

# SIM

Serving In Mission UK



## SIM International (UK) Report and Accounts

Year ended 30 September 2021

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A Bible class in South Asia, equipping church leaders to lead their congregations faithfully.



ENGAGE workers from the Gambia serving with Harper Church in Glasgow



Dr Simon Stretton-Downes was honoured with an OBE in June 2021 'for services to dentistry in Africa, particularly in Liberia.' Here, he and Grace and their dental team return from a trip to rural communities where, with permission, each patient is prayed for and hears the gospel.

# Welcome!

This year, like 2020, saw Christians worldwide adapting to a new way of doing ministry, sharing God's Word, and proclaiming hope among their communities. It continues to be difficult; the Covid-19 pandemic has placed unique pressures on individuals, families, churches, and whole communities and fluctuating in and out of lockdown is both disheartening and disruptive for many across the world. We are thankful that our Sovereign Lord does not change or falter, and that he continues to provide abundantly and faithfully through his people and by his Spirit.

It has been encouraging and inspiring to start 2021 by prayer, joining with brothers and sisters from across the SIM world each month for online gatherings. Our focus continues to lie on communities where Jesus Christ is least known, supporting the Faithful Witness teams in Chad, Mali, and Thailand and enabling our members and associates to continue in their ministries across 34 countries. It has been wonderful to see the growth in our prayer network and experience cross-cultural workers joining prayer groups, church services and our own daily staff prayer meetings.

We are thankful for the opportunity to develop strategic thinking and direction for the coming five years under our Mobilisation Strategic Review. Although we started this process before Covid-19 emerged, the ensuing changes forced by new patterns of working have helped us develop our thinking and explore more digitally-led pathways to enable and equip churches and their members for cross-cultural mission.

On behalf of the SIM UK Board, we give thanks to the Lord for each staff and volunteer member of the team who have continued to serve with diligence, joyful perseverance, and commitment throughout 2021.

With blessings,

Steve Smith (UK CEO),  
Jonny Dyer (Co-Chair of Trustees)  
David Thompson (Co-Chair of Trustees)



Handwritten signature of Steve Smith.

Handwritten signature of David Thompson.

Handwritten signature of Jonny Dyer.



# At a glance...

## The difference we made



£60,422 raised for clinics and hospitals, like Egbe in Nigeria, to provide them with PPE and ventilators.



Jane\*, serving in south Asia with anti-trafficking ministries, describing SIM as 'a family away from family'.



7 projects in 6 nations work with victims and survivors of trafficking, and equip churches and families to spot the danger signs.



Elaine and Jonathan worked in Niger for 42 years. Long-term workers have the joy of seeing the children they taught growing up to become pastors and leaders.



Geanne, sent from the Netherlands through SIM UK, works in the community kitchen in Melusi Christian Community in South Africa.

*Top next page: Women learn about diabetes, hypertension and cancer in a community health project.*





## See what the Lord has done

- 154 mission workers sent from or received to UK churches
- 201 ministries supported financially in 75 countries
- 4410 people praying weekly with us

To all those who have supported or prayed  
with us...

**thank you!**

# Part 1: Strategic Report

## What we do

Convinced that no one should live and die without hearing God's good news, we believe that He has called us to make disciples of the Lord Jesus Christ in communities where He is least known.

### Our vision:

A world with a witness to Christ's love where He is least known, disciples of Jesus expressing God's love in their communities, and Christ-centred churches among all peoples.

To do this, we work hand-in-hand with evangelical churches to:

**Send and receive  
gospel workers**

**Equip people for cross-  
cultural mission**

**Make disciples for Christ  
where he is least known**

### Sending and receiving gospel workers

# 154

workers are serving in 34 countries, including 7 workers received into UK churches through our ENGAGE programme.

# 108

churches across the UK send and support mission workers through SIM UK. 37 churches were visited in 2021 by a SIM UK representative. We work with evangelical churches across different denominations or networks.

Our Mobilisers and the ENGAGE team work with each applicant and their church to ensure the process is efficient, prayerful and appropriate for all concerned.



It takes, on average, 8 months for Associates and 6 months for Members to start their placement from their initial enquiry.



## Equipping cross-cultural mission

Recognising the role of the local church in transforming communities worldwide, we are delighted that:

**42** workers are involved in theological training across 18 nations.

**45** church and ministry leaders joined our training workshops via Zoom.

**39** people joined an Orientation course, preparing for service.

Through the generosity of our supporters, we have funded:

**11** theological colleges and Bible schools in Africa, Asia and South America.

**41** ministries that:

- train new pastors.
- provide resources to church leaders.
- translate the Bible into new languages.
- proclaim the gospel via radio to areas with no churches.

**£4.42m** In 2021, we enabled £4.42 million of support to reach workers and projects worldwide.

## Disciples for Christ where he is least known

86% communities without the gospel have no Christian witness, yet many organisations send resources and workers to areas where there is already a church established.

We seek to cross barriers into those communities who do not have churches.

Faithful Witness is a key SIM ministry that places multicultural, multi-ethnic and multi-skilled teams in new places. We currently send and support teams in 8 locations, including Mali, Chad, Thailand, North Africa, the Middle East and East Asia.

# Good stewardship

Throughout 2021 we were grateful to God for his continued gracious provision of the financial resources needed to sustain our ministry. It is through the faithful and generous giving of God's people that we have been able to progress our ministry whether overseas or here in the UK. It has been a tremendous encouragement to all our members to see how the sacrificial giving of our supporters has enabled them to continue serving the Lord in their chosen locations and provide for the practical needs of the main supporting UK office. This generosity has a profound impact on the lives of so many.

Like many similar Christian mission agencies, SIM has limited financial resources, so we strive to ensure that the money we receive is used wisely, efficiently and as economically as possible. We are stewards of the Lord's money, are conscious of the trust that has been placed in us, so we will always do our best to adhere to the highest possible standards of financial oversight and governance. Our Finance & Legal sub-committee meets regularly and advises the Board on all practical financial and legal matters, ensuring that we remain accountable to God and our supporters for the way in which we use the resources provided.

## **Where our income comes from**

Our total income for 2021 was £4,225,299.

Most donations are to restricted funds whilst around £276,600 is unrestricted, enabling us to use it where the need is greatest.

## **Where your money is spent**

We do not spend much on fundraising, as our mission workers largely raise their own funds and support for their work.



## How we raise and spend funds

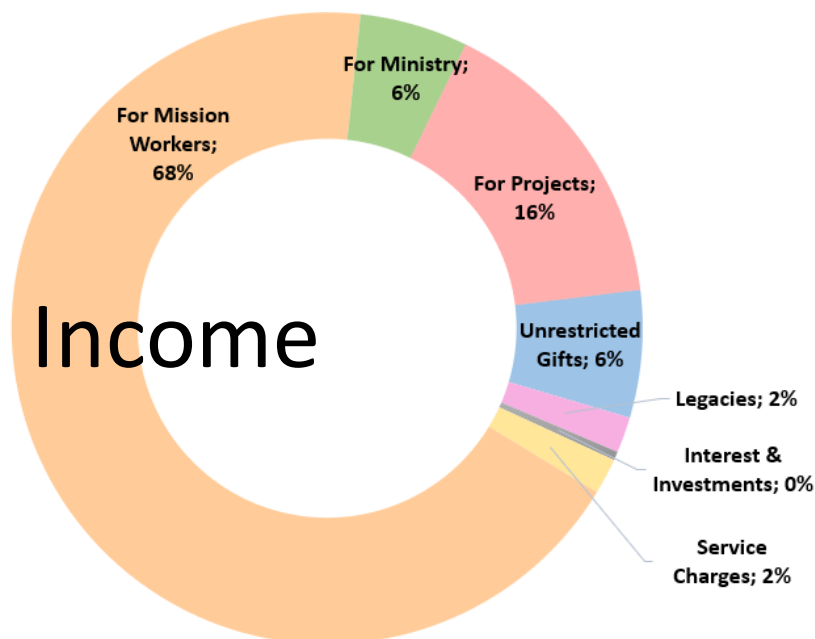
**We raised £4,225,299 from our faithful supporters, churches and trusts. Thank you!**

### Donations and similar:

- For missionaries: £2,885,909
- For projects: £749,542
- For ministries: £235,376
- Unrestricted gifts: £276,672

Legacies: £77,730

Interest and investments: £18,760



**We spent £4,033,541 directly supporting world mission in 75 countries.**

### Funds directed to mission workers:

£2,991,405

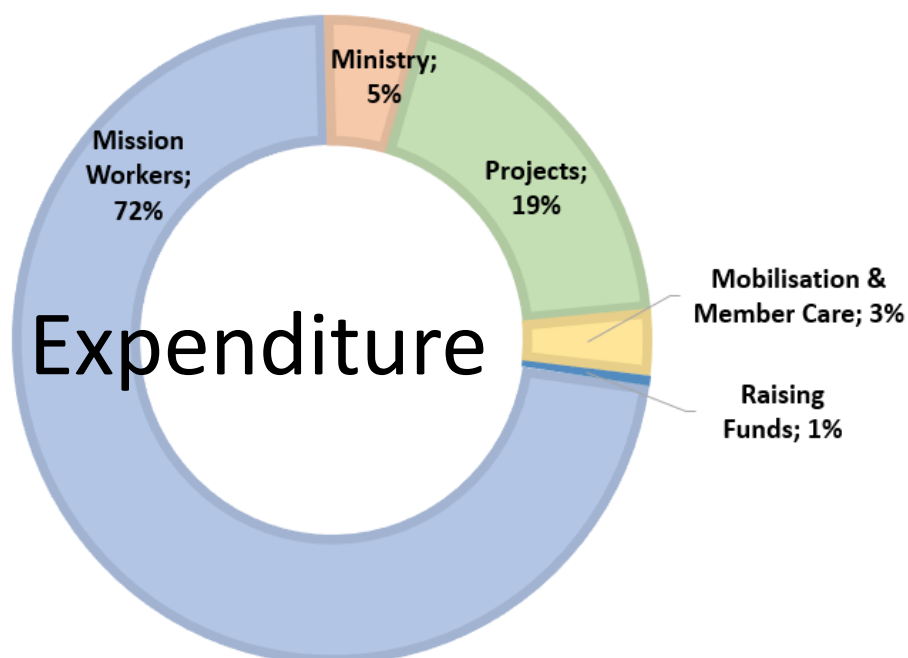
Ministry: £269,214

Projects: £863,072

Mobilisation & Member Care

£131,399

Raising Funds: £18,421



*More detail about our financial activities is found in Part 2, from page 31*

# Our impact

## Reach

SIM UK continued to send, support and equip gospel workers for cross-cultural ministry, throughout 2020 and 2021, despite the worldwide Covid-19 situation. Through their work and the grace of God, love and compassion and hope has touched thousands of people.

Taking into account financial support and prayers, our reach is far wider – approximately half of the projects we fundraised and processed the donations for are in countries where we partner with other SIM organisations.

Throughout the SIM group of organisations, we have 503 shared projects and ministries.

- 196 of these are medical, development & relief or community education, specifically targeting the vulnerable and most deprived of social or economic status. Many of the beneficiaries to these projects are women and children, and 23 projects focus on training, empowering and assisting women to lead faith-filled lives in their families and communities. 7 projects in Nigeria, Cote d'Ivoire, south Asia and Europe are working alongside victims of trafficking and their families, as well as raising awareness of the issues.
- We are committed to enabling local churches and Christian fellowships to serve and grow. 13 projects deal with translating the Bible and key resources into local languages for the first time, and 64 projects specifically address the training and development needs of pastors, ministers and Bible teachers worldwide. We are delighted that 42 workers sent from the UK currently serve in theological education and discipleship.

