

**THE SOCIETY FOR DISTRIBUTING
HEBREW SCRIPTURES**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31ST MARCH 2021**

**Company Number: 503177
Charity Number: 232692**

**THE SOCIETY FOR DISTRIBUTING
HEBREW SCRIPTURES**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31ST MARCH 2021**

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THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

REPORT OF THE COUNCIL MEMBERS

The Council Members have pleasure in presenting their report and the financial statements of the charity for the year ended 31st March 2021. This report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102).

Reference and administrative information

The Society is a registered charity and a company limited by guarantee with no share capital. (Charity number: 232692, Company number: 503177).

Council Members

The following members served during the year:

J Blanchard (resigned 15.09.20)
J Copperwheat
Mrs K R Howells
A R Passmore (Chairman)
D Wightman

Mrs H Chipperfield
I Corby (Vice Chairman)
Miss A Lawrence
J H Pike (Honorary Treasurer)

Key Management Personnel

The Council Members together with the General Secretary Mr E Browning are the Key Management Personnel of the charity.

Bankers

Barclays Bank plc
5/6 High Street
Hitchin
Herts
SG5 1BJ

Auditors

Jacob Cavenagh & Skeet
5 Robin Hood Lane
Sutton
Surrey SM1 2SW

Solicitors

Wellers
Tenison House
Tweedy Road
Bromley
Kent BR1 3NF

Registered Office

Joseph House
1 Bury Mead Road
Hitchin
Herts SG5 1RT

Investment advisors

Clocktower Fund Management
The Hollies, Denby Road
Cobham
Surrey KT11 1JU

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

REPORT OF THE COUNCIL MEMBERS (continued)

Structure, Governance and Management

The Society for Distributing Hebrew Scriptures is a company limited by guarantee, incorporated on 5th January 1952 in England & Wales, UK. It is registered with the Charity Commission. The company was established under a new Memorandum of Association in February 2011 which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Appointment and induction of Council Members

Council Members are appointed by the Council and at each Annual General Meeting one third of Council Members will retire from office. On retirement Council Members are eligible for re-election. The Articles of Association provides for a minimum of five Council Members and a maximum of 25. The Council Members are directors of the company. The Council Members are also responsible for the appointment of new members.

New Council Members undergo an induction to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Council and the decision making processes and the recent performance of the charity. They also meet key employees and the other Council Members.

Risk assessment policy

The Risk Assessment Committee has had further meetings on a regular basis. From these Committee meetings appropriate recommendations are made to Council and action taken accordingly.

The Council members consider, at this time as far as possible, the principal risks and uncertainties facing the charity and have plans and strategies for managing events that might otherwise disrupt the work of the Society. During 2020-2021, the ongoing Corona virus affected the Society from the third week of March 2020 onwards and still does. However, the Society's work continued all through the first stages of the crisis, with relevant staff working from home via the internet. The offices re-opened in May 2020 and continue as previously with Scriptures being sent out every working day. Personal distribution has continued, but church meetings are unable, at present, to continue. During the past year, as substantial stocks of Scriptures were purchased the previous year, reduced stocks were purchased, still leaving plenty in hand for distribution in the immediate future.

Organisational policy

The Council Members meet every two months and there are sub-committees covering finance and investments. Other sub committees are formed as and when required. The General Secretary, Mr E Browning is appointed to manage the day to day operations of the Society. To facilitate effective operations, Mr Browning has delegated authority, within the terms of delegation approved by the Council Members, for operational matters including finance, employment and production and policies for the dissemination of religious knowledge.

The key management personnel of the charity as listed on page 1 are in charge of directing, controlling, running and operating the charity. All Council members give of their time freely and no Council member received any remuneration in the year. Details of Council members' expenses and related party transactions are disclosed in Note 3 to the financial statements.

The salaries of all Society personnel are set by a meeting of Council Members in March of each year. The current national financial situation is taken into consideration, along with the Society's income and a comparison with other similar organisations. Key personnel and other personnel each receive the same proportionate increase each year.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

REPORT OF THE COUNCIL MEMBERS (continued)

Objectives and activities

The principal activity of the Society is the production, publication and distribution of the Hebrew Scriptures.

Policy of the Society

The policy of the Society is to supply every Jewish home throughout the world with a free copy of the Holy Scriptures, printed in the dual languages of Hebrew and another language appropriate to the recipient.

