

The Church of Jesus Christ of Latter-day Saints (Great Britain)
(An unlimited company and registered charity)

Annual report and consolidated financial statements
for the year ended 31 December 2015

Company number: 00699764

Charity number: 242451

Charity number (OSCR): SC045978

The Church of Jesus Christ of Latter-day Saints (Great Britain)

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The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

The trustees are pleased to present their report together with the audited financial statements of The Church of Jesus Christ of Latter-day Saints (Great Britain) ("Charity") for the year ended 31 December 2015.

Legal and administrative details

<u>Charity numbers:</u>	242451 (Charity Commission), SC045978 (OSCR)
<u>Company number:</u>	00699764
<u>Principal office and registered office:</u>	751 Warwick Road, Solihull, West Midlands, B91 3DQ
<u>Auditors:</u>	Grant Thornton UK LLP The Colmore Building 20 Colmore Circus Birmingham B4 6AT
<u>Bankers:</u>	HSBC 34 Poplar Road, Solihull, West Midlands, B91 3AF Citibank CitiGroup Centre, 33 Canada Square, London, E14 5LB
<u>Solicitors:</u>	Devonshires 30 Finsbury Circus, London, EC2M 7DT

Directors, trustees and senior management:

The directors of the Charity are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year were as follows:

Rainer Herbert Gottlieb Wiborny (resigned 10 June 2015)

Craig Jeffery Hunt (resigned 10 June 2015)

Robert John Mulligan (resigned 10 June 2015)

Brian Cordray (appointed 10 June 2015)

Axel Leimer (appointed 10 June 2015)

Matthew Bruce Robertson (appointed 10 June 2015)

None of the trustees have qualifying third-party indemnity insurance.

Area controller

Evan Larsen (resigned 1 June 2015)

Richard Smith (appointed 1 June 2015)

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Structure, governance and management

Governing document

The Church of Jesus Christ of Latter-day Saints (Great Britain) is an unlimited company and a registered charity. The Charity is governed by its Memorandum and Articles of Association which were last amended on 22 June 2015.

Appointment of trustees

As set out in the Articles of Association, new or additional directors (trustees) are to be appointed by the shareholder (Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints), providing such persons are willing so to act, either to fill a vacancy or as an additional trustee.

The shareholder will also determine the rotation and time in which trustees are to retire. Currently no term is fixed to the term served. Trustees shall not be less than two or more than seven in number. The shareholder may, from time to time, vary the minimum or maximum number of directors (trustees).

Trustee induction and training

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the Charity.

During the induction day, they meet key employees and other trustees. Trustees are updated and advised on legal issues by Devonshires solicitors.

Organisation

The parent organisation of the Charity, The Church of Jesus Christ of Latter-day Saints ("Church"), is directed by the First Presidency supported by The Quorum of the Twelve Apostles and various quorums of the Seventy. Members of these quorums are called General or Area Authorities, three of whom will be assigned to serve as an Area Presidency within a specific geographic area.

Throughout the world a number of Area Presidencies are assigned to administer the day-to-day affairs of The Church on behalf of the First Presidency. One of these Area Presidencies is based in Frankfurt, Germany and has the responsibility for the administration and operation of The Church in Europe. The Europe Area Presidency provides ecclesiastical direction for The Church in Europe and oversees The Church's lay ministry.

Ecclesiastical direction is channelled to the Charity via the shareholder and is reflected in the various department and budget requests which are reviewed by the trustees annually prior to them being submitted to Church headquarters for approval.

The Charity also administers operations in France.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Structure, governance and management (continued)

Within this framework, the board of trustees administers the affairs of the Charity. The board meets at least twice a year. Department heads submit reports and budget requests to the trustees for approval in or around October each year. In or around March each year department heads report to the trustees on the prior year's financial performance and achievements.

In addition, the trustees monitor progress and achievements throughout the year and other trustee meetings are held as necessary.

Employees

The Charity has the policy of ensuring that its employees are those that are able to meet the necessary requirements of their position and are up-to-date on any developments required for their position. This is achieved in a variety of ways:

- Applications for new positions in the Charity are invited from anyone with the relevant qualifications. The key selection emphasis is on the applicants' ability to meet the requirements of the position with reference to qualifications and prior experience. In December 2008, in response to the impact of the economic environment on operations, the Charity initiated a hiring freeze with the result that resigning or retiring staff would no longer be automatically replaced. This hiring freeze continued throughout 2015. In the future, whenever a vacancy does need to be filled, preference will be given to selecting from existing employees based on their experience and relevant qualifications. Only in exceptional circumstances is it expected that new external hires will be considered for needed vacant positions.
- The Charity utilises regular staff meetings during the year, which helps to ensure that the employees' input is received regarding any decisions which affect their interests. In addition, there are websites and e-mail facilities available to enable more effective communication and training. This helps to ensure that employees receive systematic updates on matters concerning them as employees and ensures their involvement in relation to the financial and economic factors that affect the performance of the Charity.
- In addition to the above points, the Charity is mindful of the need to cater for those with illnesses, medical conditions or disabilities. Applicants for new positions in the Charity are requested to provide information the employer would need to be aware of in order to make reasonable adjustments should they be successful.
- In addition to the above points the Charity is mindful of the need to cater for those with disabilities. Where any employees become incapacitated during their employment they are entitled to receive long-term disability benefits from the Charity. Where an employee becomes disabled but not incapacitated the employer will make any reasonable adjustments necessary. On training and career development issues, there is no distinction made between disabled and non-disabled employees. The same opportunities are available to all staff, irrespective of disability. The key emphasis is on the technical ability of each employee.

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Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Structure, governance and management (continued)

Related parties

The Charity has a close relationship with its sister charity, the Irish Association of The Church of Jesus Christ of Latter-day Saints ("The Irish Association"). There is regular cooperation between the charities.

The Charity acquired, on 25 September 2015, 100% of the £1 ordinary share capital of Oliver House Limited ("OHL"), (company number 09795165), a private company limited by shares. OHL is involved in the demolition and construction of real estate. The trustees deemed it proper to acquire said company for the furtherance of one of its statutory objectives, namely the provision of buildings and facilities for religious worship. The results of OHL have been presented as part of the consolidated financial statements.

OHL's director Craig Jeffery Hunt resigned and Steven Freeman Maynes was appointed on 26 May 2016 in his stead.

Objectives and activities

The Charity has the general aim of assisting the Church to grow its membership and to provide facilities for them. It also reaches out and works with, and provides services to, the wider community. The Charity assists members of the Church and others in need of religious assistance or in conditions of need, hardship, sickness or distress.

The object of the Charity is:

To promote and further the religious and other charitable work of The Church of Jesus Christ of Latter-day Saints in the United Kingdom and elsewhere.

The Charity achieves this in the following ways:

Provision of facilities for religious worship

One of the primary objectives of the Charity is to provide temples and meetinghouses to enable religious worship to be undertaken by members of the Church and others. Worship services are held each Sunday in meetinghouses. The Charity has the responsibility for construction of new meetinghouses where the need arises. The Charity also deals with external contractors, architects and other consultants directly to achieve this goal.

