





The Scottish Bible Society Annual Report & Financial Statements 2018

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The Scottish Bible Society

Scottish Charity Number: SC010767

Company Number: SC238687



Reference and Administrative Details

Patron

HER MAJESTY THE QUEEN

Honorary President

The Rt Hon The Lord Mackay of Clashfern

Honorary Vice-Presidents

The Rt Hon The Earl of Elgin and Kincardine

Miss Kathleen Forsyth

Mr John D M Urquhart

Rev Dr Fergus Macdonald

Mr David Laing

Trustees

Mr Ian Boxall (Chairman)

Mr Richard Atkinson

Rev Marc Bircham

Mrs Jennifer Hardy

Mr Gregor Innes

Mr Norman Martin

Mrs Kirsty Mitchell

Mr Jim Roche

Mrs Helen White

Members

Prof David Bebbington

Mrs Fiona Cameron

Mr Alan Campbell

Mrs Gillian Campbell

Mr John Deighan

The Rt Hon Lord Young

Mr Doug Forbes

The Rt Hon Lord Gill

Mr Lorimer Gray

Rev Chris Greenhalgh

Mr Colin Hay

Rev Dr Stephen Holmes

Mr Murray McCheyne

Mr Stuart McNeill

Mr Colin Mutch

Miss Ruth Penman

Mr John Purves

Rev Alan Reid

Rev Dave Richards

Mr Eric Robertson

Bishop Stephen Robson

Rev Michael Rollo

Mr James Ross

Prof John Sawkins

Rev John Urquhart

Mr David Vardy

Mr Stuart Weir

Mr Richard Woods

Company Secretary Mr Ross McFarlane

Management Team Ms Elaine M Duncan (Chief Executive), Ms Fiona McDonald (Director of National Ministries), Mr Ross McFarlane (Director of Finance & Administration), Mr Lawrence Sum (Director of Communications)

Registered Office, charity number and company number

7 Hampton Terrace, Edinburgh EH12 5XU, Telephone: 0131 337 9701, Website: scottishbiblesociety.org
Scottish Charity No: SC010767, Registered as a Scottish company, no. SC238687

Auditor Scott-Moncrieff, Exchange Place 3, Semple Street, Edinburgh EH3 8BL

Bankers The Royal Bank of Scotland plc, PO Box 51, 36 St Andrew Square, Edinburgh EH2 2YB

Investment managers

Adam & Company Investment Management (UK) Ltd, 25 St Andrew Square, Edinburgh EH2 1AF



Chief Executive's Report

For the year ended 31 December 2018

**'Don't just listen to God's word. You must do what it says.
Otherwise, you are only fooling yourselves.'**

JAMES 1:22 (NLT)

In June 2018, I had the pleasure of joining the *One Million Bibles to Cuba* celebration in Havana. This celebration was not only an answer to prayer for many church leaders and our colleagues at the Bible Commission in Cuba, but it reaffirmed their commitment to get the Word of God into the hands of those who need it.

For almost six decades the population of 11.5 million Cubans have lived in a socialist state largely isolated from the rest of the world. Despite this, the church is growing and driving this growth is a hunger for God's Word. Whilst over one million Bibles have been distributed in recent years, a need for more Bibles remains urgent as church growth outstrips supply. There was a lovely poignant moment during the celebration when the 'millionth' Bible was presented to a young girl. She symbolised all that Cubans hope for in terms of a bright future. May God answer prayers for many more Cubans to find true hope and peace in our Lord Jesus Christ.



Thanks to the prayers and generous financial gifts of our supporters, we provided a significant number of Bibles towards the *One Million Bibles to Cuba* project. Other projects we have helped, include:

- Providing Bibles in a language people understand – translating the Old Testament for 300,000 Birifor-speakers in Burkina Faso and surrounding countries so that a full Bible can be published in this language.
- Distributing Bibles to thousands of people – the church in China is growing so fast that there is a virtual Bible famine. Many believers long for their own Bible but are often unable to afford one.
- Distributing Bibles where there is a shortage – thousands of English and Chichewa language Bibles distributed to Sunday Schools in Malawi.
- Responding to persecution – in Iraq, Bibles have been replenished for Iraqi Christians after ISIS ransacked churches and burned Bibles in the Nineveh Plains.

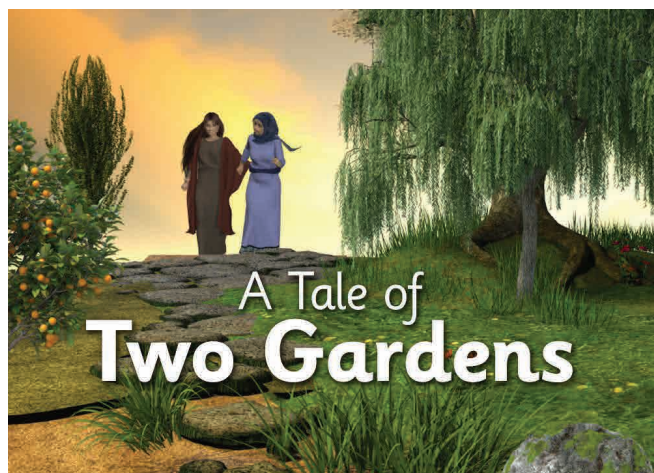


Throughout the year, many individuals, groups and churches participated in our *Twin your Bible* initiative. We have the luxury of being able to read our own Bible any time we wish. In fact, we could probably choose from quite a few on our bookshelf. We asked supporters to twin their Bibles by making a donation for every Bible they own in order to pro-

vide someone with a Bible in their own language in one of our *Bible-a-month* Partner countries. In return, they received a bookmark to place in their Bible as a reminder that they have helped someone receive the best gift of all – God’s Word.

Along with our fellow Bible Societies in the United Bible Societies we will be playing our part in the *Bible Translation Roadmap* which sets out a bold vision and a Bible translation strategy to work towards over the next 20 years. The aim is to halve the number of people who don’t have the Bible in their language by providing first translations, to increase Scripture engagement by completing new and revised translations, and to finish the translation projects already underway. Altogether, if the goals are met, 600 million people will be reached by providing 1,200 Bible translations during the next two decades.

In Scotland, we expanded our all-age Bible engagement resources. Using the stunning illustrations from our *Bibleworld Books* project, we produced free downloadable resources for churches and groups to tell stories from the Bible. It was exciting to see our debut Easter resource, *A Tale of Two Gardens* downloaded so many times and to know that churches or other groups were using this to share the story of Jesus’ death and resurrection. It was encouraging to receive feedback about the resource, including this comment, “We used this at our Messy Church on Wednesday night. We pre-recorded the narrative and played it alongside the PowerPoint. You could have heard a pin drop! Was a great tool to use!”

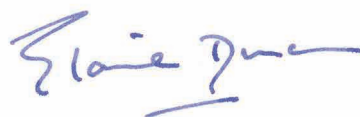


We have been encouraged by the remarkable impact of the *Bible-based Trauma Healing* programme we introduced to Scotland. Twelve months after the first training event was held, 40 people have been trained to lead groups, 10 groups have been established, and 100 people have attended groups. From the Isle of Lewis to the central belt, this incredible resource is seeing lives transformed through the Bible. One minister who attended a training course said, “I think every church in Scotland should have a Trauma Healing group and use this material.”

