



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 2020

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SAT-7 UK TRUST LIMITED

Reference and administrative details of the charity, its Trustees and Advisers for the year ended
31st December 2020

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	2 nd Floor, 3-4 New Road, Chippenham Wiltshire SN15 1EJ
Operations centre	2 nd 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 (retired April 2020) , Mr C Miles, Mr M Haines, Mr R Giles (appointed deputy Chair Oct 2020), Mr O Morris, Mr D Taylor (appointed Oct 2020), Mr L Jorgensen (appointed Oct 2020)

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

SAT-7 UK TRUST LIMITED

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 2020. 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 21st October 2009, 19th October 2005, 24th March 2014 and 14th February 2019. 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 aspects 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 SAT-7 UK does is motivated by and is 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. In 2020 the trustees held

their meeting using video conferencing as face-to-face meetings were not possible. During 2020 additional board meetings were held to support the executive team and monitor the impact of the pandemic upon the activities of the charity.

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 Finance Sub-Committee increased the frequency of their meetings during 2020, meeting monthly using video conferencing as face-to-face meetings were not possible.

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 £1,314,307 to SAT-7 International Trust during 2020.

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 Charity's 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 2020 one trustee stood down and two new trustees were recruited. The board also appointed a deputy chairman.

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 2020, the trustees have held a detailed review of a different aspect of the Charity Governance Code at each board meeting. Following the recruitment of new trustees in October 2020, training and induction for these trustees is ongoing.

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 risk assessment is regularly reviewed and was specifically updated in 2020 due to the Covid-19 pandemic.

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 2020.

SAT-7 UK is registered with the Fundraising Regulator and adheres strictly to their Code of Fundraising Practice. In 2020 there were no failures to comply with this Code of Practice. In addition, as outlined in the privacy notice SAT-7 UK does 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 2020 SAT-7 UK did not contract the services of any professional fundraisers as defined by section 58 of the Charities Act 1992. SAT-7 UK is registered with the Fundraising Preference Service (FPS) and during 2020 received no requests through this service. During 2020, no formal complaints about our fundraising practices were received.

At all times in SAT-7 UK's fundraising seeks:

- To raise money only when 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, to 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.

SAT-7 UK does 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 supporters' data is gathered, stored and used.

- To adhere to current data protection legislation and be registered with the Information Commissioner's Office.
- To protect the confidentiality of personal information and ensure its security at all times.
- Not to pass on supporters' details to any other charity or organisation outside the SAT-7 family. Nor to purchase prospect supporters' 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 Practise to ensure that all response devices and data capture forms comply with the data protection guidelines.

Safeguarding

Although SAT-7 UK does not work directly with children or vulnerable adults, SAT-7 UK is committed to good practice in dealing with any safeguarding issues.

There may be occasions when children or vulnerable adults are present during a SAT-7 UK event or presentation. In such a context the SAT-7 UK staff member or volunteer will follow the safeguarding policy of that organisation.

SAT-7 UK updated its safeguarding policies in 2019 and continues to monitor its practices and training in this area.

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, 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 faith.

8. Purpose of SAT-7 UK

The vision of SAT-7 UK is to see the Church in the Middle East and North Africa ("MENA") confident in Christian faith and witness, is serving the community and is contributing to the good of society and culture. To deliver this vision SAT-7 UK partners with SAT-7 International Trust to enable high-quality locally produced inspirational, informative and educational television & digital media services, and supporting this in the UK through giving, prayer and influencing.

Through highlighting the needs of the MENA churches SAT-7 UK seeks 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 SAT-7 UK's work, providing information about the region operating 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. Response to COVID-19

The COVID-19 pandemic started to emerge in early 2020. In March 2020, the UK moved into lockdown with the staff working fully from home by 20th March. During this time, our operations continued, with the team quickly adapting to home working and focused at looking at new ways of achieving our goals and engaging with supporters. During this period, it became necessary to furlough 4 staff members.

These challenges came at a time when SAT-7 UK was already juggling four maternity leaves, welcoming staff into new team roles but the staff team showed great commitment, prayerfulness, dedication, faith, and good amounts of humour.

Working with the Finance sub-committee (FSC) a number of financial measures were introduced to prioritise work and monitor and track expenditure and cashflow. Monthly financial reports to the FSC were maintained with specific focus on cashflow & reserves. The FSC moved to monthly (virtual) meetings to review income and maintain and maximise reserves and only then as appropriate approve grants to ensure the work of SAT-7 International could be maintained.

With concerns over a recession, Brexit and pandemic, as the Executive team considered ongoing plans in 2020 and beyond, the future was full of uncertainty. Three scenarios were considered as to how

SAT-7 UK's income could be impacted over the coming years: little or no impact; a response similar to the one experienced after the 2009 recession showing quick recovery; worst case a very deep and long recession that will take 3-4 years to recover fully from. To help us deliver Scenario 1, the team immediately started working on actions that will help to mitigate the impact of the recession and the reduction in some activities brought about by the present phased lockdown and the longer-term continuation of social distancing.

