

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

1. ACCOUNTING POLICIES

1.1. Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Statement of Recommended Practice (SORP 2005), Accounting and Reporting by Charities, the Charities Act 2006 and applicable accounting standards.

1.2. Consolidation

The financial statements consolidate the results of the charity and its wholly-owned subsidiary companies. Except where they are analysed separately in these notes, the group and charity figures are identical.

1.3. Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the objectives of Bible Society and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by Bible Society for specific purposes. The aim and use of each restricted fund is set out in the notes to the accounts.

Endowment funds are funds which are held subject to donor-imposed stipulations that they be maintained as capital. The income earned from these funds is used for general purposes where allowed or for the specific purposes intended. The aim and use of each endowment fund is set out in the notes to the accounts.

1.4. Incoming resources

(i) Donations and other income are included in the Statement of Financial Activities when they are identified as being due to Bible Society.

(ii) Legacies are included in the Statement of Financial Activities when it becomes reasonably certain that the legacy will be received and when the value of the incoming resource can be measured with sufficient reliability.

(iii) Investment income is included in the Statement of Financial Activities when it becomes due.

(iv) Trading income is included gross in the Statement of Financial Activities. It represents the value of publications despatched, royalties received and the income accruing from exhibitions taking place during the year.

1.5. Grants payable

Grants payable are payments made to third parties in furtherance of the charitable objects of Bible Society. They are accounted for when the recipient has a reasonable expectation that they will receive the grant and it has been approved by the Trustees (see note 4).

1.6. Goodwill

Goodwill arises from acquisitions and is being amortised in five equal annual instalments (see note 8).

1.7. Pensions

The expected costs of providing pensions under the defined benefit scheme, as calculated periodically by professionally-qualified actuaries, are charged to the Statement of Financial Activities so as to spread the cost over the service life of the employees. The costs of the defined contribution arrangements are charged as incurred. The operation of Bible Society's pension scheme is explained in note 22.

1.8. Investments

Investments are shown in the Balance Sheet at market value. The value of the unlisted investment in William Leech (Investments) Limited has been based on the net asset value shown in that company's most recent set of accounts which are subject to audit.

All gains and losses are taken to the Statement of Financial Activities.

1.9. Stocks

Finished stock, printed sheets and paper, which represent publications printed or in the course of being printed by third parties, are stated at the lower of cost and net realisable value.

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1.10. Product and event development costs

Bible Society Resources Limited runs events and develops products for sale. The preparation and development costs for such activities are written off in the year of the event, or over the life of the product, unless their recovery is not reasonably assured. Costs for which recovery is not reasonably assured are written off as they are identified. Income received in advance of the event or the launch of the product is likewise matched to the period of the event or product launch and treated as deferred income until that time.

1.11. Tangible fixed assets and depreciation

Tangible fixed assets costing less than £500 are written down fully in the year of acquisition whilst those costing £500 or more are capitalised and shown at cost including any incidental expenses of acquisition. Depreciation is charged to the Statement of Financial Activities on a straight line basis to spread the historical cost of an asset over its estimated useful life. Assets are grouped into categories and depreciation charged as follows:

Freehold Land	- No depreciation.
Freehold Buildings - Bible House	- 50 years from 1 January 1986.
Freehold Buildings - London	- 100 years from 1 April 2011.
Building Improvements - Bible House	- 10 years.
Building Improvements - London	- 20 years.
Computer Hardware and Software	- 1 to 4 years.
Other Equipment	- 5 years.
Motor Vehicles	- Over the estimated useful life of each vehicle (but only down to their estimated realisable value) with a maximum of 4 years.
Overseas Properties (22)	- These are made available to the Bible Societies in the countries concerned. In the opinion of the Trustees, these properties have no recoverable value to Bible Society and the cost has been depreciated to a nominal value of £1 each in the Balance Sheet.

1.12. Foreign currency transactions

Transactions involving foreign currency are normally translated into sterling at the rate of exchange ruling at the time of the transaction and any gain or loss on exchange taken to the Statement of Financial Activities at that time.

1.13. Recognition and allocation of expenditure

Costs are charged to the accounts on the accruals basis in the year in which they are incurred. Grants are charged to the Statement of Financial Activities in the period the commitment is made.

