THE SWEDISH CHURCH IN LONDON LTD

(A company limited by guarantee)

CONSOLIDATED REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2017



Registered charity no. 1155762

Registered company no. 08809420

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CONSOLIDATED REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2017

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SWEDISH CHURCH IN LONDON LTD
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TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Governing Documentation and Constitution
Ulrika Eleonora Swedish Parish in London, also known as The Swedish Church in London Ltd., was established in 1710. The Swedish Seamen's Church (established in 1899) has been an integral part of the Swedish Church in London since 1994. The property on 120 Lower Road was owned by a separate unregistered charitable trust and sold on 8th April 2015. The unregistered charity has been liquidated.

The Swedish Church in London is registered under the Places of Worship Act 1885: 19984 29/71911. Its address is 6 Harcourt Street, London W1H 4AG. The proprietor of the property at 6-11 Harcourt Street is the Official Custodian for Charities on behalf of The Swedish Church in London.

The present Articles of Association of The Swedish Church in London were adopted on 15th December 2013 and came into force from 1st January 2014 when the company limited by guarantee became operational. The Articles include information on the relationship between The Swedish Church in London and its Bishop (of Visby) as well as the Board for Church of Sweden Abroad (SKUT), an organisation under the General Synod of the Church of Sweden and its offices at Church House, SE-751 70 Uppsala, Sweden.

The Swedish Church in London is a company limited by guarantee which registered as a charity on 12 February 2014, no. 1155762 in England. The charitable objects of the parish are:

- to advance the Christian faith for the benefit of the public in accordance with the doctrine as set down in chapter 1 of the Constitution of The Church of Sweden; and
- to promote general charitable purposes, primarily for the benefit of members of the parish and those closely associated with them and related institutions.

Public Benefit Statement
The trustees confirm that they had due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. The trustees consider that the charity has complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

Trustees
The Charity's Trustees during the year to 31 December 2017 were:

Mike Christopherson	
Henrik Hansson	
Per Jonsson	
Richard Jönsson	resigned 10 October 2017
Lena Kjellgren	
Madeleine Mason	*chairperson*
Linda Peanberg King	
Henrik Smedberg	*adjunct, resigned 28 December 2017*
Eric Muhl	*appointed 8 May, 2017, ex officio Rector and Dean*
Anders Alberius	*resigned 18 April 2017, ex officio acting Rector*

Trustees do not receive remuneration or benefits from the charity in relation to their role as trustees.

SWEDISH CHURCH IN LONDON LTD
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TRUSTEES' REPORT
YEAR ENDED 31 DECEMBER 2017

Auditors	**Bankers**	**Solicitors**
haysmacintyre 10 Queen Street Place London EC4R 1AG	SEB 2 Cannon Street London EC4M 6XX	Bates Wells & Braithwaite 2-6 Cannon Street LondonEC4M 6YH

STRUCTURE, GOVERNANCE AND MANAGEMENT

A group of Trustees elected by the Members govern the Church.

The Trustees meet at least five times a year. Trustees are responsible for financial matters within a budget decided upon by the Church Member Meeting.

Once a year in May, the Church Member Meeting is held to make decisions on matters such as the level of annual church fees, appointment of auditors and election of Trustees and Nomination Committee. The Church Member Meeting adopts financial statements and annual reports.

Members of The Swedish Church in London congregation are those who have paid a member fee. The Trustees may accept applications for membership from non-Swedish Christians. The electoral roll comprises all members having paid the annual Church subscription or are lifetime members.

Staff

During 2017, there were 10 full-time equivalent people working at the Swedish Church in London, three of whom are seconded from Sweden and paid for by the Church of Sweden. Two volunteers from Sweden are supporting the team.

Key management personnel

The Articles consider the Rector to be the key management personnel of the charity. The Rector is an employee of Swedish Church Abroad (SKUT) which is responsible for setting his remuneration.

Principal risks and uncertainties

A risk assessment process is in place for all aspects of the organisation. This takes considerable effort, but the Trustees regard it as a very useful exercise. The Trustees have considered the risks faced by the Church and, where appropriate, steps are taken to mitigate against those risks which have been identified.
The major risk that has been identified relates to the uncertainty about the level of funding the Church will receive from Sweden. The Trustees are working to meet the deficit in a responsible and lasting way. The financial well-being of The Swedish Church in London is dependent on fund-raising activities and annual members' fees.
Other risks involve practical and reputational risks concerning the Church's activities, buildings and staff as well as donations from the Swedish Benevolent Trust charity. A full inspection of the buildings and technical installations of the Church is carried out every fifth year.

Work with children

The Trustees and the Church Council have introduced schemes to ensure observance of legislation requiring Churches and other bodies to obtain police checks for any new employee or volunteer who may come in contact with children. The Church acts in this respect via the Lutheran Council of Great Britain which provides services as an ecumenical umbrella body coordinating required checks. The Swedish police authorities provide checks on staff employed from Sweden. Also, all Staff and Volunteers are checked with the Disclosure and Barring Service (DBS). The Church also agrees and works under the Diocese of London's and Diocese of Southwark's Safeguarding Child and Adult Protection Programme.

