

Naval & Military Bible Society



Annual Report and Accounts

For the year ended 31 December 2017

Registered Charity No. 1102593
Registered Company No. 5021052

Trustees' Annual Report for year ended 31 December 2017

Constitution

Naval Military & Air Force Bible Society was founded in 1779 and established on 20 January 2004 as a company limited by guarantee (No. 5021052) and a registered charity (No. 1102593) governed by its memorandum and articles of association. At the meeting of trustees on 30 June 2017, it was agreed to revert the name of the Society to Naval & Military Bible Society, reflecting the service to Merchant seafarers and military personnel across the globe.

Directors and trustees

The directors of the charitable company ("the Society") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees:

Colonel J Lewis

Squadron Leader (retired) R A Gallagher MBE FRGS RAF (Chair until 1 April 2017)

The Revd J Pitkin (Squadron Leader RAF retired)

Lieutenant Colonel (Retd) D G Vincent MBE

The Reverend D C Weaver CF (until 30 June 2017)

The Reverend S P Springett RN (Chair from 1 April 2017)

Mr J H Budd

Doctor P A Lucas

Mr S Rivers (from 10 February 2017)

The Reverend K Bassett (Lieutenant RNR) (from 10 February 2017)

Society director and company secretary:

Lieutenant Commander M N Thomas RN

Administrative secretary:

Mr D Donald

Registered office:

Castaway House, 311 Twyford Avenue, Portsmouth PO2 8RN

Independent Examiner:

McKrill & Co, 26 Levertton Avenue, Felpham, West Sussex PO22 7RA

Bankers:

Barclays Bank PLC, Portsmouth, North End Branch

Aim and purposes

The Society's aim and objectives, as set out in the company's Memorandum of Association, are:
To advance the Christian religion by distributing, either free of charge or by sale, copies of the Bible, New Testaments and Psalms and Christian resources to the United Kingdom armed forces personnel and their associates, to the forces of the Commonwealth and other nations, merchant seafarers, United Kingdom police, fire and rescue services and others.

Public Benefit

The Society's beneficiaries include United Kingdom armed forces personnel and their associates, to the forces of the Commonwealth and other nations, merchant seafarers, United Kingdom police, fire and rescue services and others in whatever geographical area they may be serving. Our literature is tailored to meet the needs of our beneficiaries and we do not restrict it to those who can afford to donate towards its cost.

The Society's literature addresses the needs of armed forces' personnel and their families faced with bereavement and the effects of combat stress and separation, and merchant seafarers and their families in the current climate of job insecurity, piracy, hostage taking and isolation. It is mainly ordered and distributed through military chaplains and merchant seafarers' missions. It aids the building of resilience and good character, education in moral and ethical values and giving spiritual strength and guidance for those of the Christian faith.

The Charity Commission's guidance and principles on public benefit are also reflected in both the planned objectives and the year's activities.

Planned activities for 2017

The following planned activities were agreed for 2017, with core business to remain the distribution of Bibles and New Testaments with useful helps and relevant cover designs for service personnel and merchant seafarers and cadets:

- To purchase 1000 copies of "Inner Struggles"; This is a new publication originally directed at those serving prison sentences. It has been re-written for use within the military.
- To print 5,000 copies of "New THowever ... I have also copied his signature from a previous year's accounts - as marked. estaments and Psalms- NIV" badged for Royal Navy / Sea Cadet Corps, Army, Royal Air Force, and Air Training Corps; these will provide further development on the CEV New Testaments and Psalms.
- To print 230 copies of "Bibles plain Hardback NIV"; with camouflage cover.
- To print 375 copies of "Bibles Veteran Hardback NIV"; intended for those who have left British military or merchant navy service, or those who are leaving. This project is on hold pending funding.
- Review of Activities to further the charitable purpose
- Introduction of "Uncover John"; this is a new publication originally directed at students but suitable for group study within the military or merchant navy.
- Introduction of "Cadet's Prayer Book"; this is a new publication intended for use by individual members of military cadet forces (Sea Cadet Corps, Army Cadet Force, Air Training Corps and Combined Cadet Force).

