





# The Scottish Bible Society Annual Report & Financial Statements 2019

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## 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)

Rev Marc Bircham

Mr Alan Clark

Mrs Jennifer Hardy

Mr Uchenna Iloka

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

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

Miss Ruth Penman

Mr John Purves

Rev Alan Reid

Rev Dave Richards

Mr Eric Robertson

Bishop Stephen Robson

Mr James Ross

Prof John Sawkins

Rev John Urquhart

Mr David Vardy

Mr Richard Woods

The Rt Hon Lord Young

**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)

### **Registered Office, charity number and company number**

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

**Auditor** Scott-Moncrieff Audit Services, 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 2019

**'The rain and snow come down from the heavens and stay on the ground to water the earth.  
They cause the grain to grow, producing seed for the farmer and bread for the hungry.  
It is the same with my word. I send it out, and it always produces fruit.  
It will accomplish all I want it to, and it will prosper everywhere I send it'**

ISAIAH 55:10,11 (NLT)

## 100 Years of the Chinese Union Bible

In January 2019, I had the privilege of attending the one-hundredth anniversary of the Chinese Union Version (CUV) Bible in China. With the Scottish Bible Society having part-funded the original translation work in partnership with our Bible Society colleagues in England/Wales (BFBS) and America (ABS) all those years ago, it was an honour to represent Scotland and reflect upon the huge cultural impact this work has had across such a vast country – a publication still noted as the most popular Bible in China.



## Dear Theo

Closer to home, January also saw the launch of *Dear Theo: letters to a friend*. Working in partnership with *Biblica* and *SU Scotland*, this gospel distribution project of Luke-Acts is aimed at 10 to 14 year-olds. It uses the *New International Readers Version (NIrV)* text, with no chapter or verse numberings, set alongside illustrations by Jason Ramasami. The format and style help young people engage with the story like any other book. We also produced a suite of resources to accompany *Dear Theo*.

Every child in Scotland who attended a SU Holiday in 2019 received a copy, with many holiday leaders focussing their teaching on this resource. We have also produced a number of all-age teaching materials to equip churches as they engage with young families through events such as messy church. There are also a number of downloads to accompany the book which help small group leaders unpack Luke's message.

## The case for support:

### Syrian refugees and Bible-based Trauma Healing

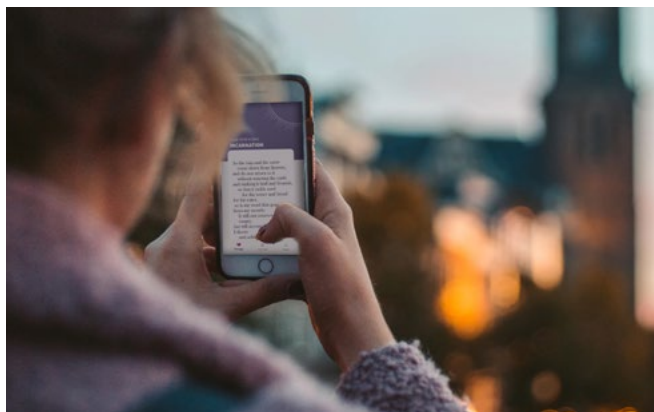
Our February appeal focussed on persecuted Christians in Syria. This included some powerful stories that moved supporters to respond generously – an appeal that happened to be aided by a lot of national news coverage at the time regarding a civil war which sadly continues today. Almost every Christian family still living in Syria has suffered some form of trauma. Depression, anxiety, fear and a sense of hopelessness is widespread. The Bible Society in Syria is working to address this desperate situation by training more Syrian Christians in Bible-based Trauma Healing. Working in local churches, these trained facilitators will reach out to families to meet their particular needs.

### Women Walking with God

In March, we supported the Women Walking with God conference at Edinburgh's International Conference Centre. We were joined by Rama Haddadin, Project Coordinator for the Bible Society in Jordan. Rama updated attendees on recently completed projects, particularly those assisted by donations given through the conference in 2017. She also spoke about the wider reality of life in the Middle East, with a focus on refugee migration, and trauma caused by unrest. This presentation stirred many attending to



enquire about Bible-based Trauma Healing courses the Scottish Bible Society have pioneered in the UK. So much so that 50% of uptake to our training courses since can be traced back to this conference. We are amazed by the appetite that exists amongst the Scottish Christian community to reach out to people here who have suffered trauma in their lives.



### For the whole world to hear

Throughout 2019, we invested a significant amount of time and energy in planning one of our biggest initiatives to date. Whilst our work historically has involved translation and Bible distribution projects that have helped influence a country or a culture, we have a desire to bless and inspire the wider, global Christian community through a project that will draw people to God's Word.