Relationships with other bodies:

The Swedish Church Abroad (SKUT)

The Swedish Church Abroad (SKUT) together with the Bishop of Visby oversees the Swedish Church in London Ltd in religious matters giving instructions to the Rector on matters regarding Evangelical Lutheran Church procedures and related issues. During 2017 three full time members of staff were employed and paid by SKUT.

The Swedish Benevolent Trust (registered charity no: 263680).

The Swedish Benevolent Trust donates the Church's social care activities by making grants to the Swedish Church in London. The Swedish Benevolent Trust enables the Church to employ two full time Deacons and to provide a considerable range of social welfare services. The trust also pays for part time administrative services provided by the Church. The total amount received during 2017 was £130,000 (£130,000 in 2016).

OBJECTIVES AND AIMS

Until 2008, The Swedish Church in London, with the Seamen's Church in London, was responsible for religious, social and cultural work in England south of (and including) Birmingham. The Church took over the responsibility for all of the British Isles from 1 January 2009 and after surveys and testing the Church carries out regular services and meetings for Swedes throughout the British Isles.

The religious, social and cultural work is also directed towards short stay Swedish visitors as well as Swedish tourists.

ACHIEVEMENTS AND PERFORMANCE

The Swedish Church in London have in 2017 been working with the following aims and objectives:

Church of Sweden Abroad aims for:
"Openness, Faith and Hope"
We work to the motto:
"A living diaconal Church - an oasis in London"

Swedish Church in London Ltd, Ulrika Eleonora Parish, is covering the British Isles. One church, a freehold property Ulrika Eleonora, owned by the local congregation, is in use. The church is open every day of the year, except for Bank holidays and five weeks in July and August when we only are only open on Sundays. During the year we did regular networking through social media and travel with lunches, services, coffee etc. around the British Isles; Belfast, Birmingham, Bournemouth, Brighton, Winchester, Cardiff, Devon, Dublin, Edinburgh, Liverpool and Manchester.

Worship - Swedish worship has been celebrated in London since 1673 and in Ulrika Eleonora (UE) congregation every Sunday since 1710. We have celebrated in our own Church building since Mikaelidagen in 1728. Goals for the year were:

- Maintain Mass every Sunday, (Sunday Mass), with Family masses once a month.
- Promote deepening in faith through "deepening Sundays i.e. lectures after Mass.
- Additional music in as many Sunday services as possible.
- Sunday Mass in English four times during the year.
- Celebrate worship services with some regularity over the entire congregation /the British Isles.
- Good, well-attended Lucia Music Worship Services in St Paul´s Cathedral, Southwark Cathedral, Westminster Cathedral and Ulrika Eleonora Parish Church, as well as in Birmingham, Brighton, Bristol and Edinburgh.

The goals have been achieved. The average of Sunday's Mass is at an average of 65 (80 in 2016). The decrease is probably due to more services and changes in counting statistics as well as the changes in staff during the year.

We have exclusively used the new series in the proposed new church manual. Special "Deepening Sundays" have been implemented (see more under education). Our Choir, which consists of about 40 singers, aged 20-70 is very active, with up **30 performances each year. Luciaconserts represents 15 times**. The choir participates in worship once a month, doing their own concerts and this year an Evensong in St Paul´s.

During the spring we also started a children's choir, about 12 participators. A lovely contribution to the services during the year.

During the year we celebrated (numbers in brackets represent the prior year):
57 (52) Sunday Masses with 3669 (4110) participants, with 2807 (3278) communicants,
2 (3) other main worship services 167 (206),
72 (80) week masses 1398 (2052) attended, 1213 (1862) communicants,
216 (233) public prayers
42 (13) music services 6453 (6990) participants including Lucia Liturgy at St. Paul's.
Concerts 10, 555 participants.
Christened 44 (54),
Confirmands 13 (14)
Weddings / blessings 17 (14)
Funerals / Services of remembrance 4 (10)

Teaching - goals for teaching during the year was to broaden and deepen the congregation's knowledge of Christian faith and Christian life especially through good Sunday services, more attention to Sunday school, Confirmation classes and Deepening Sundays as well as the Church Magazine and social media content.

The goals have been achieved. The Deepening Sundays work well. Sunday Mass 11am, lectures with questions and answer session in the church at 11:30am and then the church mingle in the Swedish Hall. Thirteen confirmands were confirmed after several weekend camps in the church and a long weekend camp in Cardiff. Sunday School works very well and during autumn we added resources to the classes. Ten lunchtime concerts were arranged by Johan Löfving. Changing the time to Thursday with lunch during autumn has turned out well. The idea is to give music students, young Swedes, an opportunity to perform and to come to church for community and fellowship.

