

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

Annual report and consolidated financial statements
for the year ended 31 December 2017

Company number: 00699764

Charity number: 242451

Charity number (OSCR): SC045978

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

Index to Annual report and financial statements

	Page
Report of the trustees	2-17
Independent auditor's report	18-20
Consolidated statement of financial activities	21
Consolidated balance sheet	22
Consolidated statement of cash flows	23
Notes to the financial statements	24-38

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

The trustees are pleased to present their report together with the audited financial statements of The Church of Jesus Christ of Latter-day Saints (Great Britain) ("Charity") for the year ended 31 December 2017.

Legal and administrative details

Charity numbers: 242451 (Charity Commission), SC045978 (OSCR)

Company number: 00699764

Principal office and registered office: 187 Penns Lane, Sutton Coldfield, B76 1JU

Auditors: Grant Thornton UK LLP
The Colmore Building
20 Colmore Circus
Birmingham B4 6AT

Bankers: HSBC
34 Poplar Road, Solihull, West Midlands, B91 3AF
Citibank
CitiGroup Centre, 33 Canada Square, London, E14 5LB

Solicitors: Devonshires
30 Finsbury Circus, London, EC2M 7DT
Daniel Clifford Law Limited
76 Caledonian Road, London, England N1 9DN

Directors, trustees and senior management:

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

The trustees serving during the year were as follows:

Brian Cordray

Matthew Robertson

Axel Leimer (Resigned 09 Apr 2018)

Luis Santos (Appointed 11 Apr 2018)

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

Area controller

Richard Smith

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Structure, governance and management

Governing document

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

Appointment of trustees

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

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

Trustee induction and training

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

During the induction day, they meet key employees and other trustees. Trustees are updated and advised on legal issues by Devonshires and, effective 1 May 2017, Daniel Clifford Law Limited solicitors.

The next induction and training day is scheduled for in or around October 2018.

Organisation

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

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

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

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Structure, governance and management (continued)

The Charity also administers operations in France, where a formal branch was officially registered on 15 January 2018.

Within this framework, the board of trustees administers the affairs of the Charity. The board meets at least once a year. In or around October each year, the Finance department reports to the trustees on the prior year's financial performance and achievements as outlined from annual reports submitted by department heads. Trustees participate in the setting of budgets for the following year which are monitored via delegation of the trustees to the Europe Area budgeting team.

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

Employees

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

- Applications for new positions in the Charity are invited from anyone with the relevant qualifications. The key selection emphasis is on the applicants' ability to meet the requirements of the position with reference to qualifications and prior experience.
- The Charity strives to maintain a workplace that fosters mutual employee respect and promotes harmonious, productive working relationships. The Charity prohibits discrimination and harassment that is sexual, racial, or related to a person's gender, national origin, age, disability or any other legally protected characteristics.
- The Charity utilises regular "Voice of the Workforce" surveys, which helps to ensure that the employees' input is received regarding any decisions which affect their interests. In addition, there are websites and e-mail facilities available to enable more effective communication and training. This helps to ensure that employees receive systematic updates on matters concerning them as employees and ensures their involvement in relation to the financial and economic factors that affect the performance of the Charity.

- The Charity is mindful of the need to cater for those with illnesses, medical conditions or disabilities.
The Charity conducts its application and interview processes so that there will be an equal opportunity for employment consideration of all individuals with a disability who meet the skill, experience, education, and other requirements for the desired position.
The Charity will make reasonable adjustments to allow qualified applicants with a disability to participate in the application process. A qualified individual with a disability will be given the opportunity to explain or demonstrate his or her ability to perform the essential functions of the desired position.

Where any employees become incapacitated during their employment they are entitled to receive long-term disability benefits from the Charity.

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

On training and career development issues, there is no distinction made between disabled and non-disabled employees. The same opportunities are available to all staff, irrespective of disability. The key emphasis is on the technical ability of each employee.

Related parties

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

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

Objectives and activities

The Europe Area Presidency, based in Germany, presented the 2017 Europe Area Plan consisting of 3 initiatives – 1) Bring a Friend; 2) Become Spiritually and Temporally Self-Reliant; and 3) Find an Ancestor. The Charity has the general aim of assisting the Church to fulfil these goals which grow its membership and to provide facilities for them. It also reaches out and works with, and provides services to, the wider community. The Charity assists members of the Church and others in need of religious assistance or in conditions of need, hardship, sickness or distress.

The object of the Charity is:

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

The Charity achieves its objective and supports the Europe Area Plan in the following ways:

Provision of facilities for religious worship

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

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

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Objectives and activities (continued)

Religious education

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

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

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

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

Religious materials

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

Missionary work

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

Family history

The Church places great religious significance on tracing family history. Within the community there is also a wide interest in genealogy. The Charity continues to be committed to improving facilities within its Family History Centres throughout the United Kingdom especially concerning repurposing areas previously used for microfilm equipment and adding new equipment.

Microfilm and microfiche circulation was discontinued in September 2017. It is the worldwide Church's intent to digitise all records and provide digital access through familysearch.org. Family history research (researching genealogy) remains a major interest and hobby for many people in Great Britain. Online resources, including searchable databases and images of original records, continue to grow at pace. Access is available to the world's largest free genealogy library where more than 20 billion records can be studied.

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

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Objectives and activities (continued)

Family history (continued)

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

Work in the community

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

Public Affairs

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

Encourage welfare principles

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

Public benefit

The trustees will receive training on the guidance on public benefit published by the Charity Commission in exercising their powers and duties, including the supplementary public benefit guidance for charities whose aims include advancing religion. This training is next planned to take place in or around October 2018.