Scottish church leaders tell us that the need for such a resource is huge. A glance at today’s papers reminds us of everyday traumas that impact lives in Scotland: addiction, suicide, grief, relationship breakdown, chronic illness. *Bible-based Trauma Healing* is equipping people to address these issues using material that has been developed over the last 25 years by the Trauma Healing Institute, transforming the lives of 1.3 million people in 94 different countries.

In the Bible, James writes words of wisdom to the early Christians, urging them to put what they believe about God into action in daily life (James 1:22). This brings to mind old sayings like ‘actions speak louder than words’ or ‘practice what you preach’ or ‘walk the talk’. Apparently, followers of Aristotle discussed philosophy as they walked. They walked the talk. Jesus and his disciples also discussed life and theology as they went about day-to-day life.

We urge Christians across Scotland to engage with the Bible, ponder what God is saying, discuss it with others, work out what it means for us today, rely on the Holy Spirit’s power within us – walk the talk. We live out the life of Jesus within us in our daily lives.



Elaine Duncan
Chief Executive

26 April 2019



Trustee's Report

The Trustees (who are also directors of The Scottish Bible Society for the purposes of company law) have pleasure in presenting their annual report and the audited financial statements of the charity ('charitable company') for the year ended 31 December 2018.

Objectives and activities

Objectives

The objectives of the charitable company, as set out in the Articles of Association, are to advance the Christian religion by:

- Making the Bible available to people of every language, class and creed in a language they can understand, in a format they can use and at a price they can afford, and to encourage engagement with the Bible for the social and spiritual benefit of all people both in Scotland and elsewhere, but with only such note or comment as is necessary to assist engagement with the Bible and to enable effective partnership with the Christian churches.
- Co-operating with members of United Bible Societies and other organizations for this purpose.

In summary, therefore, the charitable company's mission is to improve the worldwide availability and accessibility of the Bible and to promote and facilitate its use. All its activities are intended to result in greater awareness, readership and understanding of the Bible. The charitable company's strategies for achieving these stated aims and objectives are detailed in the Activities below.

A number of indicators are used to monitor and assess success in the reporting period, from funds raised to support overseas work, the number of speaking engagements fulfilled to the number of digital downloads as compared to the prior year as well as number of gospels and Bibles distributed.

Activities

The charitable company's main activities are: (a)

For the year ended 31 December 2018

promoting Bible awareness and engagement in Scotland; and (b) fundraising to enable Bible translation and distribution projects in countries where demand for Bible resources is high but the ability to pay is low.

The charitable company promotes the Bible in Scotland through speaking engagements, print and electronic communications, and participation in events in partnership with Church and other organisations. The charitable company continues to provide access via its website to a vast range of Bible resources and gives free advice and assistance to purchasers. Orders for materials are promptly handled by third party distributors. The charitable company's new children's literary resource (Bibleworld Books) is currently being piloted in various different communities in Scotland.

Information on all the charitable company's projects and events is carried on its website, in monthly e-newsletters, and in the twice-yearly *Alive & Active* magazine, distributed free throughout Scottish churches.

The charitable company mounts a number of appeals each year in support of specific overseas projects (see 'Grantmaking' below). Funds are also raised through the *Bible-a-month* programme, from church collections, from fundraising events organised by volunteers, from trusts and from legacies and lifetime gifts. Overseas projects are carried out on behalf of the charitable company by local Bible Societies or other partner organisations operating in the relevant overseas locations.

Grantmaking

The charitable company makes grants to other Bible Societies through the United Bible Societies (UBS) fellowship to enable Bible based projects to be carried out. These may be selected from a registry of projects put forward by individual Bible Societies or identified in discussion with individual Bible Societies or other partner organisations. In all cases,

the projects are designed to respond to an urgent demand for Bible resources (or the infrastructure to enable the supply of those resources) in places or circumstances where the beneficiaries are unable to afford them.

Grants may also be awarded to individuals or groups in Scotland where this will help the charitable company achieve its objectives in an efficient and effective manner. All grant applications are submitted in writing and assessed by senior management to ensure that there is likely to be an appropriate benefit for the net cost, and that arrangements are in place to monitor performance under the terms of the grant.

Volunteers

The charitable company is fortunate to have the dedicated support of an extensive network of local supporters, church representatives, ambassadors and speakers. Volunteers and Action Groups assist in many ways with fundraising, delivery of charitable objectives, governance and administrative support. Their contribution is invaluable.

Achievements and performance

Charitable activities

In Scotland, 2018 saw the charitable company complete the design of its new resource for children, *Bibleworld Books*. This new resource is currently being piloted by groups across the country. The resource is a literacy teaching project using Bible stories to help encourage those struggling to read. In addition, the charitable company has employed a new Children's Resource Manager to grow the offering of resources designed specifically for Bible engagement to a multi-generational audience.

The charitable company is moving ahead with its *Bible 2020* project. This is a new initiative creating and promoting a year-long daily scripture reading 'Mexican' wave across the globe! The Bible being read every day, aloud in every country. Having come up with the concept, thought through some of the practical issues and generated some initial interest,

the charitable company have employed a project manager to help deliver this project. The project requires a new website and mobile phone 'app'.

The charitable company's speakers fulfilled over 100 engagements at churches, conferences and other venues across the country. In addition, the number of Bible engagement resources downloaded from the charitable company's website averaged 1,200 a month. The charitable company's Gaelic translators also made good progress! The translation of the New Testament is now complete, and the translation is currently available in a digital format. A hard-copy of the New Testament will be available towards the spring of 2019.

Direct mail appeals were mounted during the year for a variety of projects run by Bible Societies in China, Cuba, Iraq, Malawi and Uganda, while regular contributions via the *Bible-a-month* programme raised further sums for work overseas. The appeals supported can be summarised as follows:

- **China** The provision of paper to allow Bibles to be printed.
- **Cuba** The provision and distribution of Bibles.
- **Iraq** Providing relief packages, Scriptures and emotional support to refugees.
- **Malawi** A Bible distribution project aimed at families and children.
- **Uganda** The provision of 'Proclaimers' (an audio version of the Bible) to those unable to read.

Fundraising activities

The charitable company's funding for its day-to-day operations comes in the main from a dedicated core of individual donors, churches and volunteer Action Groups, contributing regular gifts, one-off donations and legacies. Grants to overseas Bible Societies were mainly funded by direct mail appeals, the *Bible-a-month* programme and community events.

As stated in last year's report; during 2016 the charitable company continued to evolve its 'appeal' liter-



ature following feedback results from its 2015 focus groups made up of various supporters. The conclusion was that no significant changes were required to be made to the appeal literature or timing of the appeals. Throughout the year significant work was carried out on the way in which donations are recorded, to allow for better communication with supporters as well as improved reporting on all donations. Continued focus was put on researching and building relationships with major donors and key partners.

The fundraising objectives remain consistent with prior years. The 'Financial Review' details the financial performance of the fundraising team.