Bible Society endeavours to identify the fully absorbed cost of each activity and summarises those activities under the cost headings defined within SORP 2005. External costs are charged direct to the relevant activities or departments. The relevant manager is accountable for the correct allocation of invoices to activities for which they are responsible.

Managers also estimate the split of staff tasks by employee over the various activity headings. Central support costs are charged to the operating departments on the basis of headcount within each department. In this way, costs are identified on a fully absorbed cost basis for each employee and these are used, in conjunction with the managers' estimates of activity, to compile the various SORP 2005 cost analyses.

Governance costs include those costs associated with meeting the statutory requirements of the charity and its compliance with regulations and good practice. These costs include those relating to the statutory audit, legal fees and costs linked to the strategic management of the charity together with an apportionment of overhead and support costs.

1.14. Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.15. Heritage assets: Bible Society library

Bible Society's heritage assets comprise around 35,000 Bibles and books in many of the world's languages. These have been collected over the 207 years of Bible Society's life and have been acquired by donation, exchange of publications with other societies, or through the occasional purchase.

The Bible collection includes items of historical importance, such as copies of the first edition of the King James Bible, 1611, the Welsh Bible received and signed by Mary Jones and a 4th century Coptic papyrus of St John's Gospel, donated to Bible Society following its excavation in Egypt in 1923. It is also a living and growing collection, receiving deposits of first editions of new Bibles published around the world.

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1.15. Heritage assets: Bible Society library (continued)

The collection is housed in Cambridge University Library and items are available for viewing by any reader of the library, upon request.

The Bible collection is fully catalogued. Work is on-going to catalogue the remainder of the collection (the former Bible Society House reference library), and approximately one third of this is currently complete.

The Trustees consider that obtaining valuations for the collection would involve disproportionate cost. This is because of the number of items in the collection, and the lack of comparable market values. Bible Society therefore does not currently recognise these assets on its Balance Sheet.

Bible Society occasionally disposes of items where un-catalogued duplicate materials are identified. The proceeds generated are used for the enhancement of the collection by cataloguing, conservation and digitisation, as well as occasional purchases of relevant and related printed and manuscript material. There were no such sales or purchases in the year to 31 March 2011.

2. TRADING ACTIVITIES

	Bible trading £'000	Trading subsidiary		2010 £'000
		Exhibitions £'000	2011 £'000	
Sales and royalties receivable	3,277	1,052	4,329	3,471
Cost of sales	2,641	749	3,390	2,429
Net margin	636	303	939	1,042
Project costs	59	-	59	65
Direct internal costs	374	260	634	548
Support costs	66	103	169	180
Amortisation of goodwill	-	125	125	125
Trading surplus/(deficit)	137	(185)	(48)	124
Analysis of trading surplus/(deficit):-				
National			(82)	-
International			34	124
Trading - Group			(48)	124

Cost of sales and other trading costs are included in Charitable Activities as follows (see note 5):

Making the Bible available	3,140	-	3,140	2,511
Demonstrating the Bible's credibility	-	990	990	669
Educating the public	-	248	248	167
	3,140	1,238	4,377	3,347

The net loss includes the elimination of £24,000 of inter-company profit (2010, £23,000).

The net loss on foreign currency translations charged to the Statement of Financial Activities was £49,000 (2010, net gain £23,000).

3. FUNDRAISING AND PUBLICITY COSTS

		2011 £'000	2010 £'000
Direct costs		1,491	1,381
Support costs		473	452
Irrecoverable VAT		166	144
		2,130	1,977

