

**THE SOCIETY FOR DISTRIBUTING
HEBREW SCRIPTURES**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31ST MARCH 2018**

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

**THE SOCIETY FOR DISTRIBUTING
HEBREW SCRIPTURES**

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31ST MARCH 2018**

Contents	Page
Report of the Council Members	1-4
Statement of Council Members' Responsibilities	5
Report of the Independent Auditors	6-7
Statement of Financial Activities	8
Balance Sheet	9
Statement of Cash Flows	10
Notes to the Financial Statements	11-17
Extra-statutory information	
Detailed Income and Expenditure Account	18-19

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

REPORT OF THE COUNCIL MEMBERS

The Council Members have pleasure in presenting their report and the financial statements of the charity for the year ended 31st March 2018. This report serves the purposes of both a Trustees' Report and a Director's Report under company law.

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

Reference and administrative information

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

Council Members

The following members served during the year:

J Blanchard	P K Bristow (resigned 13 September 2017)
Mrs H Chipperfield	I Corby (Vice Chairman)
Mrs K R Howells	A R Passmore (Chairman)
J H Pike (Honorary Treasurer)	D Wightman

Key Management Personnel

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

Bankers

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

Auditors

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

Solicitors

Wellers
Tenison House
Tweedy Road
Bromley
Kent BR1 3NF

Registered Office

Joseph House
1 Bury Mead Road
Hitchin
Herts SG5 1RT

Investment advisors

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

Structure, Governance and Management

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

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

REPORT OF THE COUNCIL MEMBERS (continued)

Appointment and induction of Council Members

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

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

Risk assessment policy

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

The Council members consider the principal risks and uncertainties facing the charity and have plans and strategies for managing events that might otherwise disrupt the work of the Society.

Organisational policy

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

The key management personnel of the charity as listed on page 1 are in charge of directing, controlling, running and operating the charity. All Council members give of their time freely and no Council member received any remuneration in the year. Details of Council members' expenses and related party transactions are disclosed in Note 5 to the financial statements.

The salaries of all Society personnel are set by a meeting of Council Members in March of each year. The current national financial situation is taken into consideration, along with the Society's income and a comparison with other similar organisations. All key management personnel are treated the same as other employees.

Objectives and activities

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

Policy of the Society

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

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

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

REPORT OF THE COUNCIL MEMBERS (continued)

Public Benefit

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

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

Achievements and performance

Review of operations for the year

During the year 28,945 Testaments have been distributed compared to 20,769 in the preceding year and 1,143 booklets have been distributed compared with 1,184 in the preceding year. (The reason for this decline is that we are engaged in combining both booklets and a leaflet into one publication, and this is still ongoing). In addition, 5,286 CDs containing the Scriptures compared with 6,359 in the previous year.

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

Financial review

The results for the year ended 31st March 2018 are set out in the Statement of Financial Activities on page 8. Net income of £29,507 (2017: net income of £51,506) arose in the year. The Society remains heavily dependent on donations and legacies, the income from which was £543,511 (2017: £478,742). Together with the investment and other income the Society was able to fund its charitable expenditure of £526,577 (2017: £462,358) on charitable activities.

Investment policy

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

Reserves policy

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

At the year end, the charity's unrestricted funds were £2,209,429, of which approximately £1,230,000 were employed in the Society's stock and fixed assets.

The level of free reserves at the year-end was £512,000 more than the £500,000 required by the reserves policy. The Council Members expect this to be utilised in the ongoing work of the Society in the next few years.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES**REPORT OF THE COUNCIL MEMBERS**
(continued)***Plans for the future***

In the year ahead we anticipate:

1. Ordering 5,000 English and 5,000 Hebrew pocket sized New Testaments, 10,000 Hebrew-Romanian New Testaments, 10,000 Russian Bibles, and 25,000 CD-Roms including 5,000 for the armed forces
2. Continuing the digitisation of the Hebrew- Old Testament, which we anticipate will take several years.
3. We shall exhibit the Society Scriptures at the Christian Resources Exhibition at Esher, Surrey in October. Mr Rohan Meyer will represent the Society and report at the International Board of Jewish Missions Annual Conference in June 2018 at Tennessee USA.
4. Personal distribution will continue in north London, Manchester, Hertfordshire, Essex and other places in the UK on a regular basis as distributors come forward.
5. Worldwide distribution will continue through the Society's Representatives in Canada, USA, the Caribbean, Suriname, Brazil, Uruguay, Argentina, South Africa, Israel, India, Australia, New Zealand, Ukraine, Russia, Germany, France, Spain and the Netherlands.
6. The digitisation of all the Society's publications will continue, and completion is expected to take several years. To date the Hebrew-English and Hebrew-French New Testaments have been digitised.
7. Mr Rohan Meyer will visit the Netherlands for attendance and reporting on the work at the annual 'Landdag' (Ascension Day meetings) of 'Israel en de Bijbel'.
8. The Society will investigate the possibilities of employing a full-time Representative in Scotland.
9. The Society will arrange Day Conferences in Auchlochan, Norwich, Blackpool, Normanton, Garvagh, Nottingham, Cambridge, Honiton, Worcester, Birmingham, Tipton, Pontypridd.