The acquisition of OHL should therefore be viewed in the context of such a provision. The company has, as its stated objectives, the purchase of an old property from the Charity, its subsequent demolition and construction of a meetinghouse and Family History Centre on a site located in Whitechapel, London.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Objectives and activities (continued)

Religious education

Worship services are held each Sunday in meetinghouses whereby members and non-members are invited to attend and learn about Jesus Christ and how adopting his teachings benefits all. These services are open to the public. Various other meetings are held throughout the rest of the week.

The smallest congregation in the Church is a Branch. Larger congregations are called Wards. All members of the Church belong to a designated Branch or Ward. Groups of Branches and Wards are called Districts or Stakes. These are created to facilitate the administration of the Church.

The Church has no paid ministry and thus local members fill leadership positions. Men and women volunteer their time to serve in whatever position they are called.

Ecclesiastical functions in the various congregations are carried out on a volunteer basis. Administrative support and ecclesiastical direction is provided from the Church's European headquarters in Frankfurt, Germany (from August 2008). Prior to August 2008 ecclesiastical direction and administrative support had been provided from Solihull in the West Midlands.

Religious materials

The Charity supplies certain religious materials at no charge to members of the Church and others to help them in their Church work and to improve their learning. Magazines and other religious training materials are also contained on the Church's United Kingdom and worldwide websites (www.lds.org.uk and www.lds.org).

Missionary work

A key objective is missionary work and the Charity assists in the funding of missionary activities in the United Kingdom. Missionaries will teach people about the Church and also undertake service projects in the local community.

Family history

The Church places great religious significance on tracing family history. Within the community there is also a wide interest in genealogy. The Charity continues to be committed to improving facilities within its Family History Centres throughout the United Kingdom.

Upon request, the Charity also makes available microfilm and microfiche records from the extensive libraries held by the Church. Family history research (researching genealogy) remains a major interest and hobby for many people in Great Britain. Online resources, including searchable databases and images of original records, continue to grow at pace. Access is available to the world's largest free genealogy library where more than 20 billion records can be studied.

One of the aims of the Family History Department is to deliver more records to more people and faster by providing timely access to the broadest set of family history records possible.

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Objectives and activities (continued)

Family history (continued)

There are no paid employees in Family History Centres. They are staffed by volunteers, with 95% of these being members of the Church.

Work in the community

The Charity encourages members of the Church to become actively involved in their local community and provides training materials to assist with this. The Charity also arranges a 'National Helping Hands Day' where members of each Ward and Branch perform a pre-arranged service in the community.

Public Affairs

The Charity undertakes certain public affairs projects during the year to ensure that the general public has a clear understanding of what the Church teachings stand for.

Encourage welfare principles

The Charity encourages members to become financially self-reliant through employment, education, and maintaining food storage. A large amount of the responsibility for this rests with the Employment Resource Services department.

Public benefit

The trustees have read and given due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties, including the supplementary public benefit guidance for charities whose aims include advancing religion.

The Church of Jesus Christ of Latter-day Saints (Great Britain)

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Strategic Report

Achievements and performance

Membership

Church membership in the United Kingdom stood at 187,097 at 31 December 2015 (2014: 186,878). In Scotland alone, total membership counted at 13,743 at 31 December 2015 (2014: 13,930).

Provision of facilities for religious worship

At the year-end, in the United Kingdom, there were 48 Stakes comprising 286 Wards and 45 Branches (2014: 45 Stakes, 290 Wards, 49 Branches). In Scotland alone, there were 5 Stakes comprising 26 Wards and 13 Branches (2014: 5 Stakes, 26 Wards, 13 Branches). At the year-end, the Charity owned 273 (2014: 272) meetinghouses accommodating the Wards and Branches. For those congregations not yet qualifying for a purpose-built meetinghouse, facilities were either leased or rented to accommodate such units of the Church. During 2015, the Charity leased or rented 44 premises (6 in Scotland) to house Wards and Branches that do not yet qualify for their own meetinghouse.

In 2015 the following building-related costs were incurred:

Real Estate Projects

The acquisition of the following sites have been finalized;	
1. Whitechapel for a new meetinghouse	£ 11,760,000
Total	£ 11,760,000

Meetinghouse Addition Projects

1. Completed in 2015 – Swindon*, Redcar*, Poole*	£ 3,317,966
2. Design started in 2015 – Hitchin, Bracknell	£ 82,397
3. Construction started in 2015 – Chorley	£ 1,704,732
Total	£ 5,105,095

* currently in 1 year Defects Liability Period, therefore held in assets under construction

Meetinghouse Replacement and Improvement (R&I) Projects

173 meetinghouse R&I projects started in 2015	£ 4,808,574
Total	£ 4,808,574

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Achievements and performance (continued)

Provision of facilities for religious worship (continued)

In addition, the following maintenance costs were incurred in the year:

Meetinghouse Operations – the cost to operate and maintain meetinghouses

	31 December 2015	31 December 2014
Operational costs include: Cleaning, Minor Maintenance, Grounds Care, Phone, Utilities, Administration Costs and Rent. Total operational square feet = 2,200,808	£ 10,845,922	£ 10,178,474
Total	£ 10,845,922	£ 10,178,474

New Meetinghouse Projects

New meetinghouse construction projects completed in 2015 were: Salisbury*	£ 2,139,973
Total	£ 2,139,973

*currently in 1 year Defects Liability Period, therefore held in assets under construction

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Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Achievements and performance (continued)

Missionary work

During 2015 there were 1,586 convert baptisms in the United Kingdom of which 143 were recorded in Scotland. The Charity continues to assist with the funding of missionary programmes.

In all, there are currently 6 missions in the United Kingdom (1 in Scotland). Each mission has a financial secretary to administer the financial matters of that mission. In addition, there is financial and administrative support given from the head office at 751 Warwick Road, Solihull and Area office located in Porthstraße 5-7, Frankfurt, Germany.

Overall, the missionary programme for 2015 finished within budget. Costs associated with the programme amounted at £9,285,672 in 2015 (2014: £3,961,060). The increase is attributable to an overall increase in missionary and volunteer force and in expenses related to administration of rented properties, humanitarian and missionary activities.

Family History

In the United Kingdom the Charity now has 121 Family History Centres operating at the year-end. These research facilities are used extensively by members of the public, with approximately 70% of patrons not being members of the Church.

Achievements in Family History during 2015 were:

- Participated in the “Who Do You Think You Are?” event at the Birmingham NEC for the first ever event there. Also participated in, or sponsored local units to participate in, twenty-seven other Family History fairs in the UK.
- Thirty-five volunteers (Church-service missionaries – ‘CSM’) work in the FamilySearch Support EMEA Contact Centre – the online and phone helpdesk. In 2015 they handled about 30,000 cases, which included emails, phone calls and live chats.
- Imaged and replaced 66 Family History Centre personal computers.
- During 2015, efforts continued to increase the numbers of volunteers working to index family history records online, through FamilySearch Indexing with over 7,371,274 names indexed or arbitrated. At year-end, there were 3,981 Church member indexers in place, with a significant additional number of non-member indexers.
- Provided webinar presentations from the main Family History Library to Church and community groups.
- Average of 2,000 non-members per month using our Family History Centres.
- Four full-time employees supported by missionaries (both full-time and CSMs) captured 1,491,426 images. This equates to possibly 9,500,000 records (individual names).
- Agreements have been signed covering 2,500,000 new images. Some of these new images have been captured through 2015, the remainder will be captured during 2016 and 2017. Continued participation in the affiliate programme, where FamilySearch cooperates

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Achievements and performance (continued)

Family History (continued)

with organisations to promote the principle of 'more records faster to more people.' This is being accomplished by using indexes already created by Family History Societies and by agreement with commercial companies such as "Find My Past." Significant benefits for The Church come in reduced costs as well as in a better availability of records on others websites, freely accessible to FamilySearch members.