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4. **GRANTS PAYABLE**

	<u>No. of grants</u>	<u>2011 £'000</u>	<u>2010 £'000</u>
International grants			
Albanian Interconfessional Old Testament	1	87	
Translation of Gourmanchema - Burkina Faso	1	28	
Revision of the 1835 Malagasy translation	1	26	
Other translation projects	92	747	
Total translation grants	<u>95</u>	<u>888</u>	<u>929</u>
Bibles for China's millions	2	211	
Good news for a thriving nation - Vietnam	1	80	
One million Bibles for Ghana school children	1	48	
Other production and distribution grants	60	574	
Total production and distribution grants	<u>64</u>	<u>913</u>	<u>1,468</u>
United Bible Societies - core funding grant (note a)	1	313	
United Bible Societies - providing consultancy support to national Bible Societies (note a)	1	125	
Providing Bible Society presence in other countries	10	120	
Total capacity building grants	<u>12</u>	<u>558</u>	<u>135</u>
Bibles for Nanjing Seminary - China	1	45	
Other literacy projects	5	32	
Total literacy grants	<u>6</u>	<u>77</u>	<u>58</u>
Faith Comes by Hearing - audio Scripture listening groups - Tanzania & Ghana	2	186	
Reconciliation work in the Bible Lands territories	1	67	
The Good Samaritan project - Tanzania	1	62	
Biblical leadership initiative - Africa and China	2	49	
Hope and a smile for children with cancer	1	40	
Other advocacy grants	38	353	
Total advocacy grants	<u>45</u>	<u>757</u>	<u>416</u>
Movement in provision for future obligations (Note 14)	<u>-</u>	<u>371</u>	<u>(5)</u>
Total international grants	<u>222</u>	<u>3,564</u>	<u>3,001</u>
National grants			
Cross Ref-it	1	51	53
Cambridge University Library	4	30	29
The 2011 Trust	1	20	20
PhD grants	9	16	-
University of Gloucester research award	1	15	-
Welsh Braille	1	10	-
Hope	1	10	-
Warwick University research	1	10	-
Bibles for prisoners	163	9	9
Bibles for colleges and seminaries	39	9	8
Bibles for migrants	73	5	6
Other national grants	52	66	88
Total national grants	<u>346</u>	<u>251</u>	<u>213</u>
Total grants	<u>568</u>	<u>3,815</u>	<u>3,214</u>
Applied to Charitable Activities as follows (see note 5):-			
Making the Bible available		2,769	2,557
Making the Bible accessible		193	154
Demonstrating the Bible's credibility		818	474
Educating the public		35	29
		<u>3,815</u>	<u>3,214</u>

(a) Bible Society is part of the United Bible Societies (UBS) network of 146 national Bible Societies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

5. **CHARITABLE ACTIVITIES**

	National programme £'000	International programme £'000	2011 £'000	2010 £'000
Making the Bible available				
Grants	39	2,730	2,769	2,557
Trading costs	-	3,140	3,140	2,511
Direct costs	87	270	717	279
Support costs	15	149	164	87
	<u>141</u>	<u>6,289</u>	<u>6,790</u>	<u>5,434</u>
Making the Bible accessible				
Grants	116	77	193	154
Direct costs	731	148	860	900
Support costs	252	6	258	268
	<u>1,099</u>	<u>231</u>	<u>1,311</u>	<u>1,322</u>
Demonstrating the Bible's credibility				
Grants	53	765	818	474
Trading costs	990	-	990	669
Direct costs	834	164	657	1,108
Support costs	249	48	297	331
	<u>2,126</u>	<u>977</u>	<u>2,762</u>	<u>2,582</u>
Educating the public				
Grants	35	-	35	29
Trading costs	248	-	248	167
Direct costs	934	-	934	1,123
Support costs	336	-	336	322
	<u>1,553</u>	<u>-</u>	<u>1,553</u>	<u>1,641</u>
	<u>4,919</u>	<u>7,497</u>	<u>12,416</u>	<u>10,979</u>

6. **GOVERNANCE COSTS**

	2011 £'000	2010 £'000
Auditors' remuneration:-		
External audit	11	17
Internal audit	-	10
Other services	1	6
	<u>12</u>	<u>33</u>
Other governance costs:-		
Other legal and professional costs	10	14
Other direct internal costs	63	66
Support costs	44	24
	<u>129</u>	<u>137</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

7. **ANALYSIS OF SUPPORT COSTS**

	Manpower £'000	Depreciation £'000	Property £'000	Other £'000	2011 £'000	2010 £'000
Trading activities	69	25	19	56	169	180
Fundraising	287	73	48	65	473	452
Bible availability	95	22	16	31	164	87
Bible accessibility	151	34	25	48	258	268
Bible credibility	173	38	29	57	297	331
Educating the public	196	44	33	63	336	322
Governance	29	9	6	-	44	24
	<u>1,000</u>	<u>245</u>	<u>176</u>	<u>320</u>	<u>1,741</u>	<u>1,664</u>

All support costs are apportioned to activity based on the headcount engaged in that activity.

