



**INTER-VARSITY PRESS  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 APRIL 2021**

# **INTER-VARSITY PRESS**

## **FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 APRIL 2021**

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# **INTER-VARSITY PRESS**

## **Information**

### **Trustees of the Charity**

The Rt Revd M Beasley  
Mr F J R Catford  
Prof. S Halliday  
Dr D A N Fergusson (retired March 2021)  
Mr E Thompson  
The Society for Promoting Christian Knowledge

### **Key Management Personnel**

Trustees of the Charity

### **Solicitors**

Wedlake Bell LLP  
71 Queen Victoria Street  
London  
EC4V 4AY

### **Auditors**

Jacob Cavenagh & Skeet  
5 Robin Hood Lane  
Sutton  
Surrey  
SM1 2SW

### **Bankers**

Barclays Bank PLC  
1 Churchill Place  
London  
E14 5HP

## **INTER-VARSITY PRESS**

### **Report Of The Trustees**

The trustees, who are also directors for the purposes of company law, present their annual report and the audited financial statements for the year ended 30 April 2021, which have been prepared in accordance with the Companies Act 2006, the Charities Statement of Recommended Practice (Charities SORP FRS 102) and Financial Reporting Standard 102 (FRS 102). The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

#### **Objectives and activities**

The objectives of the charity are the advancement of the evangelical Christian faith among students, graduates, other former students and members of the growing worldwide Church. The charity achieves this through publishing and distribution of books and other materials which are true to the Bible and which will communicate the gospel, develop discipleship and strengthen the Church for its mission in the world.

#### **Structure, governance and management**

The charity is a company limited by guarantee; it operates in accordance with its memorandum and articles of association. It is governed by a trustee body whose members meet three times per year. Day-to-day control has been handed to the parent charity The Society for Promoting Christian Knowledge (SPCK). IVP itself does not employ any staff.

#### **Trustee selection, appointment and competence**

Directors are appointed by the Governing Body of SPCK, and will typically include the Chair of SPCK, the Vice-Chair of SPCK, and the Chair of the IVP Publishing Board, who is a member of the Governing Body of SPCK.

The directors receive a comprehensive induction pack to acquaint them with policies and practices, management and governance. Regular updates to this information pack are provided. All trustees are informed of their responsibilities under charity law, with particular reference to Charity Commission guidance publications. Training opportunities are provided.

#### **RISK MANAGEMENT**

The directors have considered the major risks to which the charity, as part of the SPCK Group, is exposed and confirm that systems are in place to mitigate those risks. These major risks are captured in the Risk Register of the parent charity SPCK, as encapsulated below:

*Governance risks*, mitigated by trustee training, trustee skills audits, use of professional advisers, regular meetings of board and committees, and register of disclosed interests.

*Operational risks*, mitigated by Business Continuity Plan, emergency action plans relating to IT issues, notice periods, succession planning and insurance.

*Financial risks*, mitigated by financial controls, budgeting, reporting, investment management policy, reserves policy, credit control, and engagement with Church of England Pensions Board supported by expert legal, actuarial and financial advice.



*Legal risks*, mitigated by HR and legal advice, staff handbook with regular review, and work with solicitors.

*Reputational risk*, mitigated by editorial review process, media training and communications planning.

In addition, the directors have identified specific risks relating to IVP:

***Sales not performing to expectations***

Mitigations: There is a weekly performance meeting, and key performance indicators, including sales compared with budget and prior year, are shared with the trustees monthly. Book sales are diversified across a large range of titles, publishers and territories, and 80% of sales are from the backlist so we are not overly reliant on new titles; IVP also has strong rights income and sales commission revenue streams.

***Loss of key IVP relationships***

Mitigations: Publishing and distribution agreements are in place with key organisations such as, IVP USA, and Keswick Ministries. IVP continues to work closely with these and maintains close relationships with UCCF and LICC and is seeking to strengthen ties with other organisations, for example, the Evangelical Alliance and Word Alive. An increased focus on direct-to-consumer sales across the organisation will reduce reliance on particular sales relationships. The IVP Publishing Director and the SPCK CEO meet regularly with key existing and potential partners.

