

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

Charity No.: 238685

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

MYRUS SMITH

Chartered Accountants

Norman House

8 Burnell Road

Sutton, Surrey

SM1 4BW

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON
Charity No: 238685

EXECUTIVE BOARD'S ANNUAL REPORT
FOR FINANCIAL YEAR TO 30 SEPTEMBER 2017

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

First Church of Christ, Scientist, London, 8 Wright's Lane, London W8 6TA, is a branch of The First Church of Christ, Scientist, in Boston, Massachusetts, USA, and is registered as a Church with the Charity Commissioners (No. 238685). The governing instrument is the Constitution and Rules, together with the *Manual of The Mother Church, The First Church of Christ, Scientist, in Boston, Massachusetts* insofar as applicable to Branch Churches.

Organisational Structure and appointment of Executive Board

The Church is democratically governed by the members whose wishes are put into effect by the Executive Board of five, elected annually by the members to serve for a maximum of three years. The present Board members are John Luke (Chairman), Michael Shannon, Christine Bradshaw and Angela Wallace and Jasmine Birtles .

The Board appoints the Clerk to support the Board and act as Clerk to Members' meetings. All other church administrative matters are now managed for the Board by the Administrator.

All decisions are taken by the Members through quarterly business meetings. The Board has delegated powers to carry out members' wishes and to conduct the general administration of Church affairs and meet a minimum of once a month except for August.

Board members have access to a library of relevant literature and CDs issued by the Charity Commission, with a pack being prepared for each new Board member which is updated on a regular basis. Any specific subject-related training is provided as and when necessary.

Risk Management

As the building is open to the public the Trustees are aware of the responsibilities and obligations. Following the 2013 structural survey a comprehensive programme of works was carried out to deal with issues arising. The bi-annual structural survey and a works programme have been put in place to address issues arising. A survey was conducted by a Specialist Health and Safety Company and a Health and Safety Committee was appointed and made proposals on how to meet the requirements, which have now been implemented.

OBJECTIVES AND ACTIVITIES

The object of the church as stated in its constitution and rules is "To spread the understanding of Truth as set forth in the Bible and interpreted in *Science and Health with Key to the Scriptures* by Mary Baker Eddy, the discoverer and founder of Christian Science." Mrs Eddy defines Church as "*the structure of Truth and Love; whatever proceeds and rests upon divine Principle. The Church is that institution which affords proof of its utility and is found elevating the race, rousing the dormant understanding from material beliefs to the apprehension of spiritual ideas and the demonstration of divine Science, thereby casting out devils, or error, and healing the sick*".

The Church is not involved in fund-raising projects, but relies upon income from donations, legacies and rents to fund its activities. Members volunteer to help in the Reading Room and with other church activities, whilst salaries are paid to perform key roles. Sub-committees are appointed annually to carry out specific duties.

The Trustees have referred to the guidance contained in the Charity Commission general guidance on public benefit when reviewing the Church's aims and objectives and in planning future activities.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON
Charity No: 238685

EXECUTIVE BOARD'S ANNUAL REPORT
FOR FINANCIAL YEAR TO 30 SEPTEMBER 2017

ACHIEVEMENTS AND PERFORMANCE

Overall:

First Church of Christ, Scientist, London, located off Kensington High Street, serves the community through Sunday Services and Wednesday Testimony Meetings, and encourages spiritual inspiration for individuals and families through its Reading Room book-shop, facilities for private study, public lectures, Sunday School, phone-in service and church website. It also supports a Chaplain at Wandsworth Prison.

Services:

The Sunday Service presents hymns, prayers and selections from the Bible and the Christian Science textbook, *Science and Health with Key to the Scriptures* by Mary Baker Eddy. The Wednesday evening service provides an opportunity for the congregation to share their own inspiration and healings with others. A warm welcome awaits anyone who comes to a service – both students of Christian Science and anyone looking for inspiration and wellness. A free conference phone-line is available to listen to every service, for those unable to attend services in person; analysis of data suggests that is well used and many letters of appreciation have been received.