The charitable company's Community Partnership Manager is helping the charity to benefit from closer contacts with churches and volunteer groups. Whilst there was no financial target set, 2018 saw the Community Partnership Manager fulfill more speaking engagements than the prior year and provide more fundraising tools for the volunteer groups to use going forward in future years.

Investment performance

During the year the value of the charitable company's investment portfolio decreased by £266,332.

The total return on investments (income and capital appreciation) during 2018 was -5.39% (2017; 9.72%), just ahead of the benchmark performance of -6.6% (2017; 10.91%). The benchmark for 2018, as with previous years, was based on a combination of indices reflecting the asset allocation of the portfolio. The trustees continue to keep the investment objectives and the performance of the investment managers under review

Financial review

Donation income increased during the year (by over 6%) to £820.3k in 2018 as against £771.1k in 2017. In 2018 legacy income decreased by nearly £550k on 2017, to a total legacy income figure of £74.8k. The legacies received in 2016 and 2017 had been abnormally high and the Board continues to budget for

only £100,000 of legacy income each year to ensure that no legacy income is 'spent' before it's actually received. Much of the 'spend' in 2018 was funded by legacies received in 2017 and 2016.

Donors were given the option to allocate their appeal responses to more general purposes rather than the specific projects covered by the appeal. On average 18% of appeal donors took this option, and in 2018 general income was 73% of total income compared to 78% in 2017.

The investment portfolio finished the year with a revaluation deficit of £266,474. No capital withdrawals were made from the fund. The trustees were satisfied that the portfolio performed favorably when compared against benchmark indicators.

Reserves policy & Going Concern

Total reserves at 31 December 2018 were as follows;

Unrestricted	£s
General	283,112
Designated	
Capital	3,581,646
Provision	(286,374)
	3,578,384
Restricted	87,010
TOTAL	3,665,394

It has been the policy of the charitable company to maintain unrestricted funds at a level whereby the free reserves of the charity are maintained at a figure equivalent to at least three to six months of the resources expended. The trustees consider that this level of reserves is appropriate to ensure the on-going work of the charity in the event of a significant reduction in support. Designated funds include the Capital Fund which encompasses fixed assets and investments held for long-term capital appreciation. It is not applied for the purposes of revenue expenditure without Board authorisation. The Capital Fund is therefore excluded from the free reserves calculation.



At 31 December 2018 the charity's general reserves stood at £283,112, which is 31.5% (4 months) of resources expended during the year.

The charitable company is planning a substantial building refurbishment programme at its registered office. This refurbishment would be funded in its entirety via the Capital Fund subject to any grants obtained etc. (The Capital Fund was created in 1975 when the original office was disposed of and the proceeds were set aside for future use). It is anticipated that the refurbishment of the office will provide the charitable company with a contemporary work space for many years to come.

Investment policy

The charitable company had investment funds under management of £2,938,006 at 31 December 2018. The purpose of these funds is (a) to provide a resource for future investment in capital intensive projects, such as a Building project, or to allow advantage to be taken of special opportunities for Bible advocacy work and (b) to generate income and gains that can be spent on charitable objectives.

The charitable company holds separate cash reserves to cover any short to medium term liquidity requirements. In relation to its investment funds, the charitable company therefore applies a long-term investment objective, at least eight years, and aims to maximise total return from the portfolio within the constraints of a medium risk investment profile. The charitable company's external investment managers, Adam & Company, briefed the Board on the risk profiles of different asset allocations. The investment policy is reviewed periodically.

It is the charitable company's policy specifically to exclude investments in companies whose principal business is in the alcohol, tobacco, gambling and weapons industries. The objectives going forward remain consistent with those of 2018.

Risk management

The trustees have examined the major strategic,

business and operational risks which the charity faces and confirm that systems have been established to monitor and control these risks, and identify any new risks, so as to mitigate any impact that they may have on the operations of the charity.

The two most significant risks are as follows;

1. Fundraising environment.
2. Adverse publicity.

In terms of the fundraising environment, church attendance at present is in decline while many donors and trusts have a current preference for funding specific projects rather than general funds. To mitigate these risks the charitable company is working to a fundraising strategy to expand the donor base and exposure to a greater variety of trusts thus mitigating the exposure to the risk.

In terms of adverse publicity, the growth of interaction with social media means that the risk to the reputation of the charitable company is increased. To mitigate these risks the charitable company is working on crisis management training and new communication protocols.

Plans for future periods

The charitable company remains committed to Bible advocacy work in Scotland – promoting the value and relevance of the Bible in today's culture – and to working with all Scottish church denominations to achieve this. During 2019 the charitable company will be actively involved in various mission opportunities.

The charitable company's work in extending Bible literacy among the Christian community will continue with the promotion of the *Community Bible Experience* (CBE) and the production of new Bible engagement resources as well as leading and speaking at various other engagements and conferences. In addition, *Bibleworld Books* will continue to be promoted, as well as a resource for older children/young adults called *Dear Theo*. Focus groups will also be run with children, the outcomes of which will be used to help devise new future resources.



The *Bible 2020* project will take much of the focus, particularly as the charitable company works on the finalisation of the mobile ‘app’ and the roll-out of the initiative in Scotland.

Overseas, the charitable company will continue to work closely with sister Bible Societies. In 2019 the charitable company will appeal for funds to support Bible Society projects in Angola (engaging the visually impaired with the Bible), Cambodia (a Bible distribution project), China (providing paper for Bible production), Syria (help resource a Bible-based trauma healing project) and a UBS translation project (which has yet to be identified) as well as aiding a variety of projects through its *Bible-a-month* partnership.

Structure, governance and management

Company structure and membership

The charity is a company, incorporated in Scotland, limited by guarantee, governed by Companies’ Acts and its Memorandum and Articles of Association. There are 28 members of the charitable company who have guaranteed the debts of the charity in the event of a winding-up, to the extent of £1 each.

The members are required on their appointment to signify their commitment to the Christian faith and to the objects of the charity. They are appointed by the charitable company in a ‘general’ meeting to reflect a balance in terms of gender, geographical location, background and ecclesiastical tradition. The members meet at least once per annum for the approval of the annual financial statements and the election of trustees.

The charitable company owns a subsidiary company SBS Publishing (nt:sport) Limited. This company, which was incorporated in Scotland, is dormant.

Governance

The management of the charitable company is the responsibility of the Board of Directors, appointed by the members under the terms of the Companies Act and the Company’s Articles of Association. The

Directors are therefore the “Charity Trustees” as defined in Scottish charities legislation. Trustees hold office from year to year and can remain in office for a maximum period of ten years. The minimum number of trustees is five and the maximum twelve. The names of the trustees at the date of approval are contained in this report.

Potential new trustees are identified by the Board in consultation with senior staff and members. A balance of skills and experience is sought alongside a requirement for wholehearted commitment to the Christian faith and to the ethos, mission and aims of the charitable company.

Each new trustee is given an induction tailored to his or her needs and provided with access to material relevant to the work of the charity and the responsibilities of trustees. A budget is available for trustee training and relevant courses are circulated to Board members. The charitable company subscribes to the bi-monthly magazine *Governance* - which deals solely with charity governance issues - providing a copy for each Board member.