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Strategic Report

Achievements and performance

Membership

Church membership in the United Kingdom stood at 186,839 at 31 December 2017 (2016: 185,848). In Scotland alone, total membership counted at 13,912 at 31 December 2017 (2016: 15,557).

Provision of facilities for religious worship

At the year-end, in the United Kingdom, there were 45 Stakes comprising 282 Wards and 45 Branches (2016: 45 Stakes, 286 Wards, 48 Branches). In Scotland alone, there were 5 Stakes comprising 26 Wards and 13 Branches (2016: 5 Stakes, 26 Wards, 13 Branches). At the year-end, the Charity owned 272 (2016: 273) meetinghouses accommodating the Wards and Branches. For those congregations not yet qualifying for a purpose-built meetinghouse, facilities were either leased or rented to accommodate such units of the Church. During 2017, the Charity leased or rented 23 premises (5 in Scotland) to house Wards and Branches that do not yet qualify for their own meetinghouse.

In 2017 the following building-related costs were incurred:

Meetinghouse Addition Projects

1. Completed in 2017 – Bracknell, Oxford, St. Albans, Watford	£ 747,774
2. Design started in 2017 – Hull 1, Inverness, Lincoln, Peterborough	£ 64,368
3. Construction completed (but still in defects liability period) in 2017 - Runcorn	£ 189,009
Total	£ 1,001,151

Meetinghouse Replacement and Improvement (R&I) Projects

173 meetinghouse R&I projects were completed in 2017	£ 3,424,731
Total	£ 3,424,731

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

Meetinghouse Operations – the cost to operate and maintain meetinghouses

	31 December 2017	31 December 2016
Operational costs include: Cleaning, Minor Maintenance, Grounds Care, Phone, Utilities, Administration Costs and Rent. Total operational square feet = 2,374,530	£ 12,903,722	£ 11,259,704

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Achievements and performance (continued)

Missionary work

During 2017 there were 1,494 convert baptisms in the United Kingdom of which 176 were recorded in Scotland. The Charity continues to assist with the funding of missionary programmes.

In all, there are currently 6 missions in the United Kingdom (1 in Scotland). Each mission has a financial secretary to administer the financial matters of that mission. In addition, there is administrative support given from the head office at 751 Warwick Road, Solihull and Area office located in Porthstraße 5-7, Frankfurt, Germany. In an effort to reduce cost and simplify missionary coordination, the England London South mission was closed in July 2018 with all missionaries within its boundaries being placed under the coordination of neighbouring missions.

Overall, the missionary programme for 2017 finished within budget. Costs directly associated with the programme amounted at £9,376,452 in 2017 (2016: £8,903,379). The increase is attributable to a general increase in cost of living resulting in higher rent expense, food and transportation costs.

Family History

In the United Kingdom the Charity now has 117 (2016: 113) Family History Centres operating at the year-end. The Family History Centres opened during the year are located in Banbury, Glenfield, Guernsey and Nuneaton. These research facilities are used extensively by members of the public, with approximately 70% of patrons not being members of the Church.

Achievements in Family History during 2017 were:

- Participated in the "Who Do You Think You Are?" event at the Birmingham NEC at which more than 15,000 visitors attended. Also participated in, or sponsored local units to participate in, 45 other Family History fairs in the UK.
- 39 volunteers (Church-service missionaries – 'CSM') work in the FamilySearch Support EMEA Contact Centre – the online and phone helpdesk. In 2017 they handled about 33,000 cases, which included emails, phone calls and live chats.
- Imaged and replaced 96 Family History Centre personal computers.
- During 2016, efforts continued to increase the numbers of volunteers working to index family history records online, through FamilySearch Indexing with over 5,321,939 names indexed or arbitrated. At year-end, there were 3,077 Church member indexers in place, with a significant additional number of non-member indexers.
- Provided webinar presentations from the main Family History Library to Church and community groups.
- Maintained an average of 2,000 non-members per month using our Family History Centres.
- Four full-time employees supported by missionaries (both full-time and CSMs) captured 1,197,076 images. This equates to possibly 8,000,000 records (individual names).

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

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Achievements and performance (continued)

Welfare principles

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

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

Self-Reliance Services

Self-Reliance Services focuses on providing resources, to members and leaders of the Church and the general public, such as Internet access and mentoring to job seekers, the self-employed, and prospective students. Courses such as how to start or grow a business, how to find employment, how to gain a good education, how to manage personal finances and networking have been held, across the UK, in 85 Devotionals (2,105 participants were in attendance), 134 Self-Reliance Groups (with 908 participants) and 1 Careers Fair (with 65 participants). In Scotland alone, 14 Devotionals (with 234 participants) and 27 Self-Reliance Groups (with 203 participants) were held in 2017.

Work in the community

During 2017 The Charity undertook the following major community initiatives:

Mormon Helping Hands

Mormon Helping Hands is a Church outreach programme to provide community service and relief to those in need, including in association with other faiths. Over 20,000 hours were donated across the UK during 2017.

Work in the community (continued)

The British Pageant, 'Truth Will Prevail'

The pageant, which last took place in 2013, again took place during 2017 on the grounds neighbouring the Preston England Temple in Chorley, Lancashire. Performances were attended by over 15,000 visitors including dignitaries from national and local government as well as interfaith leaders and academics.

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Achievements and performance (continued)

NHS Blood and Transplant / The Scottish National Blood Transfusion Service

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

Community Outreach and Interfaith Outreach

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

April: Goodwill reception

His Excellency Ivan Romero-Martinez, Honduras Ambassador to London, co-hosted a goodwill reception for diplomats at London's Brigham Young University (BYU) Centre in association with Public Affairs and BYU representatives.

