

REGISTERED COMPANY NUMBER: 00136726 (England and Wales)

REGISTERED CHARITY NUMBER: 216647

OSCR NUMBER: SC046866

**Report of the Trustees and
Financial Statements for the Year Ended 31st August 2022
for
International Bible Students Association**

International Bible Students Association

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International Bible Students Association

Report of the Trustees

for the Year Ended 31st August 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st August 2022. The trustees have adopted the provisions of 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 2019).

This report includes the Directors Report as required by company law.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The object of the Association is to promote the Christian religion as practiced by the body of Christian persons known as Jehovah's Witnesses, by supporting congregations of Jehovah's Witnesses and others in connection with their spiritual and material welfare in Britain and abroad within the charitable purposes of the Association. This has been achieved by:

1. Providing serviced facilities to support religious activity.
2. Arranging for venues to host conventions for Bible education.
3. Financially assisting legal entities of Jehovah's Witnesses with similar aims and objectives, both foreign and domestic.
4. Paying expenses for and taking care of living arrangements for members of the Worldwide Order of Special Full-Time Servants of Jehovah's Witnesses (the Order).

Ongoing support of the activity of Jehovah's Witnesses without interruption, is a more significant criterion for the Association than a statistical assessment of performance. In the area of conventions, however, attendance figures can be considered to assess the impact of the Association's activities.

Significant activities

The Association's aim, to facilitate the ongoing activities of Jehovah's Witnesses, remains the same each year. Therefore, the short- and long-term objectives are synonymous with each other. Specific current activities are described in the following paragraphs.

The COVID-19 pandemic continued to be a significant factor affecting the achievement of objectives during the year. A major impact has been that the Association has not been able to welcome members of the public to our premises. It also cancelled plans to hire facilities for conventions, therefore, none were held during the year.

The other activities of the Association have continued. The Association has taken necessary action, such as imposing restrictions connected with its properties, to protect the health of members of the Order and others.

The Association continued to provide facilities, enabling religious service and the preparation of Bible-based information in various languages.

The Association continued to provide support for members of the Order in various forms, such as food, accommodation, and modest allowances. This support allowed them to continue in their full-time religious service.

Donations were made to assist charities with similar aims where there was a greater need

Public benefit

In addition to being a legal entity, the trustees confirm that they have taken into consideration Charity Commission guidance on public benefit in exercising their powers and duties. This is amply demonstrated in this report and in particular the following:

1. The translated Bible-based material and videos are made available to the public free of charge. Although the Association does not produce or distribute this material, it facilitates its production. It is also noteworthy that the literature is provided in the mother tongue of individuals, even if their language is not widely used. These languages include British Sign Language, Welsh and Scottish Gaelic.
2. Conventions for Bible education, are open to the public. Admission is free. This activity was not possible during 2022 due to the COVID-19 pandemic, but should resume next year.
3. Through facilitating the activity of Jehovah's Witnesses in general, through property purchase and ownership as well as taking care of members of the Order. This allows for charitable, religious activity to continue, bringing benefits to those who are involved.

By ensuring that these activities, with the exception of conventions, continued to be supported, many people continued to receive vital comfort and assistance during a very difficult year.

International Bible Students Association

Report of the Trustees

for the Year Ended 31st August 2022

OBJECTIVES AND ACTIVITIES

Donations and aid

These donations are not sent for specific projects, nor do they have strict conditions attached regarding how or when they should be spent. The donations can be used to support the general activities and operating expenses of other legal entities which share similar aims and objectives to the Association.

The Association at times sends funds to Watch Tower Bible and Tract Society of Britain (WTBTSB), a charity with similar aims and experience in distributing funds around the world to where needs exist. The Association first ascertains whether current funds held are sufficient for the upcoming needs of the Association's ordinary activities. If these needs can be met, the Association would prefer to send the funds on to where they can be used immediately. This process is carried out in line with the Association's reserves policy.

All donations made advance the activity of Jehovah's Witnesses in many countries, assisting with literature needs, disaster relief, the building of places of worship and other requirements of cooperating legal entities of Jehovah's Witnesses which pursue the same goals. Donors are made aware of the worldwide nature of the activities of Jehovah's Witnesses.