These plans were developed using the following framework:

- **Response** being until the end of 2020 – our approach during this time was to test, refine and improve. Activities tested included large-scale virtual supporter events, meeting with donors virtually, speaking direct to churches online and through targeted recorded presentations, growing our digital media presence and prioritise the expansion of new video resources. The Executive team connected monthly with SAT-7 International and continuously monitored the impact of the pandemic on their work and ability to support the beneficiaries.
- **Recovery** 2021 -2022 – SAT-7 UK's 5-year strategic cycle was due to finish at the end of 2021, but through a new interim 2-year strategy, it will be extended to the end of 2022. This approach was agreed to ensure attention and focus remains on our ability to sustain our operations and to grow out of the present environment (pandemic, Brexit, recession).
- **Reconstruction** 2023-2027 – a new 5-year strategic planning cycle that sees the organisation grow to a £5M income. Developing this new plan will require a significant process during 2021, involving the executive team, and the board.

11. Current and Future Strategy

In October 2020 the board approved SAT-7 UK's new interim 2-year strategy. In preparing this strategy, the executive team of SAT-7 UK have considered the impact of the COVID-19 pandemic, both within the UK and Internationally, and how that is likely to impact the work of SAT-7 UK in the coming years.

The new strategic objectives developed will be delivered through activities aligned to key priorities. In developing and accessing these objectives and priorities consideration has been given to lessons learnt during the previous planning cycle and the pandemic. Within the context of Brexit, the ongoing pandemic and resulting economic recession there are several risks in delivering these plans. Consideration of the risks and opportunities to achieve the objectives has been made with mitigations to these risks built in wherever possible. A newly revised and updated set of key metrics have been identified that will be monitored to track progress on delivering our goals.

The strategy over the next two years will seek to develop an internal culture of innovation and creativity whilst remaining consistent in the focus and quality of communications and depth of relationships with our supporters. SAT-7 UK's supporters have, over many years, shown incredible faithfulness and generosity to SAT-7 UK. Honouring their commitment will be a priority through the quality of our relationships and communications with them; even if their ability to donate to SAT-7 UK may be reduced.

To deliver the mission and vision of SAT-7 UK within our charitable activities a series of strategic objectives have been agreed as:

- To demonstrate the **IMPACT** God is having through SAT-7 as an indigenous Middle Eastern ministry working with the Church to bring the Good News to the people of the Middle East & North Africa through powerful, faith-filled television and digital media programmes.
- To **INSPIRE** the hearts and minds of Christians in all walks of life in the UK to engage with and pray for the Christians of the MENA.

- To **INFLUENCE** Christians to better understand the challenges of the MENA church to change attitudes and help improve the lives of MENA Christians.

12. Review of the year – work in the MENA

SAT-7 International Overview

SAT-7 broadcasts 24 hours a day, seven days a week, on four satellite television channels in the three main languages of the MENA: Arabic (SAT-7 ARABIC and SAT-7 KIDS), Farsi (SAT-7 PARS) and Turkish (SAT-7 TÜRK). It also has a specialist Arabic-language brand, SAT-7 ACADEMY, for education and social development. Programmes are produced and presented by Christians from the region and are designed to be culturally relevant and sensitive. They are supported by audience relations teams who respond to the hundreds of viewers who contact the channels every day through a variety of means.

SAT-7 broadcasts to 25 countries across the MENA, with a total population of some 560 million. Around 470 million have access to satellite television, making this the most effective medium of communication; SAT-7's programmes are estimated to reach an audience of about 25 million people. Satellite broadcasts also overcome the barriers of official censorship and widespread illiteracy.

At the same time, SAT-7 is responding to the ever-growing use of digital media in the region by increasing its online presence. This includes websites for each channel, extensive viewer engagement on several social media platforms, and a variety of mobile applications. A new Video on Demand streaming service and Digital Identity app are currently in preparation to consolidate SAT-7's online activity.

The year 2020 presented some serious challenges to SAT-7 and its viewers, in addition to those they usually face in an unstable and dangerous part of the world. But at a time when many more people were turning to SAT-7 for strength and hope, the channels succeeded in maintaining and developing their work.

In particular, SAT-7 committed itself to maintaining as full a schedule of live programmes as possible throughout the COVID-19 lockdowns, and although a number of the studios had to close for short periods, production of some shows was successfully transferred to presenters' homes. The content of live broadcasts was adapted to deliver information, inspiration and interaction, and schedules were maintained with pre-recorded and acquired programming.

An enormous explosion in Beirut on 4 August destroyed a large part of the port area. SAT-7 launched a major support initiative in Lebanon to bring spiritual and emotional help to viewers and to promote the relief efforts. It included altogether new programmes, Beirut-specific content for existing broadcasts, and a social media project for children.

SAT-7 International's strategic programming goals

SAT-7's long-term mission goals are to make the Gospel available to everyone in the MENA, and to encourage, support and empower the Church in its life, work and witness for Christ. Within these overarching aims, SAT-7 has identified two "priority sectors" into which our activities may be conveniently classified: Personal Faith and Church Life, and Public Voice and Social Change.