The policies it has adopted to fulfil this are the production and publication of testaments, religious booklets, leaflets and CD-ROMs which are distributed to the public, and the dissemination of religious knowledge through meetings and conferences.

Public Benefit

The Council Members confirm that they have had due regard to the guidance issued by the Charity Commission relating to public benefit in forming their policy.

The Society has provided public benefit by adhering to its objectives and carrying out the activities referred to in this report. Recognising our debt to the Jewish people for the Bible and the need to overcome prejudice, the Society publishes and freely distributes the Hebrew Scriptures to the Jewish people worldwide. The publication and distribution of the Society's Scriptures free of charge to Jewish people as widely as possible, both in the UK and overseas, brings spiritual, moral and practical benefits.

Achievements and performance

Review of operations for the year

During the year 9,249 Testaments have been distributed compared to 15,982 in the preceding year and 3,482 booklets have been distributed compared with 5,251 in the preceding year. In addition, 461 CDs containing the Scriptures compared with 1,297 in the previous year. The evident decline in Scriptures being distributed is a reflection of the world-wide restrictions imposed because of the global pandemic.

The Council wish to record the faithfulness of the Lord God Almighty in supplying all the needs of the Society from year to year. The Council also wish to place on record their great appreciation of the loyal and devoted services to the Society of the General Secretary and the other members of staff, including voluntary helpers.

Financial review

Overall financial position

The results for the year ended 31st March 2021 are set out in the Statement of Financial Activities on page 9. Net income (pre investment gains/losses) of £137,666 (2020: net income of £522,756) arose in the year. The Society remains heavily dependent on donations and legacies, the income from which was £520,055 (2020: £955,414), with last year's result being heavily influenced by several substantial, but exceptional, legacies. Together with the investment and other income the Society was able to fund its charitable expenditure of £393,087 (2020: £456,351) on charitable activities.

Investment policy

It is the Council's policy to invest funds in Government Securities, UK Equities, Guaranteed funds and long-term Bank and Building Society deposits to provide income and growth over the medium to long-term which collectively give a low to medium risk portfolio, and will at least maintain the value of the Society's assets in real terms as far as market conditions allow. The charity has made such investments to generate a return and has made no social investments.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

REPORT OF THE COUNCIL MEMBERS (continued)

Reserves policy

Council Members have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets and stocks of scriptures held by the charity should equate to approximately one year's worth of other resources expended, approximately £500,000 per annum. At this level the Council feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding.

At the year end, the charity's unrestricted funds were £2,876,167 of which approximately £1,763,000 were employed in the Society's stock and fixed assets.

The level of free reserves at the year-end was £613,000 more than the £500,000 required by the reserves policy. The Council Members expect this to be utilised in the ongoing work of the Society in the next few years.

Fundraising policy

The Society does not undertake any direct fundraising activity but is pleased to receive donations from churches and individuals who wish to support its work.

Plans for the future

In the year ahead we anticipate that:

1. At the moment, we have no plans for further Testament purchases , there being sufficient stocks of all languages.
2. Continuing the digitisation of the Hebrew Old Testament will continue, which we anticipate will take several more years.
3. Due to the Corona virus, support and public meetings of all kinds are on hold. Should this situation change, we will react accordingly.
4. Personal distribution will continue in north London, Manchester, Hertfordshire, Essex and other places in the UK on a regular basis as distributors come forward.
5. Worldwide distribution will continue through the Society's Representatives in Canada, USA, the Caribbean, Suriname, Brazil, Uruguay, Argentina, South Africa, Israel, India, Australia, New Zealand, Ukraine, Russia, Germany, France, Spain and the Netherlands.

Auditors

A resolution will be proposed at the Annual General Meeting that Jacob Cavenagh & Skeet be reappointed auditors to the Society for the ensuing year.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES**REPORT OF THE COUNCIL MEMBERS**
(continued)***Council Members' responsibilities***

The Council Members (being directors and trustees of the charitable company) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Under that law the Council Members have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Council Members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period.