We sought to do this through Bible 2020 – a Smartphone App that provides 'Everyone, Everywhere' with daily selected readings from the Bible in multiple language formats. People are encouraged to speak Bible verses aloud while recording themselves (selfie videos), with the video content then uploaded to a global online wall. This 'Pentecost Wall' of videos provides a glimpse of the global church – a family of believers united by God's Word, speaking in their own tongue and context.

### Foillseachadh ùr | a new publication

In March 2019, we published a modern Scots Gaelic translation of the New Testament. The summation of ten-year's work, this new print edition of Scripture underlines our mandate to provide the Bible in language and formats each successive generation can

access. There is a growing Gaelic learner community within Scotland who would not easily engage with existing, historic translations. Contemporary Gaelic publications are warmly welcomed in that community. So much so, the Gaelic Books Council has already seen our modern New Testament become their best seller.

The project also included a digital element, with a Gaelic Bible App (Am Bioball Gàdhlig) which includes multiple Gaelic translations of the entire Bible. Younger Gaelic readers engaging with digital media are using these resources, which is a huge encouragement, with over 1000 readers globally downloading the App. In partnership with the Gaelic Books Council and Gaelic Language Promotion Trust, a copy of the modern NT translation is being gifted to every Gaelic Medium School library across Scotland. We are already considering a re-print of this popular resource, whilst we build better connections with the Gaelic community in Scotland, Canada and the United States of America.

### Temporary residence

2019 also saw us move as a staff team to temporary office space with our friends at the Church of Scotland at 121 George Street. During these months, Bible House was extensively renovated with updated utilities, digital communications, new office furniture, floor layouts, and a lick of paint. The staff did an amazing job continuing business as usual with much of our resources in storage. It was a blessing to be able to make these changes and establish a working environment fit for current and future needs.

Our belief is that God still uses his Word to bring life and wholeness to individuals and communities. We are grateful to our supporters for their generous partnership with us. We thank the Lord for his continued faithfulness. May his Word prosper and accomplish all he desires.

**Elaine Duncan**  
**Chief Executive**

13 May 2020



## Trustees' Report

*For the year ended 31 December 2019*

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 2019.

### 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, 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) 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.

Information on all the charitable company's projects and events is carried on its website, in monthly e-newsletters, and in the twice-yearly Transform (previously titled '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, 2019 saw the charitable company complete and launch an all-age resource entitled *Dear Theo*. This book (a version of the gospel of Luke and Acts) was produced in partnership with Biblica Europe and has a variety of free to download material to assist those engaging with the resource. In addition, the charitable company is supporting 7 churches using the *Bibleworld Books* material that was launched last year.

As detailed in the prior year's accounts, the charitable company is moving ahead with its *Bible 2020* project. This new initiative, creating and promoting a year-long daily scripture reading 'Mexican wave' across the globe, can be summarised as the Bible being read aloud every day, in every country. During 2019, a new website and mobile phone app was developed ready for the launch on 1 January 2020. In addition, the reading plan for the project was finalised and appropriate licensing agreements obtained for using various Bible texts from around the globe.

During the year, the charitable company coordinated Trauma Healing training courses. This Bible-engagement, facilitator-led resource has already been used across various parts of the world to help individuals and communities deal with a number of traumas that they have encountered. The course has been adapted for a Scottish context and over 27 groups

have now been run across the country following the initial training received.

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 over 1,700 a month. Also, with the completion of the Gaelic translation of the New Testament in 2018, a hard-copy of the New Testament was made available during the year.

Direct mail appeals were mounted during the year for a variety of projects run by Bible Societies in Angola, Cambodia, China and Syria and translation projects run by United Bible Societies (UBS), while regular contributions via the *Bible-a-month* programme raised further sums for work overseas. The appeals supported can be summarised as follows:

- **Angola** A project aimed at helping the visually impaired engage with the Bible.
- **Cambodia** The provision and distribution of Bibles.
- **China** Providing paper for Bible production.
- **Syria** Help provide resources for a Bible-based Trauma Healing project.
- **Translation** Help finalise translations in Democratic Republic of Congo, Ghana and Tanzania.

### 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.

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, 2019 saw the Community Partnership Manager fulfil more speaking engagements than prior years 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 increased by £320,748.

The total return on investments (income and capital appreciation) during 2019 was 16.78% (2018; -5.39%), just ahead of the benchmark performance of 16.42% (2018; -6.6%). The benchmark for 2019, 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 marginally during the year (circa £5k) to £825k in 2019 as against £820k in 2018. In 2019 legacy income increased by nearly £230k on 2018, to a total legacy income figure of £305k. 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 and 2019 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 23% of appeal donors took this option, and in 2019 general income was 76% of total income compared to 73% in 2018.

The investment portfolio finished the year with a revaluation increase of £320,748. Significant capital

withdrawals were made from the fund to meet the expenses of the building refurbishment project. The trustees were satisfied that the portfolio performed favourably when compared against benchmark indicators.