September: AMAR Religious Freedom Conference

Baroness Emma Nicholson chaired a religious freedom conference at Windsor hosted by the AMAR international charitable foundation. Elder Jeffrey R Holland addressed the topic of the Church's return from exile and gradual assimilation into the American mainstream. Sharon Eubank of the Relief Society General Presidency also addressed the conference on the topic of refugees.

October: Interfaith efforts

The All-Party Parliamentary Group for International Freedom of Religion or Belief launched a new report at Parliament to mark International Freedom of Religion or Belief Day on 27th October. The Church is a fully-committed stakeholder of this Group and was referenced in the report.

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

The Church continues to be an active and significant supporter of the Poppy Appeal – volunteers from the majority of the Church's 45 stakes in Great Britain participated during 2017.

November: Interfaith efforts

Outstanding global faith pioneers Trishna Singh OBE and Dr Maureen Sier were honoured at the 2017 Scottish Interfaith Awards held at the Scottish Parliament, Edinburgh, sponsored by the Church.

December: Interfaith efforts

Sharon Eubank, Director of LDS Charities, participated in a roundtable discussion on religious persecution held in London, hosted by HRH Prince Charles.

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Financial review

Each year the trustees carry out a review of departmental performance in the Charity. They review the previous year's achievements and suggest additional performance measures as necessary to achieve the next year's desired results within the approved budgets.

The end of the year saw a weaker financial result than the previous year, even based on strong financial management.

Costs were maintained within budget although there was an increase in the total resources expended. The costs increased from £44,964,000 in 2016 to £48,864,000 in 2017. This was primarily due to an increase of approximately £3 million in physical facility expenditure, in connection with an increase in repairs and improvement projects. There was also an increase in restricted funds' expenditure from £10,699,000 in 2016 to £11,264,000 in 2017, in connection with missionary work.

Incoming resources saw a slight increase from £39,000,000 in 2016 to £39,274,000 in 2017. This was primarily due to an increase in Insurance recoveries and risk management reimbursements due to car accidents and building damages.

The other incoming resources were donations from Church members (£34,812,000) and incoming resources from charitable activities (£1,022,000).

Resources expended exceeded incoming resources for the year by £9,590,000 although this can be offset by the defined benefit scheme's actuarial gain of £6,651,000 in the year.

The Charity's wholly-owned trading subsidiary, OHL, has continued to seek to obtain planning and building permission with the regulatory bodies for an owned property situated in London.

Investment powers and policy

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

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

Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the Charity ought to have ready access to. Reserves are needed to bridge any funding gap between spending and receiving resources through shareholder grants and member donations. The trustees' policy is to hold, as a minimum, the equivalent of no more than 12 months of net charitable expenditure in reserves (£2,291,000).

The total charity funds at 31 December 2017 were £275,001,000 although it should be noted that £282,371,000 of this amount is not freely available as it has been utilised to fund the provision of facilities for religious worship.

In calculating free reserves, the trustees have also excluded from total funds the restricted income funds of £5,264,000. After other allocations are accounted for, the free reserves amount to

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Financial review (continued)

Reserves policy (continued)

£392,000. Whilst this is below the policy target of £2,291,000, the trustees are satisfied that it is within an acceptable range. Furthermore, if ever there was a need for more funds, grants will be provided by The Corporation of the Presiding Bishop of The Church of Jesus Christ of Latter-day Saints in the USA. It is the trustees' view that it is prudent to ensure that there are sufficient reserves to provide financial flexibility. The reserves policy is reviewed on an annual basis.

Plans for the future

Provision of facilities for religious worship

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

Plans for 2018 include the following:

Meetinghouse Addition Projects

The following meetinghouse addition projects are planned in 2018: Catford, Chester, Inverness, Lincoln, Peterborough	£ 2,167,647
Total	£ 2,167,647

Meetinghouse Replacement and Improvement Projects

156 meetinghouse R&I projects are planned in 2018	£ 4,303,384
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Meetinghouse Operations – the cost to operate and maintain meetinghouses in 2018

Operational costs include: Cleaning, Minor Maintenance, Grounds Care, Phone, Utilities, Administration Costs and Rent. Total estimated operational square feet = 2,374,530	£ 9,130,000
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Religious materials

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

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Missionary work

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

Plans for the future (continued)

Family History

Plans for 2018 in Family History encompass the following:

- Full-time employees will reduce to 3.
- Goal for new image capture is 1,200,000 (or 7,000,000 records).
- Goal for renegotiated images is 2,000,000 (or 10,000,000 records).
- Goal of five new affiliate projects to spread costs for The Church, but allowing the flow of records to the web to increase.
- Create relationships with archives allowing field scanning of microfilm thus reducing costs to The Church.
- Work alongside Family History Patron Services to increase member involvement in name submissions by increased publication of records.

Work in the community

Working through the Public Affairs Department, the Charity will continue its efforts in 2018 as follows:

- The All-Party Parliamentary Group on International Freedom of Religion or Belief: the Church will continue to be a fully-committed stakeholder of this Group.
- Women's international interfaith conference in Newport, Wales
- JustServe community service programmed (pilot in Leeds and in Scotland)
- Royal British Legion Poppy Appeal / Poppy Scotland.
- National Parliamentary Prayer Breakfast, Houses of Parliament: the Church will be represented at this event.
- Continued outreach to community groups and opinion leaders (including interfaith, academic and business groups).
- Interfaith Awards/Family Values Awards.
- Mormon Helping Hands projects nationwide.
- Support for NHS Blood and Transplant / The Scottish National Blood Transfusion Service.