Diaconal work/Welfare –goals for our diaconal work during the year were
• To regularly do "Stay and play" during term for toddlers with parent /au pair every week.
• Regular visits to the Swedish schools, especially high school.
• "Young in London" every Wednesday night, 28+ every second Tuesday night.
• Cultural Thursday Meetings with a seminar, including Mass and lunch, once a month.
• Senior lunches including service/Mass last Thursday every month. Provide pastoral care and counseling with diaconal staff and clergy.
• Emergency assistance to vulnerable Swedes, especially young people, in collaboration with the Consular Section of the Embassy, overnight in emergencies (hostel), support (and advice) people in need of psychotherapy or deeper psychological or psychiatric help.
• Home visits and travels around the UK, visits in hospitals, Communion to hospitalised people, and visits in HM Prisons.
• Emergency phone number in constant use.

The goals have been achieved with a great effort.
70 (83) Stay and Play with 1971 (3817) visitors.
486 8400) counseling meetings, 31 (140) home visits and 19(27) hospital/sick visits.
Regular visits to Schools
Continued good number attending at the Cultural Thursday.
Young in London had between 15 to 60 people attending the meetings.

Many a times the group ends the meeting in the church just before 9pm, an opportunity for everyone to pray and light candles. During the springtime 28+ hasn't been well attended and haven't taken place according to ambition.

Mission / Communications - goals for our mission this year was to reach an increasing number of Swedish speaking with the Christian message and to give a positive picture of the Swedish Church in London, the Christian faith and invite them to join in the community.

Four Church Magazines per year, website, newsletters (email-shots), and social media gives an interesting and inviting image of the congregation and the community. Our work outside London is very much dependent on social media, with several Facebook groups.

The daily open Café attracts people, also English and other guests.

The goals have been achieved but here are still many Swedes in the UK that we do not reach. We are actively working with Facebook and Twitter and have continued the good work from previous year.

Monthly emails to about **6,000 people**. The Church Magazine is sent out **to 9,700 addresses, print run 11,000.** We have between 25 and 30 voluntary writers. The ambition is more deep and engaging articles always referring to the day to day work of the Church.

Ecumenism - goals of ecumenism during the year was to deepen relations with the Anglican Church, the other Lutheran churches, other Christian churches and denominations and other religions in London locally. The ongoing ecumenical dialogue reflects the contacts we have. Main ecumenical contacts concern the Poorvo agreement.

• We seek to fulfill this through: participation in the Reformation Worship 31st October, and Interfaith services as well as Lucia services around the British Isles. Attending Deanery meetings in Marylebone and several other ecumenical meeting places for priests and deacons.
• The Very Rev Eric Muhl has been appointed director in the Council of Lutheran Churches and their representative in Churches Together in Great Britain and Ireland in Joint Liturgical Group.
• The Chaplain is licensed in the Diocese of Southwark and have celebrated service in many different Churches. The Rector is in the process of being licensed the two dioceses of London and Southwark.
• Latvian Lutheran Church celebrates Sunday Mass in our Church two Sundays a month, Icelandic Lutheran Church and Estonian Lutheran Church both twice a year.
• All clergy participated in joint worship for all consecrated in St Paul's Cathedral Maundy Thursday.
• Nordic Breakfast with other Nordic churches three times a year.

Other activity - special projects / events

• Advent and Christmas collection aims were International and local: Act Alliance through the Swedish Church, St Mungos for homeless people and the diaconal work in our congregation.
• The Children´s Choir have 12 members and sang in Family masses.
• Eurovision Song Contest is a tradition at UE and serves many young people.
•Spring Ball with Spring concert of Ulricae Drängar in Regent's Park – a tradition we started in 2008, has resulted in equivalent started by Chamber of Commerce and Anglo-Swedish Society.
• Christmas Fair gathering close to 200 volunteers, made more money gross and net and was conducted under the auspices of the Communications Manager and one of the Deacons in an excellent manner.
• Chalmers Spex (pantomime) and thank you drinks in the Ambassador´s residence.
• Scholarship from Thora Ohlsson Cultural Fund was awarded to Sally Lundgren, Olivia Sjöberg, Jonatan Bougt, Julia Vetter, and Rebecca Lagman.
• "Women´s Sewing Group" did an excellent job producing high class handicraft for the Christmas Fair.
• Representation brunches and dinners at the Rectory and several other occasions for representation.
• Other in the UE's premises: Saturday School = supplementary teaching, particularly through North London's Swedish school. West End Musical Choir, Svea Britt, BV, Chamber of Commerce Board and many others meet occasionally in the church premises.

Staff, buildings, etc.

• New local staff is the Housekeeper Stina Envall, the Property Manager Magnus Berggren and the Administrator Sarah Skansing, Deacon Maria Halldén and fundraisers Therese Whitcomb-Ericsson. During the time January-April Very Reverende Canon Anders Alberius and his wife Kerstina Alberius did an important job to keep up the good work before we had the new Rector installed.
• Swedish Church in London has always been a parish church and is owned by the congregation as almost all the parish churches in Sweden and the UK. A great renovation of toalett-och dusch facilities was made.
• Very good support from the Church Office has been obtained for purposes such as HR, IT, canon law and archives.
• Swedish Church in London had the following committees during the year: Audit, Real Estate, Christmas Fair, Lucia, Nomination, Staff and Thora Ohlsson Cultural Fund.