Personal Faith and Church Life

Everyone Everywhere

SAT-7 wants people in every part of the MENA, from every religious or social background, to have access to the Gospel of Christ through quality broadcast content, to be connected, supported, and encouraged to engage with the message, and to live a Christian life that affirms and reflects their cultural identity. SAT-7 pursues this goal through programmes that provide worship, faith-sharing, teaching and fellowship, in forms tailored to the needs of MENA viewers.

Programme examples:

Keep on Singing (SAT-7 ARABIC) offers praise and worship music that encourages viewers to persevere in their faith and experience joy and peace. Salvation through Christ (SAT-7 PARS) teaches basic Christian doctrine through inductive Bible studies. Worldview (SAT-7 TÜRK) discusses and interprets the week's global news from a Christian perspective.

Viewer comment:

"I praise Lord Jesus Christ for touching my heart, for changing me by coming into my life. I pray that everyone in the world can taste this grace and love. I want to thank you all so much for being the tools for the Gospel."
Filiz, a SAT-7 TÜRK viewer

Discipleship

SAT-7's varied discipleship programmes build up the faith of oppressed and isolated believers, teach them what it means to be a Christian and equip them for service. Church leaders are provided with coherent, robust and engaging theological material that both reinforces their own faith and enables them to communicate it effectively. And children's, youth, parenting and marriage programmes seek to establish a Christ-centred understanding of relationships.

Programme examples:

Ask Dr Maher (SAT-7 ARABIC) provides responses to key spiritual questions to empower viewers to stand firm in their faith. Bible Heroes (SAT-7 KIDS) teaches the basics of Christian faith to children by introducing them to key Bible characters. Power of Prayer (SAT-7 TÜRK) encourages viewers to find help, support and encouragement in prayer.

Viewer comment:

Thank you, Dr Maher, for the explanation, we learned many things today from the Word of God. It was very encouraging as usual in helping us to understand God's purposes in our lives. God bless you."
Regina, a viewer of Ask Dr Maher

Public Voice and Social Change

Investing in the Next Generation

SAT-7's children's and youth programmes promote holistic wellbeing and inclusion. They encourage young viewers to respond appropriately to the Christian message, and help parents to encourage their children's spiritual and moral development. They equip young people with the worldview, knowledge and practical skills that will enable them to realise their own potential. SAT-7 also aims to offer every child in the Arabic-speaking world the opportunity to learn.

Programme examples:

Family of Jesus (SAT-7 KIDS) helps children and young people grow in their faith through worship, prayer and drama. Golpand (SAT-7 PARS) provides drama sketches applying biblical principles to practical problems. My School (SAT-7 ACADEMY) teaches languages, maths and science to children who may otherwise not have even a basic education.

Viewer comment:

"You are very special to me. I love to watch the beautiful subjects that you present in My School, because you deliver the information in a very smooth way, giving material for both children and adults."
Khalil from Yemen

Women across the MENA

In a context where various norms and practices devalue women and girls, SAT-7's broadcasts encourage them to understand their inherent value and dignity, provide opportunities for them to speak out, express solidarity and empower others, and also support them in realising their full potential. Programmes inform women of their fundamental rights and freedoms as well as their responsibilities and encourage them to challenge and change harmful attitudes and practices.

Programme examples:

Homemade (SAT-7 TÜRK) empowers women to be positive changemakers by discussing social issues and promoting biblical values. From Heart to Heart (SAT-7 ARABIC) offers insights and experience on questions faced by married couples. Insiders (SAT-7 PARS) invites professional women to share their expertise on the everyday concerns of women and families.

Viewer comment:

“Right now I have hope. I’m reading the Bible and praying every day. Jesus Christ is with me, He is taking care of me, I can feel His presence. I want to thank you all because you have been tools for God to do this in my life.”
Semra, a viewer of Homemade

Realising Freedom

SAT-7 broadcasts into social and political contexts where people’s freedoms are restricted in various ways. A range of programmes affirm individuals in their ethnic, linguistic, racial and socio-economic identities and promote their rights to freedom of thought, conscience and religion. Some programmes also aim to support and empower people who have a disability.

Programme examples:

The Wall (SAT-7 ARABIC) is a thought-provoking new sitcom offering new perspectives on gender equality, racism, disability rights and more. Obstacle Overcomers (SAT-7 TÜRK) highlights the achievements and goals of people living with disabilities.

A Thriving MENA

SAT-7 wants individuals and communities in the MENA not merely to survive but to thrive: to enjoy their universal rights, realise their development goals and experience a full life. Its broadcasts promote various elements of that life: good physical and mental health, free and critical discussion, social harmony and justice, and environmental responsibility.

Programme examples:

You Are Not Alone (SAT-7 ARABIC) is a new programme that has focused on current issues of concern, such as COVID-19 and the explosion in Beirut. Our Neighbourhood (SAT-7 PARS) addresses social and cultural problems, with a special focus on drug addiction.

Audience Engagement

Audience engagements with SAT-7 increased sharply over the year. (An engagement is defined as one or a connected series of contacts from one viewer.) The peak was reached at the time of the first COVID-19 lockdowns, when the channels were producing a large amount of related content and many viewers needed additional support, prayer and encouragement. But even in the summer when fewer live programmes were broadcast, interactions continued to be substantially higher than in 2019. Overall growth was 16%, with the largest increase being for SAT-7 ACADEMY (an astonishing 335%), SAT-7 TÜRK (100%) and SAT-7 KIDS (70%).