In preparing those financial statements, the Council Members are required to:

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

The Council Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Small company

The above report is prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

ON BEHALF OF THE COUNCIL

14th September 2021

A R Passmore

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

Opinion

We have audited the financial statements of The Society For Distributing Hebrew Scriptures (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources 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

In auditing the financial statements, we have concluded that the council members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the council members with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, including the council members' report, other than the financial statements and our auditor's report thereon. The council members are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 in the course of our audit:

- the information given in the Trustees' Report, which includes the directors' report 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 directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES
(continued)

Matters on which we are required to report by exception

In the 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 included with the report of the council members.

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 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 council members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the council members 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 council members report and from the requirement to prepare a strategic report.

Responsibilities of the council members

As explained more fully in the council members' responsibilities statement, the council members (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 council members 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 council members either intend to liquidate the company 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:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team. We determined that the principal risks were related to the valuation of stock, identification of legacy income, and incorrect payments to third parties.

In response to the risks identified we designed procedures which included, but were not limited to:

- verifying the existence and cost of stocks held
- reviewing council members meeting minutes
- reviewing correspondence relating to legacies
- evaluating the charity's internal controls
- verifying payments to third parties on a sample basis
- identifying and testing journal entries

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES**STATEMENT OF FINANCIAL ACTIVITIES
(including income & expenditure account)
FOR THE YEAR ENDED 31ST MARCH 2021**

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Richard Haffenden MA(Cantab) FCA (Senior Statutory Auditor)
for and on behalf of Jacob Cavenagh & Skeet
Statutory Auditor
Chartered Accountants**

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

16th September 2021

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

STATEMENT OF FINANCIAL ACTIVITIES
(including income & expenditure account)
FOR THE YEAR ENDED 31ST MARCH 2021

		<u>Unrestricted</u>	<u>Funds</u>
		<u>2021</u>	<u>2020</u>
	<i>Note</i>	£	£
Income from:			
Donations		442,106	480,487
Legacies		77,949	474,927
Investments	2	8,156	11,065
Other income		<u>2,542</u>	<u>12,628</u>
<i>Total income</i>		<u>530,753</u>	<u>979,107</u>
Expenditure on:			
Raising funds:			
Investment management		1,116	1,298
Charitable activities:			
Production & distribution	4	234,987	290,880
Dissemination of religious knowledge	4	<u>156,984</u>	<u>164,173</u>
<i>Total expenditure</i>		<u>393,087</u>	<u>456,351</u>
Net gain/(loss) on investments		<u>18,155</u>	<u>(36,225)</u>
Net income		155,821	486,531
Reconciliation of funds			
Funds brought forward		<u>2,720,346</u>	<u>2,233,815</u>
Funds carried forward		<u>2,876,167</u>	<u>2,720,346</u>

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

BALANCE SHEET
AT 31ST MARCH 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	6		640,750		655,241
Investments	7		<u>354,620</u>		<u>335,578</u>
			995,370		990,819
Current assets					
Stocks	8	767,515		778,608	
Debtors	9	25,791		22,791	
Cash at bank and in hand		<u>1,099,956</u>		<u>938,394</u>	
		1,893,262		1,739,793	
Creditors: Amounts falling due within one year	10		<u>12,465</u>		<u>10,266</u>
Net current assets			<u>1,880,797</u>		<u>1,729,527</u>
Total assets less current liabilities			<u>2,876,167</u>		<u>2,720,346</u>
Represented by:					
Unrestricted funds	11				
General fund (including revaluation reserve of £25,531 (2020: 8,669))			1,467,902		1,286,497
Fixed Asset fund			640,750		655,241
Stock Reserve			<u>767,515</u>		<u>778,608</u>
			<u>2,876,167</u>		<u>2,720,346</u>

These accounts have been prepared in accordance with the provisions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements were approved by the Council on 14th September 2021 and signed on its behalf by:

A R Passmore
Honorary Chairman

Company number 503177

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2021

	2021		2020	
	£	£	£	£
Cash provided by operating activities (see below)		154,795		266,288
Cash flows from investing activities				
Interest and dividends received	8,156		11,065	
Payments for fixed asset additions	(501)		-	
Payments for investment additions	(14,430)		(17,190)	
Proceeds on investment disposals	<u>13,542</u>		<u>16,639</u>	
Cash provided by investing activities		<u>6,767</u>		<u>10,514</u>
Net cash inflow		161,562		276,802
Cash and cash equivalents at 1 April 2020		<u>1,138,394</u>		<u>861,592</u>
Cash and cash equivalents at 31 March 2021		<u>1,299,956</u>		<u>1,138,394</u>
 Note: Cash flows from operating activities				
Net income for the year		155,821		486,531
Interest and dividends included in investing activities	(8,156)		(11,065)	
Depreciation	14,992		15,924	
Net unrealised (gains)/losses on investments	(17,493)		36,225	
Net realised (gains) on investments	(661)		(9)	
Decrease/(increase) in stocks	11,093		(286,616)	
(Increase)/decrease in debtors	(3,000)		27,801	
Increase/(decrease) in creditors	<u>2,199</u>		<u>(2,503)</u>	
Cash provided by operating activities		<u>154,795</u>		<u>266,288</u>

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

1 ACCOUNTING POLICIES

The Society for Distributing Hebrew Scriptures is a company limited by guarantee, incorporated on 5th January 1952 in England & Wales, UK. It is registered with the Charity Commission. Its registered office is Joseph House, 1 Bury Mead Road, Hitchin, Herts SG5 1RT.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

(a) **Accounting convention**

The financial statements have been prepared under the Companies Act 2006 and in accordance with the Charities Statement of Recommended Practice (Charities SORP (FRS 102)) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting, as modified by the revaluation of fixed asset investments.

The Society for Distributing Hebrew Scriptures meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in Sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

(b) **Going concern**

The Council members have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees believe the going concern basis of accounting continues to be appropriate in preparing the annual financial statements.

(c) **Tangible fixed assets**

Tangible fixed assets are stated at cost or Council members' estimate of market value less depreciation. Depreciation is charged on tangible fixed assets so as to write them off over their expected useful lives at the following rates:

Freehold buildings	–	2% of cost per annum
Office furniture and equipment	–	12.5% - 25% of cost per annum
Motor vehicles	–	25% of cost per annum

Freehold land is not depreciated.

(d) **Stocks**

Stocks are valued at cost, as they consist of items that are distributed at nil cost to the beneficiaries. As such, in order for the financial statements to represent a true and fair view of the state of affairs of the company, the valuation of stock at the lower of cost and net realisable value in accordance with paragraph 10.60 of the Charities Statement of Recommended Practice (Charities SORP (FRS 102)), has not been made. Provision is made for old and obsolete stock.

(e) **Debtors**

Income tax recoverable and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

(f) **Cash and cash equivalents**

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 opening of the deposit.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021
(continued)****(g) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

(h) Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(i) Taxation

The Society is a registered charity which renders its income exempt from UK corporation tax.

(j) Income

Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

(k) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that are directly attributable to such activities and those costs of an indirect nature necessary to support them. Support costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect use of the resources. Costs relating to a particular activity are allocated directly, other costs are apportioned on an estimated usage. Salary is split 70:30 between production and distribution and dissemination of religious knowledge respectively.

(l) Investments

Investments are stated at the mid-market price ruling at the balance sheet date, which is considered to be materially equivalent to the fair value of the investments. Unrealised gains and losses are included in the statement of financial activities. Investment income is stated on a receivable basis. Realised gains and losses arising on disposal of investments are separately identified in the Statement of Financial Activities.

(m) Funds

The nature and purposes of the designated funds are explained in note 11.

(n) Intangible income

No value has been placed on the support given to the Society by way of unpaid voluntary assistance.

(o) Pension costs

Pension costs are charged in the period in which they are payable to the pension scheme.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021
(continued)

2	INVESTMENT INCOME	2021	2020
		£	£
	Listed investments	4,753	7,120
	Bank and short-term deposit interest	<u>3,403</u>	<u>3,945</u>
		<u>8,156</u>	<u>11,065</u>
 3	 EMPLOYEE INFORMATION AND RELATED PARTIES	 2021	 2020
		£	£
	Salaries	220,363	213,450
	Social security costs	16,790	17,007
	Employer's contribution to defined contribution pension schemes	<u>14,300</u>	<u>13,836</u>
		<u>251,453</u>	<u>244,293</u>

There were no individual staff whose emoluments exceeded £60,000 during the year (2020: none).