Challenges, Visions, Looking to the future

• We have been working with the Church of Sweden Abroad Values "Openness, Faith, Hope" during the year.

FINANCIAL REVIEW

Result
We show a good financial result in 2017 with £190,762 increase in our funds. The three drivers that contributed the most to this were:

1. £172,486 net investment gain on our capital invested with Cazenove, a 7.4% return.
2. £50,000 donation from the Thora Ohlsson Foundation in Lund, Sweden, a £35,000 donation from the Lund Trust, a charitable fund of Peter Baldwin and Lisbeth Rausing and a SEK 100,000 donation from Carl-Henric Svanberg to help fund the renovation of our shower rooms and toilets. A heartfelt thank you for your generosity!
3. £14,584 reduction in expenditure in spite of us keeping the same level of service as in 2016. Thank you to our interim Rector Anders Alberius and new Rector Eric Muhl for installing good cost management!

Reserves
The current unrestricted cash reserves consisting of the General fund and Capital fund, amounting to GBP 1,423,348, which represents 15 months of expenditure which is well in line with our reserves policy to retain 12 to 24 months of expenditure. The purpose of our restricted funds, the Agnes and Axel Welin Memorial fund, currently GBP 2,056,528, is to preserve our church buildings and activities in the United Kingdom and Republic of Ireland for future generations of Swedes in posterity.

Endowments
The Swedish Church in London has one endowment, the Thora Ohlsson Cultural Fund. The Fund was created 2 January 1997 with an original grant of £100,000 and therefore celebrated its 30th anniversary in 2017 when the fund reached its highest value ever with £359,814 capital invested. The good capital return we had in 2017, an increase of £24,259 made it possible to give six scholarships for a total £11,000, the second highest award level in the fund's history (2007 £13,000 was awarded). For details of the designated funds see note 10 to the accounts.

Investment policy

The Trustees have engaged Cazenove Capital Management to manage its investments on a discretionary basis. The Trustees elected Cazenove in 2012 after a thorough evaluation of possible managers. The Trustees are aiming at minimising risk of its investments by spreading exposure over a wide variety of investments classes. We invest our long term available capital into different funds, managed both by Cazenove and third party managers. The Swedish Church doesn't leverage its investments into funds, nor does it seek investment funds which are highly leveraged. One of the criteria by which all funds are evaluated is the ethical aspect. The trustees have an ethical investment policy which precludes material investments in businesses producing or selling arms or weapons, gambling, pornography, tobacco, narcotics or engaged in predatory lending. In 2017 we started investing directly in Swedish equities to gain dividends in SEK to help pay for our Christmas market purchases in Sweden. Cazenove announced a fee increase from 1 January 2018.

Details of the investments are given in note 7 to the accounts. The revaluation gain during the year was £172,486 (2016: £331,198) and the investment income was £ 89,444 (2016: £88,244).

Fundraising

Following the implementation of the Charities (Protection and Social Investment Act 2016), the charitable company has reviewed its fundraising activities and confirms that it complies with the regulation. The charitable company did not make use of any external fundraisers. No complaints were received in respect of its fundraising activities.

Statement of Trustees' Responsibilities

The trustees, who are also directors of the charitable company, are responsible for preparing their report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. The trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and the group and of the surplus or deficit for that period. In preparing these financial statements the trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable 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 assume that the charitable company will continue in operation

The trustees are also 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to the auditors

So far as the trustees are aware:

(a) there is no relevant audit information of which the Company's auditors are unaware, and
(b) they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

A resolution to re-appoint haysmacintyre will be proposed at the Annual General Meeting.

Approved on behalf of the Trustees of The Swedish Church in London and signed on their behalf by:



Madelaine Mason
Trustee, Chairperson
Date 5 May 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF SWEDISH CHURCH IN LONDON LTD

Opinion
We have audited the financial statements of Swedish Church in London Ltd for the year ended 31 December 2017 which comprise Consolidated Statement of Financial Activities, the Consolidated and Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and 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).

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 those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2017 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group 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.

Responsibilities of trustees for the financial statements
As explained more fully in the trustees' responsibilities statement set out on page 9, 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 trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
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.

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

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information
The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (which incorporates the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report (which incorporates the directors' report) has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF SWEDISH CHURCH IN LONDON LTD

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' 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 accounting records have not been kept by the parent charitable company; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

.....

Adam Halsey (Senior statutory auditor)
for and on behalf of haysmacintyre, Statutory Auditor

Date: 5 MAY 2018

10 Queen Street Place
London
EC4R 1AG

THE SWEDISH CHURCH IN LONDON LTD
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2017