### Reserves policy & Going Concern

Total reserves at 31 December 2019 were as follows;

<b>Unrestricted</b>	<b>£s</b>
General	(20,976)
Designated	
Capital	3,873,704
Provision	(289,721)
	<b>3,563,007</b>
<b>Restricted</b>	<b>54,202</b>
<b>TOTAL</b>	<b>3,617,209</b>

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 authorization. The Capital Fund is therefore excluded from the free reserves' calculation.

At 31 December 2019 the charity's general reserves stood at £(20,976). As a result, in January 2020, £250,000 of investments were disposed of to provide funds to meet general expenses. £250,000 represents 25% (3 months) of 'normal' resources expended during the year.

The charitable company carried out a substantial building refurbishment programme at its registered office during the year. This refurbishment was funded, as noted above, in its entirety via the Capital Fund. (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 refurbished





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 £1,858,341 at 31 December 2019 (£1,809,657 investment funds and £48,684 cash). In addition, the charitable company holds other shares, not under management, of £8,921. In total, investments, including cash, amounted to £1,867,262 at 31 December 2019.

The purpose of these funds is (a) to provide a resource for future investment in capital intensive projects, such as the 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 2019.

Post year-end, the fair value of the investments has decreased substantially due to the COVID-19 global pandemic. The UK investment market has decreased in value by around 30%. A decrease of 30% would see the quoted investments of the charitable company reduce in value to around £1,273,000.

### 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, 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, in Scotland, 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

Plans for 2020 (and potentially beyond) have been impacted by the COVID-19 global pandemic. The charitable company, however, remains focused on fulfilling its mission and purpose. Therefore, the plans summarised below may alter and change as the charitable company responds to the latest intel and government guidelines.

The *Bible 2020* project will take much of the Bible advocacy focus during 2020, particularly as the charitable company works on the roll-out of the initiative in Scotland, whilst supporting the website and app as it is used around the globe.

The charitable company remains committed to other 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 2020 the charitable company will be actively involved in a variety of mission opportunities.



The charitable company's work in extending Bible literacy among the Christian community will continue, where possible, with the promotion of the *Community Bible Experience* (CBE) and the production of new Bible engagement resources. Leading and speaking at various other engagements and conferences will be reduced in 2020 because of the COVID-19 lockdown.

Overseas, the charitable company will continue to work closely with sister Bible Societies. In 2020 the charitable company intended to appeal for funds to support Bible Society projects in China (a Bible distribution project), Haiti (a Bible literacy and distribution project), Peru (a holistic Bible project proving food and Bibles for children), Rwanda (help resource a Bible-based trauma healing project) and Syria (a Bible distribution project) as well as aiding a variety of Bible translation projects through its *Bible-a-month* partnership. However, appeals will be evaluated during 2020 to consider whether or not these projects can still go ahead due to the impact of COVID-19 in each country. Appeals may be launched to help meet the urgent needs elsewhere within the fellowship.

## 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 25 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 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. The Director of Communications (this post is currently vacant) 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 145 Bible Societies or Offices at work in over 200 countries worldwide, translating, publishing and distributing the Bible. Support for overseas Scripture Projects is channelled 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

Rev Diana Hall	resigned 5 February 2019
Mr Richard Atkinson	retired 6 June 2019
Mr Uchenna Iloka	appointed 8 July 2019
Mr Alan Clark	appointed 5 March 2020

## Trustees' Responsibilities in respect of the Financial Statements

The trustees are responsible for preparing the Trustees' Report 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 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

The appointed audit, Scott Moncrieff, tendered their resignation during 2019 and were replaced by Scott Moncrieff Audit Services. Scott Moncrieff Audit Services have expressed their willingness to continue in office as auditor and will be proposed for re-appointment at the Annual General Meeting.

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, founded originally in 1809, continues to flourish some 210 years later through the generous support of individuals, churches and organisations. This support has enabled us to continue with our support of other Bible Societies and to respond to Bible needs both at home and abroad. Projects like *Bible 2020*, *Dear Theo* and *Bible-based Trauma Healing*, demonstrate that the charitable company is able to offer imaginative ways to assist churches here in Scotland engage with their local community.

There is no doubt that COVID-19 will have an impact on how the charitable company operates in 2020. However, there are systems in place that allow staff to operate remotely and still communicate with our supporters and global family. There are resources and projects online that allow individuals and organisations to still obtain and engage with God's Word in a format of their choosing.

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

13 May 2020



# Independent Auditor's Report to the Members and Trustees

*For the year ended 31 December 2019*

## Opinion

We have audited the financial statements of The Scottish Bible Society for the year ended 31 December 2019 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 2019 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 International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the auditor's

responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

However because not all future events or conditions can be predicted this statement is not a guarantee as to the charitable company's ability to continue as a going concern. For example, the impact of COVID-19 on the charitable company's trade, customers, suppliers, employees and other stakeholders and on the wider economy in general is difficult to evaluate.