***Loss of confidence among the IVP target market***

Mitigations: The IVP publishing board continues to have a veto over books coming out under the IVP brand to ensure our books continue to represent the theology our target market will expect; the acquisition of Lifebuilders and the investment in the NIV Bible Speaks Today Bible and ESV Search The Scriptures Bible show evidence of SPCK's investment in IVP. The merger with Lion Hudson and the SPCK Group trading name in use also help the case that SPCK is an appropriate home for IVP.

***Reacting too slowly to changes in the marketplace***

Mitigations: The SPCK Group's new merger with Lion Hudson brings in a new team with deep understanding of the marketplace, and creates a combined organisation able to invest in the upgrade required.

***Covid-19***

Mitigations: Parent company has secured strong cash position; day-to-day expenses being tightly controlled; performance and cash being monitored on a monthly basis; increased range of titles available on print on demand and audio to reduce reliance on any particular supply chain; new title, Healthy Faith, commissioned and published in response to the crisis.

Any of the above could potentially impact on IVP's ability to repay money owed to SPCK, or SPCK's ability to continue to support IVP. Currently, SPCK has a growing cushion above its target reserves, and both its current budget and five-year projections see the reserves level

increasing. Management and trustees will continue to monitor performance against these plans.

## RESERVES POLICY

The trustees have considered the reserves as at 30 April 2021.

The charity needs reserves to enable it to develop its long-term aims, as well as to ensure the continuation of its current activities. In particular, the charity needs reserves to invest in the production of new books and authors. In order to meet their responsibilities and to ensure that the charity continues to operate on a going concern basis, the trustees have reviewed the requirements and risks it faces both in the short term and medium term. With the transfer of the company to SPCK, there is an on-going commitment from SPCK to support these aims and underwrite the current deficit in the reserves of IVP of £1,115,000 (2020: £799,000).

The future projections of IVP and SPCK envisage IVP being able to repay the money it owes to SPCK, as well as to meet all other financial commitments, including management charges from SPCK. The trustees recognise that IVP reported a deficit of £316,000 (2020: £179,000) for the year ended 30 April 2021 but are aware that plans are underway to improve profitability of the whole organisation (including IVP) and to review the existing organisational setup with a view to reducing complexity around the inter-company loan and management charge.

## ACHIEVEMENTS AND PERFORMANCE

Despite the challenges of publishing during the Covid pandemic, God has been faithful and IVP has been able to continue in its mission of “publishing Christian books that are true to the Bible and that communicate the gospel, develop discipleship and strengthen the church for its mission throughout the world”.

The 2020-21 year has seen both exciting new publishing and timely updates of classic resources. IVP books aim to help people **Know, Grow, Go** and **Engage**, and our books have spanned that range:

- **Know** – As John Piper once said, truth is fuel in the fire of worship. We want people to know the Bible in depth, to have a well-developed theological understanding – but above all to know God personally and to delight in him.
  - Wayne Grudem’s *Systematic Theology* is revised and updated in a fantastic new edition – a great introduction for anyone beginning to get to grips with the sweep of Biblical doctrines across the whole of God’s word.
  - We continue to publish the *Bible Speaks Today* reissues, as well as the *Gateway Seven* series of studies in different Biblical genres, and *LifeBuilder* Bible study guides, as well as Tyndale and Apollos commentaries – Biblical resources at all levels.
- **Grow** - discipleship is for all of life, from birth to death to everything in between – and beyond! These are some of the titles that combined Biblical truth with practical discipleship
  - Last summer saw the publication of Peter Maiden’s *Radical Gratitude*, his rich reflection on gratitude, even in the face of terminal cancer, which has resonated with so many people. We were deeply saddened by Peter Maiden’s death last July, but grateful for his life and that he is with the Lord in glory.



