

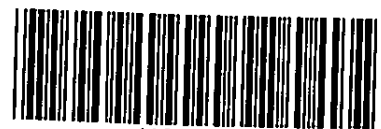
# **THE STANBOROUGH PRESS LIMITED**

**Company No: 00041819**

**Registered Charity No (England and Wales): 235245**

**For the year ended 31 December 2012**

**TUESDAY**



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**COMPANIES HOUSE**

# THE STANBOROUGH PRESS LIMITED

For the year ended 31 December 2012

## ADMINISTRATION DETAILS

<b>Trustees</b>	Mr Paul Hammond	
	Pastor Paul Stephen Lockham	
	Pastor Desmond Rulston Raffert	
	Miss Maureen A Clarke	
	Pastor Ian Walter Wellington Sweeney	
	Pastor Lorange Oliver Johnson	(appointed 13/03/13)
	Mr Nicolaas Jansen Van Rensburg	(appointed 18/10/13)
	Mr Graham Marcus Barham	
	Mr Victor Pilmoor	
	Dr Clemency Mitchell	
	Pastor Samuel Davis	
	Mr Paul Poddar	
	Mr Julian Hibbert	
<b>Bankers</b>	Mr Mark Bradley Thomas	
	Pastor Cyril Sweeney	(resigned 13/03/13)
<b>Auditors</b>		
<b>Registered Office</b>		
<b>Company registration number</b>		
<b>Charity registration number</b>		

# **THE STANBOROUGH PRESS LIMITED**

## **TRUSTEES' REPORT FOR THE YEAR ENDED**

### **31 DECEMBER 2012**

The trustees (who are also the directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Stanborough Press Ltd (the company) for the year ended 31 December 2012, which have been audited by Kingston Smith LLP

The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. Costs have been allocated directly where appropriate and duly apportioned where they cover more than one category, the notes to the accounts provide more details

This Trustees' and Directors' Report is not only to fulfil the legal and statutory requirements, but it is intended to explain the activities and future plans of this charity

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **a Constitution**

The company is registered as a members limited liability company and was set up by a Memorandum of Association on 23 August 1894. The company is constituted under a Memorandum of Association dated 23 August 1894 and is a registered charity number 235245

The principal object of the company is to provide Seventh-day Adventist Christian literature and similar materials to nurture faith and the spiritual development among Seventh-day Adventists and the general public in the United Kingdom and such other countries that can benefit from our supply

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit

Trustees have an induction program comprising governance, the Company's vision and priorities. Trustees are able to undertake training specific to their role and attend a meeting with the Management Team to review and forward plan

##### **b Method of appointment or election of Trustees**

The management of the company is the responsibility of the Trustees who are appointed annually by the British Union Conference of Seventh-day Adventists

##### **c. Organisational structure and decision-making**

The company acts in accordance with the philosophy and operating policies of the world-wide Seventh-day Adventist church. It is supported by its parent organisation, the British Union Conference of Seventh-day Adventists, and receives support from its sister publishing house, The Review and Herald Publishing Association in the United States of America

It is governed by its Board of Directors, which meets three times a year. The day-to-day management is delegated to its officers, four of whom are directors of the company, and report directly to the Board

The company also administers House of Natural Food Ltd, a non-charitable company selling healthy foods, mainly to members of the Seventh-day Adventist congregations in the British Isles

# **THE STANBOROUGH PRESS LIMITED**

## **TRUSTEES' REPORT FOR THE YEAR ENDED**

### **31 DECEMBER 2012**

#### **d. Risk management**

The Trustees have assessed the major risks to which the company is exposed. In particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

#### **OBJECTIVES AND ACTIVITIES**

##### **a. Policies and objectives**

The principle activity of the company is to procure and distribute Christian literature.

##### **b. Strategies for achieving objectives**

The company sells its literature to Seventh-day Adventist organisations in foreign countries, and to the general public in the United Kingdom.

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **a. Going concern**

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

##### **b. Review of activities**

The Stanborough Press continued to publish and distribute quarterly Bible Study materials as required by Seventh-day Adventist Churches, literature for faith development, and large numbers of books for general distribution in various African and European languages. A range of children's, health and family life books were also developed and brought to market. Further development of literature by the churches founding author were developed and distributed. Various convocations held by the church serve as significant outlets for these materials.