The Board meets at least quarterly to receive reports on strategic developments, progress on projects, financial matters, staffing and other operational issues. While senior staff are expected to brief the Board on all strategic and operational matters, formal Board approval is required for significant changes in strategy and major commitments of time and resources.

The Board has appointed two committees to review matters on its behalf and report back to it. The Finance Committee meets at least three times a year to consider the annual financial budget, the annual risk review and the annual financial statements. It also acts as an audit committee in providing a forum in which the auditors may meet with Board representatives. The Staffing Committee meets at least once a year to consider the annual salary review, and at other times as necessary to deal with any special staff issues.



Management

The Board has delegated to the Chief Executive the task of managing the affairs of the charitable company on a day-to-day basis, within the policy and budgetary constraints set by the Board, so as to achieve the charitable company's objectives in the most efficient and effective manner.

The work of the charitable company is broadly divided into three departments. The Director of National Ministries provides support and Bible resources for Scottish churches and other Christian organisations and is responsible for all our Bible engagement and advocacy programmes in Scotland, including *Bibleworld Books*. The Director of Communications is responsible for engaging supporters, customers, the general public and the media in the charitable company's vision and mission, including its work overseas, and encouraging them to partner with us. The Director of Finance and Administration is responsible for all aspects of technical, financial and administrative support and for optimising the commercial possibilities of the charitable company's assets and other resources.

The Board meet the Chief Executive and 3 Directors (key management personnel) quarterly to monitor the charitable company's performance. Performance is measured in a variety of ways including finance and engagement through digital platforms and speaker visits.

Salary levels for key management personnel are set by the Staffing Committee

UBS Global Mission Team

The charitable company is a founding member of the United Bible Societies (UBS). The UBS comprises over 140 Bible Societies or Offices at work in over 200 countries worldwide, translating, publishing and distributing the Bible. Support for overseas Scripture Projects is channeled via UBS, whose staff help to ensure that the projects are carried out. Any enquiries relating to the work of the UBS should be addressed to the Secretary General, United Bible Societies, Stonehill Green, Westlea, Swindon, SN5 7DG.

Reference and administrative details

Details of the charitable company's current trustees, officers and advisers, together with contact details, company and charity numbers are detailed at the front of this report and financial statements.

During the year, the following changes in directors and officers occurred;

Trustee

Mr Mark Adderly	resigned 15 March 2018
Mrs Helen White	appointed 10 August 2018
Mrs Jennifer Hardy	appointed 22 October 2018
Rev Diana Hall	resigned 5 February 2019
Mr Robin Downie	died 10 April 2018

Trustees' Responsibilities in respect of the Financial Statements

The trustees are responsible for preparing the Trustees' Report and the financial statement 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 income and expenditure of the charity for the 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 Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any



material departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 (as amended), the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 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.

Statement of disclosure of information to the auditor

In so far as the trustees are aware:

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

Auditors

Messrs Scott-Moncrieff, Chartered Accountants, is the auditor of the charitable company and is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The above report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Conclusion

The charitable company continues to flourish through the generous support of individuals, churches and organisations. This has enabled us to continue with our support of other Bible Societies and to respond to Bible needs both at home and abroad. The *Bibleworld Books* and *Bible 2020* project continues to illustrate that the charitable company is able to offer imaginative ways to assist churches here in Scotland engage with their local community and we look with anticipation to how this project will develop in 2019.

We are also excited about the building project. We see this very much as a opportunity to ensure that we provide a suitable work environment for future generations.

We express our thanks to the Chief Executive and her staff team for the way in which they undertake the fulfilling of our mission.

BY ORDER OF THE BOARD

Ian Boxall
Chairman

26 April 2019

Independent Auditor's Report to the Members and Trustees

For the year ended 31 December 2018

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

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 regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with Inter-

national 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Conclusion relating to going concern

We have nothing to report in respect of the following matters in 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.

Other information

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



do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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 Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you

if, in our opinion:

- adequate and proper 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 in preparing the Trustees' Report and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out on pages 10 and 11, the trustees (who are the directors for the purposes of company law and trustees for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the 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

We have been appointed as auditor 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 the Acts and relevant regulations made or having effect thereunder.

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 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.

Use of our Report

Our audit work has been undertaken so that we might state to the charitable company's members, as a body, and the charitable company's trustees, as a body, 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, the charitable company's members, as a body, and the charitable company's trustees, as a body, for our audit work, for this report, or for opinions we have formed.

Jennifer Alexander
Senior Statutory Auditor

For and on behalf of Scott-Moncrieff,
Statutory Auditor

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

Chartered Accountants

Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Date: 26 April 2019



The Scottish Bible Society – Statement of Financial Activities (incorporating the Income and Expenditure Account) For the year ended 31 December 2018

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2017 £
Income from:							
Donations and legacies	4	664,002	231,097	895,099	1,223,549	170,203	1,393,752
Charitable activities	4	10,878	-	10,878	9,567	-	9,567
Other income	4	27,915	-	27,915	27,424	-	27,424
Investments		99,988	-	99,988	102,044	-	102,044
Total income		802,783	231,097	1,033,880	1,362,584	170,203	1,532,787
Expenditure on:							
Fundraising	5	240,598	41,525	282,123	218,174	40,114	258,288
Charitable activities	6	944,687	165,075	1,109,762	957,870	159,226	1,117,096
Total expenditure		1,185,285	206,600	1,391,885	1,176,044	199,340	1,375,384
Net (expenditure)/income before investment gain		(382,502)	24,497	(358,005)	186,540	(29,137)	157,403
Net (losses)/gains on investments		(266,187)	-	(266,187)	187,980	-	187,980
Net (expenditure)/income after investment gain		(648,689)	24,497	(624,192)	374,520	(29,137)	345,383
Transfers between funds	22 & 23	(5,003)	5,003	-	28,108	(28,108)	-
Net movement in funds		(653,692)	29,500	(624,192)	402,628	(57,245)	345,383
Reconciliation of funds:							
Total funds brought forward 1 January 2018		4,232,076	57,510	4,289,586	3,829,448	114,755	3,944,203
Total funds carried forward		3,578,384	87,010	3,665,394	4,232,076	57,510	4,289,586

There are no other gains and losses other than those included in the Statement of Financial Activities. All activities of the charity relate to continuing operations.

The notes on pages 17 to 32 form part of these financial statements.

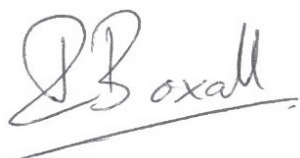


The Scottish Bible Society – Balance Sheet

as at 31 December 2018

	Notes	2018 £	2017 £
FIXED ASSETS			
Tangible assets	12	643,540	659,480
Investments	13	2,938,106	3,204,438
TOTAL FIXED ASSETS		3,581,646	3,863,918
CURRENT ASSETS			
Stock	14	45,585	36,502
Debtors	15	76,107	84,129
Cash at bank and in hand		289,729	694,941
TOTAL CURRENT ASSETS		411,421	815,572
LIABILITIES			
Creditors: Amounts falling due within one year	17	(41,299)	(64,904)
NET CURRENT ASSETS		370,122	750,668
Provisions for liabilities	18	(286,374)	(325,000)
TOTAL NET ASSETS		3,665,394	4,289,586
The funds of the charity:			
Unrestricted funds	22	3,578,384	4,232,076
Restricted funds	23	87,010	57,510
TOTAL CHARITY FUNDS		3,665,394	4,289,586

The financial statements have been prepared in accordance with the provisions applicable to companies' subject to the small companies' regime. The financial statements were approved and authorised for issue by the Trustees in April 2019 and signed on their behalf by:



Ian Boxall

Chairman

Registered company number SC238687

The notes on pages 17 to 32 form part of these financial statements.



