



The Soldiers' & Airmen's Scripture Readers Association

ANNUAL REPORT & FINANCIAL STATEMENTS

For the year ended 31 December 2018



**Three new Army Scripture Readers during their initial theological training at Union School of Theology.
L to R: ASR Onugha, ASR Sydnor and ASR Blackwell.**

SASRA: Befriending servicemen and women with a view to their spiritual welfare, by introducing them to a practical experience of the Christian faith in support of the moral component of fighting power and their adherence to the Values & Standards of the British Military



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REGISTERED OFFICE

The Soldiers' & Airmen's Scripture Readers Association
Havelock House, Barrack Road, Aldershot, Hampshire, GU11 3NP

REGISTERED CHARITY NUMBER

235708

REGISTERED CHARITY NUMBER IN SCOTLAND

SC039130

REGISTERED COMPANY NUMBER

329268

STATUS

The Soldiers' & Airmen's Scripture Readers Association is a charity registered in England, Wales and Scotland and a company limited by guarantee registered in England and Wales. We have completed an Expression of Intent for registration in Northern Ireland with the Charity Commission for Northern Ireland. The Soldiers' & Airmen's Scripture Readers Association is governed by its Articles of Association, Incorporated the 29th day of June 1937.

TRUSTEES & PROFESSIONAL ADVISORS

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2018.

TRUSTEES

APPOINTMENT DATE

Lt Col J Allen MB ChB FRC

Lt Col P Bray RIFLES

Gp Capt M E Bunting

(Deputy Chair)

Maj M Claydon

Lt Col N C E Dawes

Capt E T Frazer

Sqn Ldr R A Gallagher MBE

Sqn Ldr J Greenald RAF

Col R G R Hall QGM

Maj R A Hoey RE

Lt Col C M StG Kirke PhD

Col J W Lewis

(Chairman)

Capt A Mcleod QARANC

Maj A McMahon

Miss J E Moss

31 May 2018

Col C R Rider CBE

Maj P D Shannon MBE CA Mus

Lt Col W Wells RIFLES

Capt J Wooldridge

EXECUTIVE DIRECTOR

Sqn Ldr Rev A A Hill BSc MBA PhD RAF (Ret'd)

PRESIDENT

General the Lord Dannatt GCB CBE MC DL

VICE-PRESIDENTS

Major General Rev R M Llewellyn CB OBE

Major General Sir Laurence New CB CBE

Brigadier W I C Dobbie OBE

Brigadier R J Thomson CBE DSO

Colonel E B L Armistead CBE

COMPANY SECRETARY

Sqn Ldr Rev A A Hill BSc MBA PhD Dip Mgt Dip CPC Dip Comp RAF (Ret'd)

PATRON

Her Majesty the Queen

AUDITORS

HPCA Ltd
Chartered Accountants
and Statutory Auditors
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

SOLICITORS

Barlow Robbins
The Oriel
Sydenham Road
Guildford
Surrey
GU1 3SR

BROKERS

Brewin Dolphin Securities Ltd
12 Smithfield Street
London
EC1A 9BD

1. GOVERNANCE

1.a Management of the Soldiers' & Airmen's Scripture Readers Association (SASRA)

The Board of SASRA met on four occasions during the year to establish overall strategy and policy, to determine matters of principle, deal with budgeting and other financial matters, including the oversight of properties, to confirm recruitment decisions and to review progress towards achieving plans and goals. The senior officers of SASRA, appointed by the Board, manage the day-to-day operations. Management decisions are relayed to field staff through Head Quarters staff. Communications with all employees are maintained through regular meetings, fraternal groups, video conference, staff conference, email and written documentation.

1.b Management Structure

SASRA HQ senior Staff are accountable to the Board of Trustees to lead and serve the Association. Under the leadership of the Executive Director they have responsibility to recommend and implement the strategy of the Association.

MEMBERS OF SASRA HQ

Senior Staff:

| | |
|---------------------|--------------------|
| Executive Director | – Andrew Hill |
| Operations Director | – Warren Berdo |
| Finance Director | – Nicholas Hayward |
| Pastoral Director | – Graham Heaps |

HQ Staff:

| | |
|-------------------------|---------------------|
| Administration Officer | – Shirley Henderson |
| Development Officer | – Jamie Campbell |
| Development Officer | – Philip Rush |
| Donor Relations Officer | – Jenny Boatman |
| Finance Officer | – Jacky Thomas |
| Prayer Coordinator | – Maureen McCormack |
| Support Officer | – Joshua Curd |

ASSOCIATION MEMBERSHIP

The Association has a membership limited to 50 in its Articles of Association; these are the members of the Company from whom the Trustees (Council or Board) are appointed. There are currently 19 members, who are synonymous with the Trustees. (This membership is distinct from the category 'serving members', which comprises those currently serving in the Military who have chosen to join the Association in order to be associated with, and to contribute to its activities).

Members sign a written consent to become a member. Subject to any regulations which the Association may make in a General Meeting, the Council has the right to choose members of the Association, but no person shall be admitted to membership unless and until he or she signs a form expressing adherence to the basis of belief upon which the work of the Association is carried out. The Chairman, assisted by the members, seeks to identify potential new members who have appropriate military experience and/or professional or other qualifications and experience which would equip them to assist with the management of the Association.

GOVERNING DOCUMENTS

The Memorandum and Articles of Association of the Soldiers' & Airmen's Scripture Readers Association were incorporated on the 29th of June 1937. Under the Companies Act the Association was incorporated as a Company limited by guarantee and not having a share capital. The Governing Documents set out the objects for which the Association was established, and how the Association is to be managed.

COUNCIL OF MANAGEMENT

The Council of Management (or Trustees), drawn from the membership, shall not number less than 12 or more than 24. The Council may appoint any member of the Association as a member of the Council until the next Ordinary General Meeting, when the individual shall then be eligible for re-election.

ELECTION, ROTATION AND TRAINING OF TRUSTEES

At the Ordinary General Meeting to be held each year members of the Council who have served for three years will retire; a retiring member of the Council shall be eligible for re-election. Only members of the Association are empowered to vote in such elections.

New Trustees, on appointment, are given an induction training package to introduce them to their responsibilities. They are provided with copies of the Association's governing documents, and the guidance provided for trustees by the Charity Commission. Additionally, they receive briefings from HQ staff on the financial processes and accounts of the Association, the policies of the Association and any issues or challenges faced by the Association. Trustees are encouraged to attend third-party training on the role and responsibilities of their office.

MANAGEMENT OF THE ASSOCIATION

The Council plans to meet 4 times each year in ordinary council meetings, one of which is also the Annual General Meeting. Extraordinary Council meetings may be called as required. The Council meets for the dispatch of business, to adjourn and otherwise regulate their meetings as they think fit, and to determine the quorum necessary for the transaction of business. Unless otherwise determined, three shall be a quorum. Questions arising at any meeting are decided by a majority of votes. In case of an equality of votes the Chairman has a second or casting vote.

The Council may delegate any of its powers to committees consisting of such member or members of the Council as they think fit, and any committee so formed shall conform to any regulations imposed on it by the Council.

VICE PRESIDENTS

There were no changes to those serving as Vice Presidents in 2018.

1.c Pay Policy for Staff

SASRA's Trustees give their time freely and receive no remuneration. They are entitled to expenses, *but none were claimed in 2018*. The pay of the Staff is reviewed annually and normally increased in line with the SASRA Pay Policy. A Pay Review Body under the chairmanship of Major Philip Bray was convened in 2016 to review all pay and allowances for SASRA Staff. The Body made its recommendations to the Board in October 2016. The approved recommendations were put into effect from 1st January 2017.

1.d Responsibilities of the Board of Trustees

The trustees (who are also the directors of S.A.S.R.A. for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

1.e Trustees' Statement

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.

The Trustees have also ensured that the financial statements comply with the Charities and Trustee Investment (Scotland) Act 2005.

1.f Auditors

The auditors, HPCA Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

2. STRATEGIC REPORT

2.a Aims and Objectives of SASRA

The principal objectives of the Association are to:

- a. Befriend servicemen and women with a view to their spiritual welfare.
- b. Introduce servicemen and women to a practical experience of the Christian faith in support of the moral component of fighting power and their adherence to the Values & Standards of the British military.
- c. Provide pastoral support for servicemen and women, where appropriate signposting them to support, medical and other welfare services.
- d. To encourage serving Christians to witness to their colleagues by their manner of life, and their spoken testimony.

Scripture Readers endeavour to explain the Gospel of Jesus Christ and demonstrate its power by living their own lives in accordance with the teaching of the Bible. Scripture Readers also encourage regular individual and corporate Bible study and the formation of fellowship gatherings.