The average number of persons employed during the year were:	2021	2020
	No	No
Administration	4	4
Distribution	2	2
Dissemination	<u>3</u>	<u>3</u>
	<u>9</u>	<u>9</u>

Contributions by the employer towards money purchase pension schemes were made in respect of 7 employees (2020: 7). The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost and charge represents contributions payable by the company to the funds. At 31st March 2021 no contributions were payable to the funds (2020: £nil).

The Council Members did not receive any remuneration from the company, but some received reimbursement for expenses incurred in attending meetings. The gross amount reimbursed in respect of attendance at meetings and other disbursements in the year was £466 (2020: £1,053) for 1 Council Member (2020: 2).

Total remuneration of £42,635 was paid in respect of the employment of Key Management Personnel during the year (2020: £41,392).

Remuneration including employer pension of £29,342 was paid in respect of the employment of Mr G Howells, the husband of a trustee (2020: £28,525).

There were no other related party transactions during the year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021
(continued)

4 CHARITABLE EXPENDITURE

	<i>Direct costs</i> £	<i>Support costs</i> £	<i>2021 Total</i> £	<i>2020 Total</i> £
<u>Production and distribution</u>				
Testament costs	35,040	-	35,040	52,135
Salaries	74,519	37,702	112,221	109,752
Distribution	47,152	-	47,152	66,251
Depreciation	-	14,992	14,992	15,924
Repairs and renewals	-	2,645	2,645	2,886
Computer expenses	-	2,466	2,466	2,697
Conferences and advertising	-	927	927	20,554
Travel and subsistence	-	651	651	2,925
Other production costs	11,686	-	11,686	10,242
Audit and accountancy	-	3,132	3,132	3,073
Other governance costs	-	4,075	4,075	4,441
	<u>168,397</u>	<u>66,590</u>	<u>234,987</u>	<u>290,880</u>
<u>Dissemination of religious knowledge</u>				
Salaries	118,892	16,158	135,050	130,462
Travel and meeting expenses	1,997	-	1,997	10,170
Vehicle running expenses	2,569	-	2,569	1,911
Magazine costs	9,594	-	9,594	8,500
Bookfairs and exhibitions	-	-	-	1,213
Stationery and printing	-	2,468	2,468	3,489
Bank charges	-	1,103	1,103	1,922
General expenses	-	1,093	1,093	3,170
Legal and professional	-	20	20	116
Audit and accountancy	-	1,343	1,343	1,317
Other governance costs	-	1,747	1,747	1,903
	<u>133,052</u>	<u>23,932</u>	<u>156,984</u>	<u>164,173</u>
Total charitable expenditure	<u>301,449</u>	<u>90,522</u>	<u>391,971</u>	<u>455,053</u>

Testament costs represent the cost of scriptures granted to individuals.

5 NET INCOME

The net income is stated after charging the following:

		<i>2021</i> £	<i>2020</i> £
Depreciation		14,992	15,924
Auditors' remuneration (including VAT):	for audit services	2,750	2,700
	for accountancy services	<u>1,725</u>	<u>1,690</u>

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021
(continued)

6 TANGIBLE FIXED ASSETS

	<i>Freehold property</i> £	<i>Equipment</i> £	<i>Furniture and and fittings</i> £	<i>Motor vehicles</i> £	<i>Total</i> £
Cost					
At 1st April 2020	823,122	90,759	52,664	17,510	984,055
Additions	-	-	501	-	501
Disposals	-	(63,754)	(47,057)	-	(110,811)
At 31st March 2021	<u>823,122</u>	<u>27,005</u>	<u>6,108</u>	<u>17,510</u>	<u>873,745</u>
Depreciation					
At 1st April 2020	171,000	88,987	51,317	17,510	328,814
Provision for the year	13,542	851	599	-	14,992
Disposals	-	(63,754)	(47,057)	-	(110,811)
At 31st March 2021	<u>184,542</u>	<u>26,084</u>	<u>4,859</u>	<u>17,510</u>	<u>232,995</u>
Net book value					
At 31st March 2021	<u>638,580</u>	<u>921</u>	<u>1,249</u>	<u>-</u>	<u>640,750</u>
At 31st March 2020	<u>652,122</u>	<u>1,772</u>	<u>1,347</u>	<u>-</u>	<u>655,241</u>