Main expenditure on publications in 2017:

- Uncover John (£3175)
- Cadet's Prayer Book (£1855)
- Inner Struggles (£2242)
- New Testaments and Psalms – Army Cadet Force – CEV (£4344)
- New Testaments and Psalms – Army – CEV (£1165)
- New Testaments and Psalms – Army – NIV (£22238)
- New Testaments and Psalms – Air Training Corps – CEV (£2690)
- New Testaments and Psalms – Royal Air Force – CEV (£1165)
- New Testaments and Psalms – Royal Air Force – NIV (£4907)
- New Testaments and Psalms – Royal Marines – NIV (£1634)
- New Testaments and Psalms – Royal Navy / Sea Cadet Corps – CEV (£2140)
- New Testaments and Psalms – Royal Navy / Sea Cadet Corps – NIV (£5812)
- New Testaments and Psalms – 16 Air Assault Brigade – NIV (£1640)
- New Testaments and Psalms – Seafarers – Bilingual (£9500)
- Bibles - Seafarers – NIV (£11200)

Governance

A Board of Trustees, comprising officers representing the three armed forces, military cadet forces and merchant seafarer missions, governs the Society, with advice from serving chaplains to Her Majesty's Forces. The Board meets every four months.

An executive director, appointed by the trustees, manages day-to-day activities, assisted by an administrative secretary. No employees receive benefits, excluding pension costs, of more than £60,000.

Risk Management

In line with recommended practice, the Board regularly reviews the financial and operational risks to which it may be exposed. The trustees are satisfied that systems are in place to mitigate risk and take action to alleviate such risks where necessary.

Finances

There was a 1.5% decrease in income in 2017 and stock value at year end was £84562. The Society is dependent for funding on a variety of sources: incoming grants, interest on bank balances, legacies and donations from individuals, churches and Trusts.

A uninvoiced amount (£22,000) from 2016 was discovered and paid in-year, resulting in a reduction in cash flow and contributing to a deficit for the year

Reserves Policy

The Society's policy is to keep reserves to a minimum. Nonetheless, it recognizes the need to have an operating balance sufficient to cover operating costs for one year and aims to maintain a reserve fund of £50,000.

Trustees responsibilities in relation to financial statements

a) For the period ended 31st December 2017, the company was entitled to exemption under section 249A (2).

b) Trustees have not required the company to obtain an audit in accordance with section 249B (2).

c) The trustees acknowledge their responsibility for:

- i) ensuring the company keeps accounting records which comply with section 221 and
- ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss at the end of the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

(d) The accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

In doing so, the trustees have:

- Selected suitable accounting policies and then applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Prepared financial statements on the going concern basis, it being appropriate to presume that the charity will continue in business;
- Exercised their responsibility for maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006.
- The trustees have also safeguarded the assets of the charity and taken reasonable steps for the prevention of fraud and other irregularities.

The trustees gave their time voluntarily and received no benefit from the charity.

By order of the trustees,

Simon Springett.

Simon Springett
Chaplain RNR
Chairman
31 August 2018

Naval & Military Bible Society

Statement of Financial Activities

	Year ended 31 December 2017		Year ended 31 December 2016	
	£	£	£	£
Incoming Resources				
Donations				
Donors - Regular	8,880		11,939	
Donors - Non-Regular	18,262	27,142	20,284	32,223
Gift Aid Tax Refund		4,587		2,481
Donations				
MOD	10,189		14,867	
Non-MOD	11,400	21,589	15,969	30,836
Total Donations		53,318		65,540
Trusts & Legacies		22,110		55,100
Other Gifts		6,720		9,200
Interest Receivable		119		6
Total Incoming Resources		<u>£82,267</u>		£129,846
Resources Expended				
Charitable Expenditure				
Distribution Costs				
Purchase of Literature	53,560		39,541	
Storage & Distribution	19,059	72,619	20,077	59,618
Salaries & Pension		34,426		36,651
Travel		1,408		946
Insurance		429		623
Administration Expenses				
Rent and Service Charges	2,029		2,149	
IT Costs	110		260	
Office Expenses	178		20	
Stationery	446		456	
Telephone	681		614	
Postage	42		486	

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Statement of Financial Activities (continued)