- Promoted partnerships, with regards to in-process or completed projects, with organisations such as Ancestry, Find my Past, My Heritage, FreeREG.

Welfare principles

Members were instructed on food storage and budgeting issues as part of the general program of The Church to help members and others become self-reliant. To assist this process guidance pamphlets on these topics were distributed free of charge as well as lessons given in each of the Wards and Branches throughout the year in the UK.

Local leaders of The Church were given counsel and direction on how best to respond to the needs of the poor and needy. This training was undertaken by volunteers who, in addition, provided further training on responding to spiritual, emotional and social needs; resource management and debt avoidance; enhancing physical health and well-being, and meeting the education and literacy needs of members.

Self-Reliance Services

As a result of the transition to the new Self-Reliance operations, which started in 2014, changes were made to department and objectives for 2015. Efforts were, therefore, focussed on the creation of Self-Reliance Committees and the training of new and additional specialists. Under this new model, emphasis was taken off the work of the managers for the number of placements in employment, self-employment and education/training and placed on trained unit leaders who in turn oversaw the creation of Self-Reliance Workgroups. The purpose of these Workgroups is to support participants to find or improve, through their own efforts, employment opportunities, start or grow a business, or obtain further higher education. During 2015, 57 such Workgroups were established in the UK and 9 in Scotland alone.

Work in the community

During 2015 The Charity undertook the following major community initiatives:

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Achievements and performance (continued)

Welfare principles (continued)

Helping Hands projects

Mormon Helping Hands is a Church outreach programme to provide community service and relief to those in need, including in association with other faiths. Over 20,000 hours were donated across approximately 200 congregations.

NHS Blood and Transplant / The Scottish National Blood Transfusion Service

Over 5% of all blood donations come via LDS meetinghouses.

Community Outreach and Interfaith Outreach

Highlights, in association with local congregations and other Church departments:

4th February: Presentation of family history archive to Rt Hon David Cameron MP

The Prime Minister, Rt Hon David Cameron MP received over six generations of his family history, together with detailed historical background, from representatives of The Church of Jesus Christ of Latter-day Saints during a meeting at the Houses of Parliament.

21st-24th June: Magna Carta Conference

The International Center for Law and Religion Studies, in cooperation with the Oxford Journal of Law and Religion, hosted its 2015 Oxford Conference at St Hugh's College, Oxford, commemorating the 800th anniversary of the signing of Magna Carta. The event began with a Sunday evening devotional at the Oxford meetinghouse, featuring an address on Religious Freedom and the Habits of the Heart by Elder Bruce C. Hafen, Emeritus General Authority of the Church.

15th September: Professor Clayton Christensen

Clayton M Christensen, who acts as Harvard Business School's Kim B Clark Professor of Business Administration and is a global expert on innovation and growth, addressed audiences of Church-goers, ecclesiastical leaders, missionaries and opinion-makers during a tour in the UK including two appearances at the British Parliament, sponsored by The Church of Jesus Christ of Latter-day Saints.

1st October: Wales Interfaith efforts

Leaders from the Church were invited to attend a historic dinner hosted by the Muslim Council of Wales. This invitation followed a number of events instigated through the Church's membership of Interfaith Wales, including an Eid festival hosted by the Church at the Cardiff meetinghouse in August. Primary guest speakers at the October event were the Most Reverend and Right Honourable Archbishop of Canterbury Justin Welby and the Welsh First Minister, the Rt Hon Carwyn Jones AM.

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Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Achievements and performance (continued)

Welfare principles (continued)

October/November: Royal British Legion Poppy Appeal / Poppy Scotland

The Church continues to be an active and significant supporter of the Poppy Appeal – volunteers from the majority of the Church's 48 stakes in Great Britain participated during 2015.

20th November: Scotland Family Values Awards

Church in the UK presents the Family Values Awards annually to individuals in the public eye whose work and influence have a significant impact on family life within British society.

The Family Values Awards of The Church of Jesus Christ of Latter-day Saints, recognises civic, faith and other community leaders who have made outstanding contributions to the family. Murdo Fraser MSP, along with Farkhanda Chaudhry MBE were recipients of the 2015 Awards presented at a celebratory dinner in Edinburgh.

16th December: Family Values Awards

Fiona Bruce, MP for Congleton, together with husband and wife Dr Husna Ahmad OBE and Saif Ahmad received the 2015 Family Values Awards from the Church at a special event held at the Houses of Parliament.

Throughout 2015: Family history events and other charity fundraising events

Throughout the country, family discovery days and charity fundraising events were held at many of the Church's 335 UK venues.

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Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Financial review

Each year the trustees carry out a detailed review of each department of the Charity. They review the previous year's achievements and review and approve the budgets for the next year.

The end of the year saw an excellent financial result based on strong financial management.

Costs were maintained within budget. There was an increase in the total resources expended. The costs increased from £46,018,000 in 2014 to £46,166,000 in 2015. This was primarily due to an increase in restricted funds' expenditure from £6,287,000 in 2014 to £11,378,000 in 2015, in connection with missionary work, partly offset by a decrease in connection with the provision of worship facilities.

Incoming resources saw an increase from £43,415,000 in 2014 to £72,954,000 in 2015. This was primarily due to an increase in donation income from the parent company from £8,258,000 in 2014 to £36,820,000 in 2015.

The other incoming resources were donations from Church members (£34,611,000), incoming resources from charitable activities (£1,129,000) and other income (£394,000).

Incoming resources exceeded resources expended for the year by £26,788,000.

The Charity's wholly-owned trading subsidiary, OHL, was incorporated on 25 September 2015. OHL's sole pursuit has been the obtaining of planning and building permission for an owned property situated in London. As the application process with regulatory bodies continues, the trustees are confident that, once permission is obtained, the construction of a new multi-purpose building will serve the Charity in the furtherance of its statutory objectives.

Investment powers and policy

Under the Memorandum and Articles of Association, the Charity has the power to invest in any way the trustees deem to be in the best interests of the Charity.

The Charity's objective is to maintain high liquidity while ensuring maximum security and achieving the highest possible return.

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the Charity ought to have ready access to. Reserves are needed to bridge any funding gap between spending and receiving resources through shareholder grants and member donations. The trustees' policy is to hold, as a minimum, the equivalent of approximately 12 months charitable expenditure in reserves.

The unrestricted funds at 31 December 2015 were £278,693,000 although it should be noted that these are not freely available as they have been utilised to fund the provision of facilities for religious worship.

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Financial review (continued)

Reserves policy (continued)

In calculating reserves, the trustees have excluded from total funds the restricted income funds of £3,336,000. It is the trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility. The reserves policy is reviewed on an annual basis.