Sunday School:

The church is keen to encourage an understanding of the Scriptures amongst young people and to introduce them to the principles of Christian Science appropriate to their age. There is a nursery for very young children and the Sunday School is open to students up to 20 years of age. Although the number of students is at present quite small, progress is being made in encouraging students to share their inspiration and learning with the adult congregation and to participate in church events.

Reading Room:

The Reading Room is a unique concept established by the Founder of Christian Science as an essential part of each church's community outreach. As well as offering Bible and denominational research resources, a free Lending Library, and book sales, it provides a quiet room for personal study and contemplation – open to all. A Librarian and volunteer are available to answer questions as well as offering inspirational support for those in need. The Reading Room is located on the ground floor of the Church building in Wright's Lane and attracts a steady stream of visitors. It is open from 2-5 pm Monday, Tuesday, Thursday and Friday and Wednesdays from 2-7 pm and on Saturday afternoons from 2-5 pm.

Public Lectures:

The new Reading Room space was used for four public lectures on Christian Science with speakers from the UK, France and Germany. The space continues to be an excellent venue for such events: its closeness to the street, visibility, and the resulting sense of easy accessibility attracts passers-by and newcomers. Lecturers who have given talks all over the world tell us how important it is to make members of the public feel comfortable about attending, without feeling they have to cross into an unfamiliar space. (One lecture was sponsored off-site at a meeting for young Christian Scientists between 18-40 years held in Norfolk. This received excellent feedback and will be repeated next year). A similar programme of lectures for 2017-18 is underway.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON
Charity No: 238685

**EXECUTIVE BOARD'S ANNUAL REPORT
FOR FINANCIAL YEAR TO 30 SEPTEMBER 2017**

Lectures at Wandsworth Prison:

The work of the Chaplain at Wandsworth Prison represents very important outreach and she is in great demand when she visits. This year the church organised 1 lecture at Wandsworth for which there was a considerable excess of demand over the number of places the staff were able to provide. A further such lecture is planned for 2018.

Administration:

Arrangements for administration of the church, with the work split between Clerk and Administrator are working well. The Board has worked closely with Clerk and Administrator to simplify processes wherever possible, reduce duplication, and reduce the number of man-hours involved.

Treasury and accounting:

A new Treasurer was appointed, and an Accounts Manager has also been engaged to carry out the transaction processing and bookkeeping under his oversight. A review of all financial processes has been carried out and a number of improvements have been put in place that will reduce workload and improve responsiveness. As examples:-

- Online banking is now used for virtually all accounts payable;
- Income and expenditure categories in the accounts have been completely restructured and renamed to improve clarity and enable immediate comparison of individual items against budget;

FINANCIAL REVIEW

Income for the year rose from £271,528 to £292,744 in large part due to a review of the rent for Priory House which takes place every five years. The overall result was a deficit of £16,388 before investment gains/(losses) (2016 deficit of £68,478).

The Church currently maintains a balanced portfolio of investments to enable it to fund its activities. These include investments in property, both commercial and residential; a portfolio of stocks and bonds managed by a leading City Investment Management Company; and cash held on deposit at CAF Bank. More details are given in the financial statement.

In accordance with the Church Constitution and Rules, church membership includes the expectation that members will make financial contributions to support activities.

Reserves Policy

It is the Church's policy to maintain adequate reserves to permit it to carry out its charitable objective well into the future. This demands that expenditure for operational and capital purposes is prudently managed in the course of meeting its charitable objective.

The Church building and the Reading Room have been properly maintained. A qualified surveyor submits an annual report and required repairs are carried out.

At the year end the Church's unrestricted funds amounted to £10,045,211 (2016: £9,934,319). This was made up of a General Fund balance of £1,237,437 (2016: £1,055,921) and Designated Funds of £8,807,774 (2016: £8,878,398).

