. straight line

- f) Stock is held at the lower of cost, including irrecoverable VAT, and net realisable value.
- g) Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the SOFA.
- h) Unrestricted funds can be used in accordance with the charitable objects at the discretion of the board of trustees.
- i) Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.
- j) Property donated to the charity has been included as an expendable endowment and is being used to generate income for the charity. There is no legal requirement to hold the property for this purpose (and therefore, it is not permanently endowed), but the Trustees believe this use is in line with intentions of the donor in the medium term.
- k) The charity contributes to defined contribution pension schemes. Contributions payable to the charity's pension schemes are charged to the Statement of Financial Activities in the period to which they relate.
-

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

1 Accounting policies (*continued*)

- l) Investments are included at market value at 31 December. The SOFA includes the net gains and losses arising on revaluations and disposals during the year.

Investment properties are included at open market value. The current carrying value represents the value to the charity of the donated properties as at their respective dates of donation. Valuations will be carried out every five years with an informal annual review to ensure no material change in valuation has occurred.

2 Donations and gifts

	Unrestricted				
Current year	General Funds	Restricted Funds	Endowment Funds	Total 2019	Total 2018
	£	£	£	£	£
Churches	99,917	28,756	-	128,673	132,125
Institutions	139,332	283,351	-	422,683	449,675
Individuals	1,185,636	251,490	-	1,437,126	1,617,378
	<u>1,424,885</u>	<u>563,597</u>	<u>-</u>	<u>1,988,482</u>	<u>2,199,178</u>

For the comparative figures please see note 21.

3 Expenditure

Current year	Grants payable	Direct costs	Support costs (note 4)	Total 2019	Total 2018 Restated
	£	£	£	£	£
<i>Raising funds</i>					
Staff costs	-	173,762	1,036	174,798	173,210
Promotional activities	-	85,783	-	85,783	45,510
Office costs	-	-	37,951	37,951	42,882
	<u>-</u>	<u>259,545</u>	<u>38,987</u>	<u>298,532</u>	<u>261,602</u>
<i>Charitable activities</i>					
In the UK	-	112,483	422,282	534,765	401,229
Supporting the church in the MENA	1,277,046	5,321	-	1,282,367	1,399,655
	<u>1,277,046</u>	<u>117,804</u>	<u>422,282</u>	<u>1,817,132</u>	<u>1,800,884</u>
	<u>1,277,046</u>	<u>377,349</u>	<u>461,269</u>	<u>2,115,664</u>	<u>2,062,486</u>

For the comparative figures please see note 22.

Please see the following page for the definitions of the charitable activities described above.

SAT-7 UK Trust Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019

3 Expenditure (*continued*)

SAT-7 UK's charitable activities are detailed in section 9 of the Trustees' Annual Report. They include:

In the UK

Raising awareness about our work, providing information about the region we operate in and encouraging prayer.

Engaging and mobilising Church in the UK and Ireland.

Preparing the next generation of supporters.

Supporting the church in the MENA

Making grants to encourage the development of a growing Church and to make the Gospel available to everyone in the Middle East and North Africa.

Grants were paid to SAT-7 International Trust of £1,231,196 (2018: £1,322,804) and to UK nationals working for SAT-7 Internationally of £45,850 (2018: £76,851)

Grants to SAT-7 International Trust consist of restricted grants for specific projects and unrestricted grants to be used by SAT-7 International Trust in fulfilling their charitable activities.

4 Support costs

<i>Current year</i>	Raising funds	Charitable activities	Total 2019	<i>Total 2018 Restated</i>
	£	£	£	£
Staff costs and staff related costs	1,036	246,619	247,655	255,679
Premises expenses	1,422	23,827	25,249	23,727
Admin expenses	36,529	130,339	166,868	149,478
Depreciation	-	9,520	9,520	9,687
Governance costs	-	11,977	11,977	11,510
	<u>38,987</u>	<u>422,282</u>	<u>461,269</u>	<u>450,081</u>

For the comparative figures please see note 23.