7 INVESTMENTS

	2021 £	2020 £
Long term investments		
Fair value at 1st April 2020	135,578	171,243
Additions	14,430	17,190
Disposals	(12,881)	(16,630)
Net unrealised quoted investment gain/(loss)	<u>17,493</u>	<u>(36,225)</u>
Fair value at 31st March 2021	154,620	135,578
Long term bank and building society deposits	<u>200,000</u>	<u>200,000</u>
	<u>354,620</u>	<u>335,378</u>

The fair value comprises:

Historical cost of investments at 31 March 2021	129,089	126,909
Accumulated unrealised loss	<u>25,531</u>	<u>8,669</u>
	<u>154,620</u>	<u>135,578</u>

Within these investments are the following whose fair values as at 31st March 2021 are considered to be material:

Scottish American Investment Co plc	<u>56,840</u>
Royal Dutch Shell plc	<u>34,710</u>

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(continued)

8	STOCKS	2021	2020
		£	£
	Stocks	<u>767,515</u>	<u>778,608</u>
	Stocks consist of Testaments, Religious Booklets and CD-ROMs for distribution.		
9	DEBTORS	2021	2020
		£	£
	Income tax recoverable	11,326	15,146
	Prepayments and accrued income	2,048	3,674
	Other debtors	<u>12,417</u>	<u>3,971</u>
		<u>25,791</u>	<u>22,791</u>
10	CREDITORS: Amounts falling due within one year	2021	2020
		£	£
	Trade creditors	3,352	1,342
	Other creditors	4,963	4,806
	Accrued expenses	<u>4,150</u>	<u>4,118</u>
		<u>12,465</u>	<u>10,266</u>
11	UNRESTRICTED FUNDS		
	2021:		
	Balance	Net income	Revaluation
	at 1 April	£	£
	£	£	£
	Transfers	at 31 March	£
	£	£	£
	General Fund	1,286,497	137,666
		18,155	25,584
	Designated funds		
	Fixed Asset Fund	655,241	-
	Stock Reserve	<u>778,608</u>	<u>-</u>
		(14,491)	(11,093)
	Total funds	<u>2,720,346</u>	<u>137,666</u>
		<u>18,155</u>	<u>-</u>
		<u>-</u>	<u>2,876,167</u>
	2020:		
	General Fund	1,070,658	522,756
		(36,225)	(270,692)
	Designated funds		
	Fixed Asset Fund	671,165	-
	Stock Reserve	<u>491,992</u>	<u>-</u>
		(15,924)	286,616
	Total funds	<u>2,233,815</u>	<u>522,756</u>
		<u>(36,225)</u>	<u>-</u>
		<u>-</u>	<u>2,720,346</u>

The Fixed Asset Fund is a fund whose balance is maintained at a level equal to the net book value of tangible fixed assets held for use by the charity and the Stock Reserve is a fund whose balance is maintained at a level equal to the stocks of scriptures held for distribution. The transfers to the General fund from these funds represent the movement in the net book value of fixed assets and stocks held during the period.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
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(continued)

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS

2021:	<i>Tangible fixed assets</i> £	<i>Fixed asset investments</i> £	<i>Current assets</i> £	<i>Current liabilities</i> £	<i>Total funds</i> £
General Fund	-	354,620	1,125,747	(12,465)	1,467,902
Designated funds					
Fixed Asset Fund	640,750	-	-	-	640,750
Stock Reserve	<u>-</u>	<u>-</u>	<u>767,515</u>	<u>-</u>	<u>767,515</u>
Total net assets	<u>640,750</u>	<u>354,620</u>	<u>1,893,262</u>	<u>(12,465)</u>	<u>2,876,167</u>
2020:					
General Fund	-	335,578	961,185	(10,266)	1,286,497
Designated funds					
Fixed Asset Fund	655,241	-	-	-	655,241
Stock Reserve	<u>-</u>	<u>-</u>	<u>778,608</u>	<u>-</u>	<u>778,608</u>
Total net assets	<u>655,241</u>	<u>335,578</u>	<u>1,739,793</u>	<u>(10,266)</u>	<u>2,720,346</u>

13 COMPANY STATUS

The Society is a company incorporated in England and Wales limited by guarantee with no share capital. The liability of each member under guarantee does not exceed the sum of £10.

14 CAPITAL COMMITMENTS

There were no capital commitments as at 31st March 2021.