Investments

As well as letting a long leased commercial building and a residential unit Church funds are invested into such securities and other investments considered to be of greatest overall benefit to the Church.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON
Charity No: 238685

EXECUTIVE BOARD'S ANNUAL REPORT
FOR FINANCIAL YEAR TO 30 SEPTEMBER 2017

Where funds are placed under the management of a third party, the requirement is that such party should be regulated by the relevant UK regulatory body for investment management business. The Treasurer and Executive Board review the financial performance of the funds under management.

The investment objective is to protect the capital of the Church in order for it to fulfil its charitable purposes. The investment philosophy is to be that the portfolio should be operated with a view to maximising total return consistent with capital preservation.

The performance of the portfolio has been very satisfactory. The market value has increased from £3,457,354 to £3,559,660 over the year to 30 September 2017.

Risk Management

As a charity the Church is exempt from income tax and capital gains tax. Thus changes in tax legislation are unlikely to affect our finances. The investment portfolio is subject to market fluctuations. However, because the Church also holds freehold investments in offices, a shop and residential property it is seen as unlikely that all sectors will fail at the same time. In respect of the office the Church has the benefit of five yearly rent reviews providing some hedge against inflation.

PLANS FOR FUTURE PERIODS

There are no major changes to the church building being planned. Refurbishment of the lift has been completed.

The Board will continue to scrutinise administrative processes and responsibilities to ensure that the recent changes deliver the benefits anticipated, and that members understand and support them.

TRUSTEES AND ADVISORS

In addition to the Executive Board, the Church has Holding Trustees in whose names all freehold properties of the charity are vested. The incumbents for this period are: Mr Peter King, Mr John Luke, Mr Michael Shannon, and Mr Martin Taylor.

The Church's bankers are CAF Bank Ltd, Kings Hill, West Malling, Kent ME19 4TA and National Westminster Bank plc, London Sloane Square Branch, Unit 5, The Willett Building, 2 Sloane Gardens, London, SW1W 8DL. The solicitor is Mr John Lacy of Cool Bevis LLP, Solicitors, 14 Carfax, Horsham, RH12 1DZ. The investment bankers are Waverton Investment Management Limited, and the auditors are Myrus Smith, Norman House, 8 Burnell Road, Sutton, Surrey, SM1 4BW.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON
Charity No: 238685

EXECUTIVE BOARD'S ANNUAL REPORT
FOR FINANCIAL YEAR TO 30 SEPTEMBER 2017

STATEMENT OF EXECUTIVE BOARD'S RESPONSIBILITIES

The Executive Board is responsible for preparing the Executive Board's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the Executive Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Executive Board is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRSSE);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Charity will continue in operation.

The Executive Board is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Executive Board



Mr John F Luke, Chairman

Date: 8th January 2018

INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE BOARD OF:

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

Opinion

We have audited the financial statements of First Church of Christ, Scientist London (the 'charity') for the year ended 30 September 2017 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2017, 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Executive Board's annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE BOARD OF:

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

/continued...

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE EXECUTIVE BOARD OF:

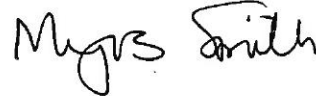
FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

/continued...

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Norman House,
8 Burnell Road,
Sutton,
Surrey.
SM1 4BW



MYRUS SMITH
Chartered Accountants
and Statutory Auditor

Date: 22nd January 2018

Myrus Smith is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2017

	Notes	Total 2017 £	Total 2016 £
Income and endowments from:			
Donations and legacies	2	20,148	23,139
Charitable activities	3	5,799	5,135
Investments	4	266,797	243,254
Total income		<u>292,744</u>	<u>271,528</u>
Expenditure on:			
Investment management fees		26,379	24,125
Charitable activities	5	282,753	315,881
Total expenditure		<u>309,132</u>	<u>340,006</u>
Net income/(expenditure) before investment gains/(losses)		(16,388)	(68,478)
(Loss)/gain on disposal of investments		(24,308)	67,187
Gain on revaluation of investments		156,618	353,668
Foreign exchange (loss)/gain		(30)	129
Net movement in funds		<u>110,892</u>	<u>352,506</u>
Reconciliation of funds			
Fund balances brought forward at 1 October 2016		9,934,319	9,581,813
Fund balances carried forward at 30 September 2017		<u><u>£10,045,211</u></u>	<u><u>£9,934,319</u></u>