The impact of SAT-7’s programmes is also seen in the heartfelt thanks and greetings sent in to the channels. Those included in this report are typical of hundreds. The viewer response teams respond to people’s specific prayer requests and counselling needs and apply the message of SAT-7’s programmes to viewers’ individual circumstances.

13. Review of the year – work in the UK

2020 saw significant change in many of the team’s activities as SAT-7 UK responded to the COVID-19 pandemic and there is much to be thankful for. Meeting Christians “where they are” was a key part of SAT-7 UK’s approach in 2020. There was a huge growth in digital activities as COVID-19 restrictions prevented physical gatherings and interactions. It enabled us to reach supporters and new audiences in a different way resulting in significant growth.

Early in the year the in-year plan and budget were reforecast enabling the team to address and mitigate the numerous challenges and restrictions presented by COVID-19. With an ambitious target of increasing the support base by 20%, a shift in activities still enabled the addition of over 2,000 new names – only 3% off a target that had been based around an increase in presence at four key Christian events, that were subsequently cancelled. This increase in both acquiring new supporters and supporter engagement was achieved particularly through a range of well-attended and engaging digital events, backed up by a stream of high-quality print and digital communications, new and creative presentation and video resources, and fundraising appeals (including trialling digital-only e-appeals and paid social media adverts based around SAT-7's response to COVID-19 and the emergency appeal following the blast in Beirut). An increased response from platforms where the Joy campaign had been running was also seen, with a very positive increase in the number of new donors who gave as their first connection with SAT-7 and an increase in the number of regular donors (joy bringers) seeing a 15% increase in regular giving income across the year.

Parallel to the increase in new supporters and income and perhaps just as significant, is the encouragement of tangibly deepened relationships with supporters during this time. This has been evident in the comments during online events and afterwards in the feedback given by emails and phone calls, and also in response to the resources and communications sent.

Supporter Messaging: The coronavirus lockdowns have also given UK Christians a much greater understanding of how it feels to live under restrictions, and therefore empathise more deeply with SAT-7 viewers in the Middle East and North Africa. This loss of freedom inspired our 'Free to be...' campaign series, which explores different types of freedoms. This started in the autumn with 'Free to be me?', moving on to 'Free to be together?' during the Advent and Christmas period, and in early 2021 for Lent and Easter, 'Free to believe?'. The different 'Free to be...' themes have been rolled out across our various platforms, including events, fundraising appeals, prayer materials and digital content, to present a strong and coherent message for existing supporters and people new to SAT-7 to engage with.

Digital Media: We've started to reach a younger demographic through our digital acquisition strategy, which included seeing an 85% increase in Instagram followers in 2020. Organic results from Facebook over the last year have been more mixed, however. Paid Facebook adverts during 2020, mostly around the 'Free to be' campaigns, have taken our content to significant numbers of people. The number of followers on Twitter has grown by 10% to 2,615. Social media also continued to attract and enable interactions with important organisations and gatekeepers, e.g. Conservative Christian Fellowship and Former Freedom of Religion or Belief (FoRB) Envoy, Presbyterian Church Ireland, Global Connections, All Party Parliamentary Group on Freedom of Religion. 2020 was a strong year for YouTube, with a growth of 28% to 7,266 subscribers. This has been driven by a number of initiatives, including posting recordings of News & Prayer Live – in full and excerpted clips, 'Free to be me' campaign film with children's TV presenter Gemma Hunt in several versions, strong, timely clips, e.g. covering SAT-7's response to the Lebanon explosion, and regular vlogs by SAT-7 International CEO. The website also performed well during the year with donation through the website increasing 150% over 2019.

Church Engagement: Relationships continue to develop with the existing SAT-7 supporting churches, particularly at present through the promotion of seasonal prayer campaigns and events. Though formal take-up has possibly been less, commitment has been maintained with a 15.3% increase in overall giving in 2020. A different more personal and bespoke approach to our 'big supporting churches' was further developed in 2020. 136 personalised emails were sent to 34 of this group of churches, providing information and connection with resources and events. 68 personalised videos were also shared with these churches to use in services. This has enabled SAT-7 to deepen its relationships with these churches during this pandemic and lockdown period and will be reviewed and further developed during 2021, alongside the launch of a new SAT-7 Church Partners programme. The team has also trialled a new approach in inviting guest church and mission leaders to lead and speak at a SAT-7 UK staff devotion; already proving to be beneficial for staff and to help cement relationships with the guests.

Despite restrictions, twelve new volunteer Ambassadors were recruited, including 3 new speakers who were trained via Zoom. One to one training was also offered for Speakers to help them become confident in sharing SAT-7 via Zoom.

Political Engagement: COVID-19 restrictions have meant that all political engagement has been virtual. This includes Conservative Party Conference – Christian Fellowship (CCF), Wilberforce lecture, UK FoRB Forum which brings together NGOs, religious and political groups to increase awareness of FoRB and to share experience and learning. Global Connections Muslim World Forum hosted an event and invited SAT-7 UK to be part of a panel discussing the role of media in sharing the gospel and discipling believers in the MENA.