8. **INTANGIBLE ASSETS**

	Group	
	2011 £'000	2010 £'000
Goodwill:		
Amortised cost at 1 April 2010	375	500
Amortisation	(125)	(125)
Net book value at 31 March 2011	<u>250</u>	<u>375</u>

The goodwill arises from the acquisition of Resources Exhibitions Limited.

9. **TANGIBLE ASSETS**

	Group			
	Freehold land, buildings & improvements £'000	Computers (inc software) & other equipment £'000	Motor vehicles £'000	Total 2011 £'000
Cost at 1 April 2010	4,329	905	86	5,320
Transfer from investments	875	-	-	875
Additions	752	164	-	916
Disposals	-	(11)	(28)	(39)
Cost at 31 March 2011	<u>5,956</u>	<u>1,058</u>	<u>58</u>	<u>7,072</u>
Depreciation at 1 April 2010	(2,179)	(724)	(52)	(2,955)
Charge	(125)	(111)	(9)	(245)
Disposals	-	11	28	39
Depreciation at 31 March 2011	<u>(2,304)</u>	<u>(824)</u>	<u>(33)</u>	<u>(3,161)</u>
Net book value at 31 March 2011	<u>3,652</u>	<u>234</u>	<u>25</u>	<u>3,911</u>
Net book value at 31 March 2010	<u>2,150</u>	<u>181</u>	<u>34</u>	<u>2,365</u>

Included within the net book value is £5,300 (2010, £Nil) which relates to the assets of the trading subsidiary.

An external valuation of the Society's existing properties was conducted at 31 March 2010. This valued the properties at £4,100,000 for Bible House and £88,000 for Llanycil Church, Bala. In the opinion of the Trustees, there has been no significant movement in these values since that time. At the end of the year, the Society's London property was transferred from investments into tangible assets to be used directly by the Society. An external valuation of the London property was conducted at the same time which valued this property in the region of £1,700,000.

The cost of 22 (2010, 22) overseas properties (£298,222) has also been included, but that cost has been depreciated to a nominal value of £1 each (see note 1.11).

In the opinion of the Trustees, all the assets as shown above are used for direct charitable purposes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

10. INVESTMENTS

	2011	2010
	£'000	£'000
Market value at 1 April 2010	14,300	12,460
Purchases - listed investments	6,110	304
Purchases - shares in William Leech (Investments) Limited	224	180
Disposals - listed investments	(5,838)	(620)
Decrease in cash held by investment managers	(301)	(463)
Transfer to tangible fixed assets	(875)	-
Cash drawdown	(250)	-
Net investment gains	618	2,439
Market value at 31 March 2011 - Group	13,988	14,300
Shares in Bible Society Resources Limited	1,200	1,200
Market value at 31 March 2011 - Charity	15,188	15,500
The market value at 31 March 2011 represents:		
Listed investments	5,832	5,424
Cash held by investment managers pending investment	-	301
Investment property	-	875
Unlisted investments - William Leech (Investments) Limited	8,141	7,685
Unlisted investments - other	15	15
Market value at 31 March 2011 - Group	13,988	14,300
Shares in Bible Society Resources Limited	1,200	1,200
Market value at 31 March 2011 - Charity	15,188	15,500

Bible Society's investment in its subsidiaries at 31 March 2011 was as follows:-

(a) Bible Society Resources Limited:-

Country of incorporation: England and Wales.

Nature of business: Production and distribution of Bibles and other related products and organising exhibitions and related lecture programmes.

Class of shares: Ordinary.

Holding: 100%.

Cost of investment: £1,200,000.

	2011	2010
	£'000	£'000
Aggregate capital and reserves	523	547
Turnover for the year	4,382	3,470
Profit/(loss) for the year	(24)	26

The operating profit for the year was £101,000. Goodwill amortisation resulted in a final loss of £24,000.

(b) Resources Exhibitions Limited:-

A dormant company.

(c) Christian Resources Exhibitions Limited:-

A dormant company.

(d) Christian Research Association:-

A dormant company.