SAT-7 UK Trust Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019

5 Net (expenditure)/income for the year

This is stated after charging:	2019	2018
	£	£
		<i>Restated</i>
Depreciation	9,520	9,687
Auditor's fees:		
For audit services	5,100	4,850
For accountancy services	1,800	1,750
For other services	3,941	3,172
Prior year under-accrual	1,260	-
Payments of Trustees' travel expenses	1,436	1,906

4 Trustees have been reimbursed for their out of pocket travel expenses (2018: 5). No Trustee received any remuneration during the year.

Aggregate donations from Trustees and other related parties in the year were £89,360 (2018: £48,848).

6 Staff costs and numbers

The aggregate payroll costs were:

	2019	2018
	£	£
Wages & salaries	362,831	354,580
Social security costs	26,966	27,034
Pension contributions	18,532	16,576
Benefits	908	911
	409,237	399,101

Remuneration and benefits received by key management personnel including employer's national insurance and employer's pension

113,069	113,000
----------------	----------------

No employee received emoluments of more than £60,000.

The average weekly number of employees based on headcount during the year was as follows:

	2019	2018
	No.	No.
Director	2.0	2.0
Development staff	11.2	9.9
Administrators	2.8	2.8
	16.0	14.7

The average weekly number of employees calculated on the basis of full time equivalents during the year was 13.7 (2018: 12.3).

SAT-7 UK Trust Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019

7 Taxation

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

8 Tangible fixed assets

	Leasehold Improvements £	Office Equipment £	Office Furniture £	Total £
Cost				
At 1 January 2019	4,347	25,349	13,438	43,134
Additions	-	1,510	-	1,510
At 31 December 2019	<u>4,347</u>	<u>26,859</u>	<u>13,438</u>	<u>44,644</u>
Depreciation				
At 1 January 2019	1,538	19,200	4,978	25,716
Depreciation	1,446	4,715	3,359	9,520
At 31 December 2019	<u>2,984</u>	<u>23,915</u>	<u>8,337</u>	<u>35,236</u>
Net book value				
At 31 December 2019	<u>1,363</u>	<u>2,944</u>	<u>5,101</u>	<u>9,408</u>
At 31 December 2018	<u>2,809</u>	<u>6,149</u>	<u>8,460</u>	<u>17,418</u>

9 Investments

Investment properties	2019 £	2018 £
Market Value at 1 January	310,000	150,000
Additions	-	160,000
Market Value at 31 December	<u>310,000</u>	<u>310,000</u>
Historical cost at 31 December	<u>310,000</u>	<u>310,000</u>

During the year, the investment properties have been reclassified as current assets, as it is the trustees' intention is to sell the assets within the next 12 months.

10 Debtors

	2019 £	2018 £
Other debtors	4,850	2,077
Prepayments	23,396	15,644
Tax reclaimable under Gift Aid	9,624	9,568
	<u>37,870</u>	<u>27,289</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

11 Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	26,950	25,252
Accruals and deferred income	12,830	12,201
Other creditors	2,884	6,537
SAT-7 International Trust	20,303	36,732
	<u>62,967</u>	<u>80,722</u>

12 Commitments under operating leases

At 31 December 2019 the charitable company had total minimum lease payments under non-cancellable operating leases as follows:

	2019 Land & Buildings	2018 Land & Buildings
	£	£
Within 1 year	13,104	13,368
2 to 5 years	<u>48,680</u>	<u>61,449</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

13 Reconciliation of the Statement of Financial Activities to the Cash Flow Statement

	SOFA	Debtors adjustment	Creditors adjustment	Stock adjustment	Cashflow
Income from:					
Donations and legacies	1,988,482	-	-	-	-
Increase in tax reclaimable under Gift Aid		(56)			1,988,426
Investments	22,207	-	-	-	22,207
Other trading activities	3,129	-	-	-	3,129
Expenditure on:					
Raising funds	(298,532)	-	-	-	-
Decrease in stock				(621)	
Decrease to accruals	-	-	(117)	-	(299,270)
Charitable activities	(1,817,132)	-	-	-	-
Depreciation eliminated	9,520	-	-	-	-
Movement in other debtors and prepayments	-	(10,525)	-	-	-
Increase in trade and other creditors	-	-	(18,384)	-	-
Decrease to accruals		-	746	-	(1,835,775)
Balance sheet movements		<u>(10,581)</u>	<u>(17,755)</u>	<u>(621)</u>	