Income generation: Overall, 2020 was a very challenging year for the fundraising team with the restrictions of travel and face to face meetings, but amazingly the grant making, and major gifts team ended the year 13% above target. The Direct mail program also performed well with the appeals and magazines across the year raising 12% more funds than in 2019. There was an increased response from platforms where the Joy campaign had been running, with a very positive increase in the number of new donors who gave as their first connection with SAT-7 and an increase in the number of regular donors (joy bringers) seeing a 15% increase in regular giving income across the year.

14. Looking ahead to 2021

To deliver the strategic objectives of SAT-7 UK, activities for 2021 have been built around five priority areas:

A. Supporter Engagement & Acquisition

Through a focus on the supporter journey, targeted campaigns, appropriate messaging and meeting Christians 'where they are' the team will seek to take care of and build deeper relationships with our existing supporters and continue to reach new supporters, with a specific focus on the 30-50 age demographic.

B. Income Retention & growth

To deliver a sustainable and diverse funding model, appropriate activities within each income stream area have been identified to deliver overall growth in income and number of donors whilst recognising the economic challenges many of our supporters may face.

C. Public Profile & influence

To position SAT-7 as a credible indigenous MENA ministry with unique insights and expertise delivering impact across the region through activities including sustaining our political engagement, appropriate NGO partnerships and Christian press, media and UK Church.

D. People & Organisational Development

To ensure that SAT-7 UK is a sustainable organisation that staff and volunteers want to work for, providing the right training, resources and support to achieve individual, team and organisational objectives. To provide a strong culture of governance and adherence to all relevant regulations, good stewardship, best practise and codes of conduct, building a positive reputation and a healthy culture within the organisation.

E. Strategy & Future Change

Develop a new **5-year strategic plan** for SAT-7 UK to deliver organisation growth and a further step change in SAT-7 UK's impact and reach.

15. Financial Review

The financial results for the year are set out in the Statement of Financial Activities. In 2020 SAT-7 UK's income was £2,210,000 (2019: £2,013,818) an increase of 9.74% from 2019.

Expenditure on raising funds was £265,443 (2019: £298,532) while expenditure on charitable activities was £1,765,223 (2019: £1,817,132). Net income and expenditure in 2020 showed a surplus of £179,334 (2019: deficit £101,846).

Net assets at 31 December 2020 were £644,199 (2019: £464,865). Cash at bank and in hand at 31 December 2020 amounted to £331,245 (2019: £169,176).

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 2021 planned working requirements are budgeted to be £65,000 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 2020 SAT-7 UK Trust ['the charity'] held total reserves of £644,199 comprising:

- The Expendable Endowment Fund which 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 which were established by the trustees to set aside funds for specific projects planned within 12 - 18 months. At 31 December 2020 the fund stood at £71,941 (2019 £19,213).
- General Unrestricted Funds stood at £262,258 (2019 £135,652) representing tangible fixed assets held for the charity's own use of £10,604 and free reserves of £251,654 (2019 £126,244).
- No Restricted Funds were held by the charity at 31 December 2020.

At 31 December 2020 the Free Reserves stood at £251,654 (2019 £126,244). This represented 3.87 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. With the ongoing uncertainty there continues to be a risk of short-term decrease in the quantity of donations received by the charity during this period, however the Board is continuously monitoring the situation and control measures are in place to monitor the amounts of grants payable which can be reduced as a result of any impact.

The level of unrestricted free reserves 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 were reclassified in 2019 as current assets in the balance sheet as they are on the market and the intention remains to sell them in the next 12 months. There is an offer on one of the properties, but the sale is currently held up by COVID-19 restrictions.

16. 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.

SAT-7 UK TRUST LIMITED

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

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 21 April 2021

Signed on behalf of the trustees

Mr Roy Kemp
Chairman

Mrs Rachel Fadipe
Chief Executive Officer

SAT-7 UK TRUST LIMITED

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 2020 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 2020 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:

- 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.

SAT-7 UK TRUST LIMITED

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.

Joshua Kingston ACA (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: 21 April 2021

SAT-7 UK Trust Limited
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted General Funds £	Unrestricted Designated Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2020 £	Total Funds 2019 £
Income and endowments from:							
Donations and legacies	2	1,381,424	-	800,502	-	2,181,926	1,988,482
Investments		21,873	-	-	-	21,873	22,207
Other trading activities		1,477	-	-	-	1,477	3,129
Other income		4,724	-	-	-	4,724	-
Total income		1,409,498	-	800,502	-	2,210,000	2,013,818
Expenditure on:							
Raising funds	3	265,443	-	-	-	265,443	298,532
Charitable activities	3	947,879	16,842	800,502	-	1,765,223	1,817,132
Total expenditure		1,213,322	16,842	800,502	-	2,030,666	2,115,664
Net income/(expenditure)	5	196,176	(16,842)	-	-	179,334	(101,846)
Transfers between funds	16	(69,570)	69,570	-	-	-	-
Net movement in funds		126,606	52,728	-	-	179,334	(101,846)
Funds brought forward at 1 January	16	135,652	19,213	-	310,000	464,865	566,711
Funds carried forward at 31 December	16	262,258	71,941	-	310,000	644,199	464,865

Net income for Companies Act purposes is £179,334.