## 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 page 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](http://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.

*Scott-Moncrieff Audit Services.*

**Jennifer Alexander, Senior Statutory Auditor**

**For and on behalf of Scott-Moncrieff,  
Audit Services**

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

Exchange Place, 3 Sempole Street, Edinburgh,  
EH3 8BL

Date: 13 May 2020

The Scottish Bible Society – Statement of Financial Activities (incorporating the Income and Expenditure Account) For the year ended 31 December 2019

	Notes	Unrestricted Funds £	Restricted Funds £	TOTAL 2019 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £
<b>Income from:</b>							
Donations and legacies	4	936,679	193,735	1,130,414	664,002	231,097	895,099
Charitable activities	4	19,752	-	19,752	10,878	-	10,878
Other income	4	27,626	-	27,626	27,915	-	27,915
Investments		107,549	-	107,549	99,988	-	99,988
<b>Total income</b>		<b>1,091,606</b>	<b>193,735</b>	<b>1,285,341</b>	<b>802,783</b>	<b>231,097</b>	<b>1,033,880</b>
<b>Expenditure on:</b>							
Fundraising	5	278,717	43,717	322,434	240,598	41,525	282,123
Charitable activities	6	1,139,134	192,706	1,331,840	944,687	165,075	1,109,762
<b>Total expenditure</b>		<b>1,417,851</b>	<b>236,423</b>	<b>1,654,274</b>	<b>1,185,285</b>	<b>206,600</b>	<b>1,391,885</b>
<b>Net (expenditure)/income before investment gain</b>		<b>(326,245)</b>	<b>(42,688)</b>	<b>(368,933)</b>	<b>(382,502)</b>	<b>24,497</b>	<b>(358,005)</b>
Net gains/(losses) on investments		320,748	-	320,748	(266,187)	-	(266,187)
<b>Net (expenditure)/income after investment gain</b>		<b>(5,497)</b>	<b>(42,688)</b>	<b>(48,185)</b>	<b>(648,689)</b>	<b>24,497</b>	<b>(624,192)</b>
Transfers between funds	23 & 24	(9,880)	9,880	-	(5,003)	5,003	-
<b>Net movement in funds</b>		<b>(15,377)</b>	<b>(32,808)</b>	<b>(48,185)</b>	<b>(653,692)</b>	<b>29,500</b>	<b>(624,192)</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward 1 January 2019		3,578,384	87,010	3,665,394	4,232,076	57,510	4,289,586
<b>Total funds carried forward</b>		<b>3,563,007</b>	<b>54,202</b>	<b>3,617,209</b>	<b>3,578,384</b>	<b>87,010</b>	<b>3,665,394</b>

*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 2019

	Notes	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	12	2,006,342	643,540
Investments	13	1,867,362	2,938,106
<b>TOTAL FIXED ASSETS</b>		<b>3,873,704</b>	<b>3,581,646</b>
<b>CURRENT ASSETS</b>			
Stock	14	36,906	45,585
Debtors	15	162,857	76,107
Cash at bank and in hand		68,742	289,729
<b>TOTAL CURRENT ASSETS</b>		<b>268,505</b>	<b>411,421</b>
<b>LIABILITIES</b>			
Creditors: Amounts falling due within one year	17	(235,279)	(41,299)
<b>NET CURRENT ASSETS</b>		<b>33,226</b>	<b>370,122</b>
Provisions for liabilities	18	(289,721)	(286,374)
<b>TOTAL NET ASSETS</b>		<b>3,617,209</b>	<b>3,665,394</b>
The funds of the charity:			
Unrestricted funds	23	3,563,007	3,578,384
Restricted funds	24	54,202	87,010
<b>TOTAL CHARITY FUNDS</b>		<b>3,617,209</b>	<b>3,665,394</b>

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 on 13 May 2020 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 2019

	Note	2019 £	2018 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	25	<b>(312,722)</b>	<b>(489,794)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Investment income		107,549	99,988
Purchase of tangible fixed assets		(1,412,567)	(15,264)
Proceeds from sale of fixed assets/investments		1,659,421	565,344
Purchase of investments		(352,247)	(535,379)
Decrease/(Increase) in cash reserves in investments		89,579	(30,107)
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>		<b>91,735</b>	<b>84,582</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE REPORTING PERIOD</b>		<b>(220,987)</b>	<b>(405,212)</b>
<b>CASH AT THE BEGINNING OF THE REPORTING PERIOD</b>		<b>289,729</b>	<b>694,941</b>
<b>CASH AT THE END OF THE REPORTING PERIOD</b>		<b>68,742</b>	<b>289,729</b>

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 2019

### 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 1 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. 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

*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	2019	2018
	£	£	£	£	£
Donations	631,358	-	193,735	825,093	820,283
Legacies	305,321	-	-	305,321	74,816
	<u>936,679</u>	<u>-</u>	<u>193,735</u>	<u>1,130,414</u>	<u>895,099</u>