The Scottish Bible Society Statement of Cash Flows

For the year ended 31 December 2018

	Note	2018 £	2017 £
CASH FLOWS FROM OPERATING ACTIVITIES:			
NET CASH PROVIDED BY OPERATING ACTIVITIES:	24	(489,794)	129,097
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment income		99,988	102,044
Purchase of tangible fixed assets		(15,264)	(14,397)
Proceeds from sale of investments		565,344	53,985
Purchase of investments		(535,379)	-
(Increase) in cash reserves in investments		(30,107)	(54,096)
NET CASH PROVIDED BY INVESTING ACTIVITIES		84,582	87,536
CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD		(405,212)	216,633
CASH AT THE BEGINNING OF THE REPORTING PERIOD		694,941	478,308
CASH AT THE END OF THE REPORTING PERIOD		289,729	694,941

The notes on pages 17 to 32 form part of these financial statements.



The Scottish Bible Society

Notes to the Financial Statements

For the year ended 31 December 2018

1 GENERAL INFORMATION

These financial statements are presented in pounds sterling (GBP) as that is the currency in which the charity's transactions are denominated. They comprise the financial statements of The Scottish Bible Society.

The principal activity of The Scottish Bible Society is to improve the worldwide availability and accessibility of the Bible and to promote and facilitate its use. All its activities are intended to result in greater awareness, readership and understanding of the Bible.

The Scottish Bible Society is a charitable company limited by guarantee incorporated in the United Kingdom and registered in Scotland. It is recognised as a charity for tax purposes by HMRC and is registered with the Office of the Scottish Charity Regulator (OSCR) under charity number SC010767. In the event of the winding up of the charity, a member is liable to contribute a sum not exceeding £1. Details of the registered office and company registration number can be found on page 2 of these financial statements.

2 ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)', Update Bulletin 1 to the SORP published in February 2016, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The Scottish Bible Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires trustees to exercise their judgement in the process of applying the accounting policies. Use of available information and application of judgement are inherent in the formation of estimates. Actual outcomes in the future could differ from such estimates. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied in the preparation of these financial statements are noted below. These policies have been applied consistently to all the years presented in dealing with items which are considered material in relation to the charitable company's financial statements unless otherwise stated.

b) Going concern

The trustees are of the opinion that the charitable company can continue to meet its obligations as they fall due for the foreseeable future. The charitable company has a healthy cash and investment position to support



any continuing expenditure. As a consequence, the trustees have prepared the financial statements on the going concern basis.

c) Recognition and allocation of income

Income is recognised when the charitable company has legal entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Where there are performance conditions attached to any grants and donations, income is recognised when the conditions have been met or when meeting the conditions are within the charity's control and there is sufficient evidence that they have been met or will be met.

Where a grant condition allows for the recovery of any unexpended grant, a liability is recognised when repayment becomes probable. Where there are terms placed on income that limit the charity's discretion over how that income can be used, that income is shown as restricted income in the accounts.

Gift aid is treated as part of the related gift unless the donor or terms of appeal have specified otherwise and is credited when receivable.

Entitlement to legacy income exists when the charitable company has sufficient evidence that a gift has been left, the executor is satisfied that the gift will not be required to satisfy claims on the estate and any conditions are within the control of the charity or have been met. Where legacies have been notified to the charity and the criteria for income recognition haven't been met, the legacy is treated as a contingent asset and disclosed if material. Legacy income is measured at fair value, generally the cash amount receivable.

Interest receivable is recognised using the effective interest rate applicable to the asset and dividend income is recognised when the right to receipt is established and is measured at fair value, generally the transaction value.

d) Recognition and allocation of expenditure

Expenditure is recognised when the charitable company has entered into a legal or constructive obligation. Where possible, expenditure is attributed directly to the function to which it relates. The allocation of support costs is shown in Note 8.

Costs of generating funds comprises those costs which are associated with the generation of income from sources other than from undertaking charitable activities, and includes fundraising, trading and investment management costs.

Charitable expenditure comprises those costs incurred by the charitable company in the delivery of its charitable activities and services. Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

e) Funds

Restricted funds are those which have been given to the charitable company for use in accordance with the wishes of the donor, commonly where donations are received for the purchase of a specific fixed asset or when funds have been raised for a particular restricted purpose.

Unrestricted funds are available for use at the discretion of the trustees. In order to ensure that funds are

available for specific projects, certain funds are set aside and designated by the trustees into separate funds.

f) Fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and impairment losses.

Depreciation is provided on all tangible fixed assets at a rate calculated to write off the cost/valuation on a straight-line basis, less estimated residual value of each asset over its expected useful life as follows:

Buildings	50 years
Bibleworld trailer and exhibition	9 years
Fixtures, fittings and equipment	4 to 10 years
Computer equipment	3 to 5 years
Motor vehicles	3 to 4 years

The charitable company reviewed the remaining useful lives of fixed assets at 31 December 2013 and concluded that the Bibleworld trailer & exhibition would remain in use for an additional 3 years. Their book values have been depreciated to an estimated residual value to the end of 2016.

g) Investments

Quoted investments are stated at fair value at the reporting date. Gains and losses arising on revaluation are recognised in the Statement of Financial Activities (incorporating the Income and Expenditure Account) in the period in which they arise.

h) Stock

Stock is shown at the lower of cost and net realisable value.

i) Pensions

Contributions are charged to the Statement of Financial Activities (incorporating the Income & Expenditure Account) as they become payable and are all on a defined contribution basis and paid to a pension fund of each employee's choice. The pension scheme operator changed during 2016 to become compliant with new Auto-enrolment Regulations.

j) Taxation

No taxation is provided for as all the income of the charitable company's activities falls within the exemptions of sections 466 to 493 of the Corporation Tax Act 2010 (CTA 2010).

k) VAT

The charitable company is registered for VAT. As the charitable company has partial exemption status, any irrecoverable VAT is charged to the expense code to which it relates to.

l) Financial assets and financial liabilities

The charitable company has financial assets and liabilities of basic forms and these are included initially in the accounts at transactional value (i.e. cost). At the end of the reporting period, basic financial instruments are



measured at amortised cost using the effective interest rate. Investments in shares which can be publicly traded have been measured at fair value using market value.

Financial instruments are classified as either 'basic' or 'other' in accordance with Chapter 11 of FRS102.

m) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks and are measured at fair value.

n) Debtors

Trade debtors are amounts due from customers for sales of books and resources or occasionally services performed. Trade debtors are recognised at the undiscounted amount of cash receivable, which is normally invoice price, less any allowances for doubtful debts.

o) Creditors

Trade creditors are obligations to pay for goods or services that have been acquired. They are recognised at the undiscounted amount owed to the supplier, which is normally the invoice price.