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 classified as continuing.

The notes on pages 24 to 37 form part of these financial statements
See note 20 for fund-accounting comparative figures

SAT-7 UK Trust Limited

BALANCE SHEET

AT 31 DECEMBER 2020

Company Number: 03301736

	Note	2020 £	2019 £
Fixed Assets			
Tangible fixed assets	8	10,604	9,408
Current assets			
Investments	9	310,000	310,000
Stock		883	1,378
Debtors	10	46,756	37,870
Cash at bank and in hand		331,245	169,176
		<u>688,884</u>	<u>518,424</u>
Creditors : Amounts falling due within one year	11	<u>(55,289)</u>	<u>(62,967)</u>
Net current assets		633,595	455,457
Net assets		<u>644,199</u>	<u>464,865</u>
Endowment funds	17	310,000	310,000
Income funds			
Unrestricted funds:	17		
General funds	17	262,258	135,652
Designated funds	17	71,941	19,213
Total funds		<u>644,199</u>	<u>464,865</u>

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 21 April 2021 and are signed on their behalf by:

Roy Kemp
Chairman

The notes on pages 24 to 37 form part of these financial statements

SAT-7 UK Trust Limited

CASH FLOW STATEMENT

YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Operational cash flows			
Cash flows from operating activities:			
Costs of Charitable Activities	14	<u>(1,754,378)</u>	<u>(1,835,775)</u>
Net outflow from operating activities		(1,754,378)	(1,835,775)
Cash flows for operating activities:			
Donations and Legacies	14	2,161,550	1,988,426
Other trading activities	14	1,477	3,129
Other income	14	4,724	-
Costs of raising funds	14	(264,948)	(299,270)
Endowed funds converted into income		-	25,969
Net inflow for operating activities		1,902,803	1,718,254
Net outflow of operating activities		148,425	(117,521)
Non-operational cash flows			
Investing activities			
Investments - investment property income	14	21,873	22,207
Acquisition of tangible fixed assets	8	<u>(8,229)</u>	<u>(1,510)</u>
		13,644	20,697
Financing activities			
Endowed funds converted into income		-	(25,969)
		<u>-</u>	<u>(25,969)</u>
Net cash inflow/(outflow) for the year	15	<u>162,069</u>	<u>(122,793)</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 24 to 37 form part of these financial statements

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

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 about the charity's ability to continue as a going concern, despite the significant uncertainty being caused by the worldwide COVID-19 crisis. Whilst the Trustees accept that there may be an impact on the charity's operations and reserves in the coming months and years as a result of COVID-19, the Trustees consider the charity has sufficient reserves to be able to meet these challenges.

- 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.
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SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (*continued*)

- 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.
- 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

Current year	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2020 £	Total 2019 £
Churches	104,596	41,048	-	145,644	128,673
Institutions	94,239	316,704	-	410,943	422,683
Individuals	1,182,589	442,750	-	1,625,339	1,437,126
	<u>1,381,424</u>	<u>800,502</u>	<u>-</u>	<u>2,181,926</u>	<u>1,988,482</u>

For the comparative figures please see note 21.

3 Expenditure

Current year	Grants payable £	Direct costs £	Support costs (note 4) £	Total 2020 £	Total 2019 £
<i>Raising funds</i>					
Staff costs	-	190,425	1,672	192,097	174,798
Promotional activities	-	39,962	-	39,962	85,783
Office costs	-	-	33,384	33,384	37,951
	<u>-</u>	<u>230,387</u>	<u>35,056</u>	<u>265,443</u>	<u>298,532</u>
<i>Charitable activities</i>					
In the UK	-	6,942	443,974	450,916	534,765
Supporting the church in the MENA	1,314,307	-	-	1,314,307	1,282,367
	<u>1,314,307</u>	<u>6,942</u>	<u>443,974</u>	<u>1,765,223</u>	<u>1,817,132</u>
	<u>1,314,307</u>	<u>237,329</u>	<u>479,030</u>	<u>2,030,666</u>	<u>2,115,664</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 2020

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 £1,314,307 (2019: £1,231,196) and to UK nationals working for SAT-7 Internationally of £nil (2019: £45,850)

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 2020	<i>Total 2019</i>
	£	£	£	£
Staff costs and staff related costs	1,672	265,893	267,565	247,655
Premises expenses	1,115	24,280	25,395	25,249
Admin expenses	32,269	137,004	169,273	166,868
Depreciation	-	7,033	7,033	9,520
Governance costs	-	9,764	9,764	11,977
	<u>35,056</u>	<u>443,974</u>	<u>479,030</u>	<u>461,269</u>

For the comparative figures please see note 23.

SAT-7 UK Trust Limited
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2020

5 Net (expenditure)/income for the year

This is stated after charging:	2020	2019
	£	£
Depreciation	7,033	9,520
Auditor's fees:		
For audit services	5,875	5,100
For accountancy services	2,075	1,800
For other services	3,191	3,941
Prior year under-accrual	-	1,260
Payments of Trustees' travel expenses	118	1,436

2 Trustees have been reimbursed for their out of pocket travel expenses (2019: 4). No Trustee received any remuneration during the year.