## Effectiveness

Since 2010, we have required all projects to submit 6 monthly reports noting progress, financial spend and developments. This ensures we know and can track the effectiveness of our support to ministry and either bolster or reduce funding as appropriate.

Examples of the impact God is making are illustrated on the following pages.

For information on a specific project or ministry, please email the SIM UK office.





*Donald (right) and his wife Becky run a Bible training course for church leaders in Mexico.*



*Insur Shamgunov and Tim McMahon led intercultural training workshops for UK church leaders.*



*Jonny and Olga run an oral Bible course in Bolivia with a Quechua church barely two years old.*



*Sam and Katie\* build relationships in Chad, to establish a local church*

# Worldwide work and partnerships

SIM UK works alongside 45 SIM entities as part of the SIM global family. We also partner closely with other like-minded organisations around the world, particularly in locations where resources are scarce. This enables us to work more effectively to serve the local churches and communities.

Globally, SIM works in 80 countries on every inhabited continent. SIM Country and Regional Directors meet regularly with each other and there is shared learning and wisdom.

Workers sent through SIM UK from UK churches are received into their host country by the corresponding SIM entity.



*Building relationships across cultural, religious or ethnic barriers is key for workers in any context.*



# Ministry types

SIM members serve in a wide variety of different ministries, including:

- Theological education and discipleship
- Church planting
- Bible translation and access
- Medical mission
- Development and relief
- Teaching and community education
- Children and youth work
- Business and leadership

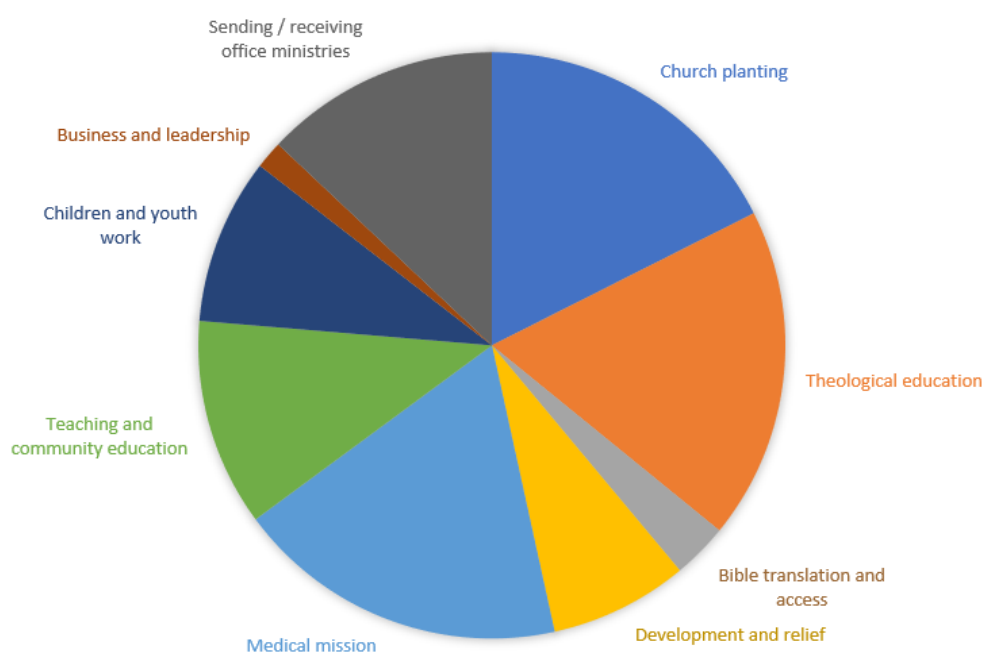


*Ram and Keshari joined the Antioch Network church in Rochdale from Nepal, connecting with neighbours.*



*Senior surgeon Dr Ted launched a training programme for doctors at the Good New Hospital in Madagascar..*

**SIM UK WORKERS IN MINISTRIES**



# Theological education and discipleship

We believe it is crucial to the future of local and national churches to have trained and well-equipped pastors and elders serving them. Our theological education projects provide additional training to those already in ministry, and support and guide those within churches who feel called to full-time church work.

We support theological seminaries and Bible schools across 11 nations, including the Evangelical Churches Winning All (ECWA) seminaries in Nigeria. Since 2015, John and Abigail have been teaching courses here and supplying suitable resources for students to study.

We also support youth workers, other ministry leaders and ordinary Christians around the world in their personal faith journeys, convinced that the Lord has called each of us to serve wherever He has placed us.

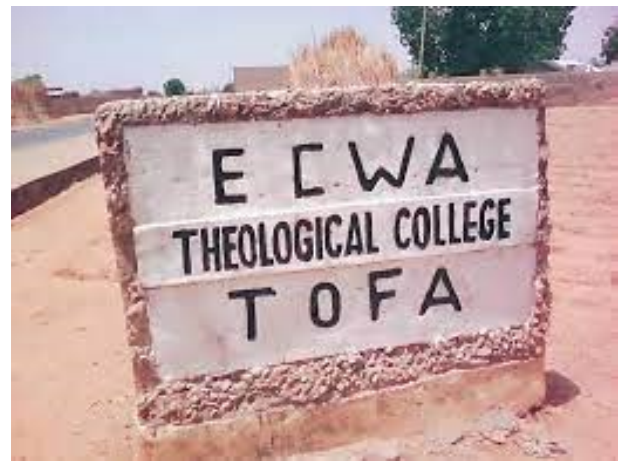
Those involved in theological education overseas all have substantial Bible teaching experience and relevant qualifications themselves.

# Church planting

We seek to establish strong local churches in communities where Christ is presently least known. We focus on developing new leaders from these communities.

24 current workers are directly involved in church planting in 14 countries. They are usually all part of multi-ethnic teams, forming a diverse and creative faithful witness.

In the last 3 years, we have regularly supported 3 church planting projects in Central Asia, East Asia and East Africa through our Alternative Gifts shop.



Entrance to the ECWA seminary in Tofa, northern Nigeria.



In Ghana, team members trained by previous SIM workers are now teaching and training other church leaders.



Two SIM UK workers serve in a church planting project in Central Asia that focusses on remote communities.



## Bible translation and access

We recognise the importance of reading the Bible and other resources in one's own language. Several translations into new languages were completed for the first time—including the Kafa Bible for the people of Bonga, Ethiopia, which began in 1981, and the Chadian Arabic Bible, first published in May 2021.

We have three SIM UK workers directly involved in Bible translation and access, including Debbie who has continued working with her Madagascan team of translators as they translate texts from the official Malagasy Bible into Tsimihety, their mother-tongue.

Our supporters have enabled £33,795 in the last 5 years to go to key translation projects worldwide, notably £13,401 for Arabic Sunday school resources with some of our workers in the Middle East.

Providing Bible resources and commentaries is an important ministry for pastors, church leaders and theology students. We have supported 6 projects in 6 countries through workers and donations processed.

### Current Bible translation projects:

**Tsimihety**, language in Madagascar

**Nyimang and Garame**, languages in central Africa

**Manya**, language in West Africa

**'F1'**, West African language

**'F2'**, West African dialect

**'M'** audio Bible, for West Africa

### Old Testament translation projects:

**Yom, Monkole, and 2 other** languages in Benin.

**'T'** in West Africa



In Namibia, church leaders and theology students often struggle to afford textbooks, commentaries and other materials. Through 'pastors booksets', since 2010, we have sent £14,290 to also equip new leaders in Mongolia, Malawi, Senegal, Ecuador and Nigeria.

# Medical mission

We currently send workers from the UK to the following 10 nations:

- Senegal
- Ghana
- Nigeria
- Ethiopia
- Madagascar
- Zambia
- Angola
- Liberia
- Monrovia
- South Africa

Our medical workers serve in multi-cultural teams, praying for and alongside patients with permission, and offering Bible classes at the clinics.

The roles are varied; we send surgeons, radiologists, anaesthetists, physiotherapists, dentists, trauma counsellors, hygienists and nutritionists. We regularly have UK medical students completing a pre-med term abroad.

Internationally, we have capacity to send workers and process donations for medical ministries in 21 countries across South America, Africa and Asia.

We are thankful that our faithful supporters regularly donate funds and pray for medical ministries worldwide. In the last 10 years, we processed £530,690 donations to 58 medical projects.



Dr Ted Watts and a surgical trainee in Madagascar.



Hope Dental Clinic, a mobile dental ministry providing low-cost care in Quechua villages.



Helen and a Christian colleague working in Keru Yakaar ('house of hope') in Dakar, Senegal.

In addition to consultations, she runs a project for diabetics and another program for malnourished children.



## Development and relief

Through strengthening communities and relieving poverty or disaster, SIM UK workers have made a difference across several continents.

46 projects work with communities to develop safe drinking water through the provision of new deep wells or pumps, arsenic awareness and treatment, and community education in low-resource areas. One of our workers serves in the high Andes, helping remote Quechua villages have access to clean drinking water.

22 projects across 18 countries provide at-point-of-need assistance to communities affected suddenly by drought and famine, floods or other natural disasters. These projects share food packages and hygiene kits to individuals and families, and some medical equipment to medical workers there.

Recognising the impact of Covid-19 on vulnerable communities, a project started mid-2020 has continued to resource medical ministries across 21 countries with PPE, ventilators, information cards and some medical evacuations where possible. We are delighted that our supporters gave £60,422 to assist this project, including £2184 to one particular ministry in South Asia during the financial year 2021.



The WHO 2020 estimated 45% deaths of children under 5 years old are from malnutrition. Partnering with local organisations like Caring for Kids, we help children recover.



Workers serving in adult literacy projects or helping families understand healthcare and how to provide nutritional meals for their children on restricted budgets.



Teams and individuals sent through the European refugee and migrant ministry project, HowWillTheyHear, have helped at large-scale refugee camps in Greece

**Compelled by God's great love and empowered by the Holy Spirit...**



# Teaching and community education

15 workers serving in 9 different countries are directly involved in teaching and community education. This includes teaching the children of mission workers, which is often essential for the continuing ministry of mission worker parents.

In the financial year 2020-2021, we processed £35,955 from our generous supporters on behalf of 7 projects around the SIM world. These were particularly focussed on rural education projects in South Asia, education centres in the Middle East and rebuilding community educational infrastructure in Central Africa.

Community education includes ministries:

- that help heads of families understand specific subjects like AIDS/HIV, trafficking, water pollution;
- which empower widows and young single parents to work in a trade to provide an income for their loved ones, or which focus on prioritising their literacy and numeracy skills;
- which share expertise on sustainable methods of farming and forestry development.

17 Development & Relief projects and 14 Teaching & Community Education projects specifically focus on the development of women and young girls, recognising the reality of continuing inequality in many parts of the world.



Mission kids in Nigeria. The welfare of children and young people serving with us overseas is of utmost importance to us.



# Children and youth work

12 workers are involved in children's ministry and youth work. They serve in Madagascar, Ecuador, Nigeria, Asia, Peru, Zambia, South Africa and East Asia.