Welfare principles

Self-Reliance Services will continue to establish, during 2018, local resource centres and Self-Reliance Workgroups to facilitate placements in employment and pursuits of self-employment and education opportunities. This will be achieved by identifying potential partners and local community resources as well as a new emphasis on setting up online groups allowing those who cannot join a group at a physical location to be able to access these same resources remotely.

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Principal risks and uncertainties

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

Financial and risk management

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

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

The trustees have a risk management strategy which encompasses:

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

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

Report of the trustees (incorporating the strategic report) for the year ended 31 December 2017

Trustees' responsibilities statement

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under Company Law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP (FRS102);
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's and group's transactions and disclose with reasonable accuracy, at any time, the financial position of the charitable company and the group and enables them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and the provision of the trust deed. The trustees are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

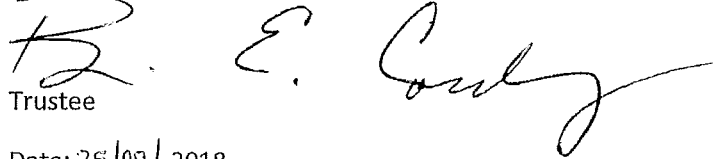
- so far as each trustee is aware there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that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

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

**Report of the trustees (incorporating the strategic report)
for the year ended 31 December 2017**

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

Brian E. Cordray


Trustee

Date: 25/09/2018

Company number: 00699764

Independent auditor's report to the members and trustees of The Church of Jesus Christ of Latter-Day Saints

We have audited the financial statements of The Church of Jesus Christ of Latter-day Saints (the 'charitable company') for the year/period ended 31 December 2017 which comprise the Statement of Financial Activities (including income & expenditure), the balance sheet, the statement of cash flows, the accounting policies and related notes. 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 31st December 2017 and of its incoming resources and application of resources including, its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that Act. 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.

Who we are reporting to

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. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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 charitable company'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.

Independent auditor's report to the members and trustees of The Church of Jesus Christ of Latter-Day Saints

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Report of the Trustees, set out on pages 2 to 38 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Strategic Report and Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Report of the Trustees.

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 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit [**]; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Report of the Trustees.

Responsibilities of trustees for the financial statements

As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such

Independent auditor's report to the members and trustees of The Church of Jesus Christ of Latter-Day Saints

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.

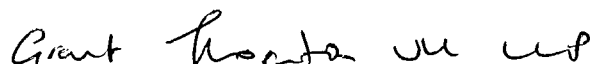
In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



William Devitt
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Birmingham

Date: 26 September 2018

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

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

for the year ended 31 December 2017

	Note	Unrestricted funds £'000	Restricted funds (Note 8) £'000	Total funds 2017 £'000	Total funds 2016 £'000
Income					
Donations	3	31,092	3,720	34,812	34,762
Donation from parent company	19	3,295	-	3,295	3,214
<i>Income from charitable activities:</i>					
Religious media sales		29	-	29	42
Temple income-generating activities		993	-	993	1,050
<i>Other</i>					
Other operating income		234	-	234	-
Investment income		-	-	-	4
Loss on disposal of fixed assets		(89)	-	(89)	(72)
Total income		35,554	3,720	39,274	39,000
Expenditure					
Charitable activities	4a	36,920	11,264	48,184	44,401
Other trading activities		159	-	159	179
Other finance expense		521	-	521	384
Total Expenditure		37,600	11,264	48,864	44,964
Net income/(expenditure)		(2,046)	(7,544)	(9,590)	(5,964)
Transfers between funds		(8,569)	8,569	-	-
Other recognised (losses)/gains					
Actuarial (loss)/gain on defined benefit scheme		6,651	-	6,651	(8,125)
Net movement in funds		(3,964)	1,025	(2,939)	(14,089)
Reconciliation of funds					
Total funds brought forward		263,701	4,239	267,940	282,029
Total funds carried forward		259,737	5,264	265,001	267,940

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

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

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

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

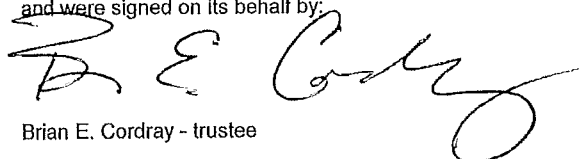
Consolidated and Charity Balance Sheet

as at 31 December 2017

	Note	Group 2017 £'000	Group 2016 £'000	Charity 2017 £'000	Charity 2016 £'000
Fixed assets					
Tangible assets	10	282,371	284,818	272,176	274,912
Total fixed assets		282,371	284,818	272,176	274,912
Current assets					
Stocks	11	77	92	77	92
Debtors	12	1,634	1,858	13,874	14,091
Investments	13	1	1	1	1
Cash at bank and in hand		6,912	12,900	5,945	11,105
Total current assets		8,624	14,851	19,897	25,289
Creditors: Amounts falling due within one year	14	(2,968)	(2,346)	(2,976)	(2,335)
Net current assets		5,656	12,505	16,921	22,954
Net assets excluding pension liability		288,027	297,323	289,097	297,866
Defined benefit pension scheme liability	22	(13,026)	(19,383)	(13,026)	(19,383)
Total net assets		275,001	277,940	276,071	278,483
The funds of the Charity					
Called up share capital	15	10,000	10,000	10,000	10,000
Restricted income funds	9	5,264	4,239	5,264	4,239
		15,264	14,239	15,264	14,239
Unrestricted income funds		272,763	283,084	273,833	283,627
Pension reserve	22	(13,026)	(19,383)	(13,026)	(19,383)
Total unrestricted funds		259,737	263,701	260,807	264,244
Total charity funds	16	275,001	277,940	276,071	278,483