2.b Strategies Adopted and Activities Undertaken to Achieve the Aims and Objectives

SASRA works on a wide variety of British Army establishments and some RAF Bases in accordance with the following strategies:

- Employing and training Christians with appropriate gifts to work with the Armed Forces;
- Identifying units and locations so that SASRA Scripture Readers may focus their ministry on personnel stationed there;
- Placing Scripture Readers among, or as close as possible to the people to whom they are ministering;
- Relating sensitively and respectfully to individuals of all backgrounds, beliefs and lifestyles, extending pastoral and practical care in the particular needs and situations they are experiencing, and earning their respect and friendship by patient, long-term ministry;

- Taking every opportunity to explain, defend and commend the Christian message of salvation through Jesus Christ;
- Encouraging and assisting those who respond positively to this message to become active members of the caring community that is a congregation of the Christian Church.

2.c Ministries

We have continued to enjoy the support and encouragement of the Ministry of Defence Chaplains Branches who provide the formal sponsorship without which our work could not continue on MOD bases. For many years SASRA has operated in the Army under the terms of a Charter agreed with the Royal Army Chaplain's Department. In 2016 extensive work was undertaken to craft an Memorandum of Understanding (MoU) to govern SASRA's work with the British Army, and on the 5th of August 2016 this was signed by Reverend Doctor David Coulter QHC, Chaplain General; Major General Richard Stanford MBE, General Officer Commanding Regional Command; and Colonel John Lewis, SASRA Chairman. This MoU provides a firm base from which the work of the Association can be continued and developed, and we thank the Lord for His provision.

Throughout 2018 SASRA continued to provide spiritual instruction and support to members of the British Army and the Royal Air Force through the labours and hard work of our Scripture Readers, both full and part-time. Our Area Representatives travelled widely in order to inform the Christian public about the work of SASRA, and to stimulate and garner prayer and financial support.

Our Scripture Readers are active in a wide range of military bases throughout the UK and Germany. For security reasons, we are unable to publish the list of the military establishments visited by our Scripture Readers. The draw-down of units from British Forces Germany continues. Current plans are that our Scripture Reader in Germany will be reassigned to a new post in the latter part of 2019.

2.d Achievements and Performance

FUNDRAISING & SUPPORTER RELATIONS

SASRA would like to thank all our individual and church supporters for their continuing partnership in the gospel through their prayers, financial gifts and volunteering their time. This support is vital to the continuing work of SASRA and the future growth of the ministry, and we are thankful to God for all our gospel partners. We would also like to thank all of our supporting trusts who contribute towards the cost of our ministry.

Donations in 2018 totalled £850,745 which was an increase of 19% over the previous year's figure of £717,259. Legacy income increased from £141,431 to £268,973. Whilst the Association has no immediate control over legacy income a legacy project was commenced in 2018 with the aim of making this income stream more robust. This involved inviting supporters to consider leaving a gift to SASRA in their wills once family, friends and their local church have been provided for. Investment income decreased by 17% to £86,385 compared to £103,494 last year. This was largely the result of reserved funds being used to purchase accommodation for new Scripture Readers. We are profoundly grateful for the Lord's provision through the giving of His people.

We communicate with supporters across various media including traditional print publications and digital channels, and we continue to review and improve these communications with the aim that we provide our supporters with the resources they need to engage fully in support of the work of the Association.

Our Area Representatives' Team continued to plan and deliver an extensive UK-wide church deputation programme. These visits are popular with supporters as they provide an opportunity to meet our team and learn more about the work. To facilitate this the Association has, with the support of local military Commanders, produced a range of videos highlighting the work of our Scripture Readers on their units, and these videos have been well received.

PROPERTY

Where possible Scripture Readers are accommodated in Service Family Accommodation (SFA), as this places them in the heart of the communities to which they minister. These properties are normally provided to SASRA staff at charitable rates, which are lower than open market rates, and this benefit is reflected in the accounts as Intangible Income of £65,000. However, the draw-down from Germany is causing a high demand for military housing, and this is making it more difficult for SASRA staff to obtain SFA. Where service-provided housing is unavailable the Association purchases suitable properties for our staff on the open market.

PUBLIC BENEFIT

Public Benefits Offered by SASRA:

- Communicating the Gospel of Jesus Christ to serving members of the British Army and the Royal Air Force together with their dependents.
- Assisting Military Chaplains and Chaplaincy Teams in the provision of spiritual and pastoral support for serving personnel.
- Promoting interdenominational Christian fellowship, and thus encouraging the benefits of community.
- Encouragement to believers to live the Christian life in accordance with Biblical principles in submission to the law and in a manner that is loving, caring and compassionate.
- Strengthening relations between military personnel and local communities.

Whilst the Association concentrates its efforts upon British Military personnel and their families, it also seeks to minister to any others who might be present. SASRA's Christian ministry is offered to all, regardless of rank or class; financial status; ethnicity; educational standard; mental, intellectual, or physical abilities, sexual and gender orientations or belief.

2.e Financial Review (including the 100days Project)

Cash flow throughout 2018 was uneven, and once again the summer months saw income drop to uncomfortable levels. However, we were very grateful that this year it did not become necessary to draw from investments to maintain adequate operational funds. Our total incoming resources in 2018 were £251,302 more than 2017.

THE 100DAYS PROJECT

This increase was partly a result of increased legacy income, but also a result of project '100days', which was briefly introduced in last year's report. This project was planned to mark the 100th anniversary of the end of World War One. A range of activities and materials were prepared with the aim of raising the profile of the Association with the general Christian public. A devotional book was produced which provided a daily devotional reading and short exposition together with items for prayer matching the period of the Hundred Days Offensive. This offensive commenced with the battle of Amiens on the 8th of August 1918 and concluded with the signing of the Armistice. Promotional videos were prepared, together with printed materials. These included a Trilogy of accounts of Scripture Readers supporting our Forces in France taken from their war-time diaries. A special pack was produced to assist church congregations in holding services on Remembrance Sunday which included literature, a suggested order of service and video materials. Opportunities were taken to speak of the work of the Association on both local and national radio stations. Members of Council and Staff accepted invitations to speak at churches throughout the UK on Remembrance Sunday. These activities saw supporter numbers for the Association increase by over 10%. A Council-led review of the '100days' project is underway to identify lessons indicated so that similar projects planned for the future can be organised and executed as effectively as possible.

Total resources expended increased across the year by £117,096. For 2018 our net position before Investment gains and losses showed a surplus of £80,513.

ENDOWMENT FUNDS

A weak stock market performance in the fourth quarter of 2018 resulted in our Endowment Funds decreasing in value from £2,852,206 at the close of 2017 to £2,626,988 for 2018, a fall of 8%. Whilst these funds are of considerable importance to the Association as the means of providing staff with housing, this is the only use to which the capital can currently be put. We are in the perverse position of appearing to be a relatively wealthy charity because of these restricted funds, whereas the reality is that our unrestricted investments (not including property) and cash available for operational spending amount to the much smaller sum of £543,634, equivalent to around five months' operating costs.

ALLOCATION AND APPORTIONMENT OF COSTS

For many years total support costs have been allocated against 'Generating Funds' at a rate of 15%, and the direct costs relating to Area Representatives have been allocated to 'Generating Funds' at the rate of 50%. These apportionments have generated relatively high costs for the activity 'Generating Funds'. The basis of allocation was originally set a number of years ago and had not been subject to review. With the introduction of the new Charity SORP and the establishment of the Fundraising Regulator, it was considered an appropriate time to revisit the calculations. Consequently, the Trustees in conjunction with the relevant staff re-examined the apportionment values used to determine the resources expended on fundraising, and this has yielded the value of £76,881 compared with £66,656 for 2017.

The Association has continued to benefit greatly from the voluntary service given by our Part-Time Scripture Readers and local representatives whose benefit is unquantifiable in financial terms. Many do not even claim expenses, although they are encouraged in these cases to make a claim and donate the proceeds. This then reflects at least some of the true costs of running the Association.

RESERVES POLICY

The Trustees' policy is that the Association should hold between 3 and 6 months' operational expenditure in cash or near cash to cope with cash flow fluctuations and any short-term unexpected demands such as a sudden dramatic fall in dividend income. At the time of preparation of these accounts the Association held the equivalent of 5 months' general reserves in cash and near cash. Additionally, the Association holds housing stock for the conduct of its ministry, and the Trustees recognise the potential need to provide housing for either additional workers or existing workers who may have to move out of military quarters. It is the view of the Trustees that the current value of reserved funds is adequate to provide rehousing for staff currently accommodated in Service Family Accommodation should this become necessary.