During 2012 sales to West, East, Central and Southern Africa continued on a steady path. The programme in South Africa however, remains challenging and it is not yet certain if the operation is self-supportive. Despite all the resources demanded, it helped to extend the organisation's missionary outreach in this

Sales to the local congregations in the British Union through the Adventist Book Centre continue to represent a significant contribution in overall sales turnover.

##### **c. Investment policy and performance**

For the most part, funds are utilised for the working capital of the company and the maintenance of stock to furnish our markets. Interest earned in deposit accounts is incidental to the overall operation.

##### **d. Factors relevant to achieving objectives**

The Company has continued to outsource its printing to companies in Thailand, China, UK and the United States to obtain the most competitive cost prices and to improve margins.

The demand for our core materials is being sustained, and our export market is strong. Demand for discretionary reading materials has weakened in the current economic climate reducing viability of sales events. Publishing market research also indicates a reasonable shift from printed material to electronic formats.

# **THE STANBOROUGH PRESS LIMITED**

## **TRUSTEES' REPORT FOR THE YEAR ENDED**

### **31 DECEMBER 2012**

#### **FINANCIAL REVIEW**

##### **a Reserves policy**

The directors estimated the general reserve requirement of the company based on the level of working capital needed for ongoing operations at £1,800,000. The actual general reserves as at 31 December 2012 were £1,557,802.

##### **b. Financial results**

The financial results for the year are shown in the attached financial statements. The operating results of the non-charity subsidiary organisation, House of Natural Food Limited, have been brought into the financial statement of activity as fundraising income and expense.

#### **PLANS FOR THE FUTURE**

##### **a Future developments**

The warehouse in Grantham is in need of refurbishment to ensure that adequate workstations are available for all staff. Ongoing development in this area will take priority as and when funds become available.

The subsidiary in South Africa continues to place heavy demands on working capital. For this reason, the viability of the operation needs to be reconsidered.

# THE STANBOROUGH PRESS LIMITED

## TRUSTEES' REPORT FOR THE YEAR ENDED

### 31 DECEMBER 2012

The trustees (who are also directors of The Stanborough Press Ltd 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 required trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the outgoing resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to

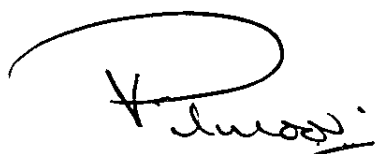
- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 proper accounting records that 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

#### Statement of Disclosure to Auditors

- So far as the trustees are aware, there is no relevant audit information of which the company's auditors are unaware, and
- the trustees have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

Approved by the Trustees and Directors of The Stanborough Press Ltd and signed on their behalf by



V Pilmoor

Name

Trustee

Date

25/9/2013

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE STANBOROUGH PRESS LIMITED**

We have audited the financial statements of Stanborough Press Limited Registered Charity for the year ended 31 December 2012 which comprise the Statement of Financial Activities, Company Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008)

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. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of trustees and auditor**

As explained more fully in the Trustees' 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications in our report.

## **Opinion on the financial statements**

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 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller Entities, and
- have been prepared in accordance with the Companies Act 2006

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE STANBOROUGH PRESS LIMITED


## Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

## Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 require us to report to you if, in our opinion

- the charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the charitable company's 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
- 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



David Goodridge, Senior Statutory Auditor  
for and on behalf of Kingston Smith  
LLP, Statutory Auditors

105 St Peter's Street  
St Albans  
Herts  
AL1 3EJ

Date 27 September 2013

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006



**The Stanborough Press Limited**  
**Statement of Financial Activities**  
**For the year ended 31 December 2012**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
<b>Income and Expenditure</b>					
<b>Incoming Resources</b>					
Operating grants	2	38,552	-	38,552	33,375
Other voluntary income	2	29,821	30,128	59,949	41,132
Activities for generating funds	3	49,141	-	49,141	53,753
Investment income		2,128	-	2,128	1,375
Incoming resources from charitable activities		<u>2,802,685</u>	<u>-</u>	<u>2,802,685</u>	<u>2,883,181</u>
		<u>2,922,327</u>	<u>30,128</u>	<u>2,952,455</u>	<u>3,012,816</u>
<b>Resources Expended</b>					
Cost of generating funds					
Costs of generating voluntary income		29,247	-	29,247	112,308
Fundraising trading Cost of goods sold	3	59,850	-	59,850	60,895
Charitable activities	4	2,612,868	30,128	2,642,996	3,107,755
Governance costs		<u>14,069</u>	<u>-</u>	<u>14,069</u>	<u>10,802</u>
<b>Total Resources Expended</b>	<b>4</b>	<u>2,716,034</u>	<u>30,128</u>	<u>2,746,162</u>	<u>3,291,760</u>
<b>Net Incoming/ (Outgoing) Resources</b>		206,293	-	206,293	(278,944)
<b>Other recognised gains/losses</b>					
Actuarial losses on defined benefit pension fund		(13,000)		(13,000)	-
<b>Net Movement in Funds</b>		<u>193,293</u>	<u>-</u>	<u>193,293</u>	<u>(278,944)</u>
Fund balances brought forward at 1 January 2012		2,435,516	-	2,435,516	2,714,460
Fund balances carried forward at 31 December 2012		<u>2,628,809</u>	<u>-</u>	<u>2,628,809</u>	<u>2,435,516</u>

