

Annual Report and Accounts

For the year ended 31 December 2020

Registered Charity No. 1102593
Registered Company No. 5021052

Trustees' Annual Report for year ended 31 December 2020

Constitution

The Naval Military & Air Force Bible Society was founded in 1779 and established on 20 January 2004 as a company limited by guarantee (No. 5021052) and a registered charity (No. 1102593) governed by its memorandum and articles of association. At the meeting of trustees on 30 June 2017, it was agreed to revert the name of the Society to Naval & Military Bible Society, reflecting the service to Merchant seafarers and all military and service personnel across the globe.

Directors and trustees

The directors of the charitable company ("the Society") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees:

The Reverend S P Springett RNR (Chair from 1 April 2017)

Colonel J Lewis

The Revd J Pitkin (Squadron Leader RAF retired)

Lieutenant Colonel (Retd) D G Vincent MBE

Doctor P A Lucas

Mr S Rivers

The Reverend K Bassett (Lieutenant RNR)

Paddy Gallagher (Resigned 24/03/2021)

Society director and company secretary:

Mr A G Dakin OBE (Wing Commander retired)

Advocacy Officer:

Mrs Carey Rivers

Registered office:

Unit 24, Shrivenham Hundred Business Park, Watchfield, Wiltshire SN6 8TZ

Independent Examiner:

Clifford Fry & Co, St Mary's House, Netherhampton, Salisbury, SP2 8PU

Bankers:

Barclays Bank PLC, PORTSMOUTH 2, Leicester, Leicestershire, LE87 2BB

Aim and purposes

The Society's aim and objectives, as set out in the company's Memorandum of Association, are:

To advance the Christian religion by distributing, either free of charge or by sale, copies of the Bible, New Testaments and Psalms and Christian resources to the United Kingdom armed forces personnel and their associates, to the forces of the Commonwealth and other nations, merchant seafarers, United Kingdom police, fire and rescue services and others.

Public Benefit

The Society's beneficiaries include United Kingdom armed forces personnel and their associates, the forces of the Commonwealth and other nations, merchant seafarers, United Kingdom police, fire and rescue services and others in whatever geographical area they may be serving. Our literature is tailored to meet the needs of our beneficiaries and we are a gifting Society that gratefully receives donations.

The Society's literature addresses the needs of armed forces' personnel and their families faced with bereavement and the effects of combat stress and separation, and merchant seafarers and their families in the current climate of job insecurity, piracy, hostage taking and isolation. It is mainly ordered and distributed through military chaplains and merchant seafarers' missions. It aids the building of resilience and good character, education in moral and ethical values and giving spiritual strength and guidance for those of the Christian faith.

The Charity Commission's guidance and principles on public benefit are also reflected in both the planned objectives and the year's activities.

Planned activities for 2021

The Society's core business remains the distribution of Bibles and New Testaments with bespoke cover designs for service personnel and seafarers and cadets. The effects of the COVID-19 pandemic throughout 2020 will continue to affect the management and mission of the Society, but NMBS will progress the transform of its processes and work patterns. The main additional activities are as follows:

- Transfer our business address to be co-located to the Armed Forces Christian Union (based at Shrivenham Hundred Business Park)
- Transition our accounting and payroll services from the Royal Naval Benevolent Trust to 'in-house'

Publications commissioned in 2020:

• Seafarer's Luke/Act Diglot English/Tagalog	£922
• Softback New Testament and Psalms NIV (5 variants)	£43,206
• Hardback Bibles (4 variants)	£5,232
• Forgiveness Matters	£850
• Inner Struggles – Military 2 nd Edition (Army)	£7,000
• Gift of God (English and Russian, plus a KJV variant for Mobile, AI)	£1,454
• Commando Prayer Book	£1,741
• Cadet Prayer Book	£2,142
• Moral Compass 2 nd Edition	£1,519
• Seafarer's Russian New Testament	£2,600
• <i>Inner Struggles – Royal Navy Edition</i>	£6,696
• <i>Hardback Bibles (3 variants)</i>	£5,662
• <i>Seafarer's New Testament Diglot English/Tagalog</i>	£12,750
• <i>Softback New Testament and Psalms NIV (8 variants)</i>	£40,000

Entries in italics where ordered in 2020, but with a majority of expenditure occurring in 2021

Governance

A Board of Trustees, comprising officers representing the UK's armed forces, military cadet forces and merchant seafarer missions, governs the Society, with advice from serving chaplains to Her Majesty's Forces. The Board meets every four months.