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2017 £	Total 2016 £
Income from:						
Donations and gifts	3	246,012	152,605	-	398,617	499,258
Charitable activities						
Special events		267,044	-	-	267,044	157,768
Grants		130,000		-	130,000	130,000
Other income		71,957	-	-	71,957	69,583
Investments						
Listed investments	7	89,444	-	-	89,444	88,244
Bank interest receivable		2,212	-	-	2,212	-
Other		199,151	-	-	199,151	217,812
Total		1,005,820	152,605	-	1,158,425	1,162,665
Expenditure on:						
Raising funds						
Investment management charges		9,722	-	-	9,722	11,002
Trading costs		168,013	-	-	168,013	195,498
		177,735	-	-	177,735	206,500
Charitable activities						
Parish activities		650,832	152,605	-	803,437	802,398
Special events		147,977	-	-	147,977	142,746
Grants		-		11,000	11,000	3,089
		798,809	152,605	11,000	962,414	948,233
Total	4	976,544	152,605	11,000	1,140,149	1,154,733
Net income/(expenditure) before gains/(losses) on investments		29,276	-	(11,000)	18,276	7,932
Net (loss)/gains on investments	7	4,270	143,957	24,259	172,486	331,198
Net movement in funds		33,546	143,957	13,259	190,762	339,130
Reconciliation of funds						
Total funds brought forward		1,849,072	2,056,528	346,555	4,252,155	3,913,025
Total funds carried forward	10	1,882,618	2,200,485	359,814	4,442,917	4,252,155

The Statement of Financial Activities includes all gains or losses recognised in the year.

All of the above results are derived from continuing activities.

THE SWEDISH CHURCH IN LONDON LTD
CONSOLIDATED BALANCE SHEET
31 DECEMBER 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible fixed assets	6		580,172		655,539
Investments	7		3,548,431		3,541,915
			4,128,603		4,197,454
Current assets					
Stocks		6,063		4,400	
Debtors	8	31,737		89,795	
Cash at bank and in hand		383,936		167,295	
		421,736		261,490	
Current liabilities					
Amounts falling due within one year	9	(107,422)		(206,789)	
Net current assets			314,314		54,701
Total net assets			4,442,917		4,252,155
Funds	10/11				
Unrestricted funds					
General funds		314,314		89,831	
Designated funds		1,568,304		1,759,241	
			1,882,618		1,849,072
Restricted Fund			2,200,485		2,056,528
Endowment funds			359,814		346,555
Total funds			4,442,917		4,252,155

The net movement in funds for the year relating to the parent charity alone amounted to £159,622.

The accounts were approved by the Board of Trustees and authorised for issue on 5/5/2018 and signed on its behalf by:

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)
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Madelaine Mason
Trustee

Eric Muhl
Trustee

THE SWEDISH CHURCH IN LONDON LTD
BALANCE SHEET
31 DECEMBER 2017

	Note	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Tangible fixed assets	6		580,172		655,538
Investments	7		3,548,531		3,542,015
			4,128,703		4,197,553
Current assets					
Debtors	8	208,861		240,455	
Cash at bank and in hand		311,064		128,494	
		519,925		368,949	
Current liabilities					
Amounts falling due within one year	9	(84,808)		162,306	
Net current assets			435,117		206,643
Total net assets			4,563,820		4,404,196
Funds					
Unrestricted funds					
General funds		435,216		241,872	
Designated funds		1,568,304		1,759,241	
			2,003,520		2,001,113
Restricted funds			2,200,485		2,056,528
Endowment funds			359,814		346,555
Total funds			4,563,820		4,404,196

The accounts were approved by the Board of Trustees and authorised for issue on 5/5/ 2018 and signed on its behalf by:

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) **Madelaine Mason**
) **Trustee**
)
)
) **Eric Muhl**
) **Trustee**

THE SWEDISH CHURCH IN LONDON LTD
GROUP CASH FLOW STATEMENT
YEAR ENDED 31 DECEMBER 2017

	2017	2016
	£	£
Cash flows from operating activities	**(38,772)**	**54,939**
Cash flows from investing activities		
Dividends and interest	89,444	88,244
Purchase of investments	(442,102)	(982,133)
Proceeds from sale of investments	608,072	1,054,474
Purchase of property, plant and equipment	-	(219,178)
Net cash provided by/(used in) investing activities	**255,414**	**(58,593)**
Change in cash and cash equivalents in the reporting period		
Cash and cash equivalents at the beginning of the reporting period	167,295	170,949
Cash and cash equivalents at the end of the reporting period	383,936	167,295

	2017	2016
	£	£
Reconciliation of Net Movement in Funds to Net Cash Flow from Operating Activities		
Net movements in funds	190,762	339,130
(Gains)/losses on investments	(172,486)	(331,198)
Depreciation charges	75,367	46,526
Loss on disposal of fixed assets	-	1,922
Decrease/(increase) in debtors	58,058	(3,525)
Increase in stocks	(1,663)	(4,400)
Increase/(decrease) in creditors	(99,367)	94,729
Interest and Dividends	(89,444)	(88,244)
Net cash provided by/ (used in) operating activities	(38,772)	54,939

Analysis of Cash and Cash Equivalents

	2017	2016
	£	£
Cash at bank and in hand	383,936	167,295
	383,936	167,295

1 Accounting policies

The following accounting policies have been used consistently in dealing with items that are considered material to the Church's affairs:

Basis of Preparation
The financial statements have been prepared 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) (effective 1 January 2016) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Swedish Church in London Ltd meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern
Given the charitable company's level of free reserves available at the year end, the Trustees consider that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the financial statements have been prepared on a going concern basis.