Members of the Order

The Association is often assisted by religious ministers who are members of the Order. These individuals are not compensated financially or in-kind for their efforts and are not employed. Each member is provided with modest yet appropriate support, such as food, shelter, and other basic necessities so that they are able to carry out any task which they are assigned by the Order as part of their sacred service. Although such ones do at times help the Association, for instance, by assisting with building maintenance, their service involves many other assignments as well, not connected to the Association. Members perform whatever the Order assigns them to do in support of the activities of Jehovah's Witnesses.

Other Jehovah's Witnesses who are not members of the Order, also freely provide their time and resources to assist when needed.

International Bible Students Association

Report of the Trustees

for the Year Ended 31st August 2022

STRATEGIC REPORT

Achievement and performance

Charitable activities

Provision of serviced facilities

Throughout the year, the Association has allowed members of the Order and religious volunteers free use of its buildings, equipment, computers, and internet service. The buildings include offices, maintenance spaces, kitchen / dining and recreation areas. All of this has allowed them to carry out their religious service and to assist in the activities of Jehovah's Witnesses.

Provision of facilities to support the production of Bible-based literature

The Association continued to support the facility in Burton for British Sign Language translation and residences for members of the Order serving there.

In other locations, material was translated into more languages, including Welsh and Scottish Gaelic. Bible-based audio and video programs were also carried out throughout the year in the Association's properties.

Restrictions imposed at these facilities due to the COVID-19 pandemic allowed for continued usage in a safe manner.

Conventions for Bible education

Due to the COVID-19 pandemic it was also necessary to cancel the conventions that would have been held in various locations. However, activity has begun to arrange these conventions for next year.

The Association also took on the ownership of three Assembly Halls of Jehovah's Witnesses during the year. These were donated by charities with similar aims and objectives in order to benefit from the Association's vast experience in caring for buildings which facilitate worship.

Financially assisting legal entities of Jehovah's Witnesses

Financial assistance to legal entities with similar aims and objectives was reduced because in comparison with the previous year, there were fewer property sales. Therefore, there were lower funds available to donate. The trustees carefully considered how to use these funds in furtherance of the Association's charitable aims. WTBSB was chosen as the main recipient because of its experience in holding high levels of funds in an efficient manner and its experience in distributing funds around the world where there is a need. It also has similar charitable objectives to the Association.

Assistance has also been provided by allowing some of these legal entities with similar aims and objectives to occupy and operate free of charge in properties owned by IBSA overseas. The Association continues to hold a programme related social investment as shown in note 10 to the financial statements. The investment furthers the charitable aims of the Association, by assisting Jehovah's Witnesses around the world in finding places to meet and carry out their worship. There are no concerns regarding the social, environmental or ethical nature of the investment, as it directly assists with charitable activity. The trustees are pleased with the results achieved.

Caring for Members of the Order

During the year, modest yet appropriate support of just over 1,000 members of the Order was provided, in harmony with the aims and objectives of the Association, throughout the United Kingdom. This enabled them to devote themselves fully to their sacred service, and carry out their assignments from the Order during the year. These ones are not employed by the Association. They do, however, at times assist with the Association's activities, and any other service they carry out is in line with the Association's aims and objectives.

Fundraising activities

We do not engage in fundraising activities.

Investment performance

The trustees are satisfied with the results for the year, taking into account interest rates generally. Money is held in first class banks.

Internal controls

These controls ensure that the monthly financial reports accurately represent all transactions, provide reasonable assurance that finances are being used for their intended purpose and verify that proper controls and procedures are in place and adhered to, so that the figures are recorded accurately and accounts are in balance. The internal audit programme has been achieved. All was found to be in order.

International Bible Students Association

Report of the Trustees

for the Year Ended 31st August 2022

STRATEGIC REPORT

Achievement and performance

Section 172(1) statement

Throughout the trustees' report examples are given where the trustees continue to exercise their duties with regard to matters related to Section 172.