2.f Risk Management, Principal Risks and Uncertainties

RISK MANAGEMENT

The Council has overall responsibility for risk management and for the risk management statement required annually by the Charities SORP. The Council has delegated oversight responsibility for risk management to the Strategy sub-committee. The duties of the Committee are to:

- a. Assess the scope and effectiveness of the system in place to identify, assess, manage and monitor significant risks.
- b. Review the corporate governance statements in the annual report and accounts relating to risk management.

Executive Director and Directors

The responsibilities of the Executive Director and Directors are to:

- a. Design and implement the policy on risk management.
- b. Encourage good risk management practices.
- c. Identify and evaluate the significant risks faced by the business for consideration by the Strategy sub-committee.

- d. Review the effectiveness of risk management arrangements.
- e. Report regularly to the Strategy sub-committee on the status and management of major risks.

Risk management methodology

The risk management methodology includes the following key stages:

- a. Identification and regular review of major risks directly linked to strategic aims and objectives and their mitigating action.
- b. Identification and regular review of other major risks and their mitigating action.
- c. Assessment of risks in terms of their likelihood and impact.
- d. Evaluation of what action needs to be taken.
- e. Periodic monitoring of risks.

Annual review of effectiveness

In reviewing the effectiveness of risk management the following sources are considered:

- a. The adequacy of the controls as evidenced by reports from external auditors and third parties.
- b. SASRA's performance in achieving its objectives and its financial and non-financial targets.
- c. Assurances provided by risk owners and directors on the management of major risks.

Risk management strategy

In implementing our risk management policy we will:

- a. Run a risk management workshop annually to identify the strategic risks to achieving the business objectives.
- b. Implement 6-monthly reviews of major risks by the Executive Director and the Directors.
- c. Report to the Strategy sub-committee 6-monthly on the status and management of major risks.
- d. Annually assess the effectiveness of controls over major risks.
- e. Periodically review the risk management policy.

REPUTATION

The Soldiers' and Airmen's Scripture Readers Association is an evangelical Christian organisation with a clear mandate and objective to extend the knowledge of the gospel to the members of the British Army and the Royal Air Force. Any theological scandal arising from casual comment during deputation or within community ministry would have an adverse effect upon relations within our supporter base and our standing with the Christian public, the Chaplaincy and Military authorities. New recruits are required to subscribe to a statement of faith and are thoroughly briefed on SASRA's objectives. Training is provided to field staff each year by both the Military Authorities and by the Association, dealing in particular with the wise and appropriate handling of current issues and concerns.

MINISTRY TO THE RAF

The Association currently has only one full-time RAF Scripture Reader and has not been successful for several years in recruiting additional RAF Scripture Readers. There is a risk that at some future period the RAF might have no Scripture Reader provision. Council and Executive are working hard to secure new recruits in order to address this risk.

COMMUNICATION WITH STAKEHOLDERS

SASRA must communicate effectively with our supporters, staff, partner organisations (including supporting churches and trusts) the Chaplaincy and Military authorities. Failure to do so will put our income stream at risk and could threaten our permissions to operate on military bases. We seek to adopt a relational approach with our stakeholders, and aim to respect their preferences for the type and frequency of communication. In terms of fundraising we do not engage in telephone fundraising, nor do we outsource our fundraising to professional agencies. We never intentionally put vulnerable people or any of our supporters under pressure to give to support our ministry.

In order to strengthen our links with the Royal Army Chaplains Department we have negotiated the establishment of two Chaplaincy Liaison Officers. Under Protocol 1 to the MoU they are tasked with assisting the Association in recruiting, training and deploying new Scripture Readers, providing advice and guidance as required, and assisting with the resolution of any disputes or unhappiness with our deployed Scripture Readers.

ALLEGATIONS OF IMPROPER CONDUCT TOWARDS CHILDREN AND VULNERABLE ADULTS

Some of our Staff work with young people (under 18's). Adverse public relations would result in SASRA losing integrity within the community and so impact funding and other support for our ministry. To minimise any potential situation all staff working in this area have received Disclosure and Barring Service clearance. In-house and regular military training is given on safeguarding to all staff members who work with young people. There is no regular work with vulnerable adults.

OUR STAFF

SASRA must recruit staff of appropriate calibre in order to achieve our charitable aims. We have recently revised our selection procedures, especially for Scripture Readers, and have instituted a 48-hour residential process which incorporates role-play, team activities, written exams and interviews in order to evaluate Scripture Reader candidates more effectively.

2.g The Future

SASRA operates in a complex environment with rapidly changing values and much uncertainty. Within the Christian community it is also a time of changing attitudes to Christian societies and giving, and it is essential that SASRA adapts its methods and structures accordingly. The Association will focus on supporting and sharing the love of God and the good news of Jesus Christ with the military community. We will aim to increase the numbers of our staff to provide a SASRA Scripture Reader in every major military establishment, and to partner with other churches and Christian organisations. We will aim for excellence in the work that we do so that we can serve the Lord Jesus Christ to the very best of our abilities.

Trustees' Report, incorporating a strategic report, approved by order of the board of trustees as the Company Directors and signed on their behalf by:



.....
Colonel J W Lewis – Chairman of the Trustees

8th May 2019

.....
Date

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF S.A.S.R.A.

We have audited the financial statements of S.A.S.R.A. for the year ended 31 December 2018 on pages sixteen to forty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an 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 the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

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

We have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 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*

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES AND MEMBERS OF
S.A.S.R.A.**

- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

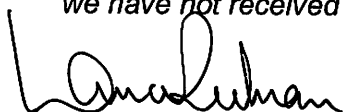
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.
- The Report of the Trustees has been prepared in accordance with legal requirements.

Matters on which we are required to report by exception

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

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

- the charitable company has not kept proper and adequate accounting records 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.



Lance Redman (Senior Statutory Auditor)

for and on behalf of HPCA Ltd

Chartered Accountants

and Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Station House

Connaught Road

Brookwood

Woking

Surrey

GU24 0ER

Date: 21 May 2019

S.A.S.R.A.

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 December 2018

| | | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | 2018 Total funds £ | 2017 Total funds £ |
|---|-------|----------------------------|--------------------------|-------------------------|--------------------------|--------------------------|
| | Notes | | | | | |
| INCOME AND ENDOWMENTS FROM | | | | | | |
| Donations and legacies | 2 | 1,188,542 | 67,123 | - | 1,255,665 | 994,992 |
| Charitable activities | 5 | | | | | |
| Conventions and events | | 17,623 | - | - | 17,623 | 14,610 |
| Other trading activities | 3 | 12,914 | - | - | 12,914 | 8,189 |
| Investment income | 4 | <u>18,804</u> | <u>-</u> | <u>67,581</u> | <u>86,385</u> | <u>103,494</u> |
| Total | | 1,237,883 | 67,123 | 67,581 | 1,372,587 | 1,121,285 |
| EXPENDITURE ON | | | | | | |
| Raising funds | | | | | | |
| Raising donations and legacies | 6 | 54,026 | 2,500 | - | 56,526 | 44,793 |
| Other trading activities | 7 | 2,101 | - | - | 2,101 | 2,184 |
| Investment management costs | 8 | <u>4,511</u> | <u>-</u> | <u>13,743</u> | <u>18,254</u> | <u>19,679</u> |
| | | 60,638 | 2,500 | 13,743 | 76,881 | 66,656 |
| Charitable activities | | | | | | |
| Area Reps - contact with | 9 | | | | | |
| Christian public | | 379,205 | 10,834 | - | 390,039 | 367,980 |
| Scripture Readers - contact with | | | | | | |
| Military Personnel | | 734,829 | 54,670 | - | 789,499 | 709,619 |
| Members - prayer & literature | | | | | | |
| support to Serving Members | | - | 185 | - | 185 | 358 |
| Conventions and events | | <u>35,470</u> | <u>-</u> | <u>-</u> | <u>35,470</u> | <u>30,365</u> |
| Total | | 1,210,142 | 68,189 | 13,743 | 1,292,074 | 1,174,978 |
| Net gains/(losses) on investments | | <u>(26,160)</u> | <u>-</u> | <u>(203,832)</u> | <u>(229,992)</u> | <u>179,711</u> |
| NET INCOME/(EXPENDITURE) | | 1,581 | (1,066) | (149,994) | (149,479) | 126,018 |
| Transfers between funds | 23 | <u>75,224</u> | <u>-</u> | <u>(75,224)</u> | <u>-</u> | <u>-</u> |
| Other recognised gains/(losses) | | | | | | |
| Actuarial gains/losses on defined benefit schemes | | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(61,000)</u> |
| Net movement in funds | | 76,805 | (1,066) | (225,218) | (149,479) | 65,018 |

S.A.S.R.A.

STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2018

| | Not es | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | 2018 Total funds £ | 2017 Total funds £ |
|--|-----------|----------------------------|--------------------------|-------------------------|--------------------------|--------------------------|
| RECONCILIATION OF FUNDS | | | | | | |
| Total funds brought forward | | 1,263,050 | 7,446 | 2,852,206 | 4,122,702 | 4,057,684 |
| | | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| TOTAL FUNDS CARRIED FORWARD | | <u>1,339,855</u> | <u>6,380</u> | <u>2,626,988</u> | <u>3,973,223</u> | <u>4,122,702</u> |

S.A.S.R.A.

BALANCE SHEET
At 31 December 2018

| | | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | 2018 Total funds £ | 2017 Total funds £ |
|--|-------|----------------------------|--------------------------|-------------------------|--------------------------|--------------------------|
| | Notes | | | | | |
| FIXED ASSETS | | | | | | |
| Tangible assets | 16 | 804,549 | - | 859,036 | 1,663,585 | 1,669,731 |
| Investments | 17 | <u>403,132</u> | <u>-</u> | <u>1,523,885</u> | <u>1,927,017</u> | <u>2,172,702</u> |
| | | 1,207,681 | - | 2,382,921 | 3,590,602 | 3,842,433 |
| CURRENT ASSETS | | | | | | |
| Stocks | 18 | 21,384 | - | - | 21,384 | 18,520 |
| Debtors | 19 | 232,791 | - | 3,970 | 236,761 | 187,077 |
| Cash at bank and in hand | | <u>28,440</u> | <u>6,379</u> | <u>242,019</u> | <u>276,838</u> | <u>231,612</u> |
| | | 282,615 | 6,379 | 245,989 | 534,983 | 437,209 |
| CREDITORS | | | | | | |
| Amounts falling due within one year | 20 | <u>(89,440)</u> | <u>-</u> | <u>(1,922)</u> | <u>(91,362)</u> | <u>(95,940)</u> |
| NET CURRENT ASSETS | | <u>193,175</u> | <u>6,379</u> | <u>244,067</u> | <u>443,621</u> | <u>341,269</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 1,400,856 | 6,379 | 2,626,988 | 4,034,223 | 4,183,702 |
| PENSION LIABILITY | 24 | <u>(61,000)</u> | <u>-</u> | <u>-</u> | <u>(61,000)</u> | <u>(61,000)</u> |
| NET ASSETS | | <u>1,339,856</u> | <u>6,379</u> | <u>2,626,988</u> | <u>3,973,223</u> | <u>4,122,702</u> |
| FUNDS | 23 | | | | | |
| Unrestricted funds: | | | | | | |
| General fund | | | | | 337,155 | 227,210 |
| Designated Fund - Properties | | | | | 796,222 | 796,222 |
| Designated Fund - Investments | | | | | <u>206,479</u> | <u>239,618</u> |
| | | | | | 1,339,856 | 1,263,050 |
| Restricted funds | | | | | 6,379 | 7,446 |
| Endowment funds | | | | | <u>2,626,988</u> | <u>2,852,206</u> |
| TOTAL FUNDS | | | | | <u>3,973,223</u> | <u>4,122,702</u> |

S.A.S.R.A.

BALANCE SHEET - CONTINUED
At 31 December 2018

The financial statements were approved by the Board of Trustees on *8th May 2019* and were signed on its behalf by:



.....
Col J W Lewis -Trustee

S.A.S.R.A.

CASH FLOW STATEMENT
for the year ended 31 December 2018

| | Notes | 2018 £ | 2017 £ |
|---|-------|-----------------------|-----------------------|
| Cash flows from operating activities: | | | |
| Cash generated from operations | 1 | (42,857) | (160,140) |
| Interest paid | | <u>(252)</u> | <u>-</u> |
| Net cash provided by (used in) operating activities | | <u>(43,109)</u> | <u>(160,140)</u> |
| Cash flows from investing activities: | | | |
| Purchase of tangible fixed assets | | (3,223) | (250,853) |
| Purchase of fixed asset investments | | (429,772) | (368,590) |
| Sale of fixed asset investments | | 445,465 | 736,121 |
| Interest received | | 70 | 231 |
| Dividends received | | <u>75,795</u> | <u>91,239</u> |
| Net cash provided by (used in) investing activities | | <u>88,335</u> | <u>208,148</u> |
| Change in cash and cash equivalents in the reporting period | | <u>45,226</u> | <u>48,008</u> |
| Cash and cash equivalents at the beginning of the reporting period | | <u>231,612</u> | <u>183,604</u> |
| Cash and cash equivalents at the end of the reporting period | | <u><u>276,838</u></u> | <u><u>231,612</u></u> |

NOTES TO THE CASH FLOW STATEMENT
for the year ended 31 December 2018**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

| | 2018 £ | 2017 £ |
|--|-----------------|------------------|
| Net income/(expenditure) for the reporting period (as per the statement of financial activities) | (149,479) | 126,018 |
| Adjustments for: | | |
| Depreciation charges | 9,370 | 5,750 |
| Losses/(gain) on investments | 229,992 | (179,708) |
| Interest received | (70) | (231) |
| Interest paid | 252 | - |
| Dividends received | (75,795) | (91,239) |
| Increase in stocks | (2,864) | (6,121) |
| (Increase)/decrease in debtors | (49,684) | 6,152 |
| Decrease in creditors | <u>(4,579)</u> | <u>(20,761)</u> |
| Net cash provided by (used in) operating activities | <u>(42,857)</u> | <u>(160,140)</u> |

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2018

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Financial statements have been prepared on the going concern basis.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Specifically, legacy income is recognised when the charitable company is first notified after grant of probate, and only if a value can be reasonably estimated for all elements of costs such as legal fees.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

Costs of charitable activities are incurred on the charity's educational operations, including support costs and costs relating to the governance of the charity apportioned to charitable activities.

Governance costs

This includes accountancy and professional fees incurred by the Charity to meet its statutory obligations.

Allocation and apportionment of costs

Support costs are made up of the management costs of running the charity. Part of these costs are directly allocated to Costs for Generating Funds and the remainder is allocated to Charitable Activities as 33% Area Reps - contact with Christian public, and 67% as Scripture Readers - contact with Military Personnel. The basis of this allocation is the percentage of overall staff in each section.

Also, the direct costs relating to Area Representatives have been apportioned between Costs for Generating Funds and Charitable Activities on a time apportionment basis, being 10% and 90% respectively. This is in order to reflect the Representatives' time used to raise awareness and generate funds.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

The policy for capitalising fixed assets is items >£200 each.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|-------------------------|
| Furniture & Equipment | - 10% to 33.33% on cost |
| Motor Vehicles | - 20% on cost |

Properties

Properties are included at cost. The useful life of the properties is estimated to be ten years on the basis that properties are regularly sold, and other properties purchased to meet the changing needs of the charity. The Trustees consider that the residual value of the properties included in tangible fixed assets will be greater than the cost in real terms, and hence have decided not to charge depreciation.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The charity has five non-expendable endowment funds. These were capital gifts comprising of properties held for the specific use of housing Scripture Readers, and Trustee Status Investments. Income generated on the investments is treated as unrestricted.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable in the year are charged in the Statement of Financial Activities in the period to which they relate. Furthermore, in the past, the charitable company also made contributions to a defined benefit scheme up to 31st December 2005. More information on this is provided under the relevant note to the accounts.