3 CRITICAL JUDGEMENTS AND ESTIMATES

The estimates and assumptions with a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

Legacy income is measured at fair value, but where part of a legacy left to the charitable company includes property or shares to be sold, judgement is used to estimate the amount receivable.

4 INCOME

(a) Donations and legacies

	Unrestricted Funds		Restricted	TOTAL	TOTAL
	General	Designated	Funds	2018	2017
	£	£	£	£	£
Donations	589,186	-	231,097	820,283	771,117
Legacies	74,816	-	-	74,816	622,635
	<u>664,002</u>	<u>-</u>	<u>231,097</u>	<u>895,099</u>	<u>1,393,752</u>

Donations and legacies - prior year

	Unrestricted Funds		Restricted	TOTAL	TOTAL
	General	Designated	Funds	2017	2016
	£	£	£	£	£
Donations	600,914	-	170,203	771,117	759,411
Legacies	622,635	-	-	622,635	543,625
	<u>1,223,549</u>	<u>-</u>	<u>170,203</u>	<u>1,393,752</u>	<u>1,303,036</u>



(b) *Charitable activities*

	Unrestricted Funds 2018 £	Unrestricted Funds 2017 £
Sale of Bible resources	10,014	7,981
Other fees	864	1,586
	10,878	9,567

(c) *Other income*

	Unrestricted Funds 2018 £	Unrestricted Funds 2017 £
Rental income of surplus property	27,915	27,424
	27,915	27,424

5 RAISING FUNDS

	Unrestricted Funds		Restricted Funds	TOTAL 2018 £	TOTAL 2017 £
	General £	Designated £	£		
Staff costs	113,994	-	14,788	128,782	122,323
Costs of appeals	50,438	-	26,737	77,175	68,101
Investment management	15,600	-	-	15,600	16,613
Support costs (note 8)	60,566	-	-	60,566	51,251
	240,598	-	41,525	282,123	258,288

Raising Funds - prior year

	Unrestricted Funds		Restricted Funds	TOTAL 2017 £	TOTAL 2016 £
	General £	Designated £	£		
Staff costs	106,948	-	15,375	122,323	120,594
Costs of appeals	43,362	-	24,739	68,101	71,500
Investment management	16,613	-	-	16,613	18,435
Support costs (note 8)	51,251	-	-	51,251	45,981
	218,174	-	40,114	258,288	256,510



6 CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds	TOTAL 2018	TOTAL 2017
	General £	Designated £	£	£	£
National Ministries (note (a))	432,802	-	21,785	454,587	455,640
International Projects (note (b))	210,616	-	143,290	353,906	391,802
Information (note (c))	301,269	-	-	301,269	269,654
	944,687	-	165,075	1,109,762	1,117,096

Charitable activities - prior year

	General £	Designated £	Funds £	2017 £	2016 £
National Ministries (note (a))	433,855	-	21,785	455,640	397,353
International Projects (note (b))	254,361	-	137,441	391,802	404,307
Information (note (c))	269,654	-	-	269,654	263,873
	957,870	-	159,226	1,117,096	1,065,533

(a) National Ministries

The cost of promoting the distribution and use of the Scriptures in Scotland.

	General £	Designated £	Restricted £	TOTAL 2018 £	TOTAL 2017 £
Cost of providing Bible & resources	60,306	-	-	60,306	74,479
Bibleworld & resources	95,979	-	-	95,979	83,566
Other Ministries	199,851	-	21,785	221,636	233,244
Support costs (note 8)	76,666	-	-	76,666	64,351
TOTAL	432,802	-	21,785	454,587	455,640

National ministries - prior year

	General £	Designated £	Restricted £	TOTAL 2017 £	TOTAL 2016 £
Cost of providing Bible & resources	74,479	-	-	74,479	85,630
Bibleworld & resources	83,566	-	-	83,566	96,976
Other Ministries	211,459	-	21,785	233,244	157,624
Support costs (note 8)	64,351	-	-	64,351	57,123
TOTAL	433,855	-	21,785	455,640	397,353

(b) *International Projects*

The amounts spent on overseas translation, production and distribution projects, and other costs associated with the charitable company's support of the work of the United Bible Societies (UBS) were as follows:

	General £	Designated £	Restricted £	TOTAL 2018 £	TOTAL 2017 £
Project grants (note 7)	145,306	-	143,290	288,596	330,700
Direct costs	29,763	-	-	29,763	37,771
Support costs (note 8)	35,547	-	-	35,547	23,331
TOTAL	210,616	-	143,290	353,906	391,802

International Projects - prior year

	General £	Designated £	Restricted £	TOTAL £	TOTAL £
Project grants (note 7)	193,259	-	137,441	330,700	343,316
Direct costs	37,771	-	-	37,771	38,533
Support costs (note 8)	23,331	-	-	23,331	22,458
TOTAL	254,361	-	137,441	391,802	404,307

(c) *Information*

Information represents the cost of informing the Christian public of our activities, primarily so that we might harness the power of their prayers for all the work we do. It also includes the cost of generally educating the Scottish public about the Bible; its nature, its contents, its place in our culture, its history, its contemporary relevance, its reliability and power.

	2018 £	2017 £
Staff costs	156,202	146,445
Direct costs	71,121	60,879
Support costs (note 8)	73,945	62,330
TOTAL	301,269	269,654

7 GRANTS PAYABLE

The charitable company's overseas work is largely carried out through the United Bible Societies fellowship (UBS). Each year UBS seeks to match funding from those Societies that can raise funds with the financial needs of those Societies that cannot raise enough.

In 2018, the charitable company raised funds through appeals for the China, Cuba, Iraq, Malawi and Uganda.



In addition, funds were raised for ongoing translation work in many countries.

The charitable company's intention for 2019 is to raise funding which will be used to support projects in Angola, Cambodia/Laos, China and Syria as well as continuing to provide valuable funding for ongoing translation work in many other countries, including the new UBS initiative the *Translation Roadmap*.

	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	TOTAL 2017 £
World grants paid in year:				
BS Azerbaijan	-	-	-	40,000
BS Cambodia	-	-	-	26,600
China	-	30,076	30,076	-
BS Cuba	7,416	18,901	26,317	-
BS Haiti	-	-	-	26,600
BS Iraq	-	26,317	26,317	15,000
BS Jordan	-	-	-	26,600
BS Kenya	-	18,000	18,000	9,000
BS Malawi	-	26,317	26,317	26,600
BS Peru	-	-	-	26,600
BS Uganda	10,104	16,213	26,317	-
BS Uruguay	13,008	-	13,008	-
WDP	3,061	7,466	10,527	11,200
Smaller grants	48,950	-	48,950	57,500
UBS stewardship	56,393	-	56,393	60,000
UBS translation roadmap	45,000	-	45,000	-
	183,932	143,290	327,222	325,700
Add: movement in provision	(38,626)	-	(38,626)	5,000
	145,306	143,290	288,596	330,700

Grants payable - prior year

	Unrestricted Funds £	Restricted Funds £	TOTAL 2017 £
World grants paid in year:			
BS Azerbaijan	40,000	-	40,000
BS Cambodia	13,491	13,109	26,600
BS Haiti	9,527	17,073	26,600
BS Iraq	-	15,000	15,000
BS Jordan	4,788	21,812	26,600
BS Kenya	-	9,000	9,000
BS Malawi	-	26,600	26,600
BS Peru	7,953	18,647	26,600
WDP	-	11,200	11,200
Smaller grants	52,500	5,000	57,500
UBS stewardship	60,000	-	60,000
	188,259	137,441	325,700
Add: movement in provision	5,000	-	5,000
	193,259	137,441	330,700

8 SUPPORT COSTS

Support costs are indirect expenses which are allocated across the different activities of the charitable company, fundraising, national ministries, international projects and information by reference to appropriate 'drivers' such as salary allocation, office space utilised, analysis of postage etc.