In addition, Bible Society holds an unlisted investment of 5,212,000 (2010, 4,988,000) ordinary shares of £1 in William Leech (Investments) Limited, representing 20% of the issued capital. The draft accounts (subject to audit) at its year end of 31 March 2011 show consolidated capital and reserves amounted to £40,706,367 (2010, £38,423,309).

Bible Society has a representative on the board of the company, but cannot exert significant influence over its day-to-day management or financial policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

11. STOCKS

	<u>Group</u>	
	2011	2010
	<u>£'000</u>	<u>£'000</u>
Trading stock	<u>132</u>	<u>99</u>

12. DEBTORS

	<u>Group</u>		<u>Charity</u>	
	2011	2010	2011	2010
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Trade	1,282	1,393	17	29
Amounts due from subsidiary company	-	-	26	125
Prepayments	36	65	36	65
Sundry debtors	745	850	621	634
	<u>2,063</u>	<u>2,308</u>	<u>700</u>	<u>853</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN A YEAR

	<u>Group</u>		<u>Charity</u>	
	2011	2010	2011	2010
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>
Trade	1,264	1,711	270	273
Sundry creditors and accrued charges	738	846	258	294
Interest-free loans	5	5	5	5
UBS transactions account	218	487	218	463
	<u>2,225</u>	<u>3,049</u>	<u>751</u>	<u>1,035</u>

There is a cross guarantee agreement in place between Bible Society and its trading subsidiary to secure their overdrafts. At 31 March 2011, neither Bible Society nor its trading subsidiary was in an overdrawn position and neither expects to be so in the foreseeable future.

14. PROVISIONS FOR LIABILITIES AND CHARGES

	2011	2010
	<u>£'000</u>	<u>£'000</u>
UBS priority programme	<u>2,046</u>	<u>1,675</u>
Balance at 1 April 2010	1,675	1,680
Movement in provision for future obligations (Note 4)	371	(5)
Balance at 31 March 2011	<u>2,046</u>	<u>1,675</u>

Bible Society pledges to make grants totalling a certain amount to UBS each year. This is agreed on a calendar year basis in the preceding year and, under SORP 2005 and FRS 12, the Trustees consider that provision should be made for the balance of the grant agreed for the period 1 April to 31 December 2011.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

15. **NET ASSETS OF THE FUNDS OF CHARITY AND GROUP**

	Unrestricted funds £'000	Restricted funds £'000	Endowment funds £'000	Fund Balances £'000
Tangible fixed assets	3,906	-	-	3,906
Investments	5,272	-	9,916	15,188
Net current assets	1,292	(238)	112	1,166
Provisions for liabilities and charges	(2,046)	-	-	(2,046)
Defined benefit pension scheme asset	(1,164)	-	-	(1,164)
Charity	7,260	(238)	10,028	17,050
Subsidiary reserves	(678)	-	-	(678)
Group	6,582	(238)	10,028	16,372

16. **ENDOWMENT FUNDS**

	1 April 2010 £'000	Incoming resources £'000	Gains/(losses) & expenditure £'000	Transfers £'000	31 March 2011 £'000
William Leech (note a)	7,685	224	232	-	8,141
General purposes permanently endowed	618	20	56	(20)	674
Olivier Beguin memorial (note b)	245	7	9	-	261
Grace Farrar award (note c)	344	11	29	(9)	375
Thomas Hill memorial (note d)	157	5	14	(5)	171
Clara Kirby Watson memorial (note e)	126	3	7	(3)	133
20 funds under £50,000 (20 at 1 April 2010)	253	10	18	(8)	273
	9,428	280	365	(45)	10,028

The funds are mainly held for the general purposes of Bible Society. The most significant of those held for special purposes and annotated above are for use as follows:-

- (a) Income from the William Leech Foundation Limited is received on condition that 57% be used to buy shares in William Leech (Investments) Limited and held as an endowment to generate general fund income in future years. In 2011, £393,000 was received (2010, £316,000) giving a reinvestment figure of £224,000 (2010, £180,000).
- (b) For Bible work in Eastern Europe.
- (c) For Bible work through United Bible Societies.
- (d) Applied for general purposes.
- (e) Initially for the distribution of the religious works of the late Harold George Hobbs, the balance being applied for general purposes.