There were no recognised gains and losses other than those included in the statement of financial activities

The notes on pages 10 to 16 form part of the financial statements

# The Stanborough Press Limited

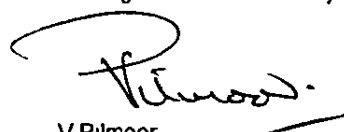
## Balance Sheet at 31 December 2012

	Notes	2012 £	Charity 2011 £
<b>Fixed Assets</b>			
Tangible fixed assets	7	<u>194,627</u>	<u>191,699</u>
		<u>194,627</u>	<u>191,699</u>
<b>Current Assets</b>			
Stock and work in progress		1,750,222	1,957,638
Debtors	8	1,556,673	1,304,533
Cash at bank and in hand		<u>534,497</u>	<u>466,976</u>
		3,841,392	3,729,147
<b>Creditors</b> Amounts falling due within one year	9	<u>1,324,543</u>	<u>1,411,663</u>
<b>Net Current Assets</b>		<u>2,516,849</u>	<u>2,317,484</u>
<b>Creditors</b> Amounts falling due after one year		12,667	13,667
<b>Provisions</b> Defined benefit pension scheme liability		<u>70,000</u>	<u>60,000</u>
<b>Net Assets</b>		<u><u>2,628,809</u></u>	<u><u>2,435,516</u></u>
<b>Funds</b>			
Share capital	10	1,066	1,066
Unrestricted income funds	11	<u>2,627,743</u>	<u>2,434,450</u>
		<u><u>2,628,809</u></u>	<u><u>2,435,516</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008)

The financial statements were approved by the trustees on  
and signed on its behalf by

June 19. 2013



V Pilmoor  
Trustee

The notes on pages 10 to 16 form part of the financial statements

# **The Stanborough Press Limited**

## **Notes to the Accounts**

### **For the year ended 31 December 2012**

#### **1 Accounting Policies**

##### **Basis of preparation**

The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in Statement of Recommended Practice 2005 - Accounting and Reporting by Charities and in accordance with the Financial Reporting Standards for Smaller Entities (effective April 2008)

##### **Cash flow**

The accounts do not include a Statement of Cash Flows because the charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under FRS No 1 (Revised) - Statement of Cash Flows

##### **Incoming resources**

Voluntary income by way of donations and gifts to the charity is included in full in the statement of financial activities when received. Intangible income is not included unless it represents goods or services which would have otherwise been purchased

##### **Fund accounting**

Restricted funds are those which are to be used for the specified purposes as laid down by the donor. Expenditure which meets these criteria is allocated to the appropriate fund

Unrestricted funds are donations and other income received or generated for the furtherance of the objects of the charity without specified purposes and, therefore, are available as general funds

##### **Resources expended**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as an expense

##### **Risk mitigation**

The company's directors have given consideration to the major risks to which the charity is exposed and established systems or procedures in order to manage those risks

**The Stanborough Press Limited**  
**Notes to the Accounts**  
**For the year ended 31 December 2012 (Continued)**

**1 Accounting Policies (Continued)**

**Foreign Currency Translations**

Transactions denominated in foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction. Assets and liabilities in foreign currencies are translated into Sterling at the rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the statement of financial activities.

**Fixed assets**

Depreciation is provided on tangible fixed assets in order to write off each asset over its expected economic life. The rates of depreciation applied to each class of asset are:

Freehold property	1.2% per annum cost basis
Office fixtures and equipment	6% per annum cost basis

Items of furniture and equipment costing less than £1,000 each are treated as an expense on acquisition.