Basis of Consolidation
The financial statements consolidate the results of the charity and its wholly owned subsidiary Swedish Church Services Limited on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income
All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

Income, including the contributions from The Church of Sweden via SKUT, is accounted for in the year in which it is receivable. Donations are included when received. Legacies are included when notified and the probate has been granted. Gifts and legacies of assets are initially included at their estimated value.

Special events income was generated by the Christmas fair, and Sankta Lucia carol service. Other income was generated by various parish activities including weddings held at the Swedish Church. These incoming resources are all recognised in the consolidated financial statements on a receivable basis.

Investment income is accounted for on a receivable basis and relates to and relates to dividend income from listed investments and interest in respect of bank deposits.

Revenue grants are accounted for on a receivable basis.

Expenditure

Raising funds cost comprises fees charged by the investment managers for managing the investment portfolio and bank charges.

Charitable expenditure represents costs directly incurred for the furtherance of the Church's objects. Costs are allocated on a specific basis, according to function, with the exception of staff and some office overhead costs which are allocated based on activity levels.

Governance costs comprise costs of running the Church as an organisation and is allocated in line with the support costs.

Where costs cannot be directly attributed to categories, they have been allocated between parish activities, special events, support costs and management and administration proportional to staff time spent in each area.

Investments
Investments are included in the financial statements at market value at the balance sheet date. Realised and unrealised gains and losses on revaluation and disposals occurring in the year are reported in the Statement of Financial Activities.

Translation of foreign currencies
Income and expenditure is translated at the rate ruling on the date of the transaction concerned. Assets and liabilities at the year end are translated at the rate ruling at the balance sheet date.

Pension costs
The Church operates a defined contribution pensions scheme providing benefits for employees additional to those from the state. The pension cost charge represents contributions payable by the Church to the fund in respect of the year.

Donations in kind
Donated services are recognised when the benefit to the charity is reasonably quantifiable and measurable.The value placed on these resources is the estimated value to the charity of the service received.

Tangible fixed assets
Individual fixed assets costing £1,000 or more are capitalised at cost.

The freehold Church building has been written down to a nominal value.
The other tangible fixed assets are written off over their estimated useful economic lives on a straight line basis at the following rates:

Freehold buildings	2%
Fittings, furniture and organ	25%
Computers	33.3%
Computer licenses	10%
Motor vehicles	25%
Boiler equipment	10%
Kitchen equipment	10%

Funds
Restricted funds represent income given for particular purposes within the objects of the charity. These may be income funds that are expendable at the discretion of the trustees in furtherance of a particular aspect of the objects of the charity, or they may be capital funds where the assets are required to be invested or retained for actual use rather than expended.

Endowment funds represent capital assets required to be held on a long term basis for specific charitable purposes within the objects of the charity. Income generated from the assets can be expended in accordance with the donors' wishes.

Designated funds comprise funds that have been set aside at the discretion of the trustees for specific purposes. The purpose and use of the designated unrestricted funds are set out in the notes to the financial statements.

Transfers between funds in the Statement of Financial Activities are required where Restricted Funds have been expended or have, for other specific reasons, ceased to be restricted.

Debtors
Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting 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 normally recognised at their settlement amount after allowing for any trade discounts due.

Employee benefits
Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
Termination benefits are accounted for on an accrual basis and in line with FRS 102.

2 Swedish Church Services Limited

The Swedish Church has a wholly-owned trading subsidiary company which is incorporated in the UK. The company, Swedish Church Services Limited, has a share capital of £100 and its main activities are the publication of the Swedish Church Newsletter and the sale of imported Swedish goods.

The accounts of Swedish Church Services Limited have been filed with the Registrar of Companies.

	£ 2017	£ 2016
Turnover	**199,151**	217,812
Cost of sales	**(160,362)**	(183,459)
Gross profit/(loss)	**38,789**	34,353
Administrative expenses	**(7,651)**	(12,039)
Profit/(loss)	**31,138**	22,314
Balance sheet		
Stocks	**6,063**	4,400
Debtors	**2,505**	12,460
Bank and cash	**72,872**	38,801
Creditors due within one year	**(202,243)**	(207,602)
Net liabilities	**(120,803)**	(151,941)
Share capital and reserves	**(120,803)**	(154,941)

3 Restricted donations

	Total 2017 £	Total 2016 £
Church of Sweden Abroad (SKUT)	**152,605**	**150,339**
	152,605	**150,339**

4 Expenditure on

Group	Direct staff costs £	Other direct costs £	Support costs £	Total 2016 £	Total 2016 £
Cost of generating funds					
Investment management charges	-	9,722	-	9,722	11,002
Trading costs	-	168,013	-	168,013	195,498
Charitable activities					
Parish activities	425,089	19,869	358,479	803,437	802,398
Special events	-	129,110	18,867	147,977	142,746
Grants	-	11,000	-	11,000	3,089
Total expenditure	425,089	337,714	377,346	1,140,149	1,154,733

Support costs	Total 2017 £	Total 2016 £
Other staff related costs	18,182	28,091
Establishment costs	171,050	180,214
Office overheads	188,114	179,952
	377,346	388,257

Included within support costs are governance costs of £11,151 (2016: £12,076).