Plans for the future

Provision of facilities for religious worship

The Charity will continue to review the criteria for deciding when to build new buildings and whether innovative building techniques can achieve cost reductions in contract procurement and construction.

Plans for 2016 include the following:

Meetinghouse Addition Projects

The following meetinghouse addition projects are planned in 2016: Oxford	£ 586,790
Total	£ 586,790

Real Estate Projects

The acquisition of the following sites are planned in 2016: Welling Farnborough	£ 3,599,000 £ 2,989,000
Total	£ 6,588,000

Meetinghouse Replacement and Improvement Projects

142 meetinghouse R&I projects are planned in 2016	£ 3,356,491
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Meetinghouse Operations – the cost to operate and maintain meetinghouses in 2016

Operational costs include: Cleaning, Minor Maintenance, Grounds Care, Phone, Utilities, Administration Costs and Rent. Total estimated operational square feet = 2,357,262	£ 10,560,360
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Religious materials

The Charity will continue to supply religious materials to members and others.

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Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Plans for the future (continued)

Missionary work

Sufficient budgeted funds will be allocated to support the continuing growth of the Church and the number of annual convert baptisms.

Family History

Plans for 2016 in Family History encompass the following:

- Full-time employees will remain at 4.
- Goal for new image capture is 1,500,000 (or 7,800,000 records).
- Goal for renegotiated images is 2,500,000 (or 10,000,000 records).
- Goal of five new affiliate projects to spread costs for The Church, but allowing the flow of records to the web to increase.
- Create relationships with archives allowing field scanning of microfilm thus reducing costs to The Church.
- Work alongside Family History Patron Services to increase member involvement in name submissions by increased publication of records.

Work in the community

Working through the Public Affairs Department, the Charity will continue its efforts in 2016 as follows:

- The All-Party Parliamentary Group on International Freedom of Religion or Belief: the Church will continue to be a fully-committed stakeholder of this Group.
- Royal British Legion Poppy Appeal / Poppy Scotland.
- Increased efforts will be devoted to supporting the plight of refugees within Europe.
- National Parliamentary Prayer Breakfast, Houses of Parliament: the Church will be represented at this event.
- Continued outreach to community groups and opinion leaders (including interfaith, academic and business groups).
- Family Values Awards.
- Mormon Helping Hands projects nationwide.
- Support for NHS Blood and Transplant / The Scottish National Blood Transfusion Service.

Welfare principles

Self-Reliance Services will continue to establish, during 2016, local resource centres and Self-Reliance Workgroups to facilitate placements in employment and pursuits of self-employment and education opportunities. This will be achieved by identifying potential partners and local community resources; organising a series of regional job fairs and helping to setup new chapters of the BYU Management Society to provide networking forums.

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Principal risks and uncertainties

The main risk the Charity faces is that it relies on donations from members and its parent company to finance its charitable activities. However, the parent company has guaranteed its future financial support, where necessary, to ensure that the Charity has sufficient reserves to meet the costs of its charitable activities.

Financial and risk management

The following statements summarise the Charity's identified forms of financial and risk management policies:

- Price risk – salary costs are communicated to staff during the formal annual review of salaries. Prices of materials purchased are subject to contracts with suppliers, based on current market prices.
- Credit risk – Credit risk on amounts owed to the Charity by its customers is low as the majority of its debtors have been contracted frequently by the Charity in the past and have a proven reliability.
- Liquidity risk – the Charity has no long-term borrowings. Assurances of continuing financial support have been received from the parent company.
- Interest rate risk – the Charity is able to place surplus funds on short-term deposit with the Charity's bankers. Interest income is low, so the Charity does not rely on this source of income.

The trustees have a risk management strategy which encompasses:

- an annual review of the risks the Charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the strategy; and
- the implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

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Report of the trustees (incorporating the strategic report) for the year ended 31 December 2015

Trustees' responsibilities statement

The trustees (who are also directors of The Church of Jesus Christ of Latter-day Saints (Great Britain) for the purposes of Company Law) are responsible for preparing the report of the trustees (incorporating the strategic report) and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) and including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under Company Law the trustees 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the trustees are required to:

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

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

The trustees confirm that:


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

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**Report of the trustees (incorporating the strategic report)
for the year ended 31 December 2015**

The report of the trustees (incorporating the strategic report) was approved on behalf of the trustees by:

Matthew B. Robertson

A handwritten signature in black ink, appearing to read 'M Robertson', with a large, stylized loop at the end.

Trustee

Date: 17/9 2016

Company number: 00699764

Independent auditor's report to the members and trustees of The Church of Jesus Christ and the Latter-day Saints (Great Britain)

We have audited the financial statements of The Church of Jesus Christ and the Latter-day Saints (Great Britain) for the year ended 31 December 2015 which comprise the consolidated and charity balance sheets, the consolidated statement of financial activities (including consolidated income and expenditure account), the consolidated and charity statement of cash flows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable company's members and trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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 charitable company and its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement on page 17, 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. We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2015 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Independent auditor's report to the members and trustees of The Church of Jesus Christ and the Latter-day Saints (Great Britain) (continued)

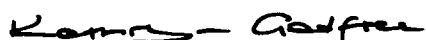
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the trustees (including the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Kathryn Godfree
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham
Date: *23 September 2016*

Grant Thornton UK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Consolidated Statement of Financial Activities (including consolidated income & expenditure account)

for the year ended 31 December 2015

	Note	Unrestricted funds £'000	Restricted funds (Note 9) £'000	Total funds 2015 £'000	Total funds 2014 £'000
Income					
Donations	2	30,690	3,921	34,611	33,852
Donation from parent company	19	36,820	-	36,820	8,258
<i>Income from charitable activities:</i>					
Religious media sales		59	-	59	63
Temple income		1,070	-	1,070	1,090
<i>Other</i>					
Other operating income		91	-	91	79
Investment income		2	-	2	-
Profit on disposal of fixed assets		301	-	301	73
Total income		69,033	3,921	72,954	43,415
Expenditure					
Charitable activities	4a	34,368	11,378	45,746	45,750
Other finance expense		420	-	420	268
Total Expenditure		34,788	11,378	46,166	46,018
Net income/(expenditure)		34,245	(7,457)	26,788	(2,603)
Transfers between funds		(8,186)	8,186	-	-
Other recognised gains/(losses)					
Actuarial gain / (loss) on defined benefit scheme		1,744	-	1,744	(5,600)
Net movement in funds		27,803	729	28,532	(8,203)
Reconciliation of funds					
Total funds brought forward		250,890	2,607	253,497	261,700
Total funds carried forward		278,693	3,336	282,029	253,497

None of the charity's activities discontinued during the above two financial years.

The notes on pages 24 to 38 form part of these financial statements.