One couple, sent from a church in Edinburgh, is serving in the city of Loja alongside young people aged 15-25. Whilst consolidating their language learning, they have assisted with English clubs, media ministry and social media to build bridges into the youth communities.

Another couple, serving in South Africa since the 1980s, run Mseleni children's home caring for those orphaned because of AIDS. It contains a specialised play therapy unit for traumatised children to process difficult histories with trained staff. In the past 10 years, we have processed £44,508 in donations on behalf of this care home.

## Our Third Culture Kids

We have a dedicated member of staff responsible for Third Culture Kids; the children of our mission workers serving around the world. Through regular debriefs with the families and a specific child-focussed Family Orientation, she helps them navigate their experiences and process transitioning from one culture to another.



Sunday School class in South Sudan. SIM UK sends 15 teachers and 12 workers serving in youth or children's ministry teachers who serve overseas in 15 different countries.



# Business and leadership

Through setting up new businesses guided by Christian principles and ethics, or by training local staff, or through leading teams and projects across the world, SIM UK workers have used their professional skills in many different countries.

We recognise that business has a God-given power and potential for good in communities across the world. We know that business can multiply resources, enable good stewardship, lift families and communities out of poverty and push forward innovation across different sectors.

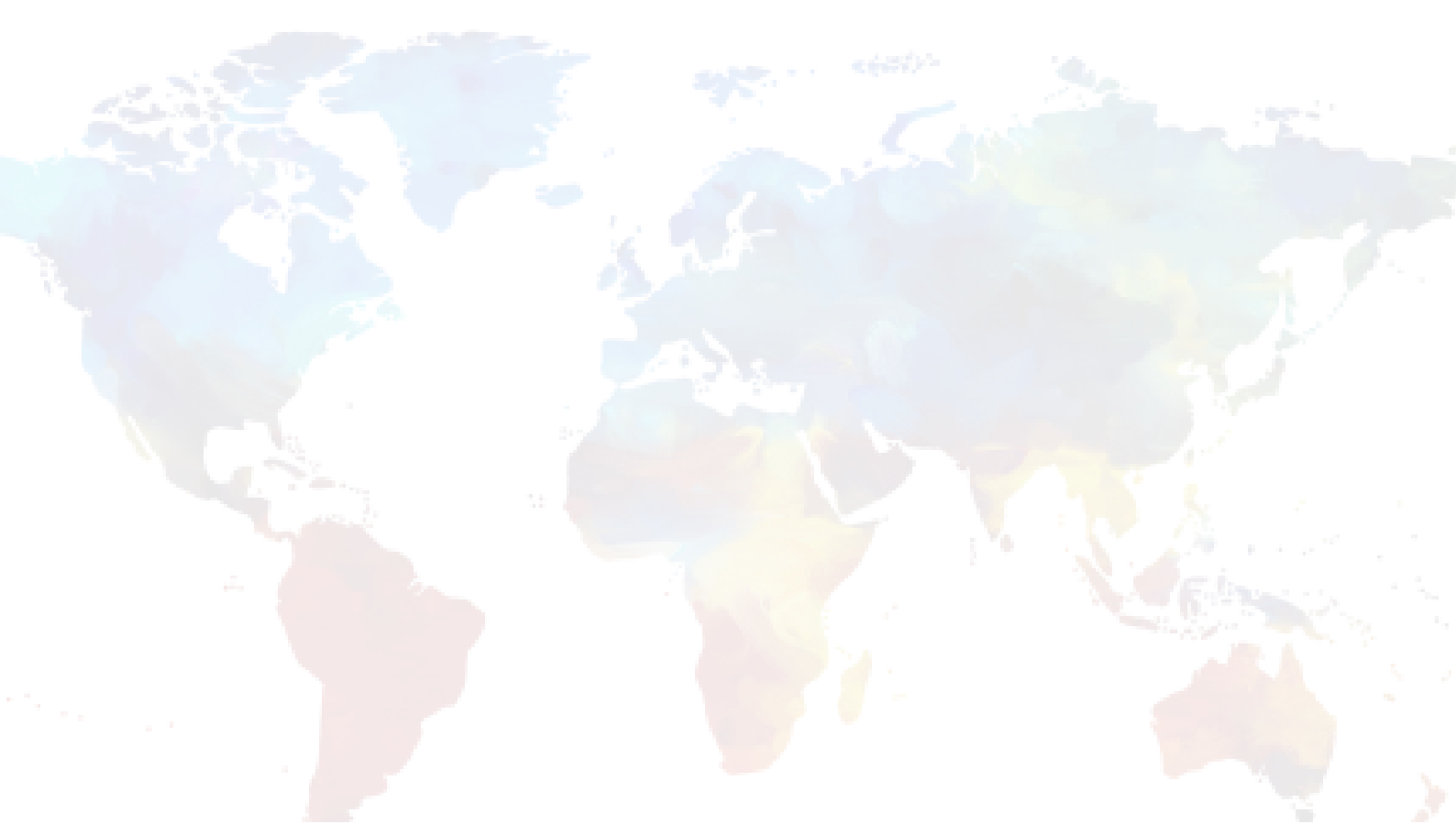
There are other SIM businesses as mission projects operating across Ethiopia, Nigeria, South Asia and East Asia, training Christians in professional and vocational skills, as well as discipleship. In some regions of the world, it is only possible for Christians to obtain legitimate visas through work or business, and projects are created to stimulate the local economy, employ local people with fairness and provide opportunities for serving the community.



Graham and Trudy, both accountants, assist several national teams with finance and bookkeeping. Here in Ghana, they've been supporting new treasurer Babani.



A youth training centre in South Asia trains young men from rural villages in technical skills and spiritual ministry.



# People and accountability

## Our people and commitment to diversity

We have a core team of 23 people, formed of 21 paid staff and 2 volunteers, serving across the UK. This is a decrease of 6 staff since the last reporting year and represents both the changes required by operating under a break-even budget and the relocation change to Cambridge from Suffolk.

We remain committed to diversity of age, ethnicity and gender, and promote a good and harmonious working environment for all staff, as stated in our Equal Opportunities policy. 20% of the Board of Directors are female; 20% come from ethnic minorities. In the staff team, 60% of the operational management are female which roughly mirrors the 65% of the staff team.

## Operational Management

### Team organisation

Our office team is organised into several teams, each led by a member of Leadership Team. These teams are Finance, Communications and Engagement, Mobilisation and People Care, and Operations and Mission Support.

### Strategic Review and new developments

Over the course of 2020-2021 we undertook a wide-ranging strategic review to investigate our operations and mobilisation. This was done in partnership with Firstfruits Ltd. It concluded in September 2021. Our focus has not shifted from our mission, and we remain committed to serving the church and mobilising gospel workers for communities where Christ is least known. We recognise the need for increased use of digital tools and awareness across the charity and the coming 5 years will see us develop these and integrate them into our systems and processes.



Despite the challenges of Covid-19, we managed a staff prayer afternoon in Cambridge during the summer.



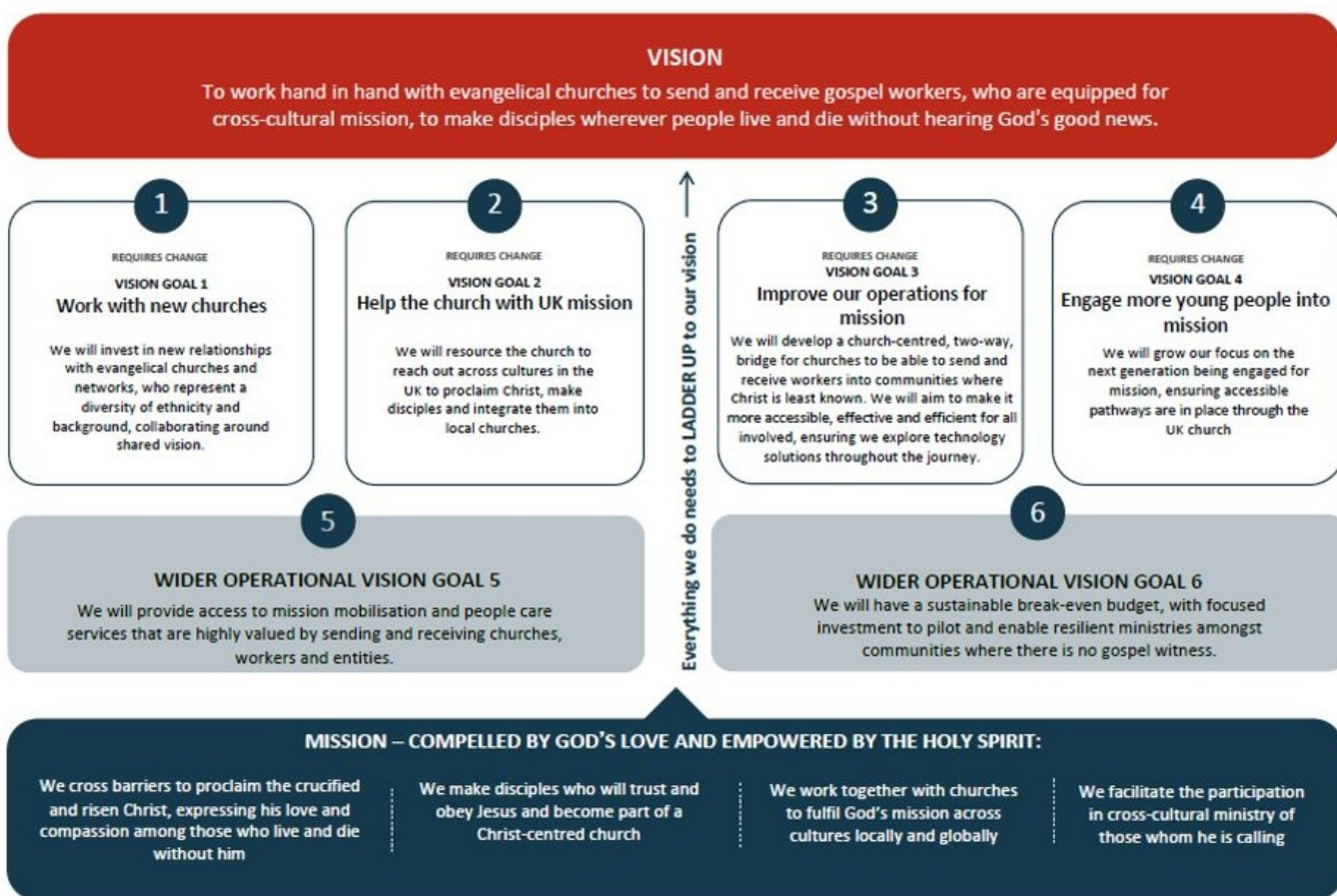
Since 2011, £713,175 has been donated to compassion ministries worldwide, like sustainable farming initiatives in Ecuador.

# Looking ahead: 2021/2022

## Our strategic direction

After a period of review throughout 2020-2021, we concluded our findings and drew up the following vision and goals to carry forward over the coming 5 years.

### Where we want to go:



As part of the review process, we consulted church pastors, prayer group leaders, our alumni and retirees and our existing body of mission workers and staff members from across the country.

We recognise that global trends of Christianity are changing and that traditional models of sending are no longer the only methods available to the worldwide Church.

December 2020 saw an intensive review period with Frank Analysis Ltd involving 6 online focus groups, 22 interviews and 2 questionnaires to staff and mission workers to understand how and why the next generation might be mobilised into cross-cultural ministry.