*Donations and legacies - prior year*

	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>



(b) *Charitable activities*

	<b>Unrestricted Funds 2019 £</b>	<b>Unrestricted Funds 2018 £</b>
Sale of Bible resources	19,447	10,014
Other fees	305	864
	<u><b>19,752</b></u>	<u><b>10,878</b></u>

(c) *Other income*

	<b>Unrestricted Funds 2019 £</b>	<b>Unrestricted Funds 2018 £</b>
Rental income of surplus property	27,626	27,915
	<u><b>27,626</b></u>	<u><b>27,915</b></u>

## 5 RAISING FUNDS

	<b>Unrestricted Funds</b>		<b>Restricted Funds</b>	<b>TOTAL 2019 £</b>	<b>TOTAL 2018 £</b>
	<b>General £</b>	<b>Designated £</b>	<b>£</b>		
Staff costs	128,500	-	15,225	143,725	128,782
Costs of appeals	65,568	-	28,492	94,060	77,175
Investment management	13,704	-	-	13,704	15,600
Support costs (note 8)	70,945	-	-	70,945	60,566
	<u><b>278,717</b></u>	<u>-</u>	<u><b>43,717</b></u>	<u><b>322,434</b></u>	<u><b>282,123</b></u>

*Raising Funds - prior year*

	<b>Unrestricted Funds</b>		<b>Restricted Funds</b>	<b>TOTAL 2018 £</b>	<b>TOTAL 2017 £</b>
	<b>General £</b>	<b>Designated £</b>	<b>£</b>		
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
	<u><b>240,598</b></u>	<u>-</u>	<u><b>41,525</b></u>	<u><b>282,123</b></u>	<u><b>258,288</b></u>



## 6 CHARITABLE ACTIVITIES

	Unrestricted Funds		Restricted Funds	TOTAL 2019	TOTAL 2018
	General	Designated			
	£	£	£	£	£
National Ministries (note (a))	537,292	-	21,785	559,077	454,587
International Projects (note (b))	242,955	-	170,921	413,876	353,906
Information (note (c))	358,887	-	-	358,887	301,269
	<b>1,139,134</b>	<b>-</b>	<b>192,706</b>	<b>1,331,840</b>	<b>1,109,762</b>

### *Charitable activities - prior year*

	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
	<b>944,687</b>	<b>-</b>	<b>165,075</b>	<b>1,109,762</b>	<b>1,117,096</b>

### *(a) National Ministries*

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

	General	Designated	Restricted	TOTAL	TOTAL
				2019	2018
	£	£	£	£	£
Cost of providing Bible & resources	68,013	-	-	68,013	60,306
Bibleworld & resources	105,925	-	-	105,925	95,979
Other Ministries	271,541	-	21,785	293,326	221,636
Support costs (note 8)	91,813	-	-	91,813	76,666
<b>TOTAL</b>	<b>537,292</b>	<b>-</b>	<b>21,785</b>	<b>559,077</b>	<b>454,587</b>

### *National ministries - prior year*

	General	Designated	Restricted	TOTAL	TOTAL
				2018	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
<b>TOTAL</b>	<b>432,802</b>	<b>-</b>	<b>21,785</b>	<b>454,587</b>	<b>455,640</b>





(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:

	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>TOTAL</b>	<b>TOTAL</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>2019</b>	<b>2018</b>
				<b>£</b>	<b>£</b>
Project grants (note 7)	157,043	-	170,921	327,964	288,596
Direct costs	45,658	-	-	45,658	29,763
Support costs (note 8)	40,254	-	-	40,254	35,547
<b>TOTAL</b>	<b>242,955</b>	<b>-</b>	<b>170,921</b>	<b>413,876</b>	<b>353,906</b>

*International Projects - prior year*

	<b>General</b>	<b>Designated</b>	<b>Restricted</b>	<b>TOTAL</b>	<b>TOTAL</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>2018</b>	<b>2017</b>
				<b>£</b>	<b>£</b>
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
<b>TOTAL</b>	<b>210,616</b>	<b>-</b>	<b>143,290</b>	<b>353,906</b>	<b>391,802</b>

(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.

	<b>Unrestricted</b>	<b>Unrestricted</b>
	<b>Funds</b>	<b>Funds</b>
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Staff costs	177,524	156,202
Direct costs	94,160	71,121
Support costs (note 8)	87,203	73,945
<b>TOTAL</b>	<b>358,887</b>	<b>301,269</b>

## 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 2019, the charitable company raised funds through appeals for projects in Angola, Cambodia, China, Syria and Translation work in Africa. In addition, funds were raised for ongoing distribution work in many countries.