	2017 £	2016 £
Outgoing resources include:		
Audit fees	9,174	8,900
Depreciation of fixed assets	75,367	47,526

5 Staff costs

	2017 £	2016 £
Wages and salaries	240,913	234,464
Social security costs	21,920	24,980
Pension and insurance costs	9,651	5,194
Staff costs paid by SKUT	152,605	150,339
	425,089	414,977

The average number of full-time equivalent volunteers and employees during the year was:		
Volunteers	2	2
Staff - support for charitable activities	7	7
Staff - support for charitable activities, paid by SKUT	3	3
	12	12

As part of Parish and Support expenses, costs were paid out for volunteers and temporary staff:

	2017 £	2016 £
Volunteers	12,004	11,482
Temporary staff	6,179	10,411
	18,183	21,893

The Rector was reimbursed for £2,637 (2016 - £1,032) of expenditure incurred in the course of his duties. Two other trustees were reimbursed for expenses of £3,140 (2016 - £3,851 to 3 trustees). The key management personnel of the charitable company is the Rector, who is an employee of Swedish Church Abroad (SKUT); his remuneration amounted to £49,479 (2016 - £62,952). No employee of the charitable company earned above £60,000 in the year (2016: 1 employee earned between £60,000 - £70,000).

6 Tangible fixed assets

Group and Charity	Freehold land and buildings £	Fittings, furniture and organ £	Computers and licenses £	Motor vehicles £	Total £
Cost					
at 1 January 2017	747,649	611,477	48,480	16,927	1,424,533
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
					-
at 31 December 2017	747,649	611,477	48,480	16,927	1,424,533
Depreciation					
at 1 January 2017	253,978	456,523	41,566	16,927	768,994
Charge for the year	14,748	57,853	2,766	-	75,367
Disposals	-	-	-	-	-
at 31 December 2017	268,726	514,376	44,332	16,927	844,361
Net book value					
at 31 December 2017	478,923	97,101	4,148	-	580,172
at 31 December 2016	493,671	154,954	6,914	-	655,539

Freehold Property

The property at 6 Harcourt Street, London, W1H 4AG was acquired by the predecessor charity, Ulrika Eleonora Swedish Parish in London, at an amount immaterial to the charity and as such the original cost is estimated to be nil. Subsequent capital additions have been included at cost and as at the year end have a net book value of £478,923. The insurance value of the property at the year end was £11,560,682 (2016: £11,560,682).

7 Investments

	Group 2017 £	Church 2017 £	Group 2016 £	Church 2016 £
Quoted investments at market value	3,448,539	3,448,539	3,541,915	3,541,915
Unquoted investments at market value	99,892	99,892	-	-
Investment in subsidiary company	-	100	-	100
	3,548,431	3,548,531	3,541,915	3,542,015

	Group 2017 £	Church 2017 £	Group 2016 £	Church 2016 £
Quoted investments (Cazenove and Nordea)				
Market value at 1 January 2017	3,541,915	3,541,915	3,283,058	3,283,058
Purchases	342,210	342,210	982,133	982,133
Disposals	(608,072)	(608,072)	(1,054,474)	(1,054,474)
Net investment gains	172,486	172,486	331,198	331,198
Market value at 31 December 2017	3,448,539	3,448,539	3,541,915	3,541,915
Unquoted investments				
Investment in subsidiary company	-	100	-	100
Purchases - Ansor investments	99,892	99,892	-	-
Gain/(loss) on investments	-	-	-	-
Market value at 31 December 2017	99,892	99,992	-	100
Total Market value at 31 December 2017	3,548,431	3,548,531	3,541,915	3,542,015
Historical cost at 31 December 2017				
Quoted investments	3,095,266	3,095,266	3,291,024	3,291,024
Unquoted investments	99,992	99,992	100	100
	3,195,258	3,195,258	3,291,124	3,291,124

	2017 £	2016 £
Investment income analysis:		
Dividends receivable	89,444	88,244
	89,444	88,244

8 Debtors

	Group 2017 £	Church 2017 £	Group 2016 £	Church 2016 £
Trade debtors	11,278	8,964	28,446	15,986
Amounts due from Swedish Church Services Ltd	-	179,629	-	163,120
Prepayments and accrued income	14,737	14,737	55,215	55,215
Other debtors, incl. Skut	5,721	5,531	6,134	6,134
	31,736	208,861	89,795	240,455

9 Creditors

	Group 2017 £	Church 2017 £	Group 2016 £	Church 2016 £
Amounts falling due within one year:				
Trade creditors	62,705	54,359	22,869	11,956
VAT, taxation and social security	19,795	7,227	19,422	8,112
Accruals and deferred income	19,999	18,299	155,149	132,889
Other creditors	4,923	4,923	9,349	9,349
	107,422	84,808	206,789	162,306