The Statement of Financial Activities includes all gains and losses recognised in the year.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

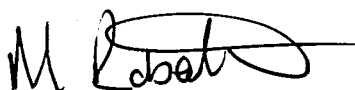
Consolidated and Charity Balance Sheet

as at 31 December 2015

	Note	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Fixed assets					
Tangible assets	10	287,079	273,746	277,279	273,746
Total fixed assets		287,079	273,746	277,279	273,746
Current assets					
Stocks	11	101	106	101	106
Debtors	12	4,106	3,229	14,046	3,229
Investments	13	1	1	1	1
Cash at bank and in hand		14,509	848	14,369	848
Total current assets		18,717	4,184	28,517	4,184
Creditors: Amounts falling due within one year	14	(2,928)	(2,533)	(2,928)	(2,533)
Net current assets		15,789	1,651	25,589	1,651
Net assets excluding pension liability		302,868	275,397	302,868	275,397
Defined benefit pension scheme liability	22	(10,839)	(11,900)	(10,839)	(11,900)
Total net assets		292,029	263,497	292,029	263,497
The funds of the Charity					
Called up share capital	15	10,000	10,000	10,000	10,000
Restricted income funds	9	3,336	2,607	3,336	2,607
		13,336	12,607	13,336	12,607
Unrestricted income funds		289,532	262,790	289,532	262,790
Pension reserve	22	(10,839)	(11,900)	(10,839)	(11,900)
Total unrestricted funds		278,693	250,890	278,693	250,890
Total charity funds	16	292,029	263,497	292,029	263,497

The accounting policies and notes on pages 24 to 38 form part of these accounts.

The financial statements were approved by the board of trustees on 19 September 2016
and were signed on its behalf by:



Matthew B. Robertson - trustee

Company number: 00699764

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Consolidated and Charity Statement of Cash Flows

as at 31 December 2015

	Note	Group 2015 £'000	Group 2014 £'000	Charity 2015 £'000	Charity 2014 £'000
Cash flows from operating activities	17	33,490	4,677	23,550	4,677
Cash flows form investing activities					
Interest received		2	-	2	-
Payments to acquire tangible fixed assets		(20,615)	(7,410)	(22,575)	(7,410)
Receipts from sales of tangible fixed assets		784	362	12,544	362
Cash flows from investing activities		(19,829)	(7,048)	(10,029)	(7,048)
Cash flows from financing activities		-	-	-	-
Increase/(decrease) in cash and cash equivalents in the year		13,661	(2,371)	13,521	(2,371)
Cash and cash equivalents at 1 January		848	3,219	848	3,219
Total cash and cash equivalents at 31 December		14,509	848	14,369	848

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements

for the year ended 31 December 2015

1 Accounting policies

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

Basis of preparation

The Charity is incorporated in the United Kingdom.

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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

A summary of the significant accounting policies which have been applied consistently are:

Accounting convention

The accounts are prepared under the historical cost convention and on a going concern basis. The parent company has guaranteed its future financial support, where necessary, to ensure that the Charity has sufficient reserves to meet the costs of its charitable activities, therefore the trustees are of the view that the Charity is a going concern.

Transition from previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102, the restatement of comparative items was required. The policies applied under the Charity's previous accounting framework are not materially different to FRS102 and the Charity's SORP 2015 and have not impacted on funds or net income/expenditure. It was concluded no transition adjustments were required and therefore the restatement of comparative items has not been performed, other than in relation to the pension scheme, as disclosed in note 23.

Group financial statements

The financial statements consolidate the results of the Charity and its wholly-owned subsidiary Oliver House Limited ("OHL") on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The comparatives presented for the group are those presented by the Charity in the comparative period.

Incoming resources

Income is recognised when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations represent amounts collected from United Kingdom members on a receipts basis, together with income tax recoverable for amounts paid under Gift Aid.

Temple income relates to funds received by patrons for services rendered by the Charity such as lodging, cafeteria sales, rental of ceremonial clothing. Amounts are collected on a receipt basis.

Income is designated as restricted or unrestricted by members. Restricted income is used for the purpose specified by the member at the time that the donation is made.

Deferred income relates to advance payments for certain regional activities held by the Charity.

Investment income is recognised on an accruals basis.

Periodically, further donations are received from the Charity's parent company, The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints, to provide funds for the company's charitable activities and to ensure that the company has adequate reserves. These donations may be received by way of full or partial cancellation of amounts due to the parent company. These donations are separately disclosed in the statement of financial activities and income and expenditure account.

Charitable expenditure and irrecoverable VAT

Charitable expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Charitable expenditure comprises expenditure directly relating to the objects of the Charity and expenditure on the management and administration of the Charity. An analysis of these costs are provided in note 4. Expenditure is recognised on an accruals basis.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements

for the year ended 31 December 2015

1 Accounting policies (continued)

Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include staff, travel, general administration, materials and supplies, cost of sales, governance costs which support the Charity programme and activities. The bases on which support costs have been allocated are set out in note 4c.

Stock

Stock is valued at the lower of cost (determined under a weighted average method) and net realisable value. Net realisable value is based on estimated selling price less further costs expected to be incurred. Donated items of stock are recognised at fair value which is the amount the Charity would have been willing to pay for the items on the open market.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Individual fixed assets costing £5,000 or more are capitalised at cost. Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write down each asset to its estimated residual value over its expected useful life, as follows:

Freehold buildings	straight-line, over 50 years
Land improvements	straight-line, over 50 years
Plant and equipment	straight line, over 10 years
Motor vehicles	straight line, over 4 years
Freehold land	not depreciated
Assets in the course of construction	not depreciated

Debtors

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

Cash at bank and in hand

Cash at bank and cash 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.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

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 value and subsequently measured at amortised cost.

Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged to the statement of financial activities on a straight-line basis over the lease term.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income and expenditure account.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements

for the year ended 31 December 2015

1 Accounting policies (continued)

Pension costs

The Charity operates a defined benefit pension scheme, which had been contracted out of the state second pension scheme until this was abolished on 5 April 2016.

Pension costs are accounted for under Financial Reporting Standard (FRS) 102. The disclosures required by Financial Reporting Standard (FRS) 102 are included in the notes to the financial statements (see note 22).

The net liability under the defined benefit pension scheme is included in the balance sheet. Current and past service costs together with the administrative costs and the total net interest costs of the scheme are included in expenditure in the statement of financial activities. Actuarial gains and losses are included on the face of the statement of financial activities.

In addition, Brigham Young University Limited and Farmland Reserve UK Limited are current contributors to the scheme.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in accordance with the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the Charity.

Further explanation of the nature and purpose of each restricted fund is included in the notes to the accounts (see note 9).

Legal status of the Charity

The Church of Jesus Christ of Latter-day Saints (Great Britain) is a private unlimited company with share capital and a registered charity.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements

for the year ended 31 December 2015

2 Donations	2015 £'000	2014 £'000
Unrestricted funds:		
Tithing income	30,690	30,199
Restricted funds:		
Missionary support fund	1,340	1,353
Book of Mormon fund	41	40
Fast offering fund	1,670	1,528
Temple construction fund	84	83
Humanitarian aid fund	434	367
Youth conferences	242	170
Perpetual education fund	110	112
	3,921	3,653

The Charity benefits greatly from the involvement and crucial support of its many members, missionaries and volunteers. Details of events and humanitarian efforts are given in the trustees report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3 Subsidiary summary of financial performance and position

The wholly-owned trading subsidiary, OHL, was incorporated in the United Kingdom (company number 09795165) on 25 September 2015 and operates in the business of construction, demolition and sale of properties for Church use. For the year ending 31 December 2015, OHL did not record any turnover or expense so no summary of financial performance has been presented. The statement of financial activities therefore relates to both Charity and group.