The charitable company's intention for 2020 is to raise funding which will be used to support projects in China, Haiti, Peru, Rwanda 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 2019 £	TOTAL 2018 £
<b>World grants paid in year:</b>				
BS Angola	13,710	11,881	25,591	-
BS Cambodia	3,390	22,201	25,591	-
China	8,197	36,685	44,882	30,076
BS Cuba	-	-	-	26,317
BS Iraq	-	6,142	6,142	26,317
BS Kenya	-	18,000	18,000	18,000
BS Malawi	-	2,112	2,112	26,317
BS Syria	-	40,945	40,945	-
BS Uganda	-	-	-	26,317
BS Uruguay	-	-	-	13,008
WDP	903	9,333	10,236	10,527
Smaller grants	44,268	-	44,268	47,062
UBS stewardship	83,228	-	83,228	56,393
UBS translations	-	23,622	23,622	45,000
	<b>153,696</b>	<b>170,921</b>	<b>324,617</b>	<b>325,334</b>
<b>Add:</b> movement in provision	3,347	-	3,347	(56,626)
	<b>157,043</b>	<b>170,921</b>	<b>327,964</b>	<b>268,708</b>

*Grants payable - prior year*

	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £
<b>World grants paid in year:</b>			
China	-	30,076	30,076
BS Cuba	7,416	18,901	26,317
BS Iraq	-	26,317	26,317
BS Kenya	-	18,000	18,000
BS Malawi	-	26,317	26,317
BS Uganda	10,104	16,213	26,317
BS Uruguay	13,008	-	13,008
WDP	3,061	7,466	10,517
Smaller grants	47,062	-	47,062
UBS stewardship	56,393	-	56,393
UBS translations	45,000	-	45,000
	<b>182,044</b>	<b>143,290</b>	<b>325,334</b>
<b>Add:</b> movement in provision	(56,626)	-	(56,626)
	<b>125,418</b>	<b>143,290</b>	<b>268,708</b>



## 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.

	<b>Fundraising</b>	<b>National Ministries</b>	<b>Intl Projects</b>	<b>Info</b>	<b>TOTAL 2019</b>	<b>TOTAL 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Property	6,105	-	-	7,583	13,688	16,897
Postage & stationery	3,240	-	-	3,940	7,180	7,922
Administration	46,306	74,820	23,261	56,988	201,375	159,748
Governance (note 9)	15,294	16,993	16,993	18,692	67,972	62,156
	<b>70,945</b>	<b>91,813</b>	<b>40,254</b>	<b>87,203</b>	<b>290,215</b>	<b>246,723</b>

### *Support costs - prior year*

	<b>Fundraising</b>	<b>National Ministries</b>	<b>Intl Projects</b>	<b>Info</b>	<b>TOTAL 2018</b>	<b>TOTAL 2017</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
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
	<b>60,566</b>	<b>76,666</b>	<b>35,547</b>	<b>73,945</b>	<b>246,723</b>	<b>201,263</b>

## 9 GOVERNANCE COSTS

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Auditor's remuneration		
- Audit fees	9,714	9,840
Legal fees	-	1,936
Staff costs attributed to governance	54,966	42,774
Office costs attributable to governance	3,292	7,606
	<b>67,972</b>	<b>62,156</b>

Governance costs have been split across Fundraising and the Charitable Activities (national ministries, international projects and information). A similar split was used in 2018. 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 (2018: £nil). Expenses paid to the trustees during the year amounted to £nil (2018: £nil).

During the year 2 trustees donated £700 to the charitable company's general fund (2018: 3 trustees donated £131).

Mr Richard Atkinson, a trustee of the charitable company until 6 June 2019, is also a director of Maxi Group Limited and has an interest in its shares. On 16 August 2019, the charitable company sold its Bibleworld trailer to the Maxi Group Limited for £5,000. This balance was cleared by Maxi Group Limited and no balance is outstanding.

## 11 STAFF COSTS

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	609,627	572,635
Social Security costs	56,778	52,823
Employer's contribution to defined contribution pension scheme	55,375	49,793
	<u><b>721,780</b></u>	<u><b>675,251</b></u>
The average number of employees was 21 (corresponding full time equivalent 18):		
Charitable activities	7	7
Communications and fundraising	9	8
Finance and administration	5	5
	<u><b>21</b></u>	<u><b>20</b></u>

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

Only one employee (Chief Executive) received remuneration amounting to more than £60,000 (£61,620) in the year. The employee remuneration, employer's NI and pensions for key management totalled £253,896 (2018: £244,906).