Investments

The investments are quoted investments and stated at mid-market value at the balance sheet date. Surpluses and deficits on revaluation of the portfolio at the end of the year are reflected in the accounts in the Statement of Financial Activities separately between realised and unrealised gains.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

2. DONATIONS AND LEGACIES

| | 2018 | 2017 |
|-------------------|-------------------------|-----------------------|
| | £ | £ |
| Donations | 850,745 | 717,259 |
| Gift aid | 70,947 | 71,302 |
| Legacies | 268,973 | 141,431 |
| Intangible income | <u>65,000</u> | <u>65,000</u> |
| | <u><u>1,255,665</u></u> | <u><u>994,992</u></u> |

3. OTHER TRADING ACTIVITIES

| | 2018 | 2017 |
|-------|---------------|--------------|
| | £ | £ |
| Sales | <u>12,914</u> | <u>8,189</u> |

4. INVESTMENT INCOME

| | 2018 | 2017 |
|--------------------------|----------------------|-----------------------|
| | £ | £ |
| Rents received | 10,520 | 12,024 |
| Dividend income | 75,795 | 91,239 |
| Deposit account interest | <u>70</u> | <u>231</u> |
| | <u><u>86,385</u></u> | <u><u>103,494</u></u> |

5. INCOME FROM CHARITABLE ACTIVITIES

| | 2018 | 2017 |
|--------------------|---------------|---------------|
| | £ | £ |
| Conferences income | <u>17,623</u> | <u>14,610</u> |

Activity
Conventions and events

6. RAISING DONATIONS AND LEGACIES

| | 2018 | 2017 |
|--------------------------|----------------------|----------------------|
| | £ | £ |
| Staff costs | 32,367 | 30,167 |
| Telephone | 418 | 406 |
| Postage and stationery | 271 | 225 |
| Rent & rates | 438 | 483 |
| Computer costs | 28 | 30 |
| Heating & cleaning costs | 172 | 210 |
| Motor expenses | 2,337 | 2,849 |
| Publicity & advertising | 20,470 | 10,372 |
| Sundries | <u>25</u> | <u>51</u> |
| | <u><u>56,526</u></u> | <u><u>44,793</u></u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

7. OTHER TRADING ACTIVITIES

| | 2018 | 2017 |
|-----------|--------------|--------------|
| | £ | £ |
| Purchases | <u>2,101</u> | <u>2,184</u> |

8. INVESTMENT MANAGEMENT COSTS

| | 2018 | 2017 |
|----------------------|---------------|---------------|
| | £ | £ |
| Portfolio management | 15,462 | 17,279 |
| Rent collection | 1,252 | 1,311 |
| Property repairs | <u>1,540</u> | <u>1,089</u> |
| | <u>18,254</u> | <u>19,679</u> |

9. CHARITABLE ACTIVITIES COSTS

| | Direct costs (See note 10) | Support costs (See note 11) | Totals |
|--|-------------------------------|--------------------------------|------------------|
| | £ | £ | £ |
| Area Reps - contact with Christian public | 199,086 | 190,953 | 390,039 |
| Scripture Readers - contact with Military Personnel | 401,804 | 387,695 | 789,499 |
| Members - prayer & literature support to Serving Members | 185 | - | 185 |
| Conventions and events | <u>35,470</u> | <u>-</u> | <u>35,470</u> |
| | <u>636,545</u> | <u>578,648</u> | <u>1,215,193</u> |

10. DIRECT COSTS OF CHARITABLE ACTIVITIES

| | 2018 | 2017 |
|-------------------------|----------------|----------------|
| | £ | £ |
| Staff costs | 487,730 | 452,607 |
| Other operating leases | 17,051 | 34,754 |
| Telephone | 5,842 | 5,255 |
| Postage and stationery | 2,440 | 2,048 |
| Rent & rates | 27,091 | 38,192 |
| Computer costs | 248 | 270 |
| Heating & cleaning | 13,235 | 15,247 |
| Travel & motor expenses | 35,723 | 38,615 |
| Other staff costs | 967 | 2,041 |
| Conferences expenses | 35,947 | 30,365 |
| Bibles | 185 | 358 |
| Relocation costs | 8,208 | 14,636 |
| Sundries | <u>1,878</u> | <u>464</u> |
| | <u>636,545</u> | <u>634,852</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

11. SUPPORT COSTS

| | Management £ | Governance costs £ | Totals £ |
|---|-----------------|--------------------------|----------------|
| Area Reps - contact with Christian public | 186,329 | 4,624 | 190,953 |
| Scripture Readers - contact with Military Personnel | <u>378,304</u> | <u>9,391</u> | <u>387,695</u> |
| | <u>564,633</u> | <u>14,015</u> | <u>578,648</u> |

| Activity | Basis of allocation |
|------------------|----------------------------|
| Management | On the basis of time |
| Governance costs | On the basis of time |

Support costs, included in the above, are as follows:

Management

| | 2018 | 2017 |
|---|--|--------------------------|
| | Total activities £ | Total activities £ |
| Area Reps - contact with Christian public £ | Scripture Readers - contact with Military Personnel £ | |
| Salaries and expenses | 67,472 | 136,987 |
| Social security | 4,981 | 10,113 |
| Pensions | 4,607 | 9,353 |
| Other operating leases | 446 | 906 |
| Insurance | 3,489 | 7,082 |
| Telephone | 2,629 | 5,336 |
| Copying, postage & stationery | 21,612 | 43,879 |
| Accommodation costs & maint | 25,925 | 52,636 |
| Rent & service charges | 11,954 | 24,270 |
| Computer expenses | 5,956 | 12,092 |
| Outsource service fees | 947 | 1,925 |
| Professional fees | 949 | 1,927 |
| Travel & motor expenses | 2,070 | 4,203 |
| Cleaning | 804 | 1,633 |
| Other staff costs | 640 | 1,300 |
| Training | 5,987 | 12,157 |
| Publication | 20,996 | 42,629 |
| Sundries | 1,690 | 3,429 |
| Depreciation of tangible and heritage assets | 3,092 | 6,278 |
| Bank interest | <u>83</u> | <u>169</u> |
| | <u>186,329</u> | <u>378,304</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

11. SUPPORT COSTS - continued**Governance costs**

| | | | 2018 | 2017 |
|---|--|---|---------------------|---------------------|
| | Area Reps - contact with Christian public | Scripture Readers - contact with Military Personnel | Total activities | Total activities |
| | £ | £ | £ | £ |
| Auditors' remuneration | 3,821 | 7,759 | 11,580 | 8,300 |
| Auditors' remuneration for non audit work | 663 | 1,347 | 2,010 | 2,412 |
| Professional fees | <u>140</u> | <u>285</u> | <u>425</u> | <u>-</u> |
| | <u>4,624</u> | <u>9,391</u> | <u>14,015</u> | <u>10,712</u> |

12. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

| | 2018 | 2017 |
|---|---------------|---------------|
| | £ | £ |
| Auditors' remuneration | 11,580 | 8,300 |
| Auditors' remuneration for non audit work | 2,010 | 2,412 |
| Depreciation - owned assets | 9,369 | 5,753 |
| Other operating leases | <u>18,403</u> | <u>43,236</u> |

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2018 nor for the year ended 31 December 2017.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2018 nor for the year ended 31 December 2017.

Please refer to note 26 for other transactions with Trustees.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

14. STAFF COSTS

| | 2018 | 2017 |
|-----------------------|-----------------------|-----------------------|
| | £ | £ |
| Wages and salaries | 631,627 | 551,007 |
| Social security costs | 57,969 | 53,069 |
| Other pension costs | <u>64,014</u> | <u>57,707</u> |
| | <u><u>753,610</u></u> | <u><u>661,783</u></u> |

The average monthly number of employees during the year was as follows:

| | 2018 | 2017 |
|----------------------|------------------|------------------|
| HQ Staff | 8 | 7 |
| Area Representatives | 6 | 6 |
| Scripture Readers | <u>13</u> | <u>13</u> |
| | <u><u>27</u></u> | <u><u>26</u></u> |

No employees received emoluments in excess of £60,000.

The average number of volunteers (inc part-time readers) were 7 this year (2017: 5).

The trustees have considered that the key management personnel comprise of the trustees, the executive director, the finance director and the operations director. The total compensation paid and payable of the key management personnel during the financial year was £116,960 (2017: £112,267).

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total funds £ |
|---|----------------------------|--------------------------|-------------------------|------------------|
| INCOME AND ENDOWMENTS FROM | | | | |
| Donations and legacies | 973,742 | 21,250 | - | 994,992 |
| Charitable activities | | | | |
| Conventions and events | 14,610 | - | - | 14,610 |
| Other trading activities | 8,189 | - | - | 8,189 |
| Investment income | <u>22,874</u> | <u>-</u> | <u>80,620</u> | <u>103,494</u> |
| Total | 1,019,415 | 21,250 | 80,620 | 1,121,285 |
| EXPENDITURE ON | | | | |
| Raising funds | 51,316 | - | 15,340 | 66,656 |
| Charitable activities | | | | |
| Area Reps - contact with Christian public | 362,117 | 5,863 | - | 367,980 |
| Scripture Readers - contact with Military | | | | |
| Personnel | 697,086 | 12,533 | - | 709,619 |
| Members - prayer & literature support to | | | | |
| Serving Members | - | 358 | - | 358 |
| Conventions and events | <u>30,365</u> | <u>-</u> | <u>-</u> | <u>30,365</u> |
| Total | 1,140,884 | 18,754 | 15,340 | 1,174,978 |
| Net gains/(losses) on investments | 22,389 | - | 157,322 | 179,711 |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

| | Unrestricted funds £ | Restricted funds £ | Endowment funds £ | Total funds £ |
|---|----------------------------|--------------------------|-------------------------|-------------------------|
| NET INCOME/(EXPENDITURE) | (99,080) | 2,496 | 222,602 | 126,018 |
| Transfers between funds | <u>80,534</u> | <u>67</u> | <u>(80,601)</u> | <u>-</u> |
| Other recognised gains/(losses) | | | | |
| Actuarial gains/losses on defined benefit schemes | <u>(61,000)</u> | <u>-</u> | <u>-</u> | <u>(61,000)</u> |
| Net movement in funds | (79,546) | 2,563 | 142,001 | 65,018 |
| RECONCILIATION OF FUNDS | | | | |
| Total funds brought forward | <u>1,342,596</u> | <u>4,883</u> | <u>2,710,205</u> | <u>4,057,684</u> |
| TOTAL FUNDS CARRIED FORWARD | <u><u>1,263,050</u></u> | <u><u>7,446</u></u> | <u><u>2,852,206</u></u> | <u><u>4,122,702</u></u> |