Aggregate donations from Trustees and other related parties in the year were £55,670 (2019: £89,360).

6 Staff costs and numbers

The aggregate payroll costs were:

	2020	2019
	£	£
Wages & salaries	404,517	362,831
Social security costs	29,181	26,966
Pension contributions	19,038	18,532
Benefits	1,658	908
	454,394	409,237

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

114,502	113,069
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No employee received emoluments of more than £60,000.

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

	2020	2019
	No.	No.
Director	2.0	2.0
Development staff	11.3	11.2
Administrators	3.0	2.8
	16.3	16.0

The average weekly number of employees calculated on the basis of full time equivalents during the year was 13.7 (2019: 13.7).

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

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 2020	4,347	26,859	13,438	44,644
Additions	802	6,623	804	8,229
At 31 December 2020	<u>5,149</u>	<u>33,482</u>	<u>14,242</u>	<u>52,873</u>
Depreciation				
At 1 January 2020	2,984	23,915	8,337	35,236
Depreciation	1,382	2,750	2,901	7,033
At 31 December 2020	<u>4,366</u>	<u>26,665</u>	<u>11,238</u>	<u>42,269</u>
Net book value				
At 31 December 2020	<u>783</u>	<u>6,817</u>	<u>3,004</u>	<u>10,604</u>
At 31 December 2019	<u>1,363</u>	<u>2,944</u>	<u>5,101</u>	<u>9,408</u>

9 Investments

Investment properties

	2020 £	2019 £
Market Value at 1 January	310,000	310,000
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>

The investment properties are classified as current assets, as it is the trustees' intention to sell the assets within the next 12 months.

10 Debtors

	2020 £	2019 £
Other debtors	1,032	4,850
Prepayments	15,724	23,396
Tax reclaimable under Gift Aid	30,000	9,624
	<u>46,756</u>	<u>37,870</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

11 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	16,862	26,950
Accruals and deferred income	16,903	12,830
Other creditors	153	2,884
SAT-7 International Trust	21,371	20,303
	<u>55,289</u>	<u>62,967</u>

12 Commitments under operating leases

At 31 December 2020 the charitable company had total minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	Land & Buildings	Land & Buildings
	£	£
Within 1 year	13,498	13,104
2 to 5 years	<u>37,977</u>	<u>48,680</u>

13 Contingent asset

By 31 December 2020 the charitable company had received notification of a legacy that it had entitlement to but probability of receipt and measurability were uncertain until after the year-end. At the year-end, therefore the legacy was a contingent asset. In February 2021 the charity received notification that it would receive £65,228 from the estate in due course. This income will be recognised in the 2021 financial statements.

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

14 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	2,181,926	-	-	-	
Increase in tax reclaimable under Gift Aid		(20,376)	-	-	
					<u>2,161,550</u>
Investments	21,873	-	-	-	21,873
Other trading activities	1,477	-	-	-	1,477
Other income	4,724	-	-	-	4,724
Expenditure on:					
Raising funds	(265,443)	-	-	-	
Decrease in stock		-	-	495	
					<u>(264,948)</u>
Charitable activities	(1,765,223)	-	-	-	
Depreciation eliminated	7,033	-	-	-	
Movement in other debtors and prepayments		11,490	-	-	
Increase in trade and other creditors		-	(11,751)	-	
Decrease to accruals		-	4,073	-	
					<u>(1,754,378)</u>
Balance sheet movements		<u>(8,886)</u>	<u>(7,678)</u>	<u>495</u>	

15 Analysis of changes in cash during the year

	2020 £	2019 £	Change £
Cash at bank and in hand	<u>331,245</u>	<u>169,176</u>	<u>162,069</u>
	2019 £	2018 £	Change £
Cash at bank and in hand	<u>169,176</u>	<u>291,969</u>	<u>(122,793)</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

16 Movement in funds

Year ended 31 December 2020	At 1 Jan 2020 £	Income £	Expenditure £	Transfers £	At 31 Dec 2020 £
Endowment funds					
Expendable endowment	310,000	-	-	-	310,000
	<u>310,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>310,000</u>
Restricted funds					
<i><u>SAT-7 International projects</u></i>					
Cross Channel Projects	-	209,631	(209,631)	-	-
Cross Channel: Discipleship Programming	-	67,387	(67,387)	-	-
Cross Channel: Education Programming	-	3,314	(3,314)	-	-
Cross Channel: Women's Programming	-	114,649	(114,649)	-	-
SAT-7 ACADEMY	-	7,018	(7,018)	-	-
SAT-7 ARABIC	-	50,761	(50,761)	-	-
SAT-7 KIDS	-	23,612	(23,612)	-	-
SAT-7 Lebanon Emergency Appeal	-	93,329	(93,329)	-	-
SAT-7 PARS	-	111,775	(111,775)	-	-
SAT-7 TÜRK	-	39,293	(39,293)	-	-
UK Nationals working for SAT-7 Internationally	-	79,639	(79,639)	-	-
<i><u>SAT-7 UK Trust projects</u></i>					
SAT-7 UK Development	-	94	(94)	-	-
	<u>-</u>	<u>800,502</u>	<u>(800,502)</u>	<u>-</u>	<u>-</u>
Unrestricted funds					
General funds	135,652	1,409,498	(1,213,322)	(69,570)	262,258
Designated funds: Development in the UK	19,213	-	(16,842)	69,570	71,941
	<u>154,865</u>	<u>1,409,498</u>	<u>(1,230,164)</u>	<u>-</u>	<u>334,199</u>
Total funds	<u>464,865</u>	<u>2,210,000</u>	<u>(2,030,666)</u>	<u>-</u>	<u>644,199</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 of the expendable endowment fund to a designated fund for the purpose of SAT-7 UK development.