The net assets of the subsidiary were £1 as at 31 December 2015.

4a Analysis of expenditure on charitable activities

Activity	Unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000	Total 2014 £'000
Provision of worship facilities	25,192	-	25,192	29,369
Religious education	3,232	483	3,715	4,276
Missionary work	792	9,285	10,077	4,953
Temple and Genealogy Work	4,876	-	4,876	5,125
Community projects	276	1,610	1,886	2,027
	34,368	11,378	45,746	45,750

Activity	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Provision of worship facilities	29,320	-	29,320	25,377
Religious education	3,967	336	4,303	4,569
Missionary work	811	4,133	4,944	9,302
Temple and Genealogy Work	5,161	-	5,161	5,350
Community projects	204	1,818	2,022	2,621
	39,463	6,287	45,750	47,219

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements

for the year ended 31 December 2015

4b Charitable activities allocation

Activity	Activities undertaken directly £'000	Support costs £'000	Total 2015 £'000
Provision of worship facilities	13,712	11,480	25,192
Religious education	483	3,232	3,715
Missionary work	9,285	792	10,077
Temple and Genealogy Work	-	4,876	4,876
Community projects	1,610	276	1,886
	25,090	20,656	45,746

Activity	Activities undertaken directly £'000	Support costs £'000	Total 2014 £'000
Provision of worship facilities	17,193	12,127	29,320
Religious education	336	3,967	4,303
Missionary work	4,133	811	4,944
Temple and Genealogy Work	-	5,161	5,161
Community projects	1,818	204	2,022
	23,480	22,270	45,750

4c Support costs allocation

Support cost	Provision of worship facilities £'000	Religious Education £'000	Missionary work £'000	Genealogy work £'000	Community projects £'000	Total 2015 £'000
Staff costs	3,512	2,715	666	4,096	232	11,221
Travel	203	157	38	237	13	648
General administration	258	199	49	301	17	824
Materials and supplies	70	55	13	82	5	225
Depreciation	7,300	-	-	-	-	7,300
Governance	15	12	3	17	1	48
Cost of sales	122	94	23	143	8	390
	11,480	3,232	792	4,876	276	20,656

Support cost	Provision of worship facilities £'000	Religious Education £'000	Missionary work £'000	Genealogy work £'000	Community projects £'000	Total 2014 £'000
Staff costs	3,712	3,009	615	3,917	155	11,408
Travel	364	295	61	384	15	1,119
General administration	543	441	90	573	23	1,670
Materials and supplies	125	102	21	132	5	385
Depreciation	7,236	-	-	-	-	7,236
Governance	14	12	2	15	1	44
Cost of sales	133	108	22	140	5	408
	12,127	3,967	811	5,161	204	22,270

The staff costs are allocated on the basis of the department in which the particular employees work. Travel, general administration, materials and supplies, cost of sales, governance are allocated on a pro-rata basis with the wages costs as these support costs relate to all charitable activities. Depreciation only relates to the charitable activity of providing worship facilities.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

5 Net income/(expenditure) for the year

	2015 £'000	2014 £'000
Net income/(expenditure) is stated after (crediting)/charging:		
Operating leases (land and buildings)	7,228	7,413
Depreciation	7,300	7,236
Auditors' remuneration - Audit	48	44
Auditors' remuneration - Non-audit	5	4
(Profit)/loss on disposal of fixed assets	(301)	(73)
Adjustments to fixed assets	-	(116)

6 Employees' and trustees' remuneration

The key management personnel, the trustees and the Area Controller, who served during the year ended 31 December 2015, received no remuneration from the Charity (2014: none). Additionally, no reimbursement for expenses incurred during the year was made to the mentioned key management figures (2014: none).

	2015 No.	2014 No.
The average monthly number of persons (including directors) employed by the company during the year was:		
Teaching function	34	31
Office administration	131	132
Building cleaners	41	42
	206	205

	2015 £'000	2014 £'000
Staff costs for the above persons:		
Wages and salaries	8,229	8,337
Social security costs	1,385	1,435
Other pension costs	1,705	1,593
	11,319	11,365

The number of employees whose emoluments fell within the following bands during the year were as follows:

	2015 No.	2014 No.
£160,000 - £170,000	0	1
£120,000 - £130,001	1	0
£80,001 - £90,000	5	5
£70,001 - £80,000	6	8
£60,001 - £70,000	10	9

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

6 Employees' and trustees' remuneration (continued)

The number of employees whose emoluments were above £60,000 and who had benefits accruing under the defined benefit scheme were as follows:

	2015 No.	2014 No.
£160,000 - £170,000	0	1
£120,000 - £130,001	1	0
£80,001 - £90,000	4	4
£70,001 - £80,000	6	8
£60,001 - £70,000	10	9

The highest two bands of emoluments encompasses remuneration of a termination payment to former employees of the Charity. In 2015, said payment amounted at £74,732 (2014: £88,405).

OHL does not have employees and the key management personnel, the Director, received no remuneration from the company.

Accounting and administrative services are provided to the Charity and to OHL, free of charge, by employees of The Church of Jesus Christ of Latter-day Saints in Germany.

7 Taxation

The company is a registered charity and as such is entitled to certain tax exemptions on income and profits carried on in furtherance of the Charity's primary objectives, if the profits and surpluses are applied solely to its charitable purposes.

8 Analysis of group net assets between funds

	Share capital & unrestricted funds £'000	Restricted funds £'000	Total 2015 £'000
Tangible fixed assets	287,079	-	287,079
Current assets	15,381	3,336	18,717
Liabilities due within one year	(2,928)	-	(2,928)
Defined benefit scheme pension liability	(10,839)	-	(10,839)
	288,693	3,336	292,029

9 Analysis of charitable funds

The capital and income funds of the Charity include restricted funds comprising the following unexpended balances of donations held on trust to be applied for specific purposes.

	Balance 1 Jan 2015 £'000	Incoming resources £'000	Transfers £'000	Expenditure £'000	Balance 31 Dec 2015 £'000
Fast Offering fund	-	1,670	-	(1,604)	66
Missionary support fund	-	1,340	7,945	(9,285)	-
Book of Mormon fund	162	41	-	-	203
Temple Construction fund	342	84	-	-	426
Humanitarian Aid fund	1,631	434	-	(6)	2,059
Perpetual education fund	472	110	-	-	582
Youth Conferences	-	242	241	(483)	-
	2,607	3,921	8,186	(11,378)	3,336

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

9 Restricted funds (continued)

Fast offering fund

These funds are contributed by members of The Church to be used in the relief of the poor and needy. During the year £1,604,000 (2014: £1,818,000) was spent for the relief of the poor and needy in the United Kingdom.

Missionary Support fund

The missionary support fund represents donations from members in the United Kingdom towards the costs of The Church's worldwide missionary fund programme which is co-ordinated and administered by the parent company, The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints. Funds authorised for specified missionaries are released evenly over their mission term of either 18 months or two years.

Book of Mormon fund

These funds are donated by the members towards the production and distribution costs of 'The Book of Mormon - Another Testament of Jesus Christ'. This book is printed by The Church of Jesus Christ of Latter-day Saints.