14 Analysis of changes in cash during the year

	2019 £	2018 £	Change £
Cash at bank and in hand	<u>169,176</u>	<u>291,969</u>	<u>(122,793)</u>
	2018 £	2017 £	Change £
Cash at bank and in hand	<u>291,969</u>	<u>246,227</u>	<u>45,742</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

15 Movement in funds

Year ended 31 December 2019	At 1 Jan 2019 £	Income £	Expenditure £	Transfers £	At 31 Dec 2019 £
Endowment funds					
Expendable endowment	335,969	-	-	(25,969)	310,000
	<u>335,969</u>	<u>-</u>	<u>-</u>	<u>(25,969)</u>	<u>310,000</u>
Restricted funds					
Cross Channel Projects	-	83,226	(83,226)	-	-
Cross Channel: Discipleship Programming	-	11,900	(11,900)	-	-
Cross Channel: Education Programming	-	4,483	(4,483)	-	-
Cross Channel: Women's Programming	-	126,534	(126,534)	-	-
SAT-7 ACADEMY	-	18,577	(18,577)	-	-
SAT-7 ARABIC	-	43,474	(43,474)	-	-
SAT-7 KIDS	-	62,673	(62,673)	-	-
SAT-7 PARS	-	137,031	(137,031)	-	-
SAT-7 TÜRK	-	4,298	(4,298)	-	-
UK Nationals working for SAT-7 Internationally	-	71,142	(71,142)	-	-
SAT-7 UK Development	-	259	(259)	-	-
	<u>-</u>	<u>563,597</u>	<u>(563,597)</u>	<u>-</u>	<u>-</u>
Unrestricted funds					
General funds	168,655	1,450,221	(1,383,224)	(100,000)	135,652
Designated funds: Development in the UK	62,087	-	(168,843)	125,969	19,213
	<u>230,742</u>	<u>1,450,221</u>	<u>(1,552,067)</u>	<u>25,969</u>	<u>154,865</u>
Total funds	<u>566,711</u>	<u>2,013,818</u>	<u>(2,115,664)</u>	<u>-</u>	<u>464,865</u>

The comparative movement in funds figures can be found in note 24.

Endowment funds

Expendable endowment Property donated to the charity has been included as an expendable endowment and is being used to generate income for the charity. There is no legal requirement to hold the property for this purpose (and therefore, it is not permanently endowed), but the Trustees believe this use is in line with intentions of the donor in the medium term. During 2019, the board transferred £25,969 (2018: £65,000) of the expendable endowment fund to a designated fund for the purpose of SAT-7 UK development.

Restricted funds

Cross Channel Projects Fund for the operating costs of SAT-7 and specific projects that cross all channels and regions.

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

15 Movement in funds (*continued*)

Cross Channel: Discipleship Programming	Fund for discipleship and bible teaching programming across all of SAT-7's channels and language groups.
Cross Channel: Education Programming	Fund for education programming across all of SAT-7's channels and language groups.
Cross Channel: Women's Programming	Fund for programming to support vulnerable and marginalised women across all of SAT-7's channels and language groups.
SAT-7 ACADEMY	Fund for the operational costs of SAT-7's education and development programming broadcasting in Arabic on SAT-7 KIDS and SAT-7 ARABIC.
SAT-7 ARABIC	Fund for the operational costs of SAT-7's Arabic language channel for young people and adults (over 16 years).
SAT-7 KIDS	Fund for the operational costs of SAT-7's children channel broadcasting in Arabic.
SAT-7 PARS	Fund for the operational costs of SAT-7's Farsi language channel.
SAT-7 TÜRK	Fund for the operational costs of SAT-7's Turkish language channel.
UK Nationals working for SAT-7 Internationally	Fund for the costs of UK nationals working for SAT-7 internationally.
SAT-7 UK Development	Fund for the operational and developmental cost of SAT-7 UK Trust in GB and Ireland.