	Year ended 31 December 2017		Year ended 31 December 2016	
Refresh & Entertain	127		161	
Website	816		72	
Other Expenses	1,609		732	
Depreciation	94	6,131	71	5,021
Management & Administration Costs				
Legal fees	13		13	
Accountancy	575		575	
Audit Fees	360	948	300	888
Total Resources Expended		<u>£115,962</u>		£103,747
Net Incoming Resources		(£33,695)		£26,098
Total Funds Brought Forward		50,328		24,230
Total Funds Carried Forward		<u>£16,633</u>		<u>£50,328</u>

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Trustees' Annual Report for year ended 31 December 2017 (continued)

Naval Military & Air Force Bible Society Balance Sheet as at 31 December 2017

	31 December 2017		31 December 2016	
	£	£	£	£
Fixed assets				
Furniture and equipment: cost		<u>4,201</u>		<u>4,130</u>
:depreciation		<u>3,891</u>	310	<u>3,726</u>
				404
Current assets				
Debtors and prepayments		3,608		692
Bank accounts		<u>15,021</u>		<u>76,826</u>
Petty cash		<u>14</u>		<u>84</u>
		18,643		77,602
less: Current liabilities				
Creditors and accrued charges		<u>2,320</u>	16,323	<u>27,678</u>
				49,924
			<u>£16,633</u>	<u>£50,328</u>
General Fund			<u>16,633</u>	<u>50,328</u>
			<u>£16,633</u>	<u>£50,328</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Simon Springett.

Simon Springett
Chaplain RNR
Chairman

31 August 2018

Trustees' Annual Report for year ended 31 December 2017 (continued)

1. Accounting policies

Basis of preparation

The accounts are prepared under the historical cost convention in accordance with the Statement of Recommended Practice (FRS 102) – Accounting and Reporting by the Charities Act 2011 and other appropriate accounting standards.

Incoming resources

Donations and legacies

All income from donations and legacies is accounted for on an accruals basis. This policy is applied to legacy income where the amounts and timing of receipts can be accurately ascertained. Tax credits on Gift Aid donations and on income from legacies have also been recorded on an accruals basis.

Resources expended

Charitable activities

In accordance with the primary objective of the Society, printing and distribution costs are written off to revenue when incurred. These costs represent the direct cost of the Society's charitable activities.

Administration expenses

These are the costs incurred in the management, finance and general administration of the Society's activities. It is not meaningful to apportion these costs by activity, which is a general requirement of SORP (FRS 102), as the Trust has only one principal activity.

Stocks and work in progress

Substantial stocks were on hand as at 31 December 2017, the cost of which, as ascertained by the directors, was £84,562. However, in line with the policy stated above, this amount has not been included in the accounts.

Governance costs

These are the costs incurred other than in day-to-day administration of the Society such as legal fees and the fees of the independent examination. The Society effectively only has one activity so all costs are related to this.

Trustees were offered claim forms for expenses and made claims where appropriate. Trustees receive no remuneration for time. Aggregate Trustee donations were £2,258.

Trustees are recruited through personal introductions, thus ensuring Christian input is maintained. A skills audit was conducted in-year, to ensure balance and cover of necessary skills.

Aggregate employee benefits are disclosed in the statement of financial activities.

Restricted Funds

Restricted funds totalling £6,846 from related parties were received during the year. The funds were utilised in full for the specified purposes.

Naval & Military Bible Society

Going Concern

There are no material uncertainties about the charity's ability to continue.

Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised.

All furniture and equipment is held as operating assets.

Depreciation is provided for at the following annual rates on a straight-line basis:

- Furniture and equipment between 10% and 20%
- Computers 33%

Creditors and accrued charges

	2017	2016
	£	£
Trade creditors	0	27,678
Other creditors and accrued charges	2,320	Nil

2. Commitments

	2017	2016
	£	£
Capital commitments	Nil	Nil

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2017

I report on the accounts of the company for the year ended 31st December 2017, which are set out on pages 6 to 10.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination being a member of the Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes a consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - a. to keep accounting records in accordance with section 386 of the Companies Act 2006 and;
 - b. to prepare accounts which accord with the accounting records, comply with the accounting requirement of section 396 of the Companies Act 2006 and with the accounting requirements of the Charities Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



M. P. McKrill F.C.C.A

McKrill & Co

Chartered Certified Accountants

26 Leverton Avenue

Felpham

West Sussex

PO22 7RA

19/9/2018