# Balanced: Risks and Risk Management

The Trustees, together with the CEO, have overall responsibility for the SIM UK system of internal countries. The Trustee Directors are committed to the implementation of an organisation-wide risk management policy and system. Regular reviews of potential risks are carried out.

A formal process is in place which includes the development and review of a comprehensive risk register, identifying and putting appropriate control measures in place for the management of key organisational risks.

The directors have identified the severity of the risks to which the charity is exposed. They have also considered the likelihood of those risks. The steps taken to mitigate those risks have been assessed in the light of both the severity and the likelihood of each risk. Risks have been grouped into the following categories:

- Governance,
- Operational,
- Personnel,
- Financial,
- Reputational,
- External, and
- Health & Hygiene.

The specific risks identified as moderate or severe and possible over the next five years are:

- Unexpected failure or breach of IT systems and support services.
- Unintentional illegal acts including data protection, safeguarding, charity law and employment law.
- A reduction in operational capacity.
- Financial constraints arising from reducing funding levels and increasing cost of operations.

Appropriate courses of action were agreed for each of these to mitigate against the risk.

**Covid-19:** Throughout the year, the Trustees continued to monitor the impact of the Covid-19 pandemic and took appropriate action where required. The Trustees continue to monitor the impact of the financial constraints on short term and long-term strategic goals and processes of the organisation but do not believe this will affect the charity's capacity to continue to fulfil its vision and aims.

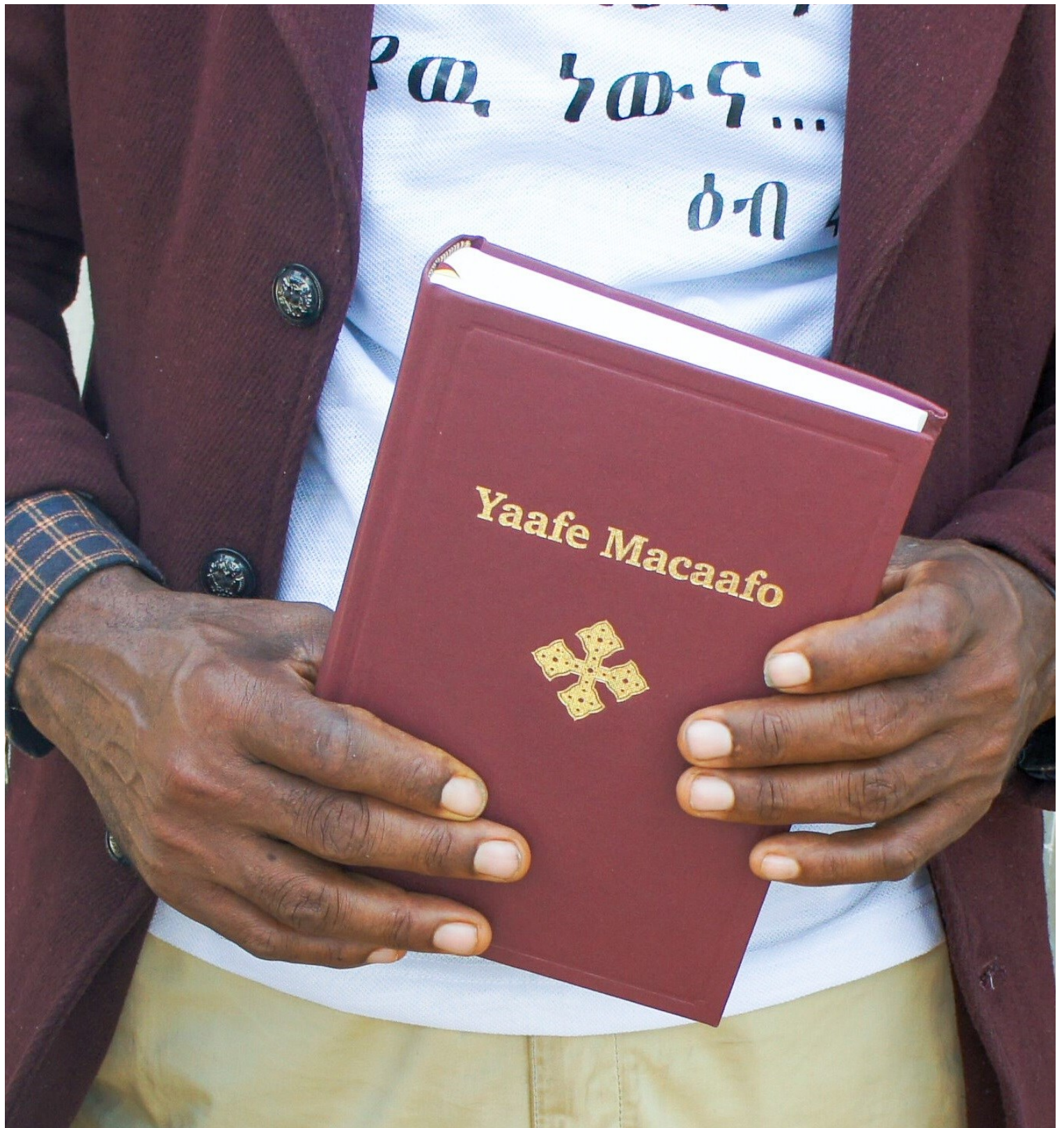


Kara serves as a physiotherapist in northern Ghana.



Relationship-building is key for ministry in central Africa.





Wonderfully, after over 40 years the first Kafa Bible translation project was completed!  
A celebration in Bonga, Ethiopia followed the delivery of the first shipment of Bibles.

# Part 2: Accounts

## Structure, governance and management

SIM International (UK) is a registered charity in England and Wales, and in Scotland.

We are a company incorporated on 15 September 1958, limited by guarantee, without share capital. It was originally incorporated as *Sudan Interior Mission (United Kingdom) Limited*, until mergers with like-minded organisations extended the work elsewhere around the world.

Working names used by SIM International (UK):

- SIM UK
- Serving In Mission

These names are used to distinguish us from other organisations worldwide who are signatories to the SIM International Mission Agreement and who are therefore part of the SIM 'family'. Throughout this document, SIM UK refers to SIM International (UK), the charity registered with the UK Charity Commission and Companies House.

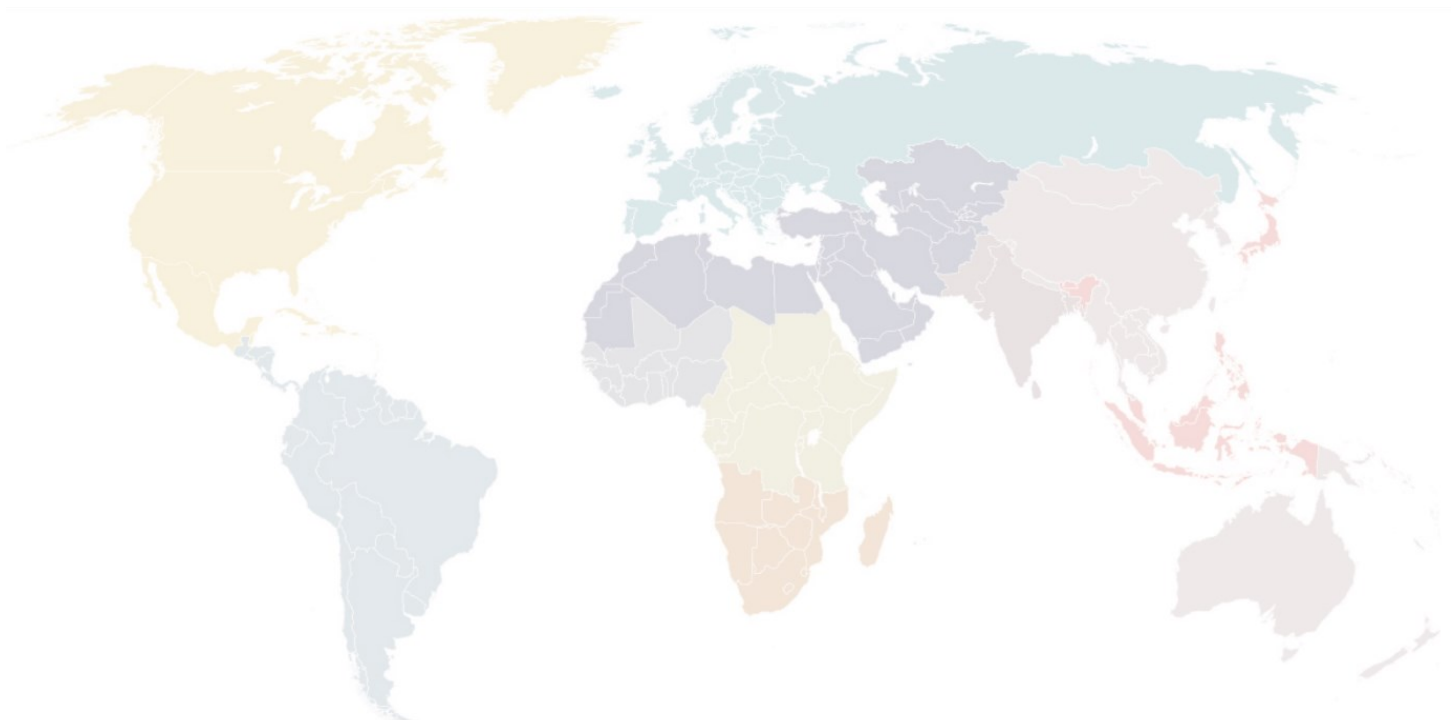
These mergers included:

- *Andes Evangelical Mission*, in 1982
- *International Christian Fellowship*, in 1989
- *Africa Evangelical Fellowship* (previously SAGM) in 1998
- *MECO UK and Ireland* in 2016

More on our history: [sim.co.uk/about/our-story/](http://sim.co.uk/about/our-story/)



*Storytime for a SIM UK mission family serving as teachers in the Middle East!*





# Reference and Administrative Details

Reference and administrative details of the Charity, its Trustees and Advisers for the year ended 30 September 2021 are as follows:

Our registered address is:  
6 Trust Court  
Histon  
Cambridge  
CB24 9PW

Registered Company Number:  
611250

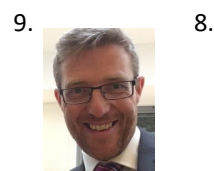
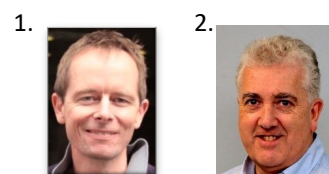
Charity Registration Number:  
219763 (England)  
SC040432 (Scotland)

## The Board of Directors

The Trustees, who are also Directors, have pleasure in presenting their report and the financial statements for the year ended 30 September 2021.