16. TANGIBLE FIXED ASSETS

| | Freehold property £ | Furniture & Equipment £ | Motor vehicles £ | Totals £ |
|-----------------------|---------------------------|-------------------------------|------------------------|-------------------------|
| COST | | | | |
| At 1 January 2018 | 1,654,143 | 79,796 | 10,864 | 1,744,803 |
| Additions | <u>-</u> | <u>3,223</u> | <u>-</u> | <u>3,223</u> |
| At 31 December 2018 | <u>1,654,143</u> | <u>83,019</u> | <u>10,864</u> | <u>1,748,026</u> |
| DEPRECIATION | | | | |
| At 1 January 2018 | 701 | 65,679 | 8,692 | 75,072 |
| Charge for year | <u>4,204</u> | <u>2,993</u> | <u>2,172</u> | <u>9,369</u> |
| At 31 December 2018 | <u>4,905</u> | <u>68,672</u> | <u>10,864</u> | <u>84,441</u> |
| NET BOOK VALUE | | | | |
| At 31 December 2018 | <u><u>1,649,238</u></u> | <u><u>14,347</u></u> | <u><u>-</u></u> | <u><u>1,663,585</u></u> |
| At 31 December 2017 | <u><u>1,653,442</u></u> | <u><u>14,117</u></u> | <u><u>2,172</u></u> | <u><u>1,669,731</u></u> |

Included in Freehold properties, is a property beneficially owned by the charity, of which title is held by the W H Dawson Trust. All freehold properties are held for direct charitable purposes.

Also included in Freehold properties is a property with carrying value of £37,141 which is being depreciated 10% straight line since Nov 2017, as it is tied into a leasehold which is due to expire in Nov 2028.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

17. FIXED ASSET INVESTMENTS

| | 2018 | 2017 |
|--------|-------------------------|-------------------------|
| | £ | £ |
| Shares | 1,730,364 | 2,146,338 |
| Other | <u>196,653</u> | <u>26,364</u> |
| | <u><u>1,927,017</u></u> | <u><u>2,172,702</u></u> |

Additional information as follows:

| | Listed investments £ |
|---------------------------|----------------------------|
| MARKET VALUE | |
| At 1 January 2018 | 2,146,338 |
| Additions | 259,483 |
| Disposals | (474,378) |
| Revaluations | <u>(201,079)</u> |
| At 31 December 2018 | <u><u>1,730,364</u></u> |
| NET BOOK VALUE | |
| At 31 December 2018 | <u><u>1,730,364</u></u> |
| At 31 December 2017 | <u><u>2,146,338</u></u> |

The historical cost for the above Fixed Asset Investments is £1,550,186 (2017: £1,677,701).

There were no investment assets outside the UK. No investment exceeded 5% of the market value of the portfolio.

Investments (neither listed nor unlisted) were as follows:

| | 2018 | 2017 |
|--------------------------|-----------------------|----------------------|
| | £ | £ |
| Cash held for investment | <u><u>196,653</u></u> | <u><u>26,364</u></u> |

18. STOCKS

| | 2018 | 2017 |
|--------|----------------------|----------------------|
| | £ | £ |
| Stocks | <u><u>21,384</u></u> | <u><u>18,520</u></u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2018 | 2017 |
|--------------------------------|-----------------------|-----------------------|
| | £ | £ |
| Miss Daniell's Soldiers' Homes | 5,246 | 4,436 |
| Dividend and int receivable | 4,405 | 3,991 |
| Legacy debtors | 189,117 | 145,836 |
| Other debtors | 310 | - |
| Gift aid tax reclaim due | 33,680 | 27,256 |
| Prepayments | <u>4,003</u> | <u>5,558</u> |
| | <u><u>236,761</u></u> | <u><u>187,077</u></u> |

Included in legacy debtors, are two large legacies one of which (£50,000) had probate granted in May'16, and a more recent one (£65,000) where a property sale is delaying matters. Both are in the hands of solicitors with settlement dates as yet unknown.

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2018 | 2017 |
|---------------------------------|----------------------|----------------------|
| | £ | £ |
| Other loans (see note 21) | 39,000 | 52,000 |
| Social security and other taxes | 16,332 | 14,248 |
| Other creditors | 9,294 | 6,879 |
| Women's Fellowship | 3,592 | 3,592 |
| Accrued expenses | <u>23,144</u> | <u>19,221</u> |
| | <u><u>91,362</u></u> | <u><u>95,940</u></u> |

On 7th May 2009, the charitable company received an interest-free loan from one of its Trustees, which is repayable on demand but is being settled in equal instalments over a period of twelve years.

21. LOANS

An analysis of the maturity of loans is given below:

| | 2018 | 2017 |
|--|----------------------|----------------------|
| | £ | £ |
| Amounts falling due within one year on demand: | | |
| Other loans | <u><u>39,000</u></u> | <u><u>52,000</u></u> |

22. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2018 | 2017 |
|----------------------------|----------------------|----------------------|
| | £ | £ |
| Within one year | 17,278 | 16,832 |
| Between one and five years | <u>20,158</u> | <u>37,436</u> |
| | <u><u>37,436</u></u> | <u><u>54,268</u></u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

23. MOVEMENT IN FUNDS

| | At 1.1.18 £ | Net movement in funds £ | Transfers between funds £ | At 31.12.18 £ |
|--|----------------------------|-------------------------------|---------------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 227,210 | 1,582 | 108,363 | 337,155 |
| Designated Fund - Properties | 796,222 | - | - | 796,222 |
| Designated Fund - Investments | 239,618 | - | (33,139) | 206,479 |
| | 1,263,050 | 1,582 | 75,224 | 1,339,856 |
| Restricted funds | | | | |
| Bible Fund | 1,786 | 665 | - | 2,451 |
| IT Project Fund | 5,660 | (1,732) | - | 3,928 |
| | 7,446 | (1,067) | - | 6,379 |
| Endowment funds | | | | |
| The King Edward VII Soldiers & Sailors Ins. Fund | 600,855 | (50,664) | (20,732) | 529,459 |
| The Consolidated Fund | 437,963 | (29,931) | (11,331) | 396,701 |
| The W H Dawson Trust | 1,801,726 | (69,411) | (43,161) | 1,689,154 |
| Granville-Smith Fund | 8,889 | - | - | 8,889 |
| The Marter Reader Fund | 2,773 | 12 | - | 2,785 |
| | 2,852,206 | (149,994) | (75,224) | 2,626,988 |
| TOTAL FUNDS | <u>4,122,702</u> | <u>(149,479)</u> | <u>-</u> | <u>3,973,223</u> |
| Net movement in funds, included in the above are as follows: | | | | |
| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
| Unrestricted funds | | | | |
| General fund | 1,237,883 | (1,210,141) | (26,160) | 1,582 |
| Restricted funds | | | | |
| Bible Fund | 850 | (185) | - | 665 |
| IT Project Fund | 20,000 | (21,732) | - | (1,732) |
| Various Other Restricted Funds | 46,273 | (46,273) | - | - |
| | 67,123 | (68,190) | - | (1,067) |
| Endowment funds | | | | |
| The King Edward VII Soldiers & Sailors Ins. Fund | 20,733 | (4,287) | (67,110) | (50,664) |
| The Consolidated Fund | 11,331 | (2,608) | (38,654) | (29,931) |
| The W H Dawson Trust | 35,505 | (6,848) | (98,068) | (69,411) |
| The Marter Reader Fund | 12 | - | - | 12 |
| | 67,581 | (13,743) | (203,832) | (149,994) |
| TOTAL FUNDS | <u>1,372,587</u> | <u>(1,292,074)</u> | <u>(229,992)</u> | <u>(149,479)</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

23. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

| | At 1.1.17 £ | Net movement in funds £ | Transfers between funds £ | At 31.12.17 £ |
|---|-------------------------|-------------------------------|---------------------------------|-------------------------|
| Unrestricted Funds | | | | |
| General fund | 227,007 | (160,080) | 160,283 | 227,210 |
| Designated Fund - Properties | 796,222 | - | - | 796,222 |
| Designated Fund - Investments | <u>319,367</u> | <u>-</u> | <u>(79,749)</u> | <u>239,618</u> |
| | 1,342,596 | (160,080) | 80,534 | 1,263,050 |
| Restricted Funds | | | | |
| Bible Fund | 1,394 | 392 | - | 1,786 |
| Pension Fund | 63 | (130) | 67 | - |
| IT Project Fund | <u>3,426</u> | <u>2,234</u> | <u>-</u> | <u>5,660</u> |
| | 4,883 | 2,496 | 67 | 7,446 |
| Endowment funds | | | | |
| The King Edward VII Soldiers & Sailors Ins. Fund | 552,092 | 70,568 | (21,805) | 600,855 |
| The Consolidated Fund | 410,515 | 39,033 | (11,585) | 437,963 |
| The W H Dawson Trust | 1,735,942 | 112,995 | (47,211) | 1,801,726 |
| Granville-Smith Fund | 8,889 | - | - | 8,889 |
| The Marter Reader Fund | <u>2,767</u> | <u>6</u> | <u>-</u> | <u>2,773</u> |
| | 2,710,205 | 222,602 | (80,601) | 2,852,206 |
| TOTAL FUNDS | <u><u>4,057,684</u></u> | <u><u>65,018</u></u> | <u><u>-</u></u> | <u><u>4,122,702</u></u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

23. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 1,019,415 | (1,140,884) | (38,611) | (160,080) |
| Restricted funds | | | | |
| Bible Fund | 750 | (358) | - | 392 |
| Pension Fund | 500 | (630) | - | (130) |
| IT Project Fund | <u>20,000</u> | <u>(17,766)</u> | <u>-</u> | <u>2,234</u> |
| | 21,250 | (18,754) | - | 2,496 |
| Endowment funds | | | | |
| The King Edward VII Soldiers & Sailors Ins. Fund | 21,805 | (4,325) | 53,088 | 70,568 |
| The Consolidated Fund | 11,585 | (2,664) | 30,112 | 39,033 |
| The W H Dawson Trust | 47,224 | (8,351) | 74,122 | 112,995 |
| The Marter Reader Fund | <u>6</u> | <u>-</u> | <u>-</u> | <u>6</u> |
| | 80,620 | (15,340) | 157,322 | 222,602 |
| TOTAL FUNDS | <u>1,121,285</u> | <u>(1,174,978)</u> | <u>118,711</u> | <u>65,018</u> |

A current year 12 months and prior year 12 months combined position is as follows:

| | At 1.1.17 £ | Net movement in funds £ | Transfers between funds £ | At 31.12.18 £ |
|---|------------------|-------------------------------|---------------------------------|------------------|
| Unrestricted funds | | | | |
| General fund | 227,007 | (158,498) | 268,646 | 337,155 |
| Designated Fund - Properties | 796,222 | - | - | 796,222 |
| Designated Fund - Investments | 319,367 | - | (112,888) | 206,479 |
| Restricted funds | | | | |
| Bible Fund | 1,394 | 1,057 | - | 2,451 |
| Pension Fund | 63 | (130) | 67 | - |
| IT Project Fund | <u>3,426</u> | <u>502</u> | <u>-</u> | <u>3,928</u> |
| | 4,883 | 1,429 | 67 | 6,379 |
| Endowment | | | | |
| The King Edward VII Soldiers & Sailors Ins. Fund | 552,092 | 19,904 | (42,537) | 529,459 |
| The Consolidated Fund | 410,515 | 9,102 | (22,916) | 396,701 |
| The W H Dawson Trust | 1,735,942 | 43,584 | (90,372) | 1,689,154 |
| Granville-Smith Fund | 8,889 | - | - | 8,889 |
| The Marter Reader Fund | <u>2,767</u> | <u>18</u> | <u>-</u> | <u>2,785</u> |
| | 2,710,205 | 72,608 | (155,825) | 2,626,988 |
| TOTAL FUNDS | <u>4,057,684</u> | <u>(84,461)</u> | <u>-</u> | <u>3,973,223</u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

23. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

| | Incoming resources £ | Resources expended £ | Gains and losses £ | Movement in funds £ |
|---|----------------------------|----------------------------|--------------------------|---------------------------|
| Unrestricted funds | | | | |
| General fund | 2,257,298 | (2,351,025) | (64,771) | (158,498) |
| Restricted funds | | | | |
| Bible Fund | 1,600 | (543) | - | 1,057 |
| Pension Fund | 500 | (630) | - | (130) |
| IT Project Fund | 40,000 | (39,498) | - | 502 |
| Various Other Restricted Funds | <u>46,273</u> | <u>(46,273)</u> | <u>-</u> | <u>-</u> |
| | 88,373 | (86,944) | - | 1,429 |
| Endowment funds | | | | |
| The King Edward VII Soldiers & Sailors Ins. Fund | 42,538 | (8,612) | (14,022) | 19,904 |
| The Consolidated Fund | 22,916 | (5,272) | (8,542) | 9,102 |
| The W H Dawson Trust | 82,729 | (15,199) | (23,946) | 43,584 |
| The Marter Reader Fund | <u>18</u> | <u>-</u> | <u>-</u> | <u>18</u> |
| | <u>148,201</u> | <u>(29,083)</u> | <u>(46,510)</u> | <u>72,608</u> |
| TOTAL FUNDS | <u><u>2,493,872</u></u> | <u><u>(2,467,052)</u></u> | <u><u>(111,281)</u></u> | <u><u>(84,461)</u></u> |

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

23. MOVEMENT IN FUNDS - continued

Included in total reserves, is a revaluation of £180,179 representing the difference between the market value and the historical cost of investments.

Designated Funds

These represent how much of the total general fund balance is tied into capital, specifically into properties and investments.

Restricted Funds

These comprise of various specific funds, the main one being the provision of fund to invest in much needed IT equipment and software together with appropriate IT support to benefit both the Area Representatives and also the main office.

Endowment Funds

The King Edward VII Soldiers & Sailors Institute Fund - The purpose for this fund is to provide accommodation for Scripture Readers, especially in geographical areas from which the Consolidated Fund is excluded, such as Scotland for instance. The cost of maintaining properties is met by the General Fund. This fund is mainly held in Trustee Status Investments. All cash income is received into the General Fund.

The Consolidated Fund - The purpose for this fund is partly to provide accommodation for Scripture Readers and the balance is held in Trustee Status Investments. All cash income is received into the General Fund.

The W H Dawson Fund - The purpose for this fund is partly to provide accommodation for Scripture Readers and the balance is mainly held in Trustee Status Investments. Income from investments and bank deposit interest is received into the General Fund.

The Granville Smith Fund - The purpose for this fund is partly to provide accommodation for Scripture Readers and the balance is held in Trustee Status Investments. All cash income is received into the General Fund.

The Marter Reader Fund - This was also a fund held in Trustee Status Investment, but this was since sold and the proceeds are held in a deposit account. All cash income is received into the General Fund.

Transfers between funds

The transfer between the Designated Fund - Investments and the General Fund £33,139, represents the movement in designated fund investment in the year, so that the balance agrees to the total general reserves tied into investments.

The transfer from the Endowment Funds to the General Fund £75,224, represents £67,543 of dividend income received directly into the endowment funds which according to policy are ultimately transferred into the General Fund, and £7,681 of repairs to endowment fund properties.

24. PENSION COMMITMENTS

As referred to in note 27, the triennial actuarial valuation as at the 31st December 2016, showed a deficit against technical provisions of £61,000 which has been reflected in the financial statements. At present there is no plan to make additional contributions into the scheme however if the next triennial valuation continues to show a deficit then a schedule of contributions will be agreed at that stage.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

25. RELATED PARTY DISCLOSURES

The Council of the Soldiers' and Airmen's Readers Association is Corporate Trustee and Beneficiary of various funds comprising non-expendable capital sums under the control of the Charity Commissioner for England and Wales.

The Council is Corporate Trustee and Beneficiary of The Consolidated Soldiers' and Airmen's Scripture Readers Fund (subsequently referred to as "The Consolidated Fund") is used in part to provide accommodation for Scripture Readers, with the balance of this, together with the capital of The Marter Reader Fund and The Granville Smith Memorial Fund, held in Trustee Status Investments.