An Executive Director, appointed by the trustees, manages day-to-day activities, assisted by an Advocacy Officer. No employees receive benefits, excluding pension costs, of more than £60,000.

Risk Management

In line with recommended practice, the Board regularly reviews the financial and operational risks to which it may be exposed. The trustees are satisfied that systems are in place to mitigate risk and take action to alleviate such risks where necessary.

Finances

The £179,000 income in 2020 represents a 19% increase from £151,000 in 2019. The stock value at year end was £100,000.

Reserves Policy

The Society's policy is to keep reserves to a minimum. Nonetheless, it recognizes the need to have an operating balance sufficient to cover minimum operating costs for a 6-month period if it became necessary to close the Society. Efforts have been made in recent years to reduce operating costs, such that the minimum operating balance is now £20,000. However, to enable orders to be placed in a timely fashion it is the aim to maintain a month end balance of £50,000, which was achieved in December 2020. The trustees will keep this figure under review, considering the balance between the increase in activity and the welcome transition to a more financially efficient operating model.

Trustees responsibilities in relation to financial statements

- a) For the period ended 31st December 2020, the company was entitled to exemption under section 249A (2).
- b) Trustees have not required the company to obtain an audit in accordance with section 249B (2).
- c) The trustees acknowledge their responsibility for:
 - i) ensuring the company keeps accounting records which comply with section 221 and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss at the end of the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.
- (d) The accounts have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

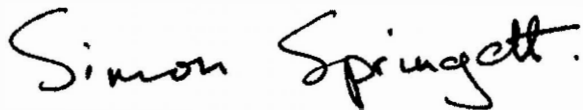
Naval & Military Bible Society

In doing so, the trustees have:

- Selected suitable accounting policies and then applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Prepared financial statements on the going concern basis, it being appropriate to presume that the charity will continue in business;
- Exercised their responsibility for maintaining proper accounting records that disclose, with reasonable accuracy at any time, the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006.
- The trustees have also safeguarded the assets of the charity and taken reasonable steps for the prevention of fraud and other irregularities.

The trustees gave their time voluntarily and received no benefit from the charity.

By order of the trustees,

A handwritten signature in black ink that reads "Simon Springett." The signature is written in a cursive, flowing style.

Simon Springett
Chaplain RNR
Chair of Trustees
20 February 2021

Trustees' Annual Report for year ended 31 December 2020

Naval & Military Bible Society Statement of Financial Activities

Year Ending 31st December 2020

	Year ended 31 December 2020		Year ended 31 December 2019	
	£	£	£	£
Incoming Resources				
Donations				
Donors - Regular	12,026		16,913	
Donors - Non-Regular	11,812	23,837	54,041	70,955
Gift Aid Tax Refund		(330)		1,072
Donations				
MOD	65,106		12,480	
Non-MOD	87,977	153,083	13,030	25,490
Total Donations		176,590		97,517
Trusts & Legacies		0		52,638
Other Gifts		2,428		897
Interest Receivable		1		0
Total Incoming Resources		<u>£179,019</u>		<u>£151,052</u>
Resources Expended				
Charitable Expenditure				
Distribution Costs				
Purchase of Literature	73,048		16,270	
Storage & Distribution	819	73,867	17,216	33,487
Salaries & Pension		53,113		66,165
Travel		8,971		12,019
Insurance		650		693
Administration Expenses				
Rent and Service Charges	4,321		3,831	
IT Costs	2,325		2,612	
Office Expenses	0		0	
Stationery	0		422	
Telephone	537		960	
Postage	3		(862)	
Refresh & Entertain	0		53	
Website	3,742		2,650	
Subscription Fees	1,200		0	
Other Expenses (Incl. Travel)	200		22,248	
Depreciation	94	12,422	94	32,007
Management & Administration Costs				
Legal fees	0		0	
Accountancy	435		0	
Audit Fees	180	615	180	180
Total Expenditure		<u>£149,638</u>		<u>£144,551</u>
Net Expenditure for the Year		29,381		6,501
Total Funds Brought Forward		20,087		13,586
Total Funds Carried Forward		<u>£49,468</u>		<u>£20,087</u>

Naval & Military Bible Society

Trustees' Annual Report for year ended 31 December 2020 (continued)

Naval Military & Air Force Bible Society Balance Sheet as at 31 December 2020

	31 December 2020		31 December 2019	
	£	£	£	£
Fixed assets				
Furniture and equipment: cost	<u>470</u>		<u>470</u>	
: depreciation	<u>447</u>	23	<u>353</u>	117
Current assets				
Debtors and prepayments	135		500	
Bank accounts	<u>49,913</u>		<u>20,359</u>	
Petty cash	<u>24</u>		<u>24</u>	
	50,072		20,883	
less: Current liabilities				
Creditors and accrued charges	<u>627</u>	49,445	<u>913</u>	19,970
		<u>£49,468</u>		<u>£20,087</u>
General Fund		<u>49,468</u>		
		<u>£49,468</u>		<u>£20,087</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime.