For instance, in the public benefit section, the trustees confirm that they have taken into consideration the impact of the Association's operations on the community.

In accordance with Section 172(2), the significant activities section shows how due to the COVID-19 pandemic, certain activities such as hiring facilities to host conventions were cancelled in order to protect members of the public.

Financial review

Financial position

The Association showed a surplus of approximately £15 million on the Statement of Financial Activities (SOFA) at 31 August 2022. However, it should be noted that the donation of the Assembly Halls of Jehovah's Witnesses of nearly £12 million is included in this figure.

Net Assets at the end of the year stood at approximately £169 million. The vast majority of this is made up of tangible assets with a net book value of £170 million (we do not believe this would be significantly different from net realisable value) This demonstrates that the Association is continuing to utilise its resources effectively.

Principal funding sources

The Association is funded by voluntary donations and legacies. This income supported the Association in achieving its key objectives during the year. This included supporting members of the Order and caring for facilities as described in this report.

Reserves policy

The Association's policy is to hold approximately two months of operational expenditure as reserves. The closing net current assets are in line with this policy.

Going concern

There are no uncertainties about the Association continuing as a going concern.

International Bible Students Association

Report of the Trustees

for the Year Ended 31st August 2022

STRATEGIC REPORT

Principal risks and uncertainties

The major risks to which the Association is exposed have been formally reviewed, with particular focus on events that would seriously impede the operations of the Association. Strategic safeguards are in place to reduce, as far as possible, the impact of those risks. The risk register was updated most recently in July 2022.

The principal risks and uncertainties are in the following areas: Health and safety, IT disaster recovery and planning, lack of building fabric maintenance.

Health and Safety

Caring for sizeable facilities and a large group of individuals brings with it the risks of accidents either in serviced facilities or accommodation.

This risk is mitigated by a rigorous health and safety routine. Experts in this area give advice and direction as to help to achieve safer practices. Individuals are trained in the procedures they should undertake, and how they should carry out their tasks in the safest manner. Documentation is provided as part of their training.

IT disaster recovery and planning

The systems used to achieve the aims of the Association are completely reliant on IT services. The potential for such services to be damaged or impeded in some way is a serious risk to the operations of the Association. This risk is mitigated by extremely detailed IT backup procedures. Offsite backups are carried out regularly, with sensitive data being backed up more frequently. Should a physical server be lost, remote servers kept off-site can take over and ensure the continued running of operations. In the unlikely event that the network goes down, a strong, robust infrastructure allows for operations to continue uninterrupted.

Lack of building fabric maintenance

Regular repair and maintenance programmes are carried out to a high standard. Experts in relevant areas give training and monitor these areas carefully. Ongoing training and documentation is provided based on appropriate standards and followed by those who have the responsibility for caring for the buildings.

International Bible Students Association

Report of the Trustees

for the Year Ended 31st August 2022

STRATEGIC REPORT

Greenhouse Gas Emissions, Energy Consumption & Energy Efficiency

	Carbon Tonnes	KwH
Quantity of emissions in tonnes of carbon dioxide equivalent resulting from activities for which the company is responsible	2,155	
Quantity of energy consumed resulting from activities for which the company is responsible		11,615,281

This information was gathered from utility bills received by the Association during the year. A quantifiable ratio for this activity is not practical in this instance, as the vast majority of this consumption was from activity connected with its registered office and neighbouring properties in Chelmsford.

Measures taken for the purpose of increasing the Association's energy efficiency include: high levels of wall and roof insulation, triple glazed windows in residence buildings, combined heat and power units, condensing gas boilers, photovoltaic panels to generate on-site electricity, minor district heating circuits, LED lighting with automatic PIR presence detection and daylight control, and rainwater harvesting. Systems are controlled by a site-wide Building Management System, with energy consumption monitored.

Our in-house Energy Team consistently monitors our energy management throughout all of our properties, resulting in ongoing efficiency improvement that reduces our carbon footprint.

During the year, the Association also made some adjustments to what was provided to members of the Order living at its facilities so as to operate more sustainably. This included methods to reduce the need for single-use plastics and other non-recyclable waste.