The Council, under an order of the Gibraltar Supreme Court, is also Corporate Trustee and Beneficiary of The King Edward VII Soldiers' and Sailors Institute Fund. The capital is used to provide accommodation for Scripture Readers, especially in geographical areas from which the Consolidated Fund is excluded, like Scotland for instance. For the time being there are no properties held in Scotland, so all the fund is being held in Trustee Status Investments, until a new property is purchased.

The Council is Beneficiary of the W H Dawson Trust which was originally established solely to provide accommodation for the Association's Headquarters. The Trust has its own Trustees, responsible for the Charity Commissioners for England and Wales, but the Council has power to direct the Trustees within the limits of the Trust Deed and Trustees Investments Act 1961. As sole beneficiary, The Association acts as the secretariat for the Trustees.

The Council is also Corporate Trustee of Miss Daniell's Soldiers' Homes, a Registered Charity No. 233685 whose affairs are dealt with separately as this charity falls within the definition of a "connected charity" rather than a "branch" with respect to the Statement of Recommended Practice (Accounting by Charities). The charitable company pays rent and service charges to Miss Daniell's Soldiers' Homes in respect of office space at Havelock House. These totalled £31,591 (2017: £31,660).

Included in support costs, is the salary and other costs associated with the management of the Jackson Club on behalf of Miss Daniell's Soldiers' Homes, amounting to £28,189 (2017: £25,812).

At the year end, there was a balance receivable from Miss Daniell's Soldiers' Homes of £5,246 (2017: £4,436).

26. TRANSACTIONS WITH TRUSTEES

In May 2009, the charity received an interest-free loan from one of its trustees amounting to £156,000 repayable on demand but being repaid over a period of twelve years. The trustee retains the right to request part or full repayment at any time. The balance outstanding is shown in the notes for creditors repayable within one year.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 December 2018

27. PENSION COMMITMENTS

Up until 31st December 2005, the charity was contributing towards a defined benefit pension scheme providing benefits based on final pensionable pay. It was decided to close this pension fund following the advice of an Independent Actuary, and since then the charity started to contribute towards a defined contribution scheme. Contributions payable in the year are charged in the Statement of Financial Activities. The pension charge for the financial year, including life insurance was £62,950 (2017: £57,707).

The assets of the defined benefit pension scheme are being held separately from those of the charity, and are being invested with insurance companies. Full actuarial valuations are undertaken by an independent, qualified actuary at intervals not exceeding three years. The most recently completed full valuation was as at 31st December 2016 and figures have been updated from that date to the accounting date using data available to the qualified actuary at the time.

The method of valuation which has been adopted is the Current Unit Method, and the assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rates of increase in salaries and pensions. The basis of inflation used for statutory pension increases and statutory revaluation for the scheme has changed from RPI (Retail Price Index) to CPI (Consumer Price Inflation). For members who have not yet retired, and wherever permissible, it was assumed that the investment returns would be 2.4% pa after retirement, and that present pensions would increase at the rate of 2%pa for those subject to CPI and to RPI, and future pensions would increase at the rate of 3.7% pa for those subject to CPI and 2.4%pa to RPI.

The fair value of the scheme's assets as at that date was £326,000 (2013:£548,000) and the present value of the scheme's liabilities was £387,000 (2013:£537,000) giving a deficit in the scheme of £61,000 (2013:£11,000 surplus). The deficit has been recognised as a provision for liabilities and charges in the charity's financial statements.

The figures disclosed in the accounts as at the year ended 31st December 2013, did not take into account the adjustments required for equalisation, while the comparatives above do take that into account.

The next full assessment will be due at 31st December 2020.

28. MEMBERS' LIABILITY

Every member of the charitable company undertakes to contribute such amount as may be required (not exceeding 50p) to the charitable company's assets if it should be wound up while he/she is a member, or within one year after he/she ceases to be a member.

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2018

| | 2018 £ | 2017 £ |
|---------------------------------------|---------------|---------------|
| INCOME AND ENDOWMENTS | | |
| Donations and legacies | | |
| Donations | 850,745 | 717,259 |
| Gift aid | 70,947 | 71,302 |
| Legacies | 268,973 | 141,431 |
| Intangible income | <u>65,000</u> | <u>65,000</u> |
| | 1,255,665 | 994,992 |
| Other trading activities | | |
| Sales | 12,914 | 8,189 |
| Investment income | | |
| Rents received | 10,520 | 12,024 |
| Dividend income | 75,795 | 91,239 |
| Deposit account interest | <u>70</u> | <u>231</u> |
| | 86,385 | 103,494 |
| Charitable activities | | |
| Conferences income | <u>17,623</u> | <u>14,610</u> |
| Total incoming resources | 1,372,587 | 1,121,285 |
| EXPENDITURE | | |
| Raising donations and legacies | | |
| Salaries and expenses | 27,279 | 26,758 |
| Social security | 2,539 | 1,785 |
| Pensions | 2,549 | 1,624 |
| Telephone | 418 | 406 |
| Postage and stationery | 271 | 225 |
| Rent & rates | 438 | 483 |
| Computer costs | 28 | 30 |
| Heating & cleaning costs | 172 | 210 |
| Motor expenses | 2,337 | 2,849 |
| Publicity & advertising | 20,470 | 10,372 |
| Sundries | <u>25</u> | <u>51</u> |
| | 56,526 | 44,793 |
| Other trading activities | | |
| Purchases | 2,101 | 2,184 |
| Investment management costs | | |
| Portfolio management | 15,462 | 17,279 |
| Rent collection | 1,252 | 1,311 |
| Property repairs | <u>1,540</u> | <u>1,089</u> |
| | 18,254 | 19,679 |

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2018

| | 2018 | 2017 |
|---|--------------|------------|
| | £ | £ |
| Charitable activities | | |
| Salaries and expenses | 399,889 | 367,963 |
| Social security | 40,336 | 39,299 |
| Pensions | 47,505 | 45,345 |
| Other operating leases | 17,051 | 34,754 |
| Telephone | 5,842 | 5,255 |
| Postage and stationery | 2,440 | 2,048 |
| Rent & rates | 27,091 | 38,192 |
| Computer costs | 248 | 270 |
| Heating & cleaning | 13,235 | 15,247 |
| Travel & motor expenses | 35,723 | 38,615 |
| Other staff costs | 967 | 2,041 |
| Conferences expenses | 35,947 | 30,365 |
| Bibles | 185 | 358 |
| Relocation costs | 8,208 | 14,636 |
| Sundries | <u>1,878</u> | <u>464</u> |
| | 636,545 | 634,852 |
| Support costs | | |
| Management | | |
| Salaries and expenses | 204,459 | 156,286 |
| Social security | 15,094 | 11,985 |
| Pensions | 13,960 | 10,738 |
| Other operating leases | 1,352 | 8,482 |
| Insurance | 10,571 | 7,854 |
| Telephone | 7,965 | 6,851 |
| Copying, postage & stationery | 65,491 | 29,231 |
| Accommodation costs & maint | 78,561 | 73,958 |
| Rent & service charges | 36,224 | 35,331 |
| Computer expenses | 18,048 | 22,239 |
| Outsource service fees | 2,872 | 3,081 |
| Professional fees | 2,876 | 7,278 |
| Travel & motor expenses | 6,273 | 2,475 |
| Cleaning | 2,437 | 2,341 |
| Other staff costs | 1,940 | 500 |
| Training | 18,144 | 26,619 |
| Publication | 63,625 | 46,758 |
| Sundries | 5,119 | 5,001 |
| Freehold property | 4,205 | - |
| Fixtures and fittings | 2,993 | 3,577 |
| Motor vehicles | 2,172 | 2,173 |
| Bank interest | <u>252</u> | <u>-</u> |
| | 564,633 | 462,758 |
| Governance costs | | |
| Auditors' remuneration | 11,580 | 8,300 |
| Auditors' remuneration for non audit work | 2,010 | 2,412 |
| Professional fees | <u>425</u> | <u>-</u> |
| | 14,015 | 10,712 |

S.A.S.R.A.**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**
for the year ended 31 December 2018

| | 2018 £ | 2017 £ |
|---|------------------|------------------|
| Total resources expended | 1,292,074 | 1,174,978 |
| Net income/(expenditure) before gains and losses | 80,513 | (53,693) |
| Realised recognised gains and losses | | |
| Realised gains/(losses) on fixed asset investments | (28,913) | 22,991 |
| Net income/(expenditure) | 51,600 | (30,702) |