The company does not depreciate land held.

**Pension costs**

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company.

The company also participates in a defined benefits pension scheme. The scheme is a multi-employer scheme and the company's share of the deficit has been calculated by a trustee of the scheme. The amounts charged in the Statement of Financial Activities are the current service costs. They are included as part of staff costs. Other finance costs have been recognised immediately in the Statement of Financial Activities. Actuarial gains and losses are recognised immediately in "Other recognised gains/(losses)". The charity operates a defined benefit scheme, full details are shown in Note 12.

**Stock**

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

**Operating leases**

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

**2 Incoming Resources from Voluntary Income**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Operating grants from parent charity	33,480	-	33,480	33,375
Operating grants from associated USA non profit entity	5,072	-	5,072	-
	-	-	-	-
	<u>38,552</u>	<u>-</u>	<u>38,552</u>	<u>33,375</u>
Donations	6,359	30,128	36,487	30,123
Grants	-	-	-	11,009
Insurance recovery	23,462	-	23,462	-
	<u>29,821</u>	<u>30,128</u>	<u>59,949</u>	<u>41,132</u>
	<u>68,373</u>	<u>30,128</u>	<u>98,501</u>	<u>74,507</u>

**The Stanborough Press Limited**  
**Notes to the Accounts**  
**For the year ended 31 December 2012 (Continued)**

**3 Activities for Generating Funds**

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
<b>General trading income</b>				
Sales of health foods	49,141	-	49,141	53,753
	<u>49,141</u>	<u>-</u>	<u>49,141</u>	<u>53,753</u>
<b>Fundraising activities</b>				
Fundraising trading	-	-	-	-
Cost of health foods sold	36,629	-	36,629	39,042
Health food distribution expenses	23,221	-	23,221	21,853
	<u>59,850</u>	<u>-</u>	<u>59,850</u>	<u>60,895</u>
Net Expenditure from trading activities	<u>(10,709)</u>	<u>-</u>	<u>(10,709)</u>	<u>(7,142)</u>

**4 Total Resources Expended**

<b>Grant-making activities</b>				
Grants to related charities		30,128	30,128	29,922
<b>Charitable activities</b>				
Production and distribution of books	2,165,511		2,165,511	2,692,983
Support costs	447,357		447,357	384,850
	<u>2,612,868</u>	<u>30,128</u>	<u>2,642,996</u>	<u>3,107,755</u>

**5 Analysis of Resources expended  
by expenditure type**

	Staff Costs £	Other £	Depreciation £	Total 2012 £	2011 £
Fund-raising	-	59,850	-	59,850	60,895
Production and distribution of books	593,150	1,572,361	-	2,165,511	2,692,983
Support costs	173,130	260,706	13,521	447,357	384,850
	<u>766,280</u>	<u>1,892,917</u>	<u>13,521</u>	<u>2,672,718</u>	<u>3,138,728</u>

Support costs have been allocated on the basis of staff timings incurred

Included within total expenditure

	2012 £	2011 £
Auditor' remuneration	14,069	10,802
Pension costs	<u>52,172</u>	<u>38,882</u>

**The Stanborough Press Limited**  
**Notes to the Accounts**  
**For the year ended 31 December 2012 (Continued)**

**6 Staff Costs**

	Charity 2012 £	Charity 2011 £
Staff costs consist of		
Salaries	541,594	504,566
Allowances	16,908	16,324
Social security	51,556	51,381
Retirement plan contribution	52,172	38,882
Travel allowances	102,627	139,309
Other Staff expenses	1,108	732
	<u>765,965</u>	<u>751,194</u>

The average number of employees during the year was 25 (2011 - 19)

The number of employees whose emoluments exceeded £60,000 was nil (2011 - nil)

**Trustees' remuneration**

The total remuneration paid to trustees was in respect of salaries and in 2012 amounted to £144,149 (2011 £103,206)  
in addition