17. **RESTRICTED FUNDS**

	1 April 2010 £'000	Incoming resources £'000	Expenditure £'000	Transfers £'000	31 March 2011 £'000
Restricted gifts - national	234	26	(103)	(3)	154
Restricted gifts - international	(276)	3,072	(3,188)	-	(392)
	(42)	3,098	(3,291)	(3)	(238)

Restricted funds are created by income earmarked for specific purposes. During the year, Bible Society has advanced monies to United Bible Societies to allow projects to go ahead as they are needed. Appeals are underway to ensure that income is raised in respect of these, within the next twelve months.

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18. UNRESTRICTED FUNDS

	1 April 2010 <u>£'000</u>	Incoming resources <u>£'000</u>	Expenditure <u>£'000</u>	Transfers <u>£'000</u>	31 March 2011 <u>£'000</u>
Funds designated annually:-					
Multi-year projects	417	-	(227)	328	518
Other specific future activities	821	-	(821)	-	-
Total designated funds	<u>1,238</u>	<u>-</u>	<u>(1,048)</u>	<u>328</u>	<u>518</u>
General fund:-					
Fixed assets used in charitable activities	2,365	-	-	1,546	3,911
Investment in property	875	-	-	(875)	-
Investment in subsidiary companies	1,200	-	-	-	1,200
Free reserves	1,953	7,148	(7,032)	48	2,117
General fund	<u>6,393</u>	<u>7,148</u>	<u>(7,032)</u>	<u>719</u>	<u>7,228</u>
Group	7,631	7,148	(8,080)	1,047	7,746
Subsidiary movements	651	4,329	(4,350)	48	678
Charity	<u>8,282</u>	<u>11,477</u>	<u>(12,430)</u>	<u>1,095</u>	<u>8,424</u>

The funds designated by the Trustees are for the following purposes:-

Multi-year projects - To ensure commitments to partners can be met and projects in progress completed.
Other specific future activities - To fund various overseas and home initiatives which Bible Society is planning.

19. CAPITAL COMMITMENTS

At 31 March 2011, Bible Society had authorised and contracted for capital expenditure of £Nil (2010, £820,982).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

20. STAFF NUMBERS AND COSTS

The average number of persons employed, including part-time staff calculated on a full-time equivalent basis, analysed by activity was:-

	2011	2010
	Number	Number
Charitable activities:-		
Making the Bible available	15	12
Making the Bible accessible	15	15
Demonstrating the Bible's credibility	24	26
Educating the public	19	20
	<hr/>	<hr/>
	73	73
Other activities:-		
Fundraising and publicity	27	28
Governance	2	4
	<hr/>	<hr/>
	102	105

The costs of employing those staff were:-

	2011	2010
	£'000	£'000
Gross salaries and benefits in kind	3,402	3,188
Employer's national insurance	352	326
Pension contributions	671	393
	<hr/>	<hr/>
	4,425	3,907

The following number of employees received emoluments within the bands shown:-

	2011	2010
	Number	Number
£60,000-£69,999	3	3
£70,000-£79,999	1	-
£90,000-£99,999	1	1

The above excluded retirement benefits which are accruing under both the defined benefit and the defined contribution schemes referred to in note 22 below. The number of current staff to whom retirement benefits are accruing under the defined benefit scheme is 31 (2010, 37), while 101 staff are members of the defined contribution scheme (2010, 98). During the year, contributions of £49,675 were paid into Bible Society's defined contribution scheme on behalf of the higher paid employees (2010, £34,238).