Auditors

The directors of the company who held office at the date of approval of this Annual Report as set out above each confirm that:

- so far as they are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware, and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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

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

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

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

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

The Council Members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Small company

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

ON BEHALF OF THE COUNCIL

18th September 2018

A R Passmore

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

Opinion

We have audited the financial statements of The Society For Distributing Hebrew Scriptures (the 'charity') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 council members' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the council members' 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The council members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included with the report of the council members.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the council members

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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

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

5 Robin Hood Lane
Sutton
Surrey
SM1 2SW

18th September 2018

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES (company number 503177)

STATEMENT OF FINANCIAL ACTIVITIES
(including income & expenditure account)
FOR THE YEAR ENDED 31ST MARCH 2018

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>2018 Total</i>	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>2017 Total</i>
<i>Note</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Income from:						
Donations	425,159	1,000	426,159	393,864	150	394,014
Legacies	117,352	-	117,352	84,728	-	84,728
Investments	9,468	-	9,468	9,737	-	9,737
Other income	<u>4,216</u>	<u>-</u>	<u>4,216</u>	<u>2,019</u>	<u>-</u>	<u>2,019</u>
Total income	<u>556,195</u>	<u>1,000</u>	<u>557,195</u>	<u>490,348</u>	<u>150</u>	<u>490,498</u>
Expenditure on:						
Raising funds:						
Investment management	1,131	-	1,131	1,090	-	1,090
Charitable activities:						
Production & distribution	4 368,892	-	368,892	301,001	-	301,001
Dissemination of religious knowledge	4 <u>157,665</u>	<u>-</u>	<u>157,665</u>	<u>161,357</u>	<u>-</u>	<u>161,357</u>
Total expenditure	<u>527,688</u>	<u>-</u>	<u>527,688</u>	<u>463,448</u>	<u>-</u>	<u>463,448</u>
Net gains on investments	<u>4,249</u>		<u>4,249</u>	<u>24,456</u>	<u>-</u>	<u>24,456</u>
Net income	32,756	1,000	33,756	51,356	150	51,506
Transfers between funds	<u>1,000</u>	<u>(1,000)</u>	<u>-</u>	<u>150</u>	<u>(150)</u>	<u>-</u>
Net movement in funds	33,756	-	33,756	51,506	-	51,506
Reconciliation of funds						
Funds brought forward	<u>2,209,429</u>	<u>-</u>	<u>2,209,429</u>	<u>2,157,923</u>	<u>-</u>	<u>2,157,923</u>
Funds carried forward	<u>2,243,185</u>	<u>-</u>	<u>2,243,185</u>	<u>2,209,429</u>	<u>-</u>	<u>2,209,429</u>

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

BALANCE SHEET
AT 31ST MARCH 2018

	Note	2018		2017	
		£	£	£	£
Fixed assets					
Tangible assets	6		692,440		715,796
Investments	7		<u>361,584</u>		<u>356,691</u>
			1,054,024		1,072,487
Current assets					
Stocks	8	537,647		602,647	
Debtors	9	30,762		36,281	
Cash at bank and in hand		<u>631,722</u>		<u>511,825</u>	
		1,200,131		1,150,753	
Creditors: Amounts falling due within one year	10		<u>10,970</u>		<u>13,811</u>
Net current assets			<u>1,189,161</u>		<u>1,136,942</u>
Total assets less current liabilities			<u>2,243,185</u>		<u>2,209,429</u>
Represented by:					
Unrestricted funds	11				
General fund (including revaluation Reserve of £35,175 (2017: £31,135))		1,013,098		890,986	
Fixed Asset fund		692,440		715,796	
Stock Reserve		<u>537,647</u>		<u>602,647</u>	
			2,243,185		2,209,429
Restricted funds	12		<u>-</u>		<u>-</u>
			<u>2,243,185</u>		<u>2,209,429</u>

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

The financial statements were approved by the Council on 18th September 2018 and signed on its behalf by:

A R Passmore

Honorary Chairman

Company number 503177

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31ST MARCH 2018

	2018		2017	
	£	£	£	£
Cash provided by operating activities (see below)		112,116		65,868
Cash flows from investing activities				
Interest and dividends received	9,468		9,737	
Payments for fixed asset additions	(1,043)		(3,968)	
Payments for investment additions	(6,743)		-	
Proceeds on investment disposals	<u>6,099</u>		<u>-</u>	
Cash provided by investing activities		<u>7,781</u>		<u>5,769</u>
Net cash inflow/(outflow)		119,897		71,637
Cash and cash equivalents at 1 April 2017		<u>711,825</u>		<u>640,188</u>
Cash and cash equivalents at 31 March 2018		<u>831,722</u>		<u>711,825</u>
Cash flows from operating activities				
Net income for the year		33,756		51,506
Interest and dividends included in investing activities	(9,468)		(9,737)	
Depreciation	24,399		24,430	
Net (gains)/losses on investments	(4,249)		(23,366)	
(Increase)/decrease in stocks	65,000		(35,087)	
Decrease in debtors	5,519		50,287	
Increase/(decrease) in creditors	<u>(2,841)</u>		<u>7,835</u>	
Cash provided by operating activities		<u>112,116</u>		<u>65,868</u>

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2018

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:

(a) **Accounting convention**

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

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

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

(b) **Going concern**

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

(c) **Tangible fixed assets**

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

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

Freehold land is not depreciated.

(d) **Stocks**

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

(e) **Debtors**

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

(f) **Cash and cash equivalents**

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

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018
(continued)

- (g) **Creditors and provisions**
Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.
- (h) **Financial instruments**
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.
- (i) **Taxation**
The Society is a registered charity which renders its income exempt from UK corporation tax.
- (j) **Income**
Voluntary income and donations (including legacies) are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.
- (k) **Expenditure**
Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities. It includes both costs that are directly attributable to such activities and those costs of an indirect nature necessary to support them. Support costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect use of the resources. Costs relating to a particular activity are allocated directly, other costs are apportioned on an estimated usage. Salary is split 70:30 between production and distribution and dissemination of religious knowledge respectively.
- (l) **Investments**
Investments are stated at the mid-market price ruling at the balance sheet date which gives rise to unrealised gains and losses which are included in the statement of financial activities. Investment income and its related tax credit is stated on a receivable basis. Realised gains and losses arising on disposal of investments are separately identified in the Statement of Financial Activities.
- (m) **Funds**
The nature and purposes of the designated and restricted funds are explained in notes 11 and 12.
- (n) **Intangible income**
No value has been placed on the support given to the Society by way of unpaid voluntary assistance.
- (o) **Pension costs**
Pension costs are charged in the period in which they are payable to the pension scheme.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018
(continued)

2 INVESTMENT INCOME

	Unrestricted Funds £	Restricted Funds £	2018 £	2017 £
UK equities	6,825	-	6,825	5,068
Deposit interest	2,643	-	2,643	4,669
	<u>9,468</u>	<u>-</u>	<u>9,468</u>	<u>9,737</u>

3 EMPLOYEE INFORMATION AND RELATED PARTIES

	2018 £	2017 £
Salaries	204,369	193,770
Social security costs	16,277	15,144
Other pension costs	<u>13,265</u>	<u>10,544</u>
	<u>233,911</u>	<u>219,458</u>

There were no individual staff whose emoluments exceeded £60,000 during the year (2017: none).

The average number of persons employed during the year were:	2018 No	2017 No
Administration	4	4
Distribution	2	2
Dissemination	<u>3</u>	<u>3</u>
	<u>9</u>	<u>9</u>

Contributions by the employer towards money purchase pension schemes were made in respect of 7 employees (2017: 5). The assets of the scheme are held separately from those of the company in independently administered funds. The pension cost and charge represents contributions payable by the company to the funds. At 31st March 2018 no contributions were payable to the funds (2017: £nil).

No Key Management Personnel other than Mr Eric Browning received remuneration from the society, but some did receive reimbursement for expenses actually incurred in attending meetings. The gross amount reimbursed in respect of attendance at meetings and telephone expenses in the year was £1,448 (2017: £600) for 2 Council Members (2017: 3).

Remuneration of £35,755 was paid to Mr Eric Browning during the year.

Total unrestricted donations received from Council Members during the year were £12,315 (2017: 12,503).

Geraint Howells, the husband of trustee Mrs K R Howells, received a salary of £25,228 (2017: 20,994).