Designated fund

This applies to funds given for general purposes but designated to a particular purpose by a resolution passed by the Trustees of SAT-7 UK Trust. This year there have been designated funds agreed for the development of SAT-7 in the UK.

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

16 Analysis of net assets between funds

As at 31 December 2019	Investments £	Tangible Fixed assets £	Other Net assets £	Total £
Endowment fund				
Expendable endowment	310,000	-	-	310,000
	<u>310,000</u>	<u>-</u>	<u>-</u>	<u>310,000</u>
Unrestricted funds				
General funds	-	9,408	126,244	135,652
Designated funds	-	-	19,213	19,213
	<u>310,000</u>	<u>9,408</u>	<u>145,457</u>	<u>464,865</u>

The comparative figures for the analysis of net assets between funds note can be found in note 25.

17 Company limited by guarantee

The company is limited by guarantee and as such has no issued share capital. In the event of the company being wound up the liability of the members is limited to £1 each.

18 Funds held as a custodian for others

At the year end, the charity held £245,614 (2018: £183,415) of cash balances under the control of SAT 7 International Trust. These balances have been excluded from the balance sheet.

In the year funds were received on behalf of SAT-7 International Trust totalling £1,330,252. Payments made as a custodian trustee on behalf of SAT-7 International Trust totalled £1,268,054.

Further details of the custodian trustee relationships can be found within the trustees' report.

19 Related party transactions

There are no related party transactions other than disclosed elsewhere in these financial statements.

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

COMPARATIVE FIGURES

The notes on the following pages contain comparative information and are integral to the financial statements as required by the Statement of Recommended Practice.

20 Statement of Financial Activity comparative figures

	<i>Unrestricted General Funds</i>	<i>Unrestricted Designated Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total Funds 2018</i>
	£	£	£	£	£
Income and endowments from:					
Donations and legacies	1,521,374	-	517,804	160,000	2,199,178
Investments	20,081	-	-	-	20,081
Other trading activities	2,374	-	-	-	2,374
Total income funds	<u>1,543,829</u>	<u>-</u>	<u>517,804</u>	<u>160,000</u>	<u>2,221,633</u>
Expenditure on:					
Raising funds	261,171	-	431	-	261,602
Charitable activities	1,245,474	38,037	517,373	-	1,800,884
Total expenditure	<u>1,506,645</u>	<u>38,037</u>	<u>517,804</u>	<u>-</u>	<u>2,062,486</u>
Net income/(expenditure)	37,184	(38,037)	-	160,000	159,147
Transfers between funds	(25,000)	90,000	-	(65,000)	-
Net movement in funds	<u>12,184</u>	<u>51,963</u>	<u>-</u>	<u>95,000</u>	<u>159,147</u>
Funds brought forward at 1 January	156,471	10,124	-	240,969	407,564
Funds carried forward at 31 December	<u>168,655</u>	<u>62,087</u>	<u>-</u>	<u>335,969</u>	<u>566,711</u>

21 Donations and gifts comparative figures

	<i>Unrestricted General Funds</i>	<i>Restricted Funds</i>	<i>Endowment Funds</i>	<i>Total 2018</i>
	£	£	£	£
Prior year				
Churches	89,774	42,351	-	132,125
Institutions	169,699	279,976	-	449,675
Individuals	1,261,901	195,477	160,000	1,617,378
	<u>1,521,374</u>	<u>517,804</u>	<u>160,000</u>	<u>2,199,178</u>

SAT-7 UK Trust Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2019

22 Expenditure comparative figures

<i>Prior year</i>	<i>Grants payable Restated £</i>	<i>Direct costs £</i>	<i>Support costs (note 4) £</i>	<i>Total 2018 £</i>
<i>Raising funds</i>				
Staff costs	-	167,240	5,970	173,210
Promotional activities	-	45,510	-	45,510
Office costs	-	-	42,882	42,882
	<u>-</u>	<u>212,750</u>	<u>48,852</u>	<u>261,602</u>
<i>Charitable activities</i>				
In the UK	-	-	401,229	401,229
Supporting the church in the MENA	1,399,655	-	-	1,399,655
	<u>1,399,655</u>	<u>-</u>	<u>401,229</u>	<u>1,800,884</u>
	<u><u>1,399,655</u></u>	<u><u>212,750</u></u>	<u><u>450,081</u></u>	<u><u>2,062,486</u></u>