The following were Trustees from 1 October 2020 to the date of this report unless otherwise stated:

1. Rev. J W Dyer Co-Chair
2. Mr D B Thompson Co-Chair, appointed 27 January 2022
3. Mr B C Chandrasekar
4. Mr D M Heasman *Co-Chair, retired 27 January 2022*
5. Miss C L Newman
6. Dr C L Reid Appointed 21 April 2021
7. Mr Y Mengistu Woldegebreal
8. Mr N R L Younge
9. Mr S P Smith CEO



## Company Secretary

Mr T J McMahon

*Mr D A Silver retired as secretary 28 February 2022.*

## Independent Auditors

Price Bailey LLP  
Tennyson House  
Cambridge Business Parl  
Cambridge  
CB4 0WZ

## Bankers

Barclays Bank Plc  
543 Norwood Road  
West Norwood Road  
London  
SE27 9DW

## Solicitors

Lewis & Dick  
443 Kingston Road  
Ewell  
Surrey  
KT19 0DG



# Trustees' Report



## Governing instrument

The governing instrument for the charitable company ("the charity") is its Memorandum and Articles of Association. The charity is a company incorporated on 15 September 1958 limited by guarantee and not having share capital. The charitable company was originally incorporated as Sudan Interior Mission (United Kingdom) Limited.

Subsequent mergers with Andes Evangelical Mission in 1982 extended the work to South America, with International Christian Fellowship in 1989 adding fields in Asia, and with African Evangelical Fellowship (previously South African General Mission, SAGM) in 1998 extended the work further into Southern Africa. The merger in MECO UK & Ireland in 2016 extended the work of the mission into the Middle East.

## Structure, governance and management

The governing body is formed by up to 12 directors. A new trustee, on appointment, receives a full briefing on the charity, its governance, its objectives and how these are to be achieved through its vision and purpose. Trustees normally serve for a period of three years and may then be re-elected. The company is governed by a Board of Directors which is entitled to nominate and appoint new directors. The Board usually meets quarterly, and members represent a range of relevant experience including mission, finance, business and operations, and a commitment to Serving In Mission's vision, mission and values. All directors give of their time freely and no Board director received remuneration during the year in their role.

SIM International (UK) ("SIM UK") is the UK arm of SIM, the global missionary agency ("SIM"). "Serving In Mission" is a working name of SIM International UK.

## Sub-committees

The Board uses sub-committees to help govern the operations of the charity and on which appropriately qualified individuals serve, as follows:

### Finance & Legal Committee

Mr D Thompson Chair

Mr P Shelley

Dr A Harris

Miss K Dryer

## Operational Management

The directors delegate the day-to-day operations of the charity to the CEO, who carries it out with the Leadership Team.

Mr S P Smith	CEO, UK Director
Mrs D C Agnes	Mobilisation and Operations Director
Mrs C Blainey	Head of Insight and Innovation
Miss J Cornish	Head of Relationship Development
Mrs H Boxall	Head of Mobilisation
[Position Vacant]	Head of Finance

# Trustees' Report

## Staff and Volunteers

The Finance & Legal Committee have responsibility for reviewing the annual salary budget. Proposed changes are recommended to the Board. Salaries are benchmarked, when necessary, against other UK mission agencies. Serving In Mission uses volunteers to assist the key management in the day-to-day operations of the charity. Five regional support groups assist regional mobilisers.

## Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that give a true and fair view of the state of affairs of the charity as at the balance sheet date and of its income and expenditure for the financial year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees have overall responsibility for ensuring that an appropriate system of controls, financial and otherwise, is maintained. They are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware at the time of approving this report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charitable company's auditor is unaware; and
- The Trustees, having made enquiries of fellow directors and the organisation's auditor that they ought to have individually made, have each taken all steps that they are obliged to take as a director to make themselves aware of any relevant auditor information and to establish that the auditor is aware of that information.

## Risk management

The Trustees together with the CEO have overall responsibility for risk management procedures. Further information of our risk register is on page 25. Other key controls used include:

- Formal agendas for regular Board and sub-committee meetings with minutes recorded and action points noted;
- Preparation of a strategic plan every 3-5 years from which business and operational plans are developed;
- Robust financial management, including budgeting and presentation of management accounts to the Board, Finance & Legal sub-committee, scrutinised against agreed budgets;
- Clearly-defined organisational structure and lines of reporting;
- Requisite policies and procedures which are kept under review;
- Strong, credible professional legal and accounting advice in place; and
- Adherence to a Reserves policy

## Objectives and Activities

Convinced that no one should live and die without hearing God's good news, the charity exists to assist churches in the UK and Ireland realise the biblical mission of sending and receiving gospel workers who are equipped to make disciples of Jesus Christ in communities where he is least known. This is done by:

- Developing and promoting opportunities for churches to send and receive cross-cultural workers to places where people will otherwise live and die without hearing the good news about the Lord Jesus Christ;
- Envisioning and enabling churches to prayerfully engage in God's mission to the nations through multi-cultural outreach, compassion and discipleship, both locally and globally; and
- Training and supporting missionaries so that they are helped to practise integrated biblical discipleship as they proclaim the gospel and seek to live out God's word where there is no witness.

## Our aim

We aim to be an organisation of mission members serving in, to and from the UK and Ireland, who grow throughout their lives in obedience to everything Jesus taught, with increasing spiritual vitality and wellbeing, mentored in personal, theological and ministry competence.

## Review of Activities, Future Developments and Plans

The charity has continued to develop its core activities of enabling UK churches to send and receive missionaries, and supporting those missionaries. In 2021 a total of 156 (2020: 153) missionaries served in cross-cultural mission.

At the end of the year there were 125 long term missionaries (2020: 134) and 31 on short term assignments (2020: 19) serving with Serving In Mission, There were 7 missionaries from overseas serving with UK churches (2020: 4). The charity has continued to receive and send funding for numerous projects around the world.

## Office relocation

As noted in previous years, the Board decided in April 2018 to relocate the charity offices to Cambridge. The sale of the Wetheringsett site was Completed on 17th January, 2020. Since January 2020 the charity has been renting premises in Cambridge under a short-term rental arrangement to provide a base for operations. After an extensive search, permanent freehold premises in Cambridge were identified in summer 2020 and the purchase was completed on 15th January 2021. When these premises were fitted out, the offices opened in October 2021.



# Trustees' Report

## SIM UK's Purpose and Public Benefit

The Trustees are aware of the Charity Commission's guidance on public benefit and, in particular, the specific guidance offered to charities for the advancement of religion. The charity's objects include advancement of religion along with the alleviation of poverty and suffering. As explained in the Objectives and Activities, the charity has addressed a range of such public benefit purposes including:

- Enabling people to know of and live out the Gospel in fellowship with other believers and in lives of service within their communities;
- Facilitating people to learn more about the Christian faith and in the deepening of their trust in Jesus Christ;
- Providing biblical cross-cultural training for congregations and their leaders;
- Working with churches in the poorest countries of the world to alleviate suffering, injustice and human need; and
- Working with churches and partners to provide educational benefits to communities in various countries.

## Fundraising;

All fundraising communication was conducted in accordance with GDPR legislation, following applicable guidance, policy and procedures. The charity:

- Did not use the services of external professional fundraising consultants;
- Neither the charity or any person acting on behalf of the charity was subject to an undertaking to be bound by any voluntary scheme for regulating fundraising, or voluntary standard for fundraising in respect of activities on behalf of the charity;
- The database of charity supporters maintained by the charity identifies vulnerable people to ensure they are protected from unreasonable intrusion, unwarranted solicitation or the placing of undue pressure to give money, and is updated to ensure the charity is up to date with the needs of supporters and contacts;
- Guidance and training was provided to missionaries to ensure their communications to their personal supporters would also be GDPR compliant;
- No complaints were received about the charity's or any individuals' fundraising activities in the year.

## Financial Review

Income for the year was £4,248,822 compared to £4,352,079 for the previous twelve months. Given the impact of the pandemic this was a pleasing result. Total expenditure was £4,033,541, a reduction from £4,294,951 in 2020. This was largely as a result of several cost containment measures and reduced staffing introduced by management. Donations for missionaries, SIM ministry, and projects, amounting to £3,870,827 was slightly decreased from the previous year at £4,165,523.

For the year 2021, the Trustees decided that to accord fully with the requirements of SORP 2019, the voluntary contributions provided towards the cost of supporting missionaries and projects (previously named "service charges") should be treated as income restricted for missionaries and projects.

As in the previous year the main financial risk remains the reliance on unrestricted donated income. The Trustees keep a careful eye on how this income stream develops and another series of Giving

Weeks has been planned again for 2022 to develop new sources of funds, building on the success of the Giving Weeks in 2021. The move from Wetheringsett Manor to a purpose-built office in Cambridge has reduced running costs and considerably reduces risks to operational expenditure.

Our main funding source is donations from thousands of individuals and over a hundred churches. Most of these give to support missionaries known personally to them. Our experience is that these churches and supporters remain loyal and generous in their support even during economic recession.

## Investment policy

The Trustees have approved an investment policy which seeks to balance appropriately between total returns on funds invested and an acceptable level of risk. This is achieved by allocating funds between time horizons.

Short term funds (up to a year) are invested in appropriate cash deposits. Medium term funds (one to five years) are invested in a combination of cash deposits, fixed interest instruments and equity-related instruments not exceeding 25% of the total funds invested for the medium term. Long term funds (over five years) are invested in a combination of fixed interest instruments and equity-related investment.

The Trustees' objective of ensuring that funds are invested in portfolios that are well-diversified and with a level of risk commensurate with that deemed appropriate, has been achieved through continuing to invest in the Charitrac Common Investment Fund, managed by Blackrock and specifically designed for charities.

## Reserves policy

The directors have agreed that sufficient reserves will be held to ensure the sustainability of the charity's strategy through the general economic cycle. Accordingly, reserves will be held to cover at least 6 months of General Fund expenditure plus any expected deficits over the next two years. The Trustees review the level of reserves on a quarterly basis and consider that sufficient monies are held in the General Funds to satisfy this policy.

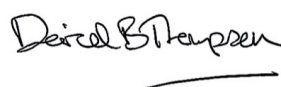
## Going Concern

The Trustees believe there are no material uncertainties that cast significant doubt about the company's ability to continue as a going concern and the financial statements have been prepared on this basis.

## Auditors

Price Bailey have indicated their willingness to continue in office as auditors.

BY ORDER OF THE BOARD,



Mr. D Thompson, Board Co-Chair  
6 Trust Court, Histon, Cambridge CB5 8RS  
Date: 29 April 2022

# Independent Auditors Report to the Members of SIM International (UK)

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of SIM International (UK) (the 'charitable Company') for the year ended 30 September 2021 which comprise of the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable Company's affairs as at 30 September 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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 that 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 during the audit:

- the information given in the Directors' Report is prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements

### Matters on which we are required to report by exception

In light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report. 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 :

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specific by law are not made; or
- we have not received all the information and explanations we require for our audit.
- The Trustees were not entitled to prepare the financial statements in accordance with the small Companies' regime and take advantage of the small Companies' exemptions in preparing the Directors' report and from the requirement to prepare a strategic report.



## Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the Directors of the charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the charitable company and how it operates and considered the risk of the charitable company not complying with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. This included employment law, financial report and health & safety. The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified; these included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions.
- We reviewed key authorisation procedures and decision-making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meeting and agreed the financial statement disclosures to underlying supporting

documentation.

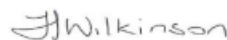
- We have made enquiries of management and officers of the charitable company regarding laws and regulations applicable to the organisation.
- We reviewed the risk management processes and procedures in place including a review of the Risk Register and Board assurance reporting.
- We have reviewed any correspondence with the Charity Commission and reviewed the procedures in place for the reporting of incidents to the Trustee Board including serious incident reporting of any such matters if necessary.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation as to what extent the audit was considered capable of detecting irregularities, including fraud. 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/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of the auditor's report.