Simon Springett.

Simon Springett
Chaplain RNR (Chair of Trustees)
20 February 2020

Trustees' Annual Report for year ended 31 December 2020 (continued)

1. Accounting policies

Basis of preparation

The accounts are prepared under the historical cost convention in accordance with the Statement of Recommended Practice (FRS 102) – Accounting and Reporting by the Charities Act 2011 and other appropriate accounting standards.

Incoming resources

Donations and legacies

All income from donations and legacies is accounted for on an accruals basis. This policy is applied to legacy income where the amounts and timing of receipts can be accurately ascertained. Tax credits on Gift Aid donations and on income from legacies have also been recorded on an accruals basis.

Charitable activities

In accordance with the primary objective of the Society, printing and distribution costs are written off to revenue when incurred. These costs represent the direct cost of the Society's charitable activities.

Effects of Covid-19 restrictions

The COVID-19 pandemic had the effect of making it difficult for the Advocacy Officer to complete a majority of her duties, due to other trusts and organisations reducing their operational tempo, accordingly the AO was placed initially on 100% furlough and then reduced to 50% when the lockdowns were lifted. Prior to the pandemic the Society had already moved to a homebased operation as part of the overhead efficiency programme, so day-to-day operations were not affected. Initially, demand for our resources reduced significantly, however after a few weeks the number of orders increased beyond traditional levels. This has had the effect of placing additional pressure on limited resources. The Society was fortunate that income was not significantly affected by the pandemic with a slight reduction in individual giving, and some organisations that donate out of business profits, balanced by increased giving from a number of Trusts. However, the increase in income was not enough to cover the increase in demand and some printing activity was shifted so expenditure would fall in 2021.

Administration expenses

These are the costs incurred in the management, finance and general administration of the Society's activities. It is not meaningful to apportion these costs by activity, which is a general requirement of SORP (FRS 102), as the Trust has only one principal activity.

Stocks and work in progress

Substantial stocks were on hand as at 31 December 2020, the cost of which, as ascertained by the directors, was £100,000. However, in line with the policy stated above, this amount has not been included in the accounts.

Governance costs

These are the costs incurred other than in day-to-day administration of the Society such as legal fees and the fees of the independent examination. The Society effectively only has one activity, so all costs are related to this.

Trustees were offered claim forms for expenses and made claims where appropriate. Trustees receive no remuneration for time. Aggregate Trustee donations were £4,160.

Trustees are generally recruited through personal introductions, but enquiries (to the Chair of Trustees) from supporters who wish to explore whether they could serve in this way are always welcome. A skills audit was conducted in-year, to ensure balance and cover of necessary skills.

Aggregate employee benefits are disclosed in the statement of financial activities.

Restricted Funds

No restricted funds were received during the year.

Going Concern

Whilst finances are tight, there are no material uncertainties about the charity's ability to continue.

Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised.

All furniture and equipment is held as operating assets.

Depreciation is provided for at the following annual rates on a straight-line basis:

- Furniture and equipment between 10% and 20%
- Computers 33%

Creditors and accrued charges

	2020	2019
	£	£
Trade creditors	0	0
Other creditors and accrued charges	447	913

2. Commitments

	2020	2019
	£	£
Capital commitments	Nil	Nil

INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

I report on the accounts of the company for the year ended 31st December 2020, which are set out on pages 6 to 10.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. I am qualified to undertake the examination being a member of the Association of Chartered Certified Accountants.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes a consideration of any unusual items or disclosures in the accounts and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - a. to keep accounting records in accordance with section 386 of the Companies Act 2006 and;
 - b. to prepare accounts which accord with the accounting records, comply with the accounting requirement of section 396 of the Companies Act 2006 and with the accounting requirements of the Charities Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Erica Parker FCCA
St Mary's House
Netherhampton
Salisbury
SP2 8PU

23 September 2021