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

The financial statements were approved by the board of trustees on 25 September 2018
and were signed on its behalf by:



Brian E. Cordray - trustee

Company number: 00699764

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

Consolidated and Charity Statement of Cash Flows

as at 31 December 2017

	Note	Group 2017 £'000	Group 2016 £'000	Charity 2017 £'000	Charity 2016 £'000
Cash flows from operating activities	17	(634)	3,885	(462)	1,760
Cash flows from Investing activities					
Interest received		-	4	367	368
Payments to acquire tangible fixed assets		(8,768)	(5,798)	(8,479)	(5,692)
Receipts from sales of tangible fixed assets		3,414	300	3,414	300
Cash flows from investing activities		(5,354)	(5,494)	(4,698)	(5,024)
Cash flows from financing activities		-	-	-	-
Decrease in cash and cash equivalents in the year		(5,988)	(1,609)	(5,160)	(3,264)
Cash and cash equivalents at 1 January		12,900	14,509	11,105	14,369
Total cash and cash equivalents at 31 December		6,912	12,900	5,945	11,105

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

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

Notes to the financial statements

for the year ended 31 December 2017

1 Accounting policies

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

Basis of preparation

The Charity is incorporated in the United Kingdom.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) - (Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

Accounting convention

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

Group financial statements

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

Incoming resources

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

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

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

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

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

Investment income is recognised on an accruals basis.

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

Charitable expenditure and irrecoverable VAT

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

Charitable expenditure comprises expenditure directly relating to the objects of the Charity and expenditure on the management and administration of the Charity. An analysis of these costs are provided in note 3. Expenditure is recognised on an accruals basis.

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

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

Notes to the financial statements

for the year ended 31 December 2017

1 Accounting policies (continued)

Allocation of support costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include staff, travel, general administration, materials and supplies, cost of sales, governance costs which support the Charity programme and activities. The bases on which support costs have been allocated are set out in note 3c.

Stock

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Individual fixed assets costing £5,000 or more are capitalised at cost. Building improvements must satisfy at least one additional criteria from the following: i) complete roof replacement; ii) mechanical systems (e.g. boilers); iii) seismic structural upgrades; iv) structural improvements; and/or v) demolition and reconstruction of interior space if any wall is removed. Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write down each asset to its estimate residual value over its expected useful life as follows:

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

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial Instruments

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

Operating leases

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

Foreign currency translation

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

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

Notes to the financial statements

for the year ended 31 December 2017

1 Accounting policies (continued)

Pension costs

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

Pension costs are accounted for under Financial Reporting Standard (FRS) 102. The disclosures required by Financial Reporting Standard (FRS) 102 are included in the notes to the financial statements (see note 21).

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

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

Fund accounting

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

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

Further explanation of the nature and purpose of each restricted fund is included in the notes to the accounts (see note 8).

Legal status of the Charity

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

2 Prior Year SOFA

	Unrestricted Funds £'000	Restricted Funds £'000	Total Funds 2016 £'000
Income			
Donations	31,142	3,620	34,762
Donation from parent company	3,214	-	3,214
<i>Income from charitable activities:</i>			
Religious media sales	42	-	42
Temple income	1,050	-	1,050
<i>Other</i>			
Other operating income	-	-	-
Investment income	4	-	4
(Loss)/profit on disposal of fixed assets	(72)	-	(72)
Total income	35,380	3,620	39,000
Expenditure			
Charitable activities	33,702	10,699	44,401
Other trading activities	179	-	179
Other finance expense	384	-	384
Total Expenditure	34,265	10,699	44,964
Net income/(expenditure)	1,115	(7,079)	(5,964)
Transfers between funds	(7,982)	7,982	-
Other recognised (losses)/gains			
Actuarial (loss)/gain on defined benefit scheme	(8,125)	-	(8,125)
Net movement in funds	(14,992)	903	(14,089)
Reconciliation of funds			
Total funds brought forward	278,693	3,336	282,029
Total funds carried forward	263,701	4,239	267,940

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

Notes to the financial statements

for the year ended 31 December 2017

3 Donations	2017 £'000	2016 £'000
Unrestricted funds:		
Tithing income	31,092	31,142
Restricted funds:		
Missionary support fund	1,123	1,095
Book of Mormon fund	37	37
Fast offering fund	1,635	1,649
Temple construction fund	80	78
Humanitarian aid fund	555	512
Youth conferences	199	156
Perpetual education fund	91	93
	3,720	3,620

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

4a Analysis of expenditure on charitable activities

Activity	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Provision of worship facilities	27,079	-	27,079	24,041
Religious education	3,722	514	4,236	3,785
Missionary work	857	9,377	10,234	9,790
Temple and Genealogy Work	4,951	-	4,951	5,022
Community projects	310	1,373	1,683	1,763
	36,920	11,264	48,184	44,401

4b Charitable activities allocation

Activity	Activities undertaken directly £'000	Support costs £'000	Total 2017 £'000
Provision of worship facilities	15,109	11,970	27,079
Religious education	514	3,722	4,236
Missionary work	9,377	857	10,234
Temple and Genealogy Work	-	4,951	4,951
Community projects	1,373	310	1,683
	26,373	21,810	48,184

Activity	Activities undertaken directly £'000	Support costs £'000	Total 2016 £'000
Provision of worship facilities	12,164	11,877	24,041
Religious education	311	3,474	3,785
Missionary work	8,922	868	9,790
Temple and Genealogy Work	-	5,022	5,022
Community projects	1,466	297	1,763
	22,863	21,538	44,401