Temple Construction fund

These funds are donated by the members towards the cost of constructing temples by The Church of Jesus Christ of Latter-day Saints in any country throughout the world.

Humanitarian Aid fund

These funds are donated by the members to help fund the programme of Humanitarian Aid approved by The Church of Jesus Christ of Latter-day Saints.

Perpetual Education Fund

These funds are donated by the members to help fund the programme of Perpetual Education approved by The Church of Jesus Christ of Latter-day Saints.

Youth Conferences

These funds are donated by the members to help fund the programme of Youth Conferences approved by The Church of Jesus Christ of Latter-day Saints.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

10 Tangible fixed assets

Group

	Assets in the course of construction £'000	Land and Buildings £'000	Plant and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost:					
At 1 January 2015	23,215	356,603	2,728	3,332	385,878
Transfers	(6,633)	6,633	-	-	-
Additions	19,686	-	6	1,276	20,968
Disposals	-	(351)	(2,156)	(1,046)	(3,553)
At 31 December 2015	36,268	362,885	578	3,562	403,293
Depreciation:					
At 1 January 2015	-	107,529	2,484	2,119	112,132
Charge for Year	-	6,394	40	866	7,300
Disposals	-	(96)	(2,128)	(994)	(3,218)
At 31 December 2015	-	113,827	396	1,991	116,214
Net book value:					
At 31 December 2015	36,268	249,058	182	1,571	287,079
At 31 December 2014	23,215	249,074	244	1,213	273,746

Charity

	Assets in the course of construction £'000	Land and Buildings £'000	Plant and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost:					
At 1 January 2015	23,215	356,603	2,728	3,332	385,878
Transfers	(6,633)	6,633	-	-	-
Additions	9,886	11,908	6	1,276	23,076
Disposals	-	(12,259)	(2,156)	(1,046)	(15,461)
At 31 December 2015	26,468	362,885	578	3,562	393,493
Depreciation:					
At 1 January 2015	-	107,529	2,484	2,119	112,132
Charge for Year	-	6,394	40	866	7,300
Disposals	-	(96)	(2,128)	(994)	(3,218)
At 31 December 2015	-	113,827	396	1,991	116,214
Net book value:					
At 31 December 2015	26,468	249,058	182	1,571	277,279
At 31 December 2014	23,215	249,074	244	1,213	273,746

Included in Land and Buildings is land with a value of £32.0m (2014: £32.2m), which is not depreciated.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

11 Stocks

	<i>Group</i>		<i>Charity</i>	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Finished goods and goods for resale	101	106	101	106

12 Debtors

	<i>Group</i>		<i>Charity</i>	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Due in more than one year				
Loan notes	-	-	11,900	-
Due within one year				
Deposits and advances	574	623	574	623
Other debtors	2,446	11	486	11
Prepayments and accrued income	1,086	2,595	1,086	2,595
	4,106	3,229	14,046	3,229

Loan notes were received from the Charity by its wholly-owned subsidiary OHL. These are interest bearing at 3% and are redeemable on the earlier of (i) completion of the sale of freehold property, owned by OHL, to the Charity and (ii) 31 December 2020.

13 Investments

<i>Group and Charity</i>	2015	2014
	£'000	£'000
Deseret U.K.Trustco Unlimited	1	1
	1	1

The trustees consider the value of the Investments to be supported by the company's underlying assets.

The Charity holds one £1 ordinary share in its wholly-owned trading subsidiary OHL which is incorporated in the UK. This is the only share allotted, called up and fully paid. This was purchased on 23 September 2015 at cost. At the time of the purchase the net assets of OHL were £nil.

14 Creditors: Amounts falling due within one year

	<i>Group</i>		<i>Charity</i>	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Other taxation and social security costs	244	241	244	241
Other creditors	2,327	2,028	2,327	2,028
Deferred income	357	264	357	264
	2,928	2,533	2,928	2,533

Other creditors is further analysed as follows

	<i>Group</i>		<i>Charity</i>	
	2015	2014	2015	2014
	£'000	£'000	£'000	£'000
Amounts owing to Parent Company (CPB)	220	267	220	267
Trade and other accrued liabilities	2,107	1,761	2,107	1,761
	2,327	2,028	2,327	2,028

Deferred income for group and Charity is further analysed as follows

	2015	2014
	£'000	£'000
At 1 January 2015	264	268
Utilised in year	(264)	(268)
Accrued during the year	357	264
At 31 December 2015	357	264

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

15 Called up share capital

Group and Charity

	2015 £'000	2014 £'000
Authorised:		
25 million ordinary shares of £1 each	25,000	25,000
Allotted, issued and fully paid:		
10 million ordinary shares of £1 each	10,000	10,000

Each ordinary share carries equal voting rights.

16 Reconciliation of movements in total Charity's funds

	2015 £'000	2014 £'000
Net surplus/(deficit) in funds for the year	26,788	(2,603)
Actuarial gain/(loss) on pension scheme (note 21)	1,744	(5,600)
Net change in total Charity's funds	28,532	(8,203)
Opening Charity's funds	263,497	271,700
Closing Charity's funds	292,029	263,497

17 Reconciliation of net movement in funds to net cash flow from operating activities

	<i>Group</i>		<i>Charity</i>	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Group net income/(expenditure)	26,788	(2,603)	26,788	(2,603)
Depreciation charge	7,300	7,236	7,300	7,236
(Profit)/loss on disposal of tangible fixed assets	(301)	(73)	(301)	(73)
Interest income	(2)	-	(2)	-
Pension costs charged against operating profit	1,820	1,710	1,820	1,710
Cash contributions to pension scheme	(1,557)	(1,338)	(1,557)	(1,338)
Net interest on pension liabilities	420	268	420	268
Decrease/(increase) in debtors	(877)	752	(10,817)	752
(Decrease)/increase in creditors	395	(1,290)	395	(1,290)
Non-operating costs creditors	(501)	-	(501)	-
Decrease/(increase) in stock	5	15	5	15
Net cash used in operating activities	33,490	4,677	23,550	4,677

18 Capital commitments

	<i>Group</i>		<i>Charity</i>	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Capital expenditure authorised by the Charity's trustees and OHL's director and contracted for	1,397	2,516	1,397	2,516

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

19 Related party transactions and ultimate holding company

The Charity is owned solely by the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints (the parent company and controlling party), a company incorporated in the state of Utah, United States of America. Assurances of continued financial support have been received from the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

Total grant income received from the parent company in 2015 was £36,820,000 (2014: £8,258,000).

The inter-company balance of the Charity with its sister charity, The Irish Association of The Church of Jesus Christ of Latter-day Saints, as at 31 December 2015 amounted at £17,452 (2014: £8,827).

During the year, the company acted as the agent of the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints in the transfer of funds to and from other Church entities throughout the world. Balances arising from those transactions are dealt with as entries on behalf of the Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints.

In 2015, the following transactions took place between the Charity and its wholly-owned subsidiary OHL:

- The Charity's sale of property, situated in Whitechapel London, for £11.76m (VAT inclusive).
- The provision of an unsecured loan facility of £11.9m by the Charity to OHL to fund OHL's purchase of the above-mentioned property (see note 12 for particulars).

The loan facility and sale transaction have been deemed to occur at arm's length.