1 Trustee was accruing benefits in respect of a defined contribution scheme

1 Trustee was accruing benefits in respect of a defined benefit scheme

**7 Tangible Fixed Assets**

	Freehold Property £	Office Fixtures and Equipment £	Total £
<b>Cost</b>			
At 1 January 2012	208,106	147,614	355,720
Additions	-	23,827	23,827
Disposals	-	(13,626)	(13,626)
	<u>208,106</u>	<u>157,815</u>	<u>365,921</u>
<b>At 31 December 2012</b>			
<b>Depreciation</b>			
At 1 January 2012	40,359	123,662	164,021
Charge for the period	1,751	11,770	13,521
Eliminated on disposal	-	(6,248)	(6,248)
	<u>42,110</u>	<u>129,184</u>	<u>171,294</u>
<b>At 31 December 2012</b>			
<b>Net Book Value</b>			
At 31 December 2012	<u>165,996</u>	<u>28,631</u>	<u>194,627</u>
At 1 January 2011	<u>167,747</u>	<u>23,952</u>	<u>191,699</u>

**The Stanborough Press Limited**  
**Notes to the Accounts**  
**For the year ended 31 December 2012 (Continued)**

**8 Debtors**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
<b>Due after more than one year</b>	247,000	390,000
<b>Due within one year</b>		
Trade debtors	1,196,914	776,655
Grants receivable	26,324	12,551
Amounts due from parent undertaking	48,002	23,992
Amounts due from subsidiary undertakings	25,894	85,243
Prepaid expenses	8,244	7,954
Other debtors	4,295	8,138
	<u>1,556,673</u>	<u>1,304,533</u>

Loan to trading subsidiary

**9 Creditors:**

**Amounts falling due within one year**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Trade creditors	506,042	630,222
Bank loans and overdraft	7,967	12,100
Accruals and deferred income	65,602	47,313
Amounts due to parent charity	4,750	8,500
Amounts due to other related charities	740,182	713,528
	<u>1,324,543</u>	<u>1,411,663</u>

**Amounts falling due after one year**

Amounts due to parent charity	<u>12,667</u>	<u>13,667</u>
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**The Stanborough Press Limited**  
**Notes to the Accounts**  
**For the year ended 31 December 2012 (Continued)**

	2012 £	2011 £
<b>10 SHARE CAPITAL</b>	<u>1,066</u>	<u>1066</u>

Allotted, called up and fully paid  
1,066 Ordinary shares of £1 each

**11 STATEMENT OF FUNDS**

	Brought Forward £	Income resources £	Resources Expended £	Transfers in / out £	Carried Forward £
<b>Designated funds</b>					
Future bad debts	356,000	-	-	100,000	456,000
Property maintenance	300,000	-	-	-	300,000
Transitional pension assistance	60,000	-	-	10,000	70,000
Exchange fluctuation	-	-	-	49,316	49,316
Invested in property	191,699	-	(20,899)	23,827	194,627
	<u>907,699</u>	<u>-</u>	<u>(20,899)</u>	<u>183,143</u>	<u>1,069,943</u>
<b>General funds</b>					
General Funds - all funds	1,526,751	2,922,327	(2,708,135)	(183,143)	1,557,800
Share capital	1,066	-	-	-	1,066
<b>Total Unrestricted Funds</b>	<u>1,527,817</u>	<u>2,922,327</u>	<u>(2,708,135)</u>	<u>(183,143)</u>	<u>1,558,866</u>
<b>Restricted funds</b>					
Donations for special purposes	-	30,128	(30,128)	-	-
<b>Total funds</b>	<u>2,435,516</u>	<u>2,952,455</u>	<u>(2,759,162)</u>	<u>-</u>	<u>2,628,809</u>

**12 Pension Commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £52,172 (2011 £37,119).

In respect of certain employees the company participates in the Seventh-day Adventist Retirement Plan, a defined benefit multi-employer scheme providing pensions for employees of Seventh-day Adventist institutions in the United Kingdom and Ireland. The assets of the scheme are held in a separate trustee administered fund.

Employer contributions were 18.2% of pensionable salary from 1 January 2012 to 31 December 2012 (2011 16.9%).

The valuation of the scheme is based on the most recent funding valuations, updated by the scheme actuaries in April 2010. Investments have been valued, for this purpose, at fair value.