- November saw Julian Hardyman's *Jesus, Lover of My Soul* published, which through the Song of Songs explores the reality of our relationship with Jesus, and the passionate intimacy that we can enjoy in him.
- Losing a baby is a terrible tragedy for anyone to face. Jonny and Joanna Ivey's *Silent Cries*, published in January, is a sensitive and Biblical resource, written out of their own experience of losing their daughter Edith.
- In February, we published *What on Earth is Heaven?* by James Paul, director of L'Abri Fellowship England, an accessible, Biblical and wise exploration of our future hope in the new creation, sitting in the same tradition as that of Francis Schaeffer who started the first L'Abri community in Switzerland.
- **Go** - Strengthening the church for mission is also vital to IVP's publishing, including these new titles:
  - *I Am* by Marcus Nodder goes through Jesus' claims about himself. It's a short, accessible evangelistic book, ideal for churches to give away to those interested in getting to the heart of who Jesus really is
  - *Why Trust the Bible?* by Amy Orr-Ewing has been revised and updated to help Christians answer the tough questions that might hold people back from trusting God's word
- **Engage** - Part of our "double listening" between God's Word and today's world is engaging with topical issues, to equip Christians for the issues of today, including:
  - *Masters or Slaves? AI and the future of humanity* by Jeremy Peckham looks at issues of artificial intelligence, combining the insights of a practitioner in the field of AI with Biblically informed wisdom
  - *Purposeful Sexuality* by Ed Shaw looks at the fundamental question of what is our sexuality actually for?
  - *Do Muslims and Christians Worship the Same God?* by Andy Bannister looks at the fundamental differences between the God of the Bible and the God of Islam

These highlights give some clue to the breadth and depth of IVP's publishing in the last year, and we pray that through their faithfulness to the Bible and relevance to today's issues, they will impact many lives with the Gospel.

We have many more exciting books and projects ahead for the rest of 2021 and beyond – keep a particular eye out for *LifeStory*, an ambitious new evangelistic course written by Tim Dennis, with videos shooting soon.

In Christ's service, for the glory of God alone.

## FINANCIAL REVIEW

The financial results show that income has stabilised since the closure of IVP's distribution and retail activities. Income for 2020-2021 was £1,532,000, an increase on the previous year driven by higher sales in the UK while overseas rights also performed strongly. The overall result is a deficit of £316,000 for the year. We are convinced there are growth opportunities in future years as we develop our partnerships, re-launch key ranges, launch exciting new Bible product, and strengthen our sales in direct and international markets.

## **INVESTMENT POWERS**

The directors have discretion on how to invest surplus charity funds. The charity made no social investments during the period.

## **PUBLIC BENEFIT**

The trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by the Charity Commission on public benefit. The charitable purpose for the charity within the meaning of the Act is enshrined within its objects. The charity's activities relate directly to our charitable aims and objects.

Our programmes bring benefit to all parts of the world, and we do not seek to limit our activities to a narrow focus. We operate as a publisher of books and resources in both physical and digital form, providing some materials at subsidised prices. The information we produce is aimed at a very wide spectrum of readers, recipients and consumers, including people who are only potentially interested in Christianity, as well as those on its fringes, in addition to those who are actively involved in church life.

## **PLANS FOR FUTURE PERIODS**

At the end of the financial year in question, the parent company SPCK completed an acquisition of Lion Hudson's publishing business, and then embarked on a restructure that will integrate the businesses. From IVP's perspective, this will deliver improved efficiencies, and also deliver a better in-house understanding of the evangelical marketplace.

## **DIRECTORS**

Members of the Board of Directors, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report, are shown on page 1.

## Statement Of Trustees' Responsibilities

The Trustees (who are also directors of Inter-Varsity Press for the purposes of company law) 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its operations.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention of fraud and other irregularities.

### DISCLOSURE OF INFORMATION TO THE AUDITORS

Each director has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information of which they are aware and of which they know the auditors are not aware.