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

All income and expenditure relates to unrestricted funds and derives from continuing activities.

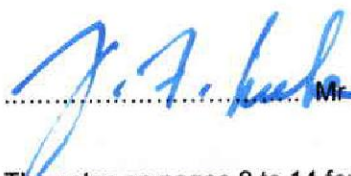
The notes on pages 9 to 14 form part of these Financial Statements.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

BALANCE SHEET AT 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed Assets			
Tangible fixed assets	9	1,554,387	1,625,011
Investment properties	10	<u>4,533,000</u>	<u>4,533,000</u>
		6,087,387	6,158,011
Current Assets			
Reading Room Stock		2,476	2,856
Debtors	11	34,612	24,519
Waverton Investment Portfolio	12	3,559,660	3,457,354
Cash at bank and in hand		<u>409,438</u>	<u>332,503</u>
		4,006,186	3,817,232
Creditors: amounts falling due within one year	13	<u>48,362</u>	<u>40,924</u>
Net Current Assets		<u>3,957,824</u>	<u>3,776,308</u>
Net Assets	15	<u>£10,045,211</u>	<u>£9,934,319</u>
Funds			
Unrestricted			
- General	14	1,237,437	1,055,921
- Designated Fund – Youth Fund	14	16,747	16,747
- Designated Fund – Fixed Asset Fund	14	6,087,387	6,158,011
- Designated Fund – Building Fund	14	<u>2,703,640</u>	<u>2,703,640</u>
		<u>£10,045,211</u>	<u>£9,934,319</u>

Approved by the Executive Board on 8th January 2018 and signed on its behalf by

 Mr John F Luke, Chairman

The notes on pages 9 to 14 form part of these Financial Statements.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. ACCOUNTING POLICIES

Basis of accounting

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis and under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The trustees have considered the impact of the transition to FRS 102 and have concluded that no adjustments are necessary.

Incoming recognition policies

Items of income are recognised and included in the accounts when all of the following criteria are met:

- The charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity.
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

Expenditure recognition

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. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs associated with the management of the Charity's investments.
- Expenditure on charitable activities includes the costs undertaken directly to further the purposes of the Charity and their associated support costs.

Tangible Fixed Assets

The freehold property occupied by the Charity is stated at its residual value which is not depreciated. However, all improvements to the property are depreciated in line with the policy below.

Other tangible fixed assets are depreciated as follows:

Property improvements	10% straight line
Office equipment	25% straight line

Investment Assets

Investment properties are initially recognised at cost and subsequently restated at market value at the end of each accounting period. Revaluation gains and losses are recognised in the Statement of Financial Activities. Formal valuations are not carried by appropriately qualified persons. Due to the cost of obtaining professional valuations, these are carried out periodically but not annually. In the intervening years the market value is determined by the trustees taking into account the last formal valuation and their assessment of the property market.

Listed investments are initially recognised at cost and subsequently restated at market value based on published stock exchange valuations at the end of each accounting period. Gains and losses on revaluation and disposal are recognised in the Statement of Financial Activities.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017
(Continued)**

1. ACCOUNTING POLICIES (Continued)

Taxation

As the Church is a registered Charity the results of its normal activities are not liable for tax.

Stock

Stocks of reading material are stated at cost.

Pension costs

The charity operates a defined contribution pension scheme. Contributions payable are recognised in the Statement of Financial Activities in the year to which they relate.