A further adjustment is made between fundraising and information support costs in recognition of the cross-over between these activities. Therefore, fundraising support costs consists of 50% of calculated fundraising support costs and 40% information support costs. Information support consists of 50% fundraising costs and 60% information support costs.

In 2018, £34,693 was spent on architect fees in relation to the planned office refurbishment project.

	Fundraising	National Ministries	Intl Projects	Info	TOTAL 2018	TOTAL 2017
	£	£	£	£	£	£
Property	7,537	-	-	9,360	16,897	22,461
Postage & stationery	3,578	-	-	4,344	7,922	6,595
Administration	35,465	61,127	20,008	43,148	159,748	117,100
Governance (note 9)	13,985	15,539	15,539	17,093	62,156	55,107
	60,565	76,666	35,547	73,945	246,723	201,263

Support costs - prior year

	Fundraising	National Ministries	Intl Projects	Info	TOTAL 2017	TOTAL 2016
	£	£	£	£	£	£
Property	10,019	-	-	12,442	22,461	16,824
Postage & stationery	3,090	-	-	3,505	6,595	8,334
Administration	25,743	50,574	9,554	31,229	117,100	101,730
Governance (note 9)	12,399	13,777	13,777	15,154	55,107	54,764
	51,251	76,666	23,331	62,330	201,263	181,652

9 GOVERNANCE COSTS

	TOTAL 2018	TOTAL 2017
	£	£
Auditor's remuneration		
- Audit fees	9,840	9,117
Legal & professional fees	1,936	2,100
Staff costs attributed to governance	42,774	37,760
Office costs attributable to governance	7,606	6,130
	62,156	55,107



Governance costs have been split across Fundraising and the Charitable Activities (national ministries, international projects and information). A similar split was used in 2017. This is because Governance costs apply to all areas of activity in similar measure.

Governance costs also include the charitable company's involvement within the UBS fellowship and its global operations. The charitable company's CEO is a member of the UBS Global Council and an executive member of the United Bible Societies Association.

10 TRANSACTIONS WITH RELATED PARTIES & TRUSTEES

Trustees all give of their time and expertise without any form of remuneration or other benefit in cash or kind (2017: £nil). Expenses paid to the trustees during the year amounted to £nil (2017: £nil).

During the year 3 trustees donated £131 to the charitable company's general fund (2017: 3 trustees donated £854).

Mr Richard Atkinson, a trustee, is also a director of Maxi Group Limited and has an interest in its shares. During the year, the charitable company used Maxi Group subsidiary companies for storage of the Bibleworld trailer until it can be disposed of. The charitable company paid Maxi group £nil for this service in 2018; £nil in 2017. At 31 December 2018 the Society owed Maxi Group £nil (2017; £nil).

11 STAFF COSTS

	2018 £	2017 £
Wages and salaries	572,635	506,653
Social Security costs	52,823	46,999
Employer's contribution to defined contribution pension scheme	49,793	42,886
	675,251	596,538
The average number of employees was 20 (corresponding full time equivalent 17):		
Charitable activities	7	5
Communications and fundraising	8	7
Finance and administration	5	5
	20	17

The charitable company is fully compliant with auto-enrolment regulations and all staff are enrolled and participating in a personal pension scheme.

No employee received remuneration amounting to more than £60,000 in either year. The employee remuneration, employer's NI and pensions for key management totalled £244,906 (2017: £242,189).

12 FIXED ASSETS – Tangible assets

	Property £	Mobile Bibleworld £	Equipment £	Motor vehicles £	TOTAL 2018 £
Cost: At 1 January 2018	921,420	190,856	135,105	9,995	1,257,376
Additions	-	-	15,264	-	15,264
Disposals	-	-	(16,373)	-	(16,373)
At 31 December 2018	921,420	190,856	133,996	9,995	1,256,267
Aggregate depreciation:					
At 1 January 2018	300,788	173,088	114,025	9,995	597,896
Charge for year	18,428	-	12,238	-	30,666
Elimination on disposal	-	-	(15,835)	-	(15,835)
At 31 December 2018	319,216	173,088	110,428	9,995	612,727
Net book value at 31 December 2018	602,204	17,768	23,568	-	643,540
Net book value at 31 December 2017	620,632	17,768	21,080	-	659,480

13 INVESTMENTS

	2018 £	2017 £
Quoted investments	2,799,743	3,096,182
Cash	138,263	108,156
Subsidiary undertakings	100	100
	2,938,106	3,204,438

The subsidiary company, SBS Publishing (nt:sport) Limited was incorporated on 20 August 2004 with an issued share capital of 100 shares of £1 each. It was dormant during the year and the previous year. The charitable company has not prepared consolidated financial statements because the amounts involved are not material.

The subsidiary is registered at Bible House, 7 Hampton Terrace, Edinburgh, EH12 5XU.

Quoted investments	2018 £	2017 £
Fair value at 1 January 2018	3,096,182	2,962,184
Additions at cost	535,379	-
Disposals at opening fair value	(565,344)	(53,969)
Unrealised (losses)/gains on investments	(266,474)	187,967
Fair value at 31 December 2018	2,799,743	3,096,182



14 STOCKS

	2018 £	2017 £
Bible resources held for resale	<u>45,585</u>	<u>36,502</u>

£8,088 of stock was recognised as an expense in the year. (2017: £7,529).

15 DEBTORS AND PREPAYMENTS

	2018 £	2017 £
Trade debtors	2,740	4,183
Legacies receivable	-	32,363
Tax recoverable; gift aid & VAT	19,260	14,419
Other debtors	18,749	12,525
Prepayments & accrued income	35,358	20,639
	<u>76,107</u>	<u>84,129</u>

16 FINANCIAL ASSETS AND LIABILITIES

	2018 £	2017 £
Financial assets at fair value	2,799,743	3,096,182
Financial assets at amortised cost	449,481	852,168
Financial liabilities at amortised cost	(21,722)	(46,721)
	<u>3,227,502</u>	<u>3,901,629</u>

Financial assets at fair value comprise of listed investments which are measured at market value.

Financial assets at amortised cost comprise of trade debtors, other debtors, accrued income, cash at bank and cash held in investments.

Financial liabilities comprise of trade creditors, other creditors and accrued expenses, all due within one year.