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

Notes to the financial statements (continued)

for the year ended 31 December 2017

4c Support costs allocation

Support cost	Provision of worship facilities £'000	Religious Education £'000	Missionary work £'000	Genealogy work £'000	Community projects £'000	Total 2017 £'000
Staff costs	3,120	2,922	673	3,887	243	10,845
Travel	242	227	52	302	19	843
General administration	386	361	83	481	30	1,342
Materials and supplies	58	54	13	72	5	201
Depreciation	7,997	-	-	-	-	7,997
Governance	14	13	3	18	1	50
Cost of sales	153	143	33	191	12	532
	11,970	3,722	857	4,952	310	21,810

Support cost	Provision of worship facilities £'000	Religious Education £'000	Missionary work £'000	Genealogy work £'000	Community projects £'000	Total 2016 £'000
Staff costs	3,305	2,771	692	4,006	237	11,011
Travel	227	191	48	276	16	758
General administration	399	334	84	484	29	1,330
Materials and supplies	59	50	12	71	4	196
Depreciation	7,735	-	-	-	-	7,735
Governance	14	12	3	17	1	47
Cost of sales	138	116	29	168	10	461
	11,877	3,474	868	5,022	297	21,538

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

5 Net income/(expenditure) for the year

	2017 £'000	2016 £'000
Net income/(expenditure) is stated after (crediting)/charging:		
Operating leases (land and buildings)	7,130	6,998
Depreciation	7,997	7,735
Auditor's remuneration - Audit	41	49
Auditor's remuneration - Non-audit	7	-
Loss/(profit) on disposal of fixed assets	89	72

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

Notes to the financial statements (continued)

for the year ended 31 December 2017

6 Employees' and trustees' remuneration

The key management personnel, the trustees and the Area Controller, who served during the year ended 31 December 2017, received no remuneration from the Charity (2016: none). Additionally, no reimbursement for expenses incurred during the year was made to the mentioned key management figures (2016: none).

	2017	2016
	No.	No.
The average monthly number of persons (including directors) employed by the company during the year was:		
Teaching function	37	39
Office administration	160	160
Building cleaners	39	38
	236	237

	2017	2016
	£'000	£'000
Staff costs for the above persons:		
Wages and salaries	8,308	8,244
Social security costs	1,297	1,267
Other pension costs	1,426	1,518
	11,031	11,029

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

	2017	2016
	No.	No.
£100,001 - £110,000	0	1
£90,001 - £100,000	2	2
£80,001 - £90,000	7	4
£70,001 - £80,000	9	8
£60,001 - £70,000	18	17

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

	2017	2016
	No.	No.
£100,001 - £110,000	0	1
£90,001 - £100,000	1	1
£80,001 - £90,000	2	2
£70,001 - £80,000	6	5
£60,001 - £70,000	11	11

None of these higher bands of emoluments encompass termination payments to former employees of the Charity. Rather in 2017, termination payments were made to employees in bands lower than those presented. In 2017, said payments amounted at £33,626 (2016: £103,415).

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

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

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)
Notes to the financial statements (continued)
for the year ended 31 December 2017

7 Taxation

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

8 Analysis of group net assets between funds

	Share capital & unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000
Tangible fixed assets	282,371	-	282,371
Current assets	3,360	5,264	8,624
Liabilities due within one year	(2,968)	-	(2,968)
Defined benefit scheme pension liability	(13,026)	-	(13,026)
	269,737	5,264	275,001

9 Restricted funds

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

	Balance 1 Jan 2017 £'000	Incoming resources £'000	Transfers £'000	Expenditure £'000	Balance 31 Dec 2017 £'000
Fast Offering fund	335	1,635		(1,337)	633
Missionary support fund	-	1,123	8,254	(9,377)	-
Book of Mormon fund	240	37			277
Temple Construction fund	504	80			584
Humanitarian Aid fund	2,485	555		(36)	3,004
Perpetual education fund	675	91			766
Youth Conferences	-	199	315	(514)	-
	4,239	3,720	8,569	(11,264)	5,264

Fast offering fund

These funds are contributed by members of The Church to be used in the relief of the poor and needy. During the year £1,337,000 (2016: £1,380,000) was spent for the relief of the poor and needy in the United Kingdom.

Missionary Support fund

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

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

Notes to the financial statements (continued)

for the year ended 31 December 2017

9 Restricted funds (continued)

Book of Mormon fund

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

Temple Construction fund

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

Humanitarian Aid fund

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

Perpetual Education Fund

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

Youth Conferences

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

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

Notes to the financial statements (continued)

for the year ended 31 December 2017

10 Tangible fixed assets

Group

	Assets in the course of construction £'000	Land and Buildings £'000	Plant and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost:					
At 1 January 2017	8,498	395,509	578	3,351	407,936
Transfers	(12,896)	12,856	40	-	-
Additions	6,483	622	56	1,714	8,875
Disposals	(1,061)	(1,933)	(378)	(1,613)	(4,985)
At 31 December 2017	1,024	407,054	296	3,452	411,826
Depreciation:					
At 1 January 2017	-	120,679	435	2,004	123,118
Charge for Year	-	7,129	30	839	7,997
Disposals	-	(85)	(340)	(1,236)	(1,661)
At 31 December 2017	-	127,723	125	1,607	129,454
Net book value:					
At 31 December 2017	1,024	279,331	171	1,845	282,371
At 31 December 2016	8,498	274,830	143	1,347	284,818

Included in Land and Buildings is land with a value of £42.4m (2016: £42.5m), which is not depreciated.