23 Support costs comparative figures

<i>Prior year</i>	<i>Raising funds Restated £</i>	<i>Charitable activities Restated £</i>	<i>Total 2018 Restated £</i>
Staff costs and staff related costs	5,970	249,709	255,679
Premises expenses	1,153	22,574	23,727
Admin expenses	41,729	107,749	149,478
Depreciation	-	9,687	9,687
Governance costs	-	11,510	11,510
	<u>48,852</u>	<u>401,229</u>	<u>450,081</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

24 Movement in funds comparative figures

Year ended 31 December 2018	At 1-Jan 2018 £	Income £	Expenditure £	Transfers £	At 31-Dec 2018 £
Endowment funds					
Expendable endowment	240,969	160,000	-	(65,000)	335,969
	<u>240,969</u>	<u>160,000</u>	<u>-</u>	<u>(65,000)</u>	<u>335,969</u>
Restricted funds					
Cross Channel Projects	-	10,698	(10,698)	-	-
Cross Channel: Discipleship Programming	-	59,119	(59,119)	-	-
Cross Channel: Education Programming	-	7,779	(7,779)	-	-
Cross Channel: Women's Programming	-	102,055	(102,055)	-	-
SAT-7 ACADEMY	-	13,472	(13,472)	-	-
SAT-7 ACADEMY: E-Learning	-	40,000	(40,000)	-	-
SAT-7 ARABIC	-	65,641	(65,641)	-	-
SAT-7 ARABIC: Production Vehicle	-	20,500	(20,500)	-	-
SAT-7 KIDS	-	25,555	(25,555)	-	-
SAT-7 PARS	-	65,562	(65,562)	-	-
SAT-7 PARS: Audience Relations	-	7,523	(7,523)	-	-
SAT-7 PARS: Heavenly Worship	-	5,250	(5,250)	-	-
SAT-7 TÜRK	-	7,495	(7,495)	-	-
UK Nationals working for SAT-7 Internationally	-	86,724	(86,724)	-	-
SAT-7 UK Development	-	431	(431)	-	-
	<u>-</u>	<u>517,804</u>	<u>(517,804)</u>	<u>-</u>	<u>-</u>
Unrestricted funds					
General funds	156,471	1,543,829	(1,506,645)	(25,000)	168,655
Designated funds: Development in the UK	10,124	-	(38,037)	90,000	62,087
	<u>166,595</u>	<u>1,543,829</u>	<u>(1,544,682)</u>	<u>65,000</u>	<u>230,742</u>
Total funds	<u>407,564</u>	<u>2,221,633</u>	<u>(2,062,486)</u>	<u>-</u>	<u>566,711</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2019

24 Movement in funds comparative figures (*continued*)

Narrative descriptions for the funds above that are not included below can be found in note 15.

Restricted funds

SAT-7 ACADEMY: E-Learning Platform Fund for a web based interactive platform to deliver SAT-7's education and development programming in Arabic.

SAT-7 ARABIC: Production Vehicle Fund for the purchase of a minivan to transport SAT-7 crew to events.

SAT-7 PARS: Heavenly Worship Fund for a live worship and prayer programme in Farsi broadcast on SAT-7 PARS.

SAT-7 PARS: Audience Relations Fund for the audience response team for in Farsi language broadcasts.

25 Analysis of net assets between funds comparative figures

	<i>Investments</i> £	<i>Tangible Fixed assets</i> £	<i>Other Net assets</i> £	<i>Total</i> £
As at 31 December 2018				
Endowment fund				
Expendable endowment	310,000	-	25,969	335,969
	<u>310,000</u>	<u>-</u>	<u>25,969</u>	<u>335,969</u>
Unrestricted funds				
General funds	-	17,418	151,237	168,655
Designated funds	-	-	62,087	62,087
	<u>310,000</u>	<u>17,418</u>	<u>239,293</u>	<u>566,711</u>