17 CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	9,803	33,600
Other creditors	50	50
Taxes and social security costs	19,577	18,183
Amount due to subsidiary company	134	134
Accruals & deferred income	11,735	12,937
	<u>41,299</u>	<u>64,904</u>

18 PROVISIONS

	2018 £	2017 £
Provision for future UBS pledge	286,374	325,000
	286,374	325,000

A provision is recognised for the anticipated pledge that will be paid to UBS in the following year. (Appeals will be launched in the following year to raise income to meet the pledge).

19 ANALYSIS OF NET ASSETS AMONG FUNDS

The fund balances at 31 December 2018 are represented by:

	General funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	-	643,540	-	643,540
Investments	-	2,938,106	-	2,938,106
Net current assets	283,112	-	87,010	370,122
Provisions	-	(286,374)	-	(286,374)
As at 31 December 2018	283,112	3,295,272	87,010	3,665,394

Analysis of Net Assets Among Funds - prior year

The fund balances at 31 December 2018 are represented by:

	General funds £	Designated funds £	Restricted funds £	Total £
Fixed assets	-	659,480	-	659,480
Investments	-	3,204,438	-	3,204,438
Net current assets	693,158	-	57,510	750,668
Provisions	-	(325,000)	-	(325,000)
As at 31 December 2018	693,158	3,538,918	57,510	4,289,586

20 CONTINGENT ASSETS

At 31 December 2018 there were no contingent assets.

21 ULTIMATE CONTROLLING PARTY

In the opinion of the trustees there is no ultimate controlling party.



22 UNRESTRICTED FUNDS

	Opening balance at 1 Jan 18 £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance at 31 Dec 18 £
GENERAL;					
General Fund	693,158	802,783	(1,154,618)	(58,211)	283,112
DESIGNATED;					
Capital Fund	3,863,918	-	(296,854)	14,582	3,581,646
UBS Provision	(325,000)	-	-	38,626	(286,374)
TOTAL	4,232,076	802,783	(1,451,472)	(5,003)	3,578,384

Unrestricted funds - prior year

	Opening balance at 1 Jan 17 £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance at 31 Dec 17 £
GENERAL;					
General Fund	459,750	1,362,584	(1,147,775)	18,599	693,158
DESIGNATED;					
Capital Fund	3,689,698	187,980	(28,269)	14,509	3,863,918
UBS Provision	(320,000)	-	-	(5,000)	(325,000)
TOTAL	3,829,448	1,550,564	(1,176,044)	28,108	4,232,076

Description of Funds

Capital Fund

The Capital Fund represents (a) amounts retained to fund the depreciation of certain long-term tangible fixed assets and (b) exceptional income or gains of prior years' which the trustees at that time determined should be held as fixed asset investments either for the generation of future investment income or for other special purposes. The Board considered that the value of this fund should equal the net book value of fixed assets and market value of investments at the Balance Sheet date.

UBS Provision

See note 18 for details. Should this provision become payable, the cost would be met from the Capital Fund, predominately through the sale of investments.

23 RESTRICTED FUNDS

FUND	Opening balance at 1 Jan 18 £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance at 31 Dec 18 £
China	-	52,988	(40,674)	-	12,314
Iraq	8,255	55,471	(36,411)	-	27,315
Legacies	43,539	-	(21,754)	-	21,785
Malawi	5,716	52,747	(32,867)	-	25,596
Others	-	69,891	(74,894)	5,003	-
TOTAL	57,510	231,097	(206,600)	5,003	87,010

Restricted funds - prior year

FUND	Opening balance at 1 Jan 17	Incoming resources	Outgoing resources	Transfers	Closing balance at 31 Dec 17
Iraq	8,255	-	-	-	8,255
Legacies	65,354	-	(21,815)	-	5,716
Malawi	-	40,396	(34,680)	-	43,539
Others	41,146	129,807	(142,845)	(28,108)	-
TOTAL	114,755	170,203	(199,340)	(28,108)	57,510

Description of Funds

Major funds for projects by overseas Bible Societies are shown individually if the amount brought forward at the start of the year together with fund income raised during the year exceeds £5,000.

Amounts carried forward at the end of the year represent donations received, net of relevant costs, and major project costs being incurred by the relevant Bible Society. (In many cases these are multi-year projects). Since the year end all carried forward funds for overseas Bible Societies have been remitted to UBS to be held for the credit of those Bible Societies.

A restricted legacy totalling £65,354 was received during 2016. This legacy is for children's work in Scotland and will be expensed over the course of 2017, 2018 and 2019.



24 RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net (expenditure)/income for the year	(624,192)	345,383
Adjustments for:		
Depreciation charges	30,666	28,269
Loss on fixed asset disposal	538	-
Loss/(Gain) on investments	266,474	(187,980)
Investment income	(99,988)	(102,044)
(Increase) in stock	(9,083)	(5,978)
Decrease in debtors	8,022	72,288
(Decrease) in creditors	(23,605)	(25,841)
(Decrease)/increase in provisions	38,626	5,000
Net cash (used in)/provided by operating activities	(489,794)	129,097

25 INCOME AND EXPENDITURE IN RELATION TO THE MACLELLAN FOUNDATION

During the year £214,822 (2017: £nil) was received from The Maclellan Foundation to be paid out to charities as selected by The Maclellan Foundation and for related events and conferences. These amounts were excluded from the 2018 income and expenditure of the charitable company in accordance with the requirements of the Statement of Recommended Practice 2015.

No sums were held on behalf of or owed to The Maclellan Foundation at 31 December 2018 or 31 December 2017.



One Million Reasons to Celebrate

In 2018 the Cuban Bible Commission (the name for the Bible Society in Cuba) gave thanks for the distribution of a million copies of the Bible. Scottish Bible Society supporters, together with supporters from Bible Societies around the world, raised the funds for these Bibles which were allocated through every province and denomination on the island.

There was a lovely poignant moment of celebration when the 'millionth' copy was presented to a young girl during a live televised event to mark this milestone. The celebration symbolised all that Cubans hope for in terms of a bright future.

Although the *One Million Bibles to Cuba* project addressed the spiritual need of Cuban Christians in part, the cost of a Bible is still the equivalent of a week's wage, so most Cubans simply cannot afford to purchase one.

We are grateful to God for the generosity of our supporters in helping to provide so many Bibles for Cuba during 2018, but we also recognise that Cuba needs many more Bibles! The need for more Bibles is increasing as there is great growth in the church - with new people coming to faith each week. These new Christians are desperate for their own copy of God's Word.

Cover photograph: A young girl admires the 'Friends For Ever' children's book she has been presented with at Iglesia Evangelica Libre, Havana (Photographer: Dag Smemo).

Above left: Commemorative Bibles for the Cuba Million Bible Celebration (Photographer: Robert Russell). Above right: A girl receives her Commemorative Bible (Photographer: Robert Russell). Below left: A little girl reads a Children's New Testament in the Sunday School at Iglesia Santidad Pentecostal, Havana (Photographer: Dag Smemo). Below right: A smiling woman holds onto her new Bible (Photographer: Hans Sagrusten).





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A company limited by guarantee registered in Scotland No. 238687 - registered office as above.
Scottish Charity No: SC010767 (Formerly The National Bible Society of Scotland)