2. DONATIONS AND LEGACIES

	Total 2017	Total 2016
	£	£
Collections	12,812	11,885
Donations	6,016	10,264
Covenants	1,320	990
	£20,148	£23,139

3. CHARITABLE ACTIVITIES

	Total 2017	Total 2016
	£	£
Reading room sales	£5,799	£5,135

4. INVESTMENT INCOME

	Total 2017	Total 2016
	£	£
Rent	182,152	156,205
Dividends and interest	84,645	87,049
	£266,797	£243,254

5. ANALYSIS OF EXPENDITURE
ON CHARITABLE ACTIVITIES

	Direct costs	Grants funding	Support costs	Total 2017	Total 2016
	£	£	£	£	£
Salaries	47,175	-	41,801	88,976	90,425
Fees- organist and soloists	15,235	-	-	15,235	13,720
Reading room purchases	9,772	-	-	9,772	7,605
Lectures	8,437	-	-	8,437	13,300
Grants/subsidies paid (note 7)	-	36,490	-	36,490	18,908
Church maintenance	-	-	10,580	10,580	48,843
Telephone, light and heat	-	-	9,607	9,607	8,156
Printing and stationary	-	-	6,171	6,171	6,062
Insurance	-	-	8,325	8,325	8,612
IT Support	-	-	3,022	3,022	1,363
Bank charges	-	-	798	798	647
Professional fees	-	-	8,681	8,681	18,798
Governance costs - Audit fees	-	-	3,390	3,390	3,390
Depreciation of church building	-	-	68,193	68,193	73,576
Depreciation of equipment	-	-	5,076	5,076	2,476
	£80,619	£36,490	£165,644	£282,753	£315,881

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017
(Continued)**

6. ANALYSIS OF DIRECT AND SUPPORT COSTS BY ACTIVITY	Direct costs £	Grant funding £	Support costs £	Total 2017 £
Church activities	<u>£80,619</u>	<u>£36,490</u>	<u>£165,644</u>	<u>£282,753</u>

7. ANALYSIS OF GRANTS	Donations to institutions	Donations to individuals	Total 2017
Church activities	<u>£35,644</u>	<u>£846</u>	<u>£36,490</u>
Recipients of donations to institutions	£		
The Aid Fund	2,000		
Mountlands Trust	4,000		
Whitehaven Trust	4,000		
Easter Camp Donation	1,000		
Sunrise of Africa	1,000		
Prison Chaplains	2,000		
Bow Housing Society	2,644		
1 st Church Windermere	10,000		
Focus Donation	1,000		
UK online CS Reading Room	4,000		
Hawthorne Trust	4,000		
	<u>£35,644</u>		

8. STAFF COSTS	2017 £	2016 £
Salaries and Wages	84,569	85,752
Social Security Costs	4,193	3,943
Pension Costs	214	730
	<u>£88,976</u>	<u>£90,425</u>

The average number of employees, analysed by function was:	2017		2016	
	Full Time	Part Time*	Full Time	Part Time*
Church Services	0	2	0	2
Reading Room	0	2	0	2
Church Building	0	1	0	1
Management and Administration	<u>0</u>	<u>2</u>	<u>0</u>	<u>2</u>
	<u>0</u>	<u>7</u>	<u>0</u>	<u>7</u>

* Includes Church Officers

No employee earned more than £60,000 in 2016/17 (2015/16: None).

Total remuneration received by key management amounted to £Nil (2016: £Nil).