### SMALL COMPANY

The above report is prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD



**James Catford**

Chair of Trustees, Inter-Varsity Press

36 Causton Street

London SW1P 4ST

Date: 23/4/21



# Independent Auditor's Report To The Members Of Inter-Varsity Press

## Opinion

We have audited the financial statements of Inter-Varsity Press (the 'charity') for the year ended 30 April 2021 which comprise the Statement of Financial Activities, 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 in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2021 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Other information

The other information comprises the information included in the annual report, including the directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included with the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the trustees' (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such 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 directors are responsible for assessing the charity'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to employment and financial reporting legislation and we considered the extent to



which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management, considering the internal controls in place and discussion amongst the engagement team.

We determined that the principal risks were related to management bias in accounting estimates, presentation of separately disclosed items and management override of controls.

In response to the risks identified we designed procedures which included, but were not limited to reviewing trustees minutes, challenging significant accounting estimates including those relating to amortisation and stock and work in progress, evaluating the internal controls, agreeing financial statement disclosures to underlying supporting documentation and identifying and testing journal entries.

There are inherent limitations in the audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## Use of our report

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 regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

**Miriam Hickson FCA (Senior Statutory Auditor)**

**for and on behalf of Jacob Cavenagh & Skeet**

**Statutory Auditor**

**Chartered Accountants**



**5 Robin Hood Lane**

**Sutton**

**Surrey**

**SM1 2SW**

**Dated:** 6/10/2021 .....

**Statement Of Financial Activities**  
**(Incorporating The Income And Expenditure Account)**  
**For The Year Ended 30 April 2021**

		Unrestricted	Total	Unrestricted	Total
			2021		2020
	Notes	£000	£000	£000	£000
<b>Voluntary Income</b>					
Charitable activities	2	1,532	1,532	1,351	1,351
<b>Total income</b>		<u>1,532</u>	<u>1,532</u>	<u>1,351</u>	<u>1,351</u>
<b>Expenditure on</b>					
Charitable activities		1,848	1,848	1,530	1,530
<b>Total Expenditure</b>	4	<u>1,848</u>	<u>1,848</u>	<u>1,530</u>	<u>1,530</u>
<b>Net (Expenditure)</b>	3	(316)	(316)	(179)	(179)
<b>Reconciliation of funds</b>					
<b>Total Funds brought forward</b>		(799)	(799)	(620)	(620)
<b>Total Funds carried forward</b>		<u>(1,115)</u>	<u>(1,115)</u>	<u>(799)</u>	<u>(799)</u>

*The notes on pages 14 to 20 form part of these accounts.*

## INTER-VARSITY PRESS

### Balance Sheet

As At 30 April 2021

	Notes	2021 £000	2021 £000	2020 £000	2020 £000
<b>Fixed assets</b>					
Intangible assets	5		12		24
			<u>12</u>		<u>24</u>
<b>Current assets</b>					
Stocks		313		298	
Debtors	6	53		182	
Cash at bank and in hand		215		87	
<b>Total Current Assets</b>		<u>581</u>		<u>567</u>	
<b>Current liabilities</b>					
Amounts falling due within one year	7	<u>(1,708)</u>		<u>(1,390)</u>	
<b>Net current liabilities</b>			(1,127)		(823)
<b>Total assets less current liabilities</b>			<u>(1,115)</u>		<u>(799)</u>
<b>Net Liabilities</b>			<u><u>(1,115)</u></u>		<u><u>(799)</u></u>
<b>Represented by:</b>					
Unrestricted funds			(1,115)		(799)
<b>Total charity funds</b>			<u><u>(1,115)</u></u>		<u><u>(799)</u></u>

These accounts have been prepared in accordance with the provisions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

BY ORDER OF THE BOARD,

  
James Catford,

Chair of Trustees, Inter-Varsity Press,

Date: 23/4/21

**Company Number: 05202650**

The notes on pages 14 to 20 form part of these accounts.