## 12 FIXED ASSETS – Tangible assets

	Property £	Mobile Bibleworld £	Equipment £	Motor vehicles £	TOTAL 2019 £
Cost: At 1 January 2019	921,420	190,856	133,998	9,995	1,256,269
Additions	1,267,539	-	145,028	-	1,412,567
Disposals	-	(190,856)	(84,344)	-	(275,200)
At 31 December 2019	<u>2,188,959</u>	<u>-</u>	<u>194,682</u>	<u>9,995</u>	<u>2,393,636</u>
Aggregate depreciation:					
At 1 January 2019	319,216	173,088	110,428	9,995	612,727
Charge for year	18,428	-	12,415	-	30,843
Elimination on disposal	-	(173,088)	(83,188)	-	(256,276)
At 31 December 2019	<u>337,644</u>	<u>-</u>	<u>39,655</u>	<u>9,995</u>	<u>387,294</u>
Net book value at 31 December 2019	<u>1,851,315</u>	<u>-</u>	<u>155,027</u>	<u>-</u>	<u>2,006,342</u>
Net book value at 31 December 2018	<u>602,204</u>	<u>17,768</u>	<u>23,568</u>	<u>-</u>	<u>643,540</u>

## 13 INVESTMENTS

	2019 £	2018 £
Quoted investments	1,818,578	2,799,743
Cash	48,684	138,263
Subsidiary undertakings	100	100
	<u>1,867,362</u>	<u>2,938,106</u>

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.

	2019 £	2018 £
Quoted investments		
Fair value at 1 January 2019	2,799,743	3,096,182
Additions at cost	352,247	535,379
Disposals at opening fair value	(1,654,421)	(565,344)
Unrealised gains/(losses) on investments	321,009	(266,474)
<b>Fair value at 31 December 2019</b>	<u><b>1,818,578</b></u>	<u><b>2,799,743</b></u>

Post year-end, the fair value of the investments has decreased substantially due to the COVID-19 global pandemic. The UK investment market has decreased in value by around 30%. A decrease of 30% would see quoted investments of the charitable company be valued at £1,273,000.



## 14 STOCKS

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Bible resources held for resale	36,905	45,585

£11,328 of stock was recognised as an expense in the year. (2018: £8,088).

## 15 DEBTORS AND PREPAYMENTS

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	8,569	2,740
Legacies receivable	85,524	-
Tax recoverable; gift aid & VAT	21,939	19,260
Other debtors	4,997	18,749
Prepayments & accrued income	41,828	35,358
	<b>162,857</b>	<b>76,107</b>

## 16 FINANCIAL ASSETS AND LIABILITIES

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Financial assets at fair value	1,818,578	2,799,743
Financial assets at amortised cost	270,521	449,481
Financial liabilities at amortised cost	(213,418)	(21,722)
	<b>1,875,681</b>	<b>3,277,502</b>

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

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Trade creditors	50,438	9,803
Other creditors	50	50
Taxes and social security costs	21,861	19,577
Amount due to subsidiary company	134	134
Accruals & deferred income	162,796	11,735
	<b>235,279</b>	<b>41,299</b>



## 18 PROVISIONS

	2019 £	2018 £
Provision for future UBS pledge	289,721	286,374
	<u>289,721</u>	<u>286,374</u>

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 2019 are represented by:

	General Funds £	Designated Funds £	Restricted funds £	Total £
Fixed assets	-	2,006,342	-	2,006,342
Investments	-	1,867,362	-	1,867,362
Net current assets	(20,976)		54,202	33,226
Provisions	-	(289,721)	-	(289,721)
As at 31 December 2019	<u>(20,976)</u>	<u>3,583,983</u>	<u>54,202</u>	<u>3,617,209</u>

### *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	-	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	<u>283,112</u>	<u>3,295,272</u>	<u>87,010</u>	<u>3,665,394</u>

## 20 ANALYSIS OF CHANGES IN NET DEBT

	Opening balance at 1 Jan 19 £	Cashflows £	Fair value movements £	Other non- cash changes £	Closing balance at 31 Dec 19 £
Cash	289,729	(220,987)	-	-	68,742
<b>TOTAL</b>	<u>289,729</u>	<u>(220,987)</u>	<u>-</u>	<u>-</u>	<u>68,742</u>



## Analysis of Changes in Net Debt - prior year

	Opening balance at 1 Jan 18 £	Cashflows £	Fair value movements £	Other non- cash changes £	Closing balance at 31 Dec 18 £
Cash	694,941	(405,212)	-	-	289,729
<b>TOTAL</b>	<b>694,941</b>	<b>(405,212)</b>	<b>-</b>	<b>-</b>	<b>289,729</b>

## 21 CONTINGENT ASSETS

At 31 December 2019 there were no contingent assets.