There were no other related party transactions during the year.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018
(continued)

4 CHARITABLE EXPENDITURE

	Direct costs £	Support costs £	2018 Total £	2017 Total £
<u>Production and distribution</u>				
Testament costs	104,363	-	104,363	76,088
Salaries	69,140	35,407	104,547	100,818
Distribution	71,849	-	71,849	64,898
Depreciation	-	24,397	24,397	24,428
Repairs and renewals	-	32,527	32,527	3,766
Computer expenses	-	3,087	3,087	2,290
Conferences and advertising	-	4,535	4,535	3,275
Travel and subsistence	-	4,757	4,757	6,125
Other production costs	11,547	-	11,547	12,773
Audit and accountancy	-	2,799	2,799	3,111
Other governance costs	-	4,484	4,484	3,429
	<u>256,899</u>	<u>111,993</u>	<u>368,892</u>	<u>301,001</u>
<u>Dissemination of religious knowledge</u>				
Salaries	110,318	15,174	125,492	115,421
Travel and meeting expenses	11,325	-	11,325	11,348
Vehicle running expenses	1,506	-	1,506	1,260
Magazine costs	7,170	-	7,170	7,366
Bookfairs and exhibitions	80	-	80	4,762
Stationery and printing	-	2,773	2,773	3,884
Bank charges	-	888	888	828
General expenses	-	2,991	2,991	1,325
Legal and professional	-	2,318	2,318	12,361
Audit and accountancy	-	1,200	1,200	1,333
Other governance costs	-	1,922	1,922	1,469
	<u>130,399</u>	<u>27,266</u>	<u>157,665</u>	<u>161,357</u>
<u>Total resources expended</u>	<u>387,298</u>	<u>139,259</u>	<u>526,557</u>	<u>462,358</u>

Testament costs represent the cost of scriptures granted to individuals.

Total governance costs for the year totalled £10,405 (2017: £9,342).

5 NET INCOME/(EXPENDITURE)

2018
£

2017
£

The net income/(expenditure) is stated after charging the following expenses:

Depreciation		24,399	24,430
Auditors' remuneration (including VAT):	for audit services	2,500	2,500
	for accountancy services	<u>1,900</u>	<u>1,900</u>

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018
(continued)

6 TANGIBLE FIXED ASSETS

	<i>Freehold property</i>	<i>Equipment</i>	<i>Furniture and and fittings</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£	£
Cost					
At 1st April 2017	823,122	87,153	51,623	17,510	979,408
Additions	-	-	1,043	-	1,043
Disposals	-	-	-	-	-
At 31st March 2018	<u>823,122</u>	<u>87,153</u>	<u>52,666</u>	<u>17,510</u>	<u>980,451</u>
Depreciation					
At 1st April 2017	130,372	75,030	49,455	8,755	263,612
Provision for the year	13,542	5,850	630	4,377	24,399
Disposals	-	-	-	-	-
At 31st March 2018	<u>143,914</u>	<u>80,880</u>	<u>50,085</u>	<u>13,132</u>	<u>288,011</u>
Net book value					
At 31st March 2018	<u>679,208</u>	<u>6,273</u>	<u>2,581</u>	<u>4,378</u>	<u>692,440</u>
At 31st March 2017	<u>692,750</u>	<u>12,123</u>	<u>2,168</u>	<u>8,755</u>	<u>715,796</u>

7 INVESTMENTS

	2018	2017
	£	£
Long term investments		
Market value at 1st April 2017	156,691	133,325
Additions	6,743	-
Disposal	(5,983)	-
Net unrealised quoted investment gains/(losses)	4,133	23,366
Market value at 31st March 2018	<u>161,584</u>	<u>156,691</u>
Long term bank and building society deposits	<u>200,000</u>	<u>200,000</u>
	<u>361,584</u>	<u>356,691</u>
The market value comprises:		
Historical cost of investments at 31 March 2018	126,409	125,556
Accumulated unrealised gains	<u>35,175</u>	<u>31,135</u>
	<u>161,584</u>	<u>156,691</u>

Within these investments are the following whose market values as at 31st March 2018 are considered to be material:

Scottish American	<u>42,263</u>
Royal Dutch Shell plc	<u>58,071</u>

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018
(continued)

8 STOCKS

	2018 £	2017 £
Stocks	<u>537,647</u>	<u>602,647</u>

Stocks consist of Testaments, Religious Booklets and CD-ROMs for distribution.