**Stanborough Press Limited**  
**Notes to the Accounts**  
**For the year ended 31 December 2012 (Continued)**

**12 Pension Commitments (continued)**

The principal assumptions used by the actuary to calculate the Scheme liabilities under FRS17 were as follows

	<b>2012</b>	<b>2011</b>
	<b>%pa</b>	<b>%pa</b>
Expected rate of return on scheme assets	5.40	5.10
Pension Increase rate	2.75	2.90
Rate of increase in salaries	3.25	3.40
Discount Rate	4.40	4.90

The mortality assumptions are based on standard mortality tables which allow for future mortality

A building block approach is adopted in determining the expected rate of return on the scheme's

	<b>Asset category as a percentage</b>	
	<b>2012</b>	<b>2011</b>
Equities	59%	50%
Bonds	39%	47%
Property	0%	0%
Cash	2%	3%

**Amounts recognised in the SOFA**

Expected return on scheme assets	4,000	4,000
Current service cost	4,000	4,000
Past service gains		
Employer Contributions	10,000	10,000
Losses on curtailments and Settlements		
Finance cost	7,000	7,000
Actuarial gain on scheme assets	-	3,000
Actuarial gain/(loss) on scheme liabilities	(8,000)	(11,000)

**Total amounts recognised in the SOFA**

**Amounts recognised in the balance sheet**

Fair value of scheme assets	85,000	78,000
Present value of funded obligations	155,000	138,000
<b>Net (liability) recognised in the balance sheet</b>	<b>(70,000)</b>	<b>(60,000)</b>

**Stanborough Press Limited**  
**Notes to the Accounts**  
**For the year ended 31 December 2012 (Continued)**

**12 Pension Scheme (continued)**

**Changes in fair value of scheme assets**

	2012	2011
<b>Scheme assets at start of period</b>	78,000	68,000
Expected return on scheme assets	4,000	4,000
Actuarial gain	-	3,000
Contributions by employer	10,000	10,000
Contributions by scheme participants		
Benefits paid	<u>(7,000)</u>	<u>(7,000)</u>
<b>Scheme assets at end of period</b>	<u>85,000</u>	<u>78,000</u>

**Changes in present value of scheme liabilities**

<b>Scheme liabilities at start of period</b>	138,000	123,000
Current service cost	4,000	4,000
Finance cost	7,000	7,000
Actuarial (gain)	13,000	11,000
Contributions by scheme participants		
Losses on curtailments and Settlements		
Past service (gain)		
Benefits paid	<u>(7,000)</u>	<u>(7,000)</u>
<b>Scheme liabilities at end of period</b>	<u>155,000</u>	<u>138,000</u>

<b>History of defined benefit scheme</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Fair value of scheme assets	85,000	78,000	68,000	59,000
Present value of scheme liabilities	<u>155,000</u>	<u>138,000</u>	<u>123,000</u>	<u>136,000</u>
<b>(Deficit)/Surplus</b>	<u>(70,000)</u>	<u>(60,000)</u>	<u>(55,000)</u>	<u>(77,000)</u>
Experience gains/(losses) on scheme assets	-	3,000	2,000	1,000

**Stanborough Press Limited**  
**Notes to the Accounts**  
**For the year ended 31 December 2012 (Continued)**

**13 Related Party Transactions**

The parent charity is British Union Conference of Seventh-day Adventists (BUC), Stanborough Park, Garston, Watford, Herts, WD24 9JZ, by virtue of its owning the whole of the company's share capital

The company also has an agreement with the Review and Herald Publishing Association (R&H), a non-profit publishing house in the USA, from which it purchases goods on favourable terms, and which subsidises part of the company's promotional expenses. R&H is a company controlled by the Seventh-day Adventists in the USA

	BUC	R&H	2012 Total	2011 Total
	£	£	£	£
Goods sold to related party	468,870	64,880	533,750	593,763
Goods purchased from related party	-	1,313,255	1,313,255	861,817
Amounts owed by related party	48,076	-	48,076	23,992
Amounts owed to related party	17,417	551,710	569,127	729,813

**14 The Stanborough Press (South Africa) Pty Ltd**

In order to further its charitable objectives, in October 2010, the company entered into an agreement with The Southern Africa Union Conference to take over their activity in respect of the sale and distribution of Seventh-day Adventist literature and to establish a warehouse in Johannesburg, South

This was commenced during 2011 by means of taking over an existing operation. This proved to be problematic with regard to organisational and regulatory difficulties. Financial losses have been incurred however the trustees consider that this activity has served to provide Seventh-day Adventist Christian literature among Seventh-day Adventists and the general public in South Africa.

The Trustees do not believe that they have effective control over the operations of this company.

Based on a review by the auditors appointed for The Stanborough Press (South Africa) Pty Ltd a provision of £355,000 has been made against the net value & cost to the company of resources supplied to South Africa in 2012 of £647,010 (2011: £625,825).