Charity

	Assets in the course of construction £'000	Land and Buildings £'000	Plant and Equipment £'000	Motor Vehicles £'000	Total £'000
Cost:					
At 1 January 2017	8,392	385,709	578	3,351	398,030
Transfers	(12,896)	12,856	40	-	-
Additions	6,194	622	56	1,714	8,586
Disposals	(1,061)	(1,933)	(378)	(1,613)	(4,985)
At 31 December 2017	629	397,254	296	3,452	401,631
Depreciation:					
At 1 January 2017	-	120,679	435	2,004	123,118
Charge for Year	-	7,129	30	839	7,997
Disposals	-	(85)	(340)	(1,236)	(1,661)
At 31 December 2017	-	127,723	125	1,607	129,454
Net book value:					
At 31 December 2017	629	269,531	171	1,845	272,176
At 31 December 2016	8,392	265,030	143	1,347	274,912

Included in Land and Buildings is land with a value of £32.6m (2016: £32.7m), which is not depreciated.

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

Notes to the financial statements (continued)

for the year ended 31 December 2017

11 Stocks

	<i>Group</i>		<i>Charity</i>	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Finished goods and goods for resale	77	92	77	92

12 Debtors

	<i>Group</i>		<i>Charity</i>	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Due in more than one year				
Loan notes	-	-	-	12,240
Due within one year				
Deposits and advances	532	521	532	521
Loan notes	-	-	12,240	-
Other debtors	18	27	18	20
Prepayments and accrued income	1,084	1,310	1,084	1,310
	1,634	1,858	13,874	14,091

Loan notes were received from the Charity by its wholly-owned subsidiary OHL. These are interest bearing at 12-month LIBOR plus 2% rounded down to the nearest quarter percent (2017: 2.75%) and are redeemable on the earlier of (i) completion of the sale of freehold property, owned by OHLS, to the Charity and (ii) 31 December 2020.

13 Investments

<i>Group and Charity</i>	2017	2016
	£'000	£'000
Deseret U.K.Trustco Unlimited	1	1
	1	1

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

The Charity also holds one £1 ordinary share in its wholly-owned trading subsidiary OHL (company number 09795165) which was incorporated in the United Kingdom on 25 September 2015.

This is the only share allotted, called up and fully paid. This was purchased on 23 September 2015 at cost. At the time of the purchase the net assets of OHL were £nil.

OHL recorded a loss of £526k for the year ended 31 December 2017.

14 Creditors: Amounts falling due within one year

	<i>Group</i>		<i>Charity</i>	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Other taxation and social security costs	78	280	110	280
Other creditors	2,407	1,603	2,383	1,592
Deferred income	483	463	483	463
	2,968	2,346	2,976	2,335

Other creditors is further analysed as follows

	<i>Group</i>		<i>Charity</i>	
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Amounts owing to Parent Company (CPB)	18	13	18	13
Amounts owing to Irish Association	93	-	93	-
Trade and other accrued liabilities	2,296	1,590	2,272	1,579
	2,407	1,603	2,383	1,592

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)
Notes to the financial statements (continued)
for the year ended 31 December 2017

14 Creditors: Amounts falling due within one year (continued)

Deferred Income for group and Charity is further analysed as follows

	2017 £'000	2016 £'000
At 1 January 2017	463	357
Utilised in year	(463)	(357)
Accrued during the year	483	463
At 31 December 2017	483	463

15 Called up share capital

Group and Charity

	2017 £'000	2016 £'000
Authorised: 25 million ordinary shares of £1 each	25,000	25,000
Allotted, issued and fully paid: 10 million ordinary shares of £1 each	10,000	10,000

Each ordinary share carries equal voting rights.

16 Reconciliation of movements in total group's funds

	2017 £'000	2016 £'000
Net (deficit)/surplus in funds for the year	(9,590)	(5,964)
Actuarial (loss)/gain on pension scheme (note 21)	6,651	(8,125)
Net change in total group's funds	(2,939)	(14,089)
Opening group's funds	277,940	292,029
Closing group's funds	275,001	277,940

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

	Group		Charity	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Group expenditure	(9,590)	(5,964)	(9,590)	(5,964)
Subsidiary admin and interest expense	-	-	527	543
Depreciation charge	7,997	7,735	7,997	7,735
(Profit)/Loss on disposal of tangible fixed assets	(89)	72	(89)	72
Interest income	-	(4)	(367)	(368)
Pension costs charged against operating profit	1,585	1,678	1,585	1,678
Cash contributions to pension scheme	(1,812)	(1,643)	(1,812)	(1,643)
Net interest on pension liabilities	521	384	521	384
Decrease in debtors	224	2,248	217	(45)
Increase/(Decrease) in creditors	622	(582)	641	(593)
Non-operating costs creditors	(107)	(48)	(107)	(48)
Decrease in stock	15	9	15	9
Net cash used from operating activities	(634)	3,885	(462)	1,760

18 Capital commitments

	Group		Charity	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Capital expenditure authorised by the Charity's trustees and OHL's director and contracted for	403	849	273	712

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

Notes to the financial statements (continued)

for the year ended 31 December 2017

19 Related party transactions and ultimate holding company

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

Total grant income received from the parent company in 2017 was £3,295,000 (2016: £3,214,000).

The inter-company balance of the Charity with its sister charity, The Irish Association of The Church of Jesus Christ of Latter-day Saints Company Limited by Guarantee, as at 31 December 2017 amounted at (£93,428) (2016: £20,392).

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

There was no additional provision of funding in connection with the unsecured loan facility of £12.24m (2016: £12.24m) granted by the Charity to OHL to fund OHL's operations. The loan facility and drawdowns thereof have been deemed to occur at arm's length.