9 DEBTORS

	2018 £	2017 £
Income tax recoverable	11,489	13,266
Prepayments and accrued income	7,034	3,604
Other debtors	<u>12,239</u>	<u>19,411</u>
	<u>30,762</u>	<u>36,281</u>

10 CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	5,887	5,484
Other creditors	364	3,762
Accrued expenses	<u>4,719</u>	<u>4,565</u>
	<u>10,970</u>	<u>13,811</u>

11 UNRESTRICTED FUNDS

	Balance at 1 April 2017 £	Net Income £	Revaluation £	Transfers £	Balance at 31 March 2018 £
General Fund	890,986	28,507	4,249	89,356	1,013,098
Designated Funds					
Fixed Asset Fund	715,796	-	-	(23,356)	692,440
Stock Reserve	<u>602,647</u>	-	-	<u>(65,000)</u>	537,647
	<u>2,209,429</u>	<u>28,507</u>	<u>4,249</u>	<u>1,000</u>	2,243,185

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

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2018
(continued)

12 RESTRICTED FUNDS

	Balance at 1 April 2017 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 March 2018 £
Building Fund	-	1,000	-	(1,000)	-
	<u>-</u>	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>	<u>-</u>

The Building fund relates to donations given in order to purchase an additional building for the Society. The transfer to General Fund has been made following completion of this transaction.

13 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 March 2018 are represented by:

	Fixed assets £	Investments £	Current assets £	Current liabilities £	Total £
General fund	-	361,584	662,484	(10,970)	1,013,098
Designated Funds					
Fixed asset fund	692,440	-	537,647	-	1,230,087
Restricted Funds					
Building fund	-	-	-	-	-
	<u>692,440</u>	<u>361,584</u>	<u>1,200,131</u>	<u>(10,970)</u>	<u>2,243,185</u>

14 COMPANY STATUS

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

15 CAPITAL COMMITMENTS

There were no capital commitments as at the 31 March 2018.

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2018

INCOME	2018	2017
	£	£
General donations		
Donations – non personal	187,585	170,963
Donations – personal (Gift Aid)	96,559	96,676
Gift Aid Recoverable	<u>24,234</u>	<u>25,015</u>
	<u>308,378</u>	<u>292,654</u>
Donations received through representatives		
Northern Ireland	108,040	95,564
England & Wales	<u>9,741</u>	<u>5,796</u>
	<u>117,781</u>	<u>101,360</u>
Legacies	<u>117,352</u>	<u>84,728</u>
Other income		
Stamps for testament	<u>4,216</u>	<u>2,019</u>
Investment income		
Listed investments	6,825	5,068
Interest received	<u>2,643</u>	<u>4,669</u>
	<u>9,468</u>	<u>9,737</u>
Total income	<u>557,195</u>	<u>490,498</u>
EXPENDITURE		
Testaments distributed at cost		
Stocks at 1st April 2017	602,647	567,560
Purchases	39,363	111,175
Stocks at 31st March 2018	<u>(537,647)</u>	<u>(602,647)</u>
	<u>104,363</u>	<u>76,088</u>
Production cost		
Salaries and pensions	104,547	100,818
Travel and subsistence	4,757	6,125
Rent and rates	4,167	4,530
Depreciation	24,397	24,428
Heat and light	2,018	2,048
Computer expenses	3,087	2,290
Repairs and renewals	32,527	3,766
Insurance	5,362	6,195
Conferences and advertising	<u>4,535</u>	<u>3,275</u>
	<u>185,397</u>	<u>153,475</u>
<i>Carried forward</i>	289,760	229,563

THE SOCIETY FOR DISTRIBUTING HEBREW SCRIPTURES

INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST MARCH 2018
(continued)

EXPENDITURE (continued)	2018	2017
	£	£
<i>Brought forward</i>	289,760	229,563
Distribution costs		
Carriage and packing	25,894	26,593
Postage	44,984	37,361
Telephone	<u>971</u>	<u>944</u>
	<u>71,849</u>	<u>64,898</u>
Dissemination of religious knowledge		
Salaries and pensions	125,492	115,421
Travel and meeting expenses	830	297
Vehicle running costs	1,506	1,260
Representatives	10,495	11,051
Legal and professional	2,318	12,361
Magazine	7,170	7,366
Book fair & exhibitions	80	4,762
General expenses	2,991	1,325
Stationery and printing	2,773	3,884
Bank charges	<u>888</u>	<u>828</u>
	<u>154,543</u>	<u>158,555</u>
Governance costs		
Office salaries and pensions	3,870	3,220
Audit and accountancy fees	3,999	4,444
Travel and subsistence	1,566	708
Hospitality	<u>970</u>	<u>970</u>
	<u>10,405</u>	<u>9,342</u>
Investment management costs	<u>1,131</u>	<u>1,090</u>
Total expenditure	<u>527,688</u>	<u>463,448</u>
Net gains on investments	<u>4,249</u>	<u>24,456</u>
Net income for the year	<u>33,756</u>	<u>51,506</u>