## INTER-VARSITY PRESS

### Statement Of Cash Flows

For The Year Ended 30 April 2021

	2021	2020
	£'000	£'000
<b>Cash provided by/(use in) operating activities (see below)</b>	129	(64)
Net cash Inflow/(Out flow)	<u>129</u>	<u>(64)</u>
<b>Cash and cash equivalents brought forward</b>	87	151
<b>Cash and cash equivalents carried forward</b>	<u><b>215</b></u>	<u><b>87</b></u>
Net expenditure	(316)	(179)
Amortisation of goodwill	12	12
(Increase) / Decrease in stocks	(15)	82
Decrease / (Increase) in Trade and Other Debtors	130	(13)
Increase in Trade and Other Creditors	318	34
<b>Cash provided by/(used in) operating activities</b>	<u><b>129</b></u>	<u><b>(64)</b></u>

*The notes on pages 14 to 20 form part of these accounts.*

# **Notes To The Financial Statements**

**For The Year Ended 30 April 2021**

## **I ACCOUNTING POLICIES**

### **Company information**

Inter-Varsity Press is a private company limited by guarantee, incorporated in England and Wales. The registered office is 36 Causton Street, London SW1P 4ST.

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

### **Basis of accounting**

The financial statements have been prepared under the Companies Act 2006 and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (Charities SORP FRS102) and Financial Reporting Standard 102 (FRS 102). The financial statements are drawn up on the historical cost basis of accounting.

Inter-Varsity Press meets the definition of a public benefit entity under FRS 102.

### **Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that thanks to the support of the parent company the charity will have adequate resources to continue in operational existence for the at least the 12 months from signing. Thus, the trustees continue to adopt the going-concern basis of accounting in preparing the financial statements.

### **Intangible fixed assets**

In 2017 the Company purchased the Lifebuilder series from Scripture Union and regard this as an intangible asset – the outright purchase has been initially recognised at cost and are subsequently carried at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to the SOFA using the straight-line method over 5 years, which is the shorter of their estimated useful lives and periods of contractual rights.

### **Stocks**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow-moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

### **Debtors**

Trade receivables and other debtors are included at the settlement amount due. Prepayments are valued at the amount prepaid.

### **Cash at bank and in hand**

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

### **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount.

### **Financial instruments**

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

### **Income**

#### ***Donations and legacies***

Donations and legacies are accounted for once the charity has entitlement to the income, it is probable the income will be received and the amount of income receivable can be reliably measured.

#### ***Charitable activities***

Publication income is stated net of Value Added Tax. Royalty income is accounted for on the accruals basis.

### **Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

#### ***Charitable expenditure***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them. They also include governance costs which comprise costs associated with meeting the constitutional and statutory requirements of the charity and include costs linked to the strategic management of the charity.

#### ***Pension scheme***

Pension costs are charged to expenditure as they arise.

### **Exchange gains and losses**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are reported in the SOFA.

## **INTER-VARSITY PRESS**

### **Hire purchase and finance lease contracts**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the charity, are capitalised in the balance sheet as tangible fixed assets and are depreciated over their useful lives. The capital elements of future obligations under the leases are included as liabilities in the balance sheet. The interest element of the rental obligation is charged to the statement of financial activities over the period of the lease and represents a constant proportion of the balance of capital repayments outstanding.

Assets held under hire purchase agreements are capitalised as tangible fixed assets and are depreciated over their useful lives. The capital element of future finance payments is included within creditors. Finance charges are allocated to accounting periods over the length of the contract.

### **Operating leases**

Rentals payable under operating leases are charged in the statement of financial activities on a straight-line basis over the lease term.

### **Pensions**

The charity operated a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

## INTER-VARSITY PRESS

### 2 INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£000	£000
<b>Publishing:</b>		
Sales	734	763
Royalties Rec'd	698	550
Commission	5	12
Other Income	95	26
	<u>1,532</u>	<u>1,351</u>

### 3 NET EXPENDITURE

	2021	2020
	£000	£000
<b>This is stated after charging:</b>		
Auditors' remuneration	9	6
Amortisation	12	12