10 Funds

	Balance at 1 January 2017 £	Income £	Expenditure £	Unrealised gain/(loss) on investments £	Transfers between funds £	Balance at 31 December 2017 £
Unrestricted						
Designated funds:						
Fixed asset fund	655,539	-	-	-	(75,367)	580,172
Capital fund	1,103,702	-	-	-	(115,570)	988,132
General fund	241,870	806,669	(808,531)	4,270	190,937	435,216
Trading funds held by subsidiary	(152,040)	199,151	(168,013)	-	-	(120,902)
	1,849,072	1,005,820	(976,544)	4,270	-	1,882,618
Endowment						
Thora Ohlsson's Cultural Fund	346,555	-	(11,000)	24,259	-	359,814
	346,555	-	(11,000)	24,259	-	359,814
Restricted funds						
Swedish Church in Sweden (SKUT)	-	152,605	(152,605)	-	-	-
Agnes and Axel Welin Memorial Fund	2,056,528	-	-	143,957	-	2,200,485
	2,056,528	152,605	(152,605)	143,957	-	2,200,485
Total funds	4,252,155	1,158,425	(1,140,149)	172,486	-	4,442,917

Unrestricted funds

The designated Fixed Asset Fund represents the net book value of fixed assets held for the Church's use.
The designated Capital Fund represents funds which the trustees intend to hold as investments in order to generate income for the day to day running of the Church and the services that it offers. A large proportion represents receipts from legacies left to the Church by Mr Bremberg and Mrs Wernly. The fund also includes contributions from surpluses. This fund assists in mitigating the risks in relation to uncertainty of future funding from Sweden.
The General Fund represents the free reserves of the Church.

Endowment fund

Thora Ohlsson's Cultural Fund - A maximum 80% of income generated can be used for making grants to students and arranging cultural activities with the Swedish congregation in London and at least 20% of income generated is added to capital.

Agnes and Axel Welin Memorial Fund

This fund originates from the 2015 sale of Seaman's Church property in London. The trustees have reviewed the trust documentation and ascertained this to be restricted income, which is to be used towards promoting the Gospel among said people (Swedes in the British Isles) called Lutherans or for the purpose of procuring a larger or more conveniently located piece of ground, reading room, chapel or place of worship. A transfer to reflect the correct accounting treatment was made in 2016.

11 Analysis of consolidated net assets between funds

	Tangible fixed assets	Investments	Net current assets	Total 2017	Total 2016
	£	£	£	£	£
Endowments					
Thora Ohlsson's Cultural Fund	-	359,814	-	359,814	346,555
Unrestricted funds	580,172	988,132	314,314	1,882,618	1,849,072
Restricted funds	-	2,200,485	-	2,200,485	2,056,528
	580,172	3,548,431	314,314	4,442,917	4,252,155

12 Related party transactions

Details of income from related parties are disclosed in the Trustees' Report.

The Swedish Church Abroad (SKUT) is the governing body of the Swedish Church in London. SKUT gives instructions to the Rector on matters regarding Evangelical Lutheran Church procedures and related issues. During the year, 3.0 (2016: 3) full time members of staff were employed and were paid in total £153k (2016: £150k). Also, grants of £7,315 (2016: £6k) was paid by SKUT during the year.

In addition, the Church rented accommodation from the Swedish Benevolent Trust for the assistance of staff at the Swedish Church. Rent payable for the year amounted to £Nil (2016 - £17,500).

13 Donations in kind

Donated Services Facility has been included in the accounts to a value of £152,605 (2016: £150,339) relating to staff costs paid by SKUT.

14 Charitable Status

The entity is a registered charity (no. 1155762) and accordingly, no liability to taxation arises on the results for the year to the extent that income and gains are applied to the charitable company's charitable objects.

15 Comparative SOFA under FRS102 (SORP 2015)

	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2016 £
Income from:				
Donations and gifts	348,919	150,339	-	499,258
Charitable activities				
Special events	157,768	-	-	157,768
Grants	130,000	-	-	130,000
Other income	69,583	-	-	69,583
Investments	88,244	-	-	88,244
Other	217,812	-	-	217,812
Total	1,012,326	150,339	-	1,162,665
Expenditure on:				
Raising funds				
Investment management charges	11,002	-	-	11,002
Trading costs	195,498	-	-	195,498
	206,500	-	-	206,500
Charitable activities				
Parish activities	627,657	174,741	-	802,398
Special events	142,746	-	-	142,746
Grants	-	-	3,089	3,089
	770,403	174,741	3,089	948,233
Total	976,903	174,741	3,089	1,154,733
Net income/(expenditure) before gains/(losses) on	35,423	(24,402)	(3,089)	7,932
Net (loss)/gains on investments	331,198	-	-	331,198
Net movement in funds	366,621	(24,402)	(3,089)	339,130
Transfer	(2,090,367)	2,056,937	33,430	-
Reconciliation of funds				
Total funds brought forward	3,572,818	23,993	316,214	3,913,025
Total funds carried forward	1,849,072	2,056,528	346,555	4,252,155

The Statement of Financial Activities includes all gains or losses recognised in the year.

All of the above results are derived from continuing activities.