20 Commitments under non-cancellable operating leases

At 31 December 2017, the Charity had future minimum rentals payable under non-cancellable operating leases for the lease of buildings used for worship purposes and also as housing for missionaries. These are set out below:

	2017 £'000	2016 £'000
Less than one year	1,564	1,040
Two to five years	1,491	2,160
More than five years	1,009	5,901

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

21 Financial instruments

	Group		Charity	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
<i>Financial assets measured at amortised cost</i>				
Loan notes	-	-	12,240	12,240
Other debtors	550	541	550	541
	550	541	12,790	12,781
<i>Financial liabilities measured at amortised cost</i>				
Trade and other creditors	(2,296)	(1,590)	(2,272)	(1,579)
Amounts owed to Parent Company (CPB)	(18)	(13)	(18)	(13)
Amounts owed to Irish Association	(93)	-	(93)	-
	(2,407)	(1,603)	(2,383)	(1,592)

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)
Notes to the financial statements (continued)
for the year ended 31 December 2017

22 Pension and other post-employment commitments

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

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

The liabilities set out in this note have been calculated based on the results of the full Scheme Funding Assessment as at 31 December 2016, updated to 31 December 2017, allowing for additional benefit accrual, benefits paid. The present value of the defined benefit obligation is measured using the projected unit credit method.

The Church of Jesus Christ of Latter-day Saints has agreed a funding plan with the trustee body, whereby ordinary contributions are made into the Plan based on a percentage of active employees' salary. Additional contributions have been agreed with the trustee to reduce any funding deficit where necessary. The total contributions expected to be paid by The Church of Jesus Christ of Latter-day Saints in the year 31 December 2018 are approximately £2,410,000

The disclosures set out below are based on calculations carried out as at 31 December 2017 by an independent qualified actuary.

Principal assumptions	At 31 Dec 2017 per annum	At 31 Dec 2016 per annum
Discount rate	2.45%	2.70%
Aggregate long-term expected rate of return on assets (net of expenses)	2.45%	2.70%
Retail Prices Index (RPI) Inflation	3.35%	3.60%
Consumer Prices Index (CPI) Inflation	2.35%	2.60%
Future Increases in deferred pensions	2.35%	2.60%
Rate of increase in salaries	3.84%	4.10%
Rate of increase to pensions in payment:		
LPI (max 5%) based on RPI	3.20%	3.35%
LPI (max 3%) based on RPI	2.45%	2.55%
LPI (max 2.5%) based on RPI	2.15%	2.20%
Post retirement mortality assumptions	95% of S2PxA CMI 2016 1.25% 80% HMRC max	PCAOO tables CMI 2015 1.25% 80% HMRC max
Future life expectancy:		
Male aged 65 at balance sheet date	22.5	23.1
Male achieving age 65 20 years after balance sheet date	23.9	24.8
Female aged 65 at balance sheet date	24.3	25.1
Female achieving age 65 20 years after balance sheet date	25.8	27.0

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

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

Notes to the financial statements (continued)

for the year ended 31 December 2017

22 Pension and other post-employment commitments (continued)

Asset breakdown

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

	At 31 Dec 2017	At 31 Dec 2016
Diversified growth funds	64.3%	65.9%
Gilts	21.5%	21.1%
Corporate Bonds	13.2%	12.3%
Insured pensions	0.3%	0.3%
Net current assets	0.7%	0.2%
Cash	0.0%	0.2%
	100.0%	100.0%

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

	At 31 Dec 2017	At 31 Dec 2016
	£000	£000
Fair value of Scheme assets	64,945	62,015
Present value of defined benefit obligation	77,971	81,398
Defined benefit liability recognised in balance sheet	13,026	19,383

Total expense recognised in SOFA

	At 31 Dec 2017	At 31 Dec 2016
	£000	£000
Current service cost	1,426	1,518
Administration expenses	159	160
Past service costs including curtailments	-	-
Effect of settlements	-	-
Recognised in arriving at operating profit	1,585	1,678
Net interest on the net defined benefit liability	521	384
Total recognised in SOFA	2,106	2,062

Total amounts taken to Other recognised gains/(losses)

	At 31 Dec 2017	At 31 Dec 2016
	£000	£000
Actual return on scheme assets - gains/(losses)	3,865	6,002
Less amounts included in net interest on the net defined benefit liability	(1,661)	(2,145)
Remeasurement gains/(losses) - return on scheme assets excluding interest income	2,204	3,857
Remeasurement gains/losses - actuarial gains/(losses)	4,447	(11,982)
Remeasurement (loss)/gain recognised in other recognised gains/(losses)	6,651	(8,125)

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS (GREAT BRITAIN)
Notes to the financial statements (continued)
for the year ended 31 December 2017

22 Pension and other post-employment commitments (continued)

Changes in the present value of the defined benefit obligation

	At 31 Dec 2017	At 31 Dec 2016
	£000	£000
Present value of defined benefit obligation at beginning of period	81,398	67,687
Benefits paid	(3,011)	(2,756)
Current service cost	1,426	1,518
Administration costs	159	160
Interest cost	2,182	2,529
Remeasurement gains/losses - actuarial gains/(losses)	(4,447)	11,982
Employee contributions	264	278
Present value of defined benefit obligation at end of period	77,971	81,398

Changes in the fair value of assets

	At 31 Dec 2017	At 31 Dec 2016
	£000	£000
Fair value of Scheme assets at beginning of period	62,015	56,848
Interest income	1,661	2,145
Remeasurement gains and (losses)/		
Return on scheme assets excluding interest income	2,204	3,857
Contributions by employer	1,812	1,643
Employee contributions	264	278
Benefits paid including expenses	(3,011)	(2,756)
Fair value of Scheme assets at end of period	64,945	62,015