20 Commitments under non-cancellable operating leases

At 31 December 2015, the Charity had future minimum rentals payable under non-cancellable operating leases for the lease of buildings used for worship purposes and also as housing for missionaries.

These are set out below:

	2015 £'000	2014 £'000
Less than one year	1,861	1,316
Two to five years	1,448	1,002
More than five years	5,978	5,632

OHL has not entered into non-cancellable operating lease arrangements.

21 Financial instruments

	<i>Group</i>		<i>Charity</i>	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
<i>Financial assets measured at amortised cost</i>				
Loan notes	-	-	11,900	-
Other debtors	591	634	591	634
	591	634	12,491	634
<i>Financial liabilities measured at amortised cost</i>				
Trade creditors	(1,194)	(1,073)	(1,194)	(1,073)
Loans	(220)	-	(220)	-
	(1,414)	(1,073)	(1,414)	(1,073)

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

22 Pension and other post-employment commitments

The Church of Jesus Christ of Latter-day Saints is the sponsoring employer of a funded defined benefit pension scheme in the UK, which provides retirement benefits based on members' salaries when leaving employment.

The assets of the Plan are held in a separately administered fund and the Plan is administered by a trustee body (independent of The Church of Jesus Christ of Latter-day Saints) who are responsible for ensuring that the Plan is sufficiently funded to meet current and future obligations.

The liabilities set out in this note have been calculated based on the results of the full Scheme Funding Assessment as at 31 December 2013, updated to 31 December 2015, allowing for additional benefit accrual, benefits paid and updated best-estimate assumptions suitable for use under FRS 102. The present value of the defined benefit obligation and the related current service cost were measured using the projected unit credit method. The Church of Jesus Christ of Latter-day Saints has agreed a funding plan with the Trustee body, whereby ordinary contributions are made into the Plan based on a percentage of active employees' salaries. Additional contributions have been agreed with the Trustee to reduce the funding deficit.

The disclosures set out below are based on calculations carried out as at 31 December 2015 by an independent qualified actuary, independent of the Scheme Actuary. The results of the calculations and the assumptions adopted are shown below

Principal assumptions	At 31 Dec 2015 per annum	At 31 Dec 2014 per annum
Discount rate	3.80%	3.50%
Aggregate long-term expected rate of return on assets (net of expenses)	3.80%	3.50%
Retail Prices Index (RPI) Inflation	3.45%	3.30%
Consumer Prices Index (CPI) Inflation	2.35%	2.20%
Future increases in deferred pensions	2.35%	2.20%
Rate of increase in salaries	4.95%	4.80%
Rate of increase to pensions in payment:		
LPI (max 5%) based on RPI	3.25%	3.10%
LPI (max 3%) based on RPI	2.50%	2.40%
LPI (max 2.5%) based on RPI	2.15%	2.10%
Post retirement mortality assumptions	PCAOO tables with CMI_2015 projections (based on year of birth) and a long term rate of 1.25%	PCAOO tables with CMI_2014 projections (based on year of birth) and a long term rate of 1.25%
Future life expectancy:		
Male aged 65 at balance sheet date	23.0	23.1
Male achieving age 65 20 years after balance sheet date	24.7	24.9
Female aged 65 at balance sheet date	24.9	25.1
Female achieving age 65 20 years after balance sheet date	26.8	27.0
Cash commutation	No allowance	No allowance

For the avoidance of doubt the above assumptions are in absolute terms.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

22 Pension and other post-employment commitments (continued)

Asset breakdown

The major categories of scheme assets as a percentage of total scheme assets are

	At 31 Dec 2015	At 31 Dec 2014
Diversified growth funds	64.1%	63.9%
Gilts	24.1%	22.6%
Corporate Bonds	10.9%	12.6%
Insured assets	0.3%	0.4%
Cash	0.6%	0.5%
	100.0%	100.0%

The pension scheme has not invested in any of The Church of Jesus Christ of Latter-day Saints' own financial instruments, nor in properties or other assets used by The Church of Jesus Christ of Latter-day Saints. The assets are all quoted in an active market with the exception of the insured pensions.

	At 31 Dec 2015 £000	At 31 Dec 2014 £000
Fair value of Scheme assets	56,848	57,215
Present value of defined benefit obligation	67,687	69,115
Defined benefit (liability)/asset recognised in balance sheet	(10,839)	(11,900)

Total expense recognised in SOFA

	At 31 Dec 2015 £000	At 31 Dec 2014 £000
Current service cost	1,705	1,593
Administration expenses	115	117
Past service costs including curtailments	-	-
Effect of settlements	-	-
Recognised in arriving at operating profit	1,820	1,710
Net interest on the net defined benefit liability	420	268
Total recognised in SOFA	2,240	1,978

Total amounts taken to Other recognised gains/(losses)

	At 31 Dec 2015 £000	At 31 Dec 2014 £000
Actual return on scheme assets - gains/(losses)	(80)	4,967
Less amounts included in net interest on the net defined benefit liability	(1,998)	(2,414)
Remeasurement gains/(losses) - return on scheme assets excluding interest income	(2,078)	2,553
Actuarial gains/(losses)	3,822	(8,153)
Remeasurement gain/(loss) recognised in Other recognized gains/(losses)	1,744	(5,600)

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)

Notes to the financial statements (continued)

for the year ended 31 December 2015

22 Pension and other post-employment commitments (continued)

Changes in the present value of the defined benefit obligation

	At 31 Dec 2015	At 31 Dec 2014
	£000	£000
Present value of defined benefit obligation at beginning of period	69,115	58,350
Benefits paid	(2,026)	(1,966)
Current service cost	1,705	1,593
Interest cost	2,418	2,682
Actuarial (gains)/losses	(3,822)	8,153
Employee contributions	297	303
Present value of defined benefit obligation at end of period	67,687	69,115

Changes in the fair value of assets

	At 31 Dec 2015	At 31 Dec 2014
	£000	£000
Fair value of Scheme assets at beginning of period	57,215	52,690
Interest income	1,998	2,414
Return on scheme assets excluding interest income	(2,078)	2,553
Contributions by employer	1,557	1,338
Employee contributions	297	303
Benefits paid including expenses	(2,141)	(2,083)
Fair value of Scheme assets at end of period	56,848	57,215

23 Transition to FRS 102

The effect of pension scheme on income and expenditure for the year ended 31 December 2014, as a result of the application of FRS 102, can be shown as follows:

	2014
	£000
Total income under previous SORP	44,065
Other finance income	(650)
Total income under FRS 102	43,415
Total expenditure under previous SORP	45,638
Other finance expense	268
Pension administration expenses	117
Roundings (other finance and administration expenses)	(5)
Total expenditure under FRS 102	46,018
Net income/(expenditure) under previous SORP	(1,573)
Net effect on total income and total expenditure under FRS 102	(1,030)
Net income/(expenditure) under FRS 102	(2,603)
Actuarial gain/(loss) on defined benefit scheme under previous SORP	(6,630)
Net effect on total income and total expenditure under FRS 102	1,030
Actuarial gain/(loss) on defined benefit scheme under FRS 102	(5,600)

The transition to FRS 102 did not affect net movements in funds (£8,203k) and funds carried forward (£253,497k) for the year ended 31 December 2014.