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

## Use of the audit report

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



Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)

For and on behalf of:  
**Price Bailey LLP**  
Statutory Auditors  
Tennyson House  
Cambridge Business Park  
Cambridge  
CB4 0WZ

Date: 14 June 2022

# Statement of Financial Activities

## SIM INTERNATIONAL (UK)

(A Company limited by guarantee. No: 611250)

(Charity No: 219763)

### STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Note	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Expendable Endowment Funds £	2021 Total £	2020 Total £
<b>INCOME FROM</b>							
Donations	3	276,672	-	3,870,827	-	4,147,499	4,132,279
Legacies		31,289	-	46,441	-	77,730	166,599
Investments	4	12,529	-	-	6,231	18,760	46,635
Other income		4,833	-	-	-	4,833	6,566
<b>TOTAL INCOME</b>		<b>325,323</b>	<b>-</b>	<b>3,917,268</b>	<b>6,231</b>	<b>4,248,822</b>	<b>4,352,079</b>
<b>EXPENDITURE ON</b>							
Raising funds		18,421	-	-	-	18,421	16,250
Charitable activities		350,654	26,642	3,637,824	-	4,015,120	4,278,701
<b>TOTAL EXPENDITURE</b>	<b>6,7</b>	<b>369,075</b>	<b>26,642</b>	<b>3,637,824</b>	<b>-</b>	<b>4,033,541</b>	<b>4,294,951</b>
<b>NET (EXPENDITURE)/ INCOME BEFORE INVESTMENTS GAINS/(LOSSES)</b>		<b>(43,752)</b>	<b>(26,642)</b>	<b>279,444</b>	<b>6,231</b>	<b>215,281</b>	<b>57,128</b>
Gain on disposal of fixed assets		-	-	-	-	-	642,051
Net gains / (losses) on investments		88,366	-	-	-	88,366	(99,728)
Transfers between funds	20	913	(913)	-	-	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>45,527</b>	<b>(27,555)</b>	<b>279,444</b>	<b>6,231</b>	<b>303,647</b>	<b>599,451</b>
<b>RECONCILIATION OF FUNDS:</b>							
TOTAL FUNDS BROUGHT FORWARD	19	1,917,089	1,015,569	1,649,149	225,000	4,806,807	4,207,356
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>19</b>	<b>1,962,616</b>	<b>988,014</b>	<b>1,928,593</b>	<b>231,231</b>	<b>5,110,454</b>	<b>4,806,807</b>

All income and expenditure derive from continuing activities.

The notes on pages 15 to 38 form part of these financial statements.



# Balance Sheet

## SIM INTERNATIONAL (UK)

(A Company limited by guarantee. No: 611250)

(Charity No: 219763)

### BALANCE SHEET

AT 30 SEPTEMBER 2021

	Note	£	2021 £	£	2020 £
<b>FIXED ASSETS</b>					
Tangible assets	10	541,695		13,989	
Intangible assets	11	5,051		6,735	
Investments	12	960,407		914,908	
			1,507,153		935,632
<b>NON CURRENT ASSETS</b>					
Debtors falling due after more than one year	13		120,000		120,000
<b>CURRENT ASSETS</b>					
Debtors	14	141,842		125,544	
Investments	15	923,000		709,716	
Cash at bank and in hand	16	2,870,765		3,391,562	
		3,935,607		4,226,822	
<b>CURRENT LIABILITIES</b>					
Creditors: Amounts falling due within one year	17	(409,682)		(415,298)	
<b>NET CURRENT ASSETS</b>			3,525,925		3,811,524
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			5,153,078		4,867,156
<b>NON CURRENT LIABILITIES</b>					
Defined benefit pension scheme liability	17		(42,624)		(60,349)
<b>NET ASSETS</b>			5,110,454		4,806,807
<b>THE FUNDS OF THE CHARITY:</b>					
Unrestricted funds			1,962,616		1,917,089
Designated funds			988,014		1,015,569
Restricted funds			1,928,593		1,649,149
Expendable endowment funds			231,231		225,000
	19		5,110,454		4,806,807

The notes on page 15 to 38 form part of these accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

The financial statements were approved and authorised for issue by the Board on 29 Apr 2022 and signed on their behalf, by:



Mr D Thompson, Trustee

# Statement of Cash Flows

**SIM INTERNATIONAL (UK)**  
(A Company limited by guarantee. No: 611250)

(Charity No: 219763)

**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Note	2021 £	Restated 2020 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	<u>166,215</u>	<u>35,152</u>
<b>Cash flows from investing activities</b>			
Proceeds on disposal of property, plant and equipment		-	1,499,561
Purchase of property, plant and equipment		(535,355)	-
investment income		18,760	46,635
<b>Net cash inflow from investing activities</b>		<u>(516,595)</u>	<u>1,546,196</u>
<b>Change in cash and cash equivalents in the year</b>		<b>(350,380)</b>	<b>1,581,348</b>
Cash and cash equivalents at the beginning of the year	22	<u>4,387,145</u>	<u>2,805,797</u>
<b>Cash and cash equivalents at the end of the year</b>	22	<u><b>4,036,765</b></u>	<u><b>4,387,145</b></u>

The notes on page 15 to 38 form part of these accounts.

A young girl plays with hula-hoops outside her family ger, north of the capital in Mongolia.

SIM UK supports two ministries in Central Asia— church planting and refugee ministry.





# Notes to the Financial Statements

## 1. General Information and Company Status

SIM International (UK) is a Charity that is a Private Limited Company by guarantee, registered in England & Wales (charity number: 219763) and also Scotland (charity number: SC040432). The principal office is 6 Trust Court, Histon, Cambridge, England, CB24 9PW. The 9 (2020—8) members of the charity comprise the Trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The principle activity of the charity is to develop and encourage interest in Christian Missions and, with churches, to train and send missionaries to and from Europe, Africa, South America and Asia. The financial statements are presented in Sterling (the functional currency of the Charity) and rounded to the nearest pound.

## 2. Accounting Policies

### 2.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. SIM International (UK) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at a historical cost or transaction value unless otherwise stated in the relevant accounting policy. The accounts are presented in British Pound Sterling which is the functional currency of the charity, rounded to the nearest Pound.

### 2.2 Fund accounting

Following the requirements of the Statement of Recommended Practice all the funds of SIM International (UK) have been analysed over the different types of funds which are:

Expendable endowment funds. During the year the charity obtained approval from the Charity Commission to enable the charity to spend the capital from the endowment fund. Previously the capital had to be retained but the income could be spent.

Restricted funds. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds. General Funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated Funds. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

### 2.3 Income

Donated services of facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the Trustees' report for more information about their contribution. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

For legacies, entitlement is taken on a case-by-case basis as the earlier of the date on which: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probably when the amount can be measured reliably, and the charity has been notified of the executor's intention to make a distribution. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified and the charity is aware of the granting of probate, the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

### 2.4 Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by the investment advisor of the dividend yield of the investment portfolio.

### 2.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probably that a transfer of economic benefit will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

## Accounting Policies (cont'd)

### 2.5 Expenditure (cont'd)

Fundraising costs are those incurred in seeking voluntary contributions. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the charity is demonstrably committed to either:

- terminate the employment of an employee or group of employees before normal retirement date; or
- Provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

Expenditure on charitable activities are costs incurred to enable the charity to meet the charitable objectives of the organisation.

### 2.6 Pension Costs

Defined contribution pension scheme—employees. The charity operates a defined contribution pension scheme with Scottish Widows for employees of the charity. The pension charge represents the amounts payable by the charity to the fund in respect of the year. The assets of the scheme are held separate from that of the charity in an independently-administered fund.

Defined benefit pension scheme. The charity participates in a defined benefit pension scheme with The Pensions Trust. The cost of defined benefit pension plans and other post-employment benefits are determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increased, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions are the long-term nature of these plans, such estimates are subject to significant uncertainty. Further details are given in note 23. The provision made in the financial statements is to fund the deficit.

### 2.7 Tangible fixed assets and depreciation

All fixed assets are initially recorded at cost (including VAT where applicable). A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating income and expenditure accounts. The capitalisation policy of tangible fixed assets used throughout the year is only assets costing more than £3,000 are capitalised. Where items are bought in bulk, the capitalisation limit of £3,000 applies to all assets within the grouping. Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property—no depreciation charged\*

Office equipment—25% (reducing balance basis)

No depreciation was charged on Freehold Property during the year as the new building purchased was not ready for occupation under after the year end date. In the previous year no depreciation was charged as the value of the freehold property and surrounding land was significantly in excess of the book value of the building and so any depreciation charge on cost would have been immaterial—this building was disposed of during the previous year.

### 2.7 Intangible fixed assets and amortisation

All intangible fixed assets are initially recorded at cost (including VAT where applicable). After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is provided on the following bases:

Software—25% (reducing balance basis)

### 2.8 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

### 2.9 Fixed investments

Fixed investments are a form of basic financial instrument. All listed investments are carried at their fair value. Listed investments in equities and fixed interest securities are all traded in quoted public market. Holdings in common investment funds, unit trusts and open-ended investment companies are at bid price. The basis of fair value for quoted investments is equivalent to market value, used bid price. Asset sales and purchases are recognised at the date of trade at cost. All gains and losses are taken to the Statement of Financial Activities as they arise. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value and are included in the Statement of Financial Activities. There were no realised gains during the year. Unlisted investments are shown at cost less provision for impairment.

### 2.9 Current investments

Current investments are a form of basic financial instrument, which are shown at cost less provision for impairment. The charity defines these as cash deposits held for investment purposes, that have a maturity date of less than 12 months from the year end.

### 2.10 Profits on sale of property and investments

Profits on sale of property and investments are credited to the Statement of Financial Activities on a receivable basis. Investments are included in the Balance Sheet at their market value, and any unrealised gains/losses are included on the Statement of Financial Activities.

### 2.11 Debtors

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

### 2.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### 2.13 Liabilities and provisions

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

### 2.14 Contingent liabilities and assets

A contingent liability arises from a past event that gives the charity a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events, not wholly within the control of the charity. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probably that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably. A contingent asset arises where an event has taken place that gives the charity a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the charity. Contingent assets and liabilities are not recognised in the balance sheet but are disclosed in the notes.

### 2.15 Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction values and subsequently measured at their settlement value, which is their cost with the exception of fixed assets and intangible fixed assets which are recorded at depreciated historical cost. In addition, investments are recognised at their fair value, being the market value. The cost of investments and their market value (being fair value) are disclosed in note 12.

### 2.16 Going concern

The accounts have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the level of expected income and expenditure for the 12 months from the date of signing these accounts and are satisfied that the charity will continue as a going concern. The Trustees have considered the effects of the COVID-19 pandemic and consider there is no material impact on the charity. Therefore, the Trustees continue to adopt the going concern basis in preparing these financial statements.

### 2.17 Estimates and significant accounting policies

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to

inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

The key estimates and assumptions made in these accounts are:

- Depreciation and amortisation—which is calculated in order to write down tangible fixed assets to their residual values over their economic life.
- Accrued legacies—which are recognised to the extent that entitlement, value and certainty can be reliably measured at the balance sheet date
- Pension accrual and assumptions—which is accounted for using the latest triennial pension report.