## 22 ULTIMATE CONTROLLING PARTY

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

## 23 UNRESTRICTED FUNDS

	Opening balance at 1 Jan 19 £	Incoming resources £	Outgoing resources £	Net gains on investments £	Transfers £	Closing balance at 31 Dec 19 £
<b>GENERAL;</b>						
General Fund	283,112	1,091,606	(1,393,901)	-	(1,793)	(20,976)
<b>DESIGNATED;</b>						
Capital Fund	3,581,646	-	(23,950)	320,748	(4,740)	3,873,704
UBS Provision	(286,374)	-	-	-	(3,347)	(289,721)
<b>TOTAL</b>	<b>3,578,384</b>	<b>1,091,606</b>	<b>(1,417,851)</b>	<b>320,748</b>	<b>(9,880)</b>	<b>3,563,007</b>

### Unrestricted funds - prior year

	Opening balance at 1 Jan 18 £	Incoming resources £	Outgoing resources £	Net losses on investments £	Transfers £	Closing balance at 31 Dec 18 £
<b>GENERAL;</b>						
General Fund	693,158	802,783	(1,154,618)	-	(58,211)	283,112
<b>DESIGNATED;</b>						
Capital Fund	3,863,918	-	(30,667)	(266,187)	14,582	3,581,646
UBS Provision	(325,000)	-	-	-	38,626	(286,374)
<b>TOTAL</b>	<b>4,232,076</b>	<b>802,783</b>	<b>(1,185,285)</b>	<b>(266,187)</b>	<b>(5,003)</b>	<b>3,578,384</b>





## 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, predominantly through the sale of investments.

## 24 RESTRICTED FUNDS

FUND	Opening balance at 1 Jan 19 £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance at 31 Dec 19 £
China	12,314	30,464	(42,778)	-	-
Iraq	27,315	-	(6,142)	-	21,173
Legacies	21,785	-	(21,785)	-	-
Malawi	25,596	-	(2,112)	-	23,484
Translations	-	41,459	(31,914)	-	9,545
Others	-	121,812	(131,692)	9,880	-
<b>TOTAL</b>	<b>87,010</b>	<b>193,735</b>	<b>(236,423)</b>	<b>9,880</b>	<b>54,202</b>

### Restricted funds - prior year

FUND	Opening balance at 1 Jan 18 £	Incoming resources £	Outgoing resources £	Transfers £	Closing balance at 31 Dec 18 £
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
China	-	52,988	(40,674)	-	12,314
Others	-	69,892	(74,894)	5,003	-
<b>TOTAL</b>	<b>57,510</b>	<b>231,098</b>	<b>(206,600)</b>	<b>5,003</b>	<b>87,010</b>

### 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 was expensed over the course of 2017, 2018 and 2019.

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

	2019	2018
	£	£
Net (expenditure) for the year	(48,185)	(624,192)
Adjustments for:		
Depreciation charges	30,843	30,666
Loss on fixed asset disposal	13,922	538
(Gain)/Loss on investments	(321,009)	266,474
Investment income	(107,549)	(99,988)
Decrease/(Increase) in stock	8,679	(9,083)
(Increase)/Decrease in debtors	(86,750)	8,022
Increase/(Decrease) in creditors	193,980	(23,605)
Increase/(Decrease) in provisions	3,347	(38,626)
<b>Net cash (used in)/provided by operating activities</b>	<b>(312,722)</b>	<b>(489,794)</b>

## 26 INCOME AND EXPENDITURE IN RELATION TO THE MACLELLAN FOUNDATION

During the year £nil (2018: £214,822) 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 2019 or 31 December 2018.

## 27 SUBSEQUENT EVENTS

As detailed in the Trustees Report, the global COVID-19 pandemic has had an impact on the operational activities and financial performance of the charitable company post year end.

In terms of operations, the charitable company is utilising its digital online platforms to communicate with supporters and help individuals, churches and communities engage with the Bible. Many of the traditional events that the charitable company would have attended and spoken at have either been postponed or cancelled. The charitable company has, however, taken advantage of new opportunities that have arisen as a result of the current situation.

In terms of financial performance, as noted above, the fair value of the investment funds held by the charitable company have decreased significantly. That said, the investment funds will still be able to fund any shortfall in the operational activities of the charitable company in the short to medium term. The charitable company is also currently evaluating the needs of the UBS fellowship to ensure appeals are adapted appropriately to assist those most in need.

*'Blessed are those who are persecuted because of righteousness, for theirs is the kingdom of heaven.'*

MATTHEW 5:10 (NIV)

## Hope Amidst Hostility

In the face of persecution, the Bible Society in Cambodia and the Laos Partnership are bringing the joy of the Bible to thousands across Southeast Asia.

Pressure comes from the community and, in the case of Laos, from the government itself. Despite this, many are learning the truth about Jesus. Projects in both countries are helping to distribute Bibles and Scripture material, helping believers strengthen their faith and encouraging non-believers to encounter the living God.

Commenting on our support for work in Cambodia and Laos, Arun Sok Nhep who leads project work in both countries, says, 'I would like to thank Christians in Scotland for coming alongside us as we try to bring God's Word to many. We hope one day people will find comfort in God's Word and come to know Him.'

We are thankful that God's Word never ceases to bring light into the darkest of circumstances.

*The front cover photograph and images shown here were captured in November 2018 during a visit to Cambodia and Laos by Scottish Bible Society staff. We appealed for funds to support these projects in June 2019.*





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