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

16 Movement in funds (*continued*)

Restricted funds

Cross Channel Projects	Fund for the operating costs of SAT-7 and specific projects that cross all channels and regions.
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 Lebanon Emergency Appeal	Fund for Beirut emergency relief following explosion in 2020.
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 2020

17 Analysis of net assets between funds

As at 31 December 2020	Investments £	Tangible Fixed assets £	Other Net assets £	Total £
Endowment fund				
Expendable endowment	<u>310,000</u>	-----	-----	<u>310,000</u>
	310,000	-	-	310,000
Unrestricted funds				
General funds	-	10,604	251,654	262,258
Designated funds	-	-	71,941	71,941
	<u>310,000</u>	<u>10,604</u>	<u>323,595</u>	<u>644,199</u>

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

18 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.

19 Funds held as a custodian for others

At the year end, the charity held £452,333 (2019: £245,614) 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 £1,320,989 (2019: £1,330,252). Payments made as a custodian trustee on behalf of SAT-7 International Trust totalled £1,114,271 (2019: £1,268,054).

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

20 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 2020

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.

21 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 2019 £</i>
Income and endowments from:					
Donations and legacies	1,424,885	-	563,597	-	1,988,482
Investments	22,207	-	-	-	22,207
Other trading activities	3,129	-	-	-	3,129
Total income funds	<u>1,450,221</u>	<u>-</u>	<u>563,597</u>	<u>-</u>	<u>2,013,818</u>
Expenditure on:					
Raising funds	298,532	-	-	-	298,532
Charitable activities	1,084,692	168,843	563,597	-	1,817,132
Total expenditure	<u>1,383,224</u>	<u>168,843</u>	<u>563,597</u>	<u>-</u>	<u>2,115,664</u>
Net income/(expenditure)	66,997	(168,843)	-	-	(101,846)
Transfers between funds	(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>
Funds brought forward at 1 January	168,655	62,087	-	335,969	566,711
Funds carried forward at 31 December	<u>135,652</u>	<u>19,213</u>	<u>-</u>	<u>310,000</u>	<u>464,865</u>

22 Donations and gifts comparative figures

	<i>Unrestricted General Funds £</i>	<i>Restricted Funds £</i>	<i>Endowment Funds £</i>	<i>Total 2019 £</i>
Prior year				
Churches	99,917	28,756	-	128,673
Institutions	139,332	283,351	-	422,683
Individuals	1,185,636	251,490	-	1,437,126
	-	-	-	-
	<u>1,424,885</u>	<u>563,597</u>	<u>-</u>	<u>1,988,482</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

23 Expenditure comparative figures

<i>Prior year</i>	Grants payable	Direct costs	Support costs (note 4)	Total 2019
	£	£	£	£
<i>Raising funds</i>				
Staff costs	-	173,762	1,036	174,798
Promotional activities	-	85,783	-	85,783
Office costs	-	-	37,951	37,951
	<u>-</u>	<u>259,545</u>	<u>38,987</u>	<u>298,532</u>
<i>Charitable activities</i>				
In the UK	-	112,483	422,282	534,765
Supporting the church in the MENA	1,277,046	5,321	-	1,282,367
	<u>1,277,046</u>	<u>117,804</u>	<u>422,282</u>	<u>1,817,132</u>
	<u>1,277,046</u>	<u>377,349</u>	<u>461,269</u>	<u>2,115,664</u>

24 Support costs comparative figures

<i>Prior year</i>	Raising funds	Charitable activities	Total 2019
	£	£	£
Staff costs and staff related costs	1,036	246,619	247,655
Premises expenses	1,422	23,827	25,249
Admin expenses	36,529	130,339	166,868
Depreciation	-	9,520	9,520
Governance costs	-	11,977	11,977
	<u>38,987</u>	<u>422,282</u>	<u>461,269</u>

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

25 Movement in funds comparative figures

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					
<i>SAT-7 International projects</i>					
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)	-	-
<i>SAT-7 UK Trust projects</i>					
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>

Descriptions for the funds above can be found in note 15.

SAT-7 UK Trust Limited

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2020

26 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 2019				
Endowment fund				
Expendable endowment	<u>310,000</u>	<u>-</u>	<u>-</u>	<u>310,000</u>
	310,000	-	-	310,000
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>