### 2.18 Government grants

Grants are recognised when receivable. In the event that a grant is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

### 2.19 Taxation

The Company is considered to pass the tests set out in paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable Company for UK corporation tax purposes. Accordingly, the Company is potentially exempt from taxation in respect of income or capital gains received within the categories covered by chapter 3 article 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of the Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

*Workers in Loja province, Ecuador, sharing fresh produce with neighbours during the Covid-19 lockdowns.*





**SIM INTERNATIONAL (UK)**  
**(A Company limited by guarantee. No: 611250)**

**(Charity No: 219763)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**3. DONATIONS**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Expendable Endowment</b>	<b>TOTAL 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations for Missionaries	-	2,885,909	-	2,885,909
Donations for Projects	-	749,542	-	749,542
Donations for Ministry	-	235,376	-	235,376
Unrestricted Donations	276,672	-	-	276,672
	<b>276,672</b>	<b>3,870,827</b>	<b>-</b>	<b>4,147,499</b>

Donations have been restated below for 2020. See details on the changes made on restatement in note 28.

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Expendable Endowment</b>	<b>TOTAL 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations for Missionaries	-	2,733,938	-	2,733,938
Donations for Projects	-	941,541	-	941,541
Donations for Ministry	-	213,372	-	213,372
Unrestricted Donations	243,428	-	-	243,428
	<b>243,428</b>	<b>3,888,851</b>	<b>-</b>	<b>4,132,279</b>

**4. INTEREST AND INVESTMENT INCOME**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Expendable Endowment</b>	<b>TOTAL 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest receivable	12,222	-	-	12,222
Investment income	307	-	6,231	6,538
	<b>12,529</b>	<b>-</b>	<b>6,231</b>	<b>18,760</b>

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Expendable Endowment</b>	<b>TOTAL 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Interest receivable	26,385	-	-	26,385
Investment income	13,368	-	6,882	20,250
	<b>39,753</b>	<b>-</b>	<b>6,882</b>	<b>46,635</b>

**SIM INTERNATIONAL (UK)**  
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**(Charity No: 219763)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**5. SURPLUS FOR THE YEAR**

	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<b>This is stated after charging/crediting:</b>		
Gain (Loss) on exchange	2,644	3,742
Depreciation of Fixed Assets	7,649	1,175
Amortisation of intangible Assets	1,684	2,245
Operating Lease Rentals on equipment	2,336	2,359
Prior year Auditors' remuneration (inc VAT) - audit	-	12,600
Current year Auditors' remuneration (inc VAT) - audit	9,360	-
Current year Auditors' remuneration (inc VAT) – non audit	1,140	-
	<u>          </u>	<u>          </u>

**6. ANALYSIS OF EXPENDITURE BY ACTIVITY**

	<b>Direct Costs £</b>	<b>Support costs (note 7) £</b>	<b>TOTAL 2021 £</b>
Cost of raising funds	-	18,421	18,421
<b>Charitable activities:</b>			
Missionary support	2,369,768	62,060	2,431,828
Member care	363,964	-	363,964
Ministry	182,227	13,792	196,019
Projects	748,507	20,686	769,193
Mobilisation	212,742	41,374	254,116
	<u>3,877,208</u>	<u>137,912</u>	<u>4,015,120</u>
	<u>3,877,208</u>	<u>156,333</u>	<u>4,033,541</u>

**Analysis of expenditure by activity – prior year**

	<b>Restated Direct Costs £</b>	<b>Restated Support costs (note 7) £</b>	<b>Restated TOTAL 2020 £</b>
Cost of raising funds	-	16,250	16,250
<b>Charitable activities:</b>			
Missionary support	2,277,917	123,866	2,401,783
Member care	404,890	-	404,890
Ministry	243,390	27,526	270,916
Projects	810,248	41,288	851,536
Mobilisation	266,998	82,578	349,576
	<u>4,003,443</u>	<u>275,258</u>	<u>4,278,701</u>
	<u>4,003,443</u>	<u>291,508</u>	<u>4,294,951</u>

**SIM INTERNATIONAL (UK)**  
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**(Charity No: 219763)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**6. ANALYSIS OF EXPENDITURE BY ACTIVITY (continued)**

Missionary support represents the direct expenses and support costs of a missionary member or worker serving overseas or in the UK. Member care includes the costs incurred by the UK office in supporting a missionary. The costs of SIM UK supporting specific global ministries are included under Ministries, the costs of specific SIM UK projects under Projects, and the costs incurred in spreading the vision, mobilising new missionaries and supporting them as they ready to serve are included under Mobilisation.

See further details on the changes made on restatement in note 28.

Expenditure includes £369,075 from unrestricted funds (2020 restated: £558,506), £26,642 from designated funds (2020 restated: £39,022), £3,637,824 (2020 restated: £3,697,423) from restricted funds and nil (2020: £nil) from expendable endowment funds. (2020: £nil).

**7. SUPPORT COSTS**

	<b>Raising funds</b>	<b>Missionary Support</b>	<b>Ministry</b>	<b>Projects</b>	<b>Mobilisation</b>	<b>TOTAL 2021</b>
Management	-	12,304	2,734	4,101	8,201	27,340
Communications	18,421	11,290	2,510	3,764	7,528	43,513
Office administration	-	20,284	4,508	6,761	13,523	45,076
Finance	-	7,378	1,639	2,459	4,919	16,395
Governance	-	10,804	2,401	3,601	7,203	24,009
	<b>18,421</b>	<b>62,060</b>	<b>13,792</b>	<b>20,686</b>	<b>41,374</b>	<b>156,333</b>

Support costs have been restated below for 2020. See details on the changes made on restatement in note 28.

	<b>Raising funds</b>	<b>Missionary Support</b>	<b>Ministry</b>	<b>Projects</b>	<b>Mobilisation</b>	<b>TOTAL 2020</b>
Management	-	51,389	11,420	17,129	34,259	114,197
Communications	16,250	13,329	2,962	4,443	8,886	45,870
Office administration	-	37,892	8,420	12,631	25,262	84,205
Finance	-	15,586	3,464	5,195	10,391	34,636
Governance	-	5,670	1,260	1,890	3,780	12,600
	<b>16,250</b>	<b>123,866</b>	<b>27,526</b>	<b>41,288</b>	<b>82,578</b>	<b>291,508</b>

**8. GOVERNANCE COSTS**

	<b>Total 2021</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>
Prior year Auditors' remuneration (inc VAT) - audit	-	12,600
Current year Auditors' remuneration (inc VAT) - audit	9,360	-
Current year Auditors' remuneration (inc VAT) – non audit	1,140	-
Strategic planning costs	13,510	-
	<b>24,010</b>	<b>12,600</b>



## SIM INTERNATIONAL (UK)

(A Company limited by guarantee. No: 611250)

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### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

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#### 9. STAFF COSTS

Staff costs were as follows:

	2021 £	2020 £
Wages and salaries	466,531	584,707
Social security costs	33,385	39,459
Pension costs	53,479	69,025
<b>Total</b>	<b>553,395</b>	<b>693,191</b>

The average number of persons employed by the charity during the year was as follows:

	2021 £	2020 £
Management	6	6
Mobilisation	6	12
Administration	13	15
<b>Total</b>	<b>25</b>	<b>33</b>

1 employee (2020: none) received remuneration between £60,000 - £70,000. No employee received remuneration above £70,000 in either year.

During the year no redundancy payments were made to any employees (2020: 6) totalling £Nil (2020: £48,066). These payments in the previous year were authorised for payment in a meeting of the Trustees and related to staff leaving due to the move of the organisation's operations to Cambridge.

#### KEY MANAGEMENT PERSONNEL

The charity considers its key management personnel to comprise of 6 people. During the year, the total employment benefits of these 6 key management personnel, including social security and pension was £227,125 (2020: £221,788).

Further details of related party staff costs have been disclosed in the Related Party Transactions note 27.

**SIM INTERNATIONAL (UK)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**10. TANGIBLE FIXED ASSETS**

	Freehold property £	Equipment £	Total £
<b>Cost</b>			
At 1 October 2020	14,446	205,082	219,528
Additions	530,645	4,710	535,355
Disposals	-	-	-
<b>At 30 September 2021</b>	<b>545,091</b>	<b>209,792</b>	<b>754,883</b>
<b>Depreciation</b>			
At 1 October 2020	3,983	201,556	205,539
Charge for the year	-	7,649	7,649
On Disposals	-	-	-
<b>At 30 September 2021</b>	<b>3,983</b>	<b>209,205</b>	<b>213,188</b>
<b>Net book value</b>			
<b>At 30 September 2021</b>	<b>541,108</b>	<b>587</b>	<b>541,695</b>
At 30 September 2020	10,463	3,526	13,989

**SIM INTERNATIONAL (UK)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**11. INTANGIBLE FIXED ASSETS**

	<b>Software £</b>	<b>Total £</b>
<b>Cost</b>		
At 1 October 2020	28,384	28,384
Additions	-	-
Disposals	-	-
<b>At 30 September 2021</b>	<b>28,384</b>	<b>28,384</b>
<b>Amortisation</b>		
At 1 October 2020	21,649	21,649
Charge for the year	1,684	1,684
On Disposals	-	-
<b>At 30 September 2021</b>	<b>23,333</b>	<b>23,333</b>
<b>Net book value</b>		
<b>At 30 September 2021</b>	<b>5,051</b>	<b>5,051</b>
At 30 September 2020	6,735	6,735

**12. FIXED ASSET INVESTMENTS**

	<b>2021 £</b>	<b>2020 £</b>
<b>Unlisted Investments</b>		
Cash deposits maturing > 12 months	243,000	285,867
<b>Listed Investments</b>		
At market value		
At 1 October	629,041	728,769
Unrealised gain / (loss)	88,366	(99,728)
<b>At 30 September 2021</b>	<b>717,407</b>	<b>629,041</b>
<b>Total Fixed Asset Investments</b>	<b>960,407</b>	<b>914,908</b>

All investments are carried at their fair value. Historical cost of the listed investments is £559,896 (2020: £559,896).



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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**13. NON CURRENT ASSETS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Loan to Executive Director	<u><b>120,000</b></u>	<u><b>120,000</b></u>

This represents a loan that was made to the Executive Director in 2013 upon commencement of their role at the charity. The loan was made to enable the Executive Director to relocate within the UK for the purposes of their role and is secured against the residential property of the Executive Director.

No interest is charged on the loan, but the charity has the option, if it so wishes, to request repayment at a revised rate based on an independent valuation of the property, at the time of sale.