21. TRANSACTIONS WITH TRUSTEES

Normally, Bible Society's Trustees receive no remuneration for their services as Trustees. Travel, subsistence and accommodation expenses incurred on behalf of Bible Society during 2011 were £19,909 for 17 Trustees (2010, £17,718 for 19 Trustees). Of these, £12,559 (2010, £10,063) were for Bible Society's Group Chief Executive who, under the terms of the Royal Charter, is also a Trustee. In addition, the Group Chief Executive received emoluments of £99,375 (2010, £99,296) with Bible Society making pension contributions of £13,662 (2010, £12,575) on his behalf. There have been no other related party transactions with Trustees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

22. PENSION ARRANGEMENTS

Bible Society operated a contributory defined benefits pension scheme, known as the British and Foreign Bible Society 1972 Pension Scheme, for the benefit of its employees and some employees of United Bible Societies (UBS) employed in the UK. With effect from 1 October 2003, the scheme Trustees opened a new defined contribution section of the scheme and closed the existing defined benefits section to new members and to future accruals. Both Bible Society and UBS make contributions in respect of their members following the calculation of the actuaries. Following the triennial valuation at 1 April 2009, the Trustees of the scheme have accepted that the liability for funding the defined benefit section can be divided on the basis of 70% to Bible Society and 30% to UBS.

Defined contribution section:

The assets of the scheme are held separately from those of Bible Society in an independently administered fund. The pension cost charge represents contributions payable by Bible Society to the fund and amounted to £313,564 (2010, £305,655).

Defined benefits section:

A full actuarial valuation was carried out at 1 April 2009 and updated to 31 March 2011 by a qualified independent actuary. The major assumptions used by the actuary for this disclosure (expressed as weighted averages) were:-

	31 March 2011	31 March 2010
Discount rate	5.6%	5.5%
Expected return on scheme assets	5.9%	6.0%
Future pensions increases before 6 April 1997	3.0%	3.0%
Future pensions increases after 6 April 1997	3.6%	3.7%
Retail price inflation	3.4%	3.5%
Consumer price inflation	2.7%	-

The contributions made by Bible Society during the year amounted to £367,200 (2010, £109,600).

The amounts recognised in the balance sheet are as follows:-

	2011 £'000	2010 £'000
Present value of funded obligations	(14,096)	(15,089)
Fair value of plan assets	12,932	12,465
Deficit and net liability	<u>(1,164)</u>	<u>(2,624)</u>

The amounts recognised in the Statement of Financial Activities are as follows:-

	2011 £'000	2010 £'000
Current service cost	33	33
Interest cost	815	870
Expected return	(741)	(675)
	<u>107</u>	<u>228</u>
Actual return on plan assets	<u>683</u>	<u>1,565</u>

Changes in the present value of the defined benefit obligation are as follows:-

	2011 £'000	2010 £'000
Opening defined benefit obligation	15,089	13,194
Current service cost	33	33
Interest cost	815	870
Actuarial losses/(gains)	(1,258)	1,432
Benefits paid	(583)	(440)
	<u>14,096</u>	<u>15,089</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS for the year ended 31 March 2011

22. PENSION ARRANGEMENTS (continued)

Changes in the present value of scheme assets are as follows:-

	2011	2010
	£'000	£'000
Opening fair value of scheme assets	12,465	11,230
Contributions by employer	367	110
Expected return	741	675
Actuarial gains/(losses)	(58)	890
Benefits paid	(583)	(440)
	12,932	12,465

The amounts recognised in the statement of recognised gains and losses are as follows:-

	2011	2010
	£'000	£'000
Actuarial gains/(losses)	1,200	(542)
Cumulative amount of actuarial losses	656	(544)

The major categories of scheme assets as amounts of total scheme assets are as follows:-

	2011	2010
	£'000	£'000
Equities	6,206	5,248
Bonds	5,793	6,820
Other	933	397
	12,932	12,465

Amounts for the current and previous four years are as follows:-

	2011	2010	2009	2008	2007
	£'000	£'000	£'000	£'000	£'000
Defined benefit obligation	(14,096)	(15,089)	(13,914)	(13,479)	(15,205)
Fair value of scheme assets	12,932	12,465	11,230	14,040	15,061
(Deficit)/surplus	(1,164)	(2,624)	(1,964)	561	(144)
Experience adjustments on scheme liabilities	1,258	(1,432)	609	2,151	714
Experience adjustments on scheme assets	(58)	890	(3,201)	(1,644)	(320)

23. RELATED PARTIES

Bible Society has taken advantage of the exemption available in FRS 8, Related Party Disclosures, from the requirement to disclose transactions or balances between group companies that have been eliminated on consolidation.

24. ULTIMATE CONTROLLING PARTY

The Trustees consider that Bible Society is jointly controlled by them and that there is no ultimate controlling party.