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017
(Continued)**

9. TANGIBLE FIXED ASSETS

	Freehold Property Church Building £	Property Improvements £	Office Furniture & Equipment £	Total £
<u>Cost or Valuation</u>				
Balance at 1 October 2016	1,200,000	978,323	87,632	2,265,955
Additions in the year	-	-	2,645	2,645
Balance at 30 September 2017	<u>1,200,000</u>	<u>978,323</u>	<u>90,277</u>	<u>2,268,600</u>
<u>Depreciation</u>				
Balance at 1 October 2016	-	564,827	76,117	640,944
Charge for the Year	-	68,193	5,076	73,269
Balance at 30 September 2017	<u>-</u>	<u>633,020</u>	<u>81,193</u>	<u>714,213</u>
Net Book Value at 30 September 2017	<u>£1,200,000</u>	<u>£345,303</u>	<u>£9,084</u>	<u>£1,554,387</u>
Net Book Value at 30 September 2016	<u>£1,200,000</u>	<u>£413,496</u>	<u>£11,515</u>	<u>£1,625,011</u>

10. INVESTMENT PROPERTIES

	2017 £	2016 £
Market Value at 30 September 2017 and 30 September 2016	<u>£4,533,000</u>	<u>£4,533,000</u>
<u>Analysis of Investment Properties</u>	<u>£</u>	<u>£</u>
6 Wrights Lane	3,000,000	3,000,000
51 Iverna Gardens	173,000	173,000
156/156A Fulham Road	1,360,000	1,360,000
	<u>£4,533,000</u>	<u>£4,533,000</u>

The properties were independently revalued at current market value as at September 2015 by Frost Meadowcroft Surveyors LLP. In the opinion of the Trustees, the current value is not materially different.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017
(Continued)**

11.DEBTORS	2017 £	2016 £
Accrued Income	32,212	24,519
Other debtors	2,400	-
	<u>£34,612</u>	<u>£24,519</u>

12.WAVERTON INVESTMENT PORTFOLIO	Listed Investments £
Market Value at 1 October 2016	3,335,939
Charity Property Fund at 1 October 2016	121,415
	<u>3,457,354</u>
Additions at cost	949,933
Disposals	(999,245)
Unrealised gain on marketable securities	151,618
	<u>£3,559,660</u>

The historical cost of these investments amounts to £2,906,462 (2016: £2,465,075).

13.CREDITORS: Amounts falling due within one year	2017 £	2016 £
Accruals	41,070	35,615
Other creditors	7,292	5,309
	<u>£48,362</u>	<u>£40,924</u>

Other creditors represent monies held for the Welfare fund, which are not part of the main Church Activities.

14.UNRESTRICTED FUNDS	General Reserves £	Youth Fund £	Building Fund £	Fixed Assets Fund £	Total £
Balance at 1 October 2016	1,055,921	16,747	2,703,640	6,158,011	9,934,319
Surplus for the Year	110,892	-	-	-	110,892
Transfers between Funds	70,624	-	-	(70,624)	-
	<u>£1,237,437</u>	<u>£16,747</u>	<u>£2,703,640</u>	<u>£6,087,387</u>	<u>£10,045,211</u>

The designated fixed asset fund represents the net book value of tangible fixed assets and investment properties. The designated youth fund represents money due to be spent on youth in the future. The designated building fund represents the funds arising from the sale of the old Church premises, held for major repairs or improvement works or the acquisition of new buildings.

Transfers between funds represent the movements on fixed assets.

FIRST CHURCH OF CHRIST, SCIENTIST, LONDON

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2017
(Continued)**

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

	General Reserves £	Youth Fund £	Building Fund £	Fixed Assets Fund £	Total £
Fixed Assets	-	-	-	6,087,387	6,087,387
Marketable Securities	856,020	-	2,703,640	-	3,559,660
Other Net Current Assets	381,417	16,747	-	-	398,164
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Balance at 30 September 2017	<u>£1,237,437</u>	<u>£16,747</u>	<u>£2,703,640</u>	<u>£6,087,387</u>	<u>£10,045,211</u>

16. COMMITMENTS

The total future minimum lease payments due under non-cancellable operating leases are as follows:

	Other operating leases	
	2017	2016
	£	£
Within one year	1,497	1,497
Two to five years	1,996	3,494
	<u> </u>	<u> </u>
	<u>£3,493</u>	<u>£4,991</u>