**14. DEBTORS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Due from other SIM offices	30,001	31,235
Other debtors	87,559	30,232
Missionaries' Personal Funds (see note 18)	1,846	719
Prepayments & accrued Income	22,436	63,358
	<u><b>141,842</b></u>	<u><b>125,544</b></u>

**15. CURRENT ASSET INVESTMENTS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash deposits maturing < 12 months	<u><b>923,000</b></u>	<u><b>709,716</b></u>

**16. CASH AT BANK AND IN HAND**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash deposits	<u><b>2,870,765</b></u>	<u><b>3,391,562</b></u>

**SIM INTERNATIONAL (UK)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**17. CREDITORS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Due to other SIM offices	79,703	89,081
Taxation & Social Security	25	12,506
Other Creditors	116,496	116,654
Missionaries' Personal Funds (see note 18)	147,893	147,668
Accruals & Deferred Income	49,250	33,579
Pension Deficit (see note 23)	16,315	15,810
	<u><b>409,682</b></u>	<u><b>415,298</b></u>
<b>Amounts due after one year</b>		
Pension Deficit (see note 23)	<u><b>42,624</b></u>	<u><b>60,349</b></u>

**18. MISSIONARIES PERSONAL FUNDS**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Balance at the beginning of the year	146,950	153,809
Allowances and transfers	813,464	867,104
	<u>960,414</u>	<u>1,020,913</u>
Less: Payments from personal accounts	(814,367)	(873,964)
<b>Balance at the end of the year</b>	<u><b>146,047</b></u>	<u><b>146,949</b></u>
Missionaries' Personal Funds – Debtors – note 14	(1,846)	(719)
Missionaries' Personal Funds – Creditors – note 17	147,893	147,668
<b>Balance at the end of the year</b>	<u><b>146,047</b></u>	<u><b>146,949</b></u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**19. STATEMENT OF FUNDS (continued)**

**Expendable endowment fund:**

The endowment fund was received by the charity with the instructions to be used towards SIM Dental ministries. During the year the charity obtained approval from the Charities Commission to enable the charity to spend the capital from the endowment fund. Previously the capital had to be retained but the income could be spent.

**Transfers and Reclassifications**

The transfers in the year from the Strategy Fund to General and Asset Funds reflect the purchase of assets associated with the move to Histon. The transfer from Missionary Support to the Projects Fund relates to amounts allocated from Members' funds in support of project expenditure.

In the prior year transfers include a Reclassification of Funds from Designated to Restricted. This was to change the classification of the opening Ministry fund from Designated to Restricted to better reflect the current nature of the fund and the expectations of donors in giving to the Ministry funds of members.

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

	<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>Expendable Endowment Funds £</b>	<b>2021 Total Funds £</b>
Tangible Fixed Assets	541,695	-	-	-	541,695
Intangible Fixed Assets	5,051	-	-	-	5,051
Investments	735,407	-	-	225,000	960,407
Non Current Assets	120,000	-	-	-	120,000
Current Assets	1,012,769	988,014	1,928,593	6,231	3,935,607
Current Liabilities	(409,682)	-	-	-	(409,682)
Long Term Liabilities	(42,624)	-	-	-	(42,624)
	<b>1,962,616</b>	<b>988,014</b>	<b>1,928,593</b>	<b>231,231</b>	<b>5,110,454</b>

	<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>Expendable Endowment Funds £</b>	<b>2020 Total Funds £</b>
Tangible Fixed Assets	13,989	-	-	-	13,989
Intangible Fixed Assets	6,735	-	-	-	6,735
Investments	696,790	-	-	218,118	914,908
Non Current Assets	120,000	-	-	-	120,000
Current Assets	1,555,222	1,015,569	1,649,149	6,882	4,226,822
Current Liabilities	(415,298)	-	-	-	(415,298)
Long Term Liabilities	(60,349)	-	-	-	(60,349)
	<b>1,917,089</b>	<b>1,015,569</b>	<b>1,649,149</b>	<b>225,000</b>	<b>4,806,807</b>



**SIM INTERNATIONAL (UK)**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**

**21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2021 £	2020 £
Net income/expenditure for the year	303,647	599,451
<b>Adjustments for:</b>		
Depreciation	7,649	1,175
Loss / (profit) on sale of property, plant & equipment	-	(642,051)
Amortisation	1,684	2,245
(Gain) / loss on investments	(88,366)	99,728
Interest and investment income	(18,760)	(46,635)
Decrease / (increase) in debtors	(16,298)	82,755
(Decrease) / increase in creditors	(23,341)	(61,516)
<b>Net cash provided by/ (used in) operating activities</b>	<b>166,215</b>	<b>35,152</b>

**22. ANALYSIS OF CHANGES IN NET DEBT**

		1 October 2020 £	Cash flows £	30 September 2021 £
Cash at bank and in hand	16	3,391,562	(520,797)	2,870,765
Cash deposits maturing < 12 months	15	709,716	213,284	923,000
Cash deposits maturing > 12 months	12	285,867	(42,867)	243,000
		<b>4,387,145</b>	<b>(350,380)</b>	<b>4,036,765</b>



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**23. PENSION COMMITMENTS (continued)**

**Deficit contributions**

From 1 April 2016 to  
30 September 2025:     £12,945,440 per annum     (payable monthly and increasing by 3%  
each on 1st April)

From 1 April 2016 to  
30 September 2028:     £54,560 per annum     (payable monthly and increasing by 3%  
each on 1st April)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

**PRESENT VALUES OF PROVISION**

	<b>30 September 2021 £</b>	<b>30 September 2020 £</b>	<b>30 September 2019 £</b>
Present value of provision	58,939	76,159	85,633

**RECONCILIATION OF OPENING AND CLOSING PROVISIONS**

	<b>30 September 2021 £</b>	<b>30 September 2020 £</b>
Provision at start of period	71,552	85,633
Unwinding of the discount factor (interest expense)	366	757
Deficit contribution paid	(15,913)	(15,449)
Remeasurements - impact of any change in assumptions	2,934	5,218
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	58,939	76,159



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**23. PENSION COMMITMENTS (continued)**

**INCOME AND EXPENDITURE IMPACT**

	<b>30 September 2021 £</b>	<b>30 September 2020 £</b>
Interest expense	366	757
Remeasurements – impact of any change in assumptions	(128)	611
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

\*includes defined contribution schemes and future service contributions (i.e., excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

**ASSUMPTIONS**

	<b>30 September % per annum</b>	<b>30 September % per annum</b>	<b>30 September % per annum</b>
Present value of provision	0.72	0.58	0.98

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**23. PENSION COMMITMENTS (continued)**

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

**DEFICIT CONTRIBUTIONS SCHEDULE**

<b>Year Ending</b>	<b>30 September 2021 £</b>	<b>30 September 2020 £</b>	<b>30 September 2019 £</b>
Year 1	16,390	15,913	15,449
Year 2	16,882	16,390	15,913
Year 3	17,388	16,882	16,390
Year 4	5,882	17,388	16,882
Year 5	-	5,882	17,388
Year 6	-	-	5,882
Year 7	-	-	-
Year 8	-	-	-
Year 9	-	-	-
Year 10	-	-	-
Year 11	-	-	-
Year 12	-	-	-
Year 13	-	-	-
Year 14	-	-	-
Year 15	-	-	-
Year 16	-	-	-
Year 17	-	-	-
Year 18	-	-	-
Year 19	-	-	-
Year 20	-	-	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e., the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

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**24. CONTINGENT LIABILITY**

At 30 September 2021 the Charity had a contingent liability in relation to the defined benefit pension scheme, which would be triggered if the active member were to leave the scheme. The charity received an estimate of the buy-out value from the pension provider which was quoted at £150,000 as at 30 September 2020. The trustees do not consider that this would have materially changed as at 30 September 2021. After the year end, in October 2021, the Trustees set aside a designated fund to cover this potential liability.

**25. OPERATING LEASE COMMITMENTS**

**LESSEE:**

At 30 September 2021 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Equipment</b>		
Within 1 year	2,336	3,171
Between 1 and 5 years	4,177	8,084
After more than 5 years	-	-
	<u>6,513</u>	<u>11,255</u>

**26. CAPITAL COMMITMENTS**

At 30 September 2021 the total of the Charity had capital commitments as follows:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Contracted for building works on the registered office premise	<u>102,367</u>	<u>-</u>

**27. RELATED PARTY TRANSACTIONS**

Mr. S Smith, a Trustee, was employed during the year in the role of Executive Director and the remuneration package totalled £61,308 (2020: £51,094) for the year including £4,107 (2020: £5,065) in respect of pension contributions. The remuneration package is in line with the Memorandum & Articles of Association clause 5(b) for services provided to the charity. Mr. S Smith did not receive any remuneration in respect of their role as Trustee.

Dr C Reid, a Trustee, and her spouse received £8,894 for monthly living expenses in relation to their role as SIM members and were reimbursed £361 of expenses in connection with ministry from charity funds. Dr C Reid did not receive any remuneration in respect of their role as a Trustee.

Mrs. E Silver, the spouse of Mr. D Silver, a member of key management, received £780 for work in relation to a process documentation improvement project.

No other Trustees received any emoluments during this year or last and there were no Trustee expenses incurred in either 2021 or 2020.

Included within note 13 is a loan to the Executive Director, which is secured against their residential property. See further details in Note 13.



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**28. PRIOR YEAR RESTATEMENT**

During the year the Trustees reconsidered the analysis of the income, expenditure and transfers in the Financial Statements and the requirements of the Charities SORP. Accordingly, the Trustees have restated member care services and disclosed it within restricted income and expenditure. Changes have also been made to the analysis of expenditure between direct and support costs.

In addition, the Trustees have also reconsidered the presentation of the Cash Flow Statement and the related reconciliation of net movement in funds to net cash flow from operating activities in note 21 to ensure this is in line with the latest Charities SORP and FRS102 requirements.

Overall, there is no effect on the surplus or on fund balances for the prior year. See note 19 for the Statement of Funds and see note 29 for a restated Comparative Statement of Financial Position.

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**29. COMPARATIVE STATEMENT OF FINANCIAL POSITION (PRIOR YEAR RESTATED)**

	Note	Unrestricted Funds	Designated Funds	Restricted Funds	Expendable Endowment Funds	Restated 2020 Total
		£	£	£	£	£
<b>INCOME FROM</b>						
Donations	3	243,428	-	3,888,851	-	4,132,279
Legacies		155,823	-	10,776	-	166,599
Investments	4	39,753	-	-	6,882	46,635
Other income		6,566	-	-	-	6,566
<b>TOTAL INCOME</b>		<b>445,570</b>	<b>-</b>	<b>3,899,627</b>	<b>6,882</b>	<b>4,352,079</b>
<b>EXPENDITURE ON</b>						
Raising funds		16,250	-	-	-	16,250
Charitable activities		542,256	39,022	3,697,423	-	4,278,701
<b>TOTAL EXPENDITURE</b>	<b>6,7</b>	<b>558,506</b>	<b>39,022</b>	<b>3,697,423</b>	<b>-</b>	<b>4,294,951</b>
<b>NET (EXPENDITURE)/ INCOME BEFORE INVESTMENTS GAINS/(LOSSES)</b>		<b>(112,936)</b>	<b>(39,022)</b>	<b>202,204</b>	<b>6,882</b>	<b>57,128</b>
Gain on disposal of fixed assets		642,051	-	-	-	642,051
Net gains / (losses) on investments		(99,728)	-	-	-	(99,728)
Transfers between funds	20	3,435	(230,494)	227,059	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>432,822</b>	<b>(269,516)</b>	<b>429,263</b>	<b>6,882</b>	<b>599,451</b>
<b>RECONCILIATION OF FUNDS:</b>						
TOTAL FUNDS BROUGHT FORWARD	19	1,484,267	1,285,085	1,219,886	218,118	4,207,356
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>19</b>	<b>1,917,089</b>	<b>1,015,569</b>	<b>1,649,149</b>	<b>225,000</b>	<b>4,806,807</b>



# Thank you!

We are thankful for each individual, family, organisation and church who supports world mission through SIM UK.

To find out how you can pray with our workers, donate to gospel ministries or follow Christ's call into cross-cultural service, visit [sim.co.uk](http://sim.co.uk) or ring 01223 788288.

*"Give thanks to the Lord, for his is good; his love endures forever."*  
1 Chronicles 16:34