### 4 EXPENDITURE UNDERTAKEN DIRECTLY

	Charitable Activities £000	Governance Costs £000	Total 2021 £000	Total 2020 £000
<b>Cost of sales</b>				
Cost of Sales	493	-	493	628
Other direct costs	522	-	522	464
	<u>1,015</u>	<u>-</u>	<u>1,015</u>	<u>1,092</u>
<b>Publishing</b>				
Other direct costs	(22)	-	(22)	20
Management charges	834	-	834	400
Amortisation	12	-	12	12
	<u>824</u>	<u>-</u>	<u>824</u>	<u>432</u>
<b>Other costs</b>				
Audit fees	-	9	9	6
	<u>-</u>	<u>9</u>	<u>9</u>	<u>6</u>
<b>Total expenditure</b>	<u>1,839</u>	<u>9</u>	<u>1,848</u>	<u>1,530</u>



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### 5 INTANGIBLE ASSETS

	<b>Goodwill</b> £000	<b>Total</b> £000
<b><u>Cost or Valuation</u></b>		
Balance 1 May 2020	60	60
Additions in year	-	-
Balance at 30 April 2021	<u>60</u>	<u>60</u>
<b><u>Amortisation</u></b>		
Balance 1 May 2020	(36)	(36)
Charge for year	(12)	(12)
Balance at 30 April 2021	<u>(48)</u>	<u>(48)</u>
<b><u>Net book value</u></b>		
As at 30th April 2021	<u>12</u>	<u>12</u>
As at 30 April 2020	<u>24</u>	<u>24</u>

### 6 DEBTORS

	<b>2021</b> £000	<b>2020</b> £000
Trade debtors	5	5
Other debtors	<u>48</u>	<u>177</u>
	<u>53</u>	<u>182</u>

### 7 CREDITORS: Amounts falling due within one year

	<b>2021</b> £000	<b>2020</b> £000
Trade creditors	36	41
Amounts owed to group undertakings	1,320	1,063
Other creditors	345	262
Accruals and deferred income	<u>7</u>	<u>24</u>
	<u>1,708</u>	<u>1,390</u>

## INTER-VARSITY PRESS

### 8 EMPLOYEE INFORMATION AND RELATED PARTIES

#### Employees

The company had no employees during the year. All staff were employed by the parent company for which IVP was charged £138,995 (2020: £156,000).

#### Directors' remuneration

The directors received no remuneration, and no travel expenses were claimed by them £nil (2020: £nil, Trustees reimbursed £nil).

#### Key management personnel

The total employee benefits of the key management personnel of the charity as listed on page 1 were £nil (2020: £nil).

#### Related party transactions

During the year, total unrestricted income of £nil (2020: £nil) was received from trustees.

There were no other related party transactions during the year.

### 9 ANALYSIS OF FUNDS

	At 1 May 2020 £000	Income £000	Expenditure £000	At 30 April 2021 £000
<b>Unrestricted Funds</b>				
General Fund	(799)	1,532	(1,848)	(1,115)

	At 1 May 2019 £000	Income £000	Expenditure £000	At 30 April 2020 £000
<b>Unrestricted Funds</b>				
General Fund	(620)	1,351	(1,530)	(799)

### 10 MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute £1.

### 11 ULTIMATE PARENT CHARITY

The Society for Promoting Christian Knowledge (otherwise known as SPCK), a registered charity (No. 231144) in England and Wales, incorporated under Royal Charter in England, and whose head office is 36 Causton Street, London SW1P 4ST, is the ultimate parent body of IVP through its power to appoint or remove the majority of the IVP trustees. The

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consolidated financial statements of SPCK can be obtained from the Charity Commission. SPCK is a membership organisation, founded in 1698 to promote Christian knowledge through publishing, lending libraries and schools. It has been a publisher and distributor of Christian literature since its inception and helps to resource theological education and ministry on a worldwide basis.

During the year, the following transactions took place with SPCK:

	2021	2020
	£000	£000
Management charge paid by IVP	<u>834</u>	<u>400</u>
Amounts owed to SPCK	<u>1,320</u>	<u>1,063</u>

These amounts are unsecured and payable on demand.