Some key changes were as follows:

Plastic:

Plastic bags have been completely removed from areas for obtaining food provisions. Users are now encouraged to bring their own reusable shopping bags. As far as possible products supplied are sourced from suppliers that do not provide their goods in plastic packaging.

Cleaning Supplies:

The cleaning products used at our facilities are now available to decant from larger reservoir containers. This has greatly reduced the amount of domestic cleaning products used that previously came in plastic bottles.

Recycling Waste Streams:

All the available recycling waste streams provided by the local council are set up at various collection points around our site. Added to that, extra waste stream lines such as electrical goods, lightbulbs, batteries, chemicals/oils and tyres have also been provided. These streams are collected by various private recycling companies. Further to that a waste stream for recycling bubble wrap and polystyrene was set up to allow these to be reused within the facility when needed.

Communal Drinks Machines:

Plastic cups formerly provided in vending machines have been removed and replaced with paper cups. Users have been encouraged to use their own cup at the machines to further reduce the need to use single-use paper cups.

The trustees are pleased with these examples of extremely positive environmental performance.

International Bible Students Association

Report of the Trustees

for the Year Ended 31st August 2022

STRATEGIC REPORT

Future plans

Continuing to enable individuals to carry out their sacred service full-time as members of the Order, means these can continue to make a meaningful contribution to the religious organisation of Jehovah's Witnesses. They will also have a beneficial impact in the wider communities where they worship and conduct their public ministry.

The Association will also continue to support the needs for the translation and audio/video production of Bible-based material. It also aims to hire convention facilities, to enable their use for in-person conventions during 2023.

The Association also intends to continue to take necessary action to maintain health and safety by imposing necessary restrictions relating to the COVID-19 pandemic. Within the boundaries of these restrictions charitable activities will continue to be supported, assisting beneficiaries and the wider community.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity was incorporated on 30th June 1914 and is governed by the Memorandum and Articles of Association of that date as amended by special resolutions on 20th April 1951, 10th January 1958, 28th November 2005, 4th January 2006, 20th February 2014, and 13th April 2016.

Organisational structure

The charity is constituted as a company limited by guarantee.

Policy decisions are made by the Trustees.

Members Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amounts as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Recruitment, appointment, induction and training of new trustees

The trustees of the Association who held office during the year, and at the date of this report, are set out below. These trustees have key roles at the charity's headquarters. They meet together each month and are in regular contact from day to day. The trustees have the power to appoint or remove trustees by a simple majority vote.

The recruitment and induction of new trustees is arranged as follows. When necessary, the trustees review potential candidates, on the basis set out in the Articles of Association. Their abilities and qualifications are evaluated by the trustees. New trustees are given training in both operational and financial matters with the aid of the existing trustees and relevant documentation and guidance provided by the Charity Commission.

Wider Network

Legal entities with similar aims and objectives exist in many countries around the world. Cooperation with these legal entities facilitates an efficient and economic use of resources. This helps the Association to meet its stated aims and objectives.

The Association also cooperates with such legal entities in the United Kingdom. This cooperation could be in the form of shared facilities, or donations depending on the circumstances.

The Association reviews policies, procedures and guidelines used by legal entities of Jehovah's Witnesses globally with similar aims and objectives and, where applicable, seeks to implement them.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00136726 (England and Wales)

Registered Charity number

216647

International Bible Students Association

Report of the Trustees

for the Year Ended 31st August 2022

Registered office

1 Kingdom Way
West Hanningfield
Chelmsford
CM2 8FW

Trustees

J Manley
S Papps (resigned 31.10.21)
K Snaith
S C H Symonds
M Simpson (appointed 8.11.21)
A Sutton (appointed 1.9.21)

Auditors

Xeinadin Audit Ltd
Chartered Accountants and Statutory Auditor
Becket House
36 Old Jewry
London
EC2R 8DD

Bankers

Barclays
Charities Team, Level 12
1 Churchill Place
London
E14 5HP

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of International Bible Students Association for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity 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 presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

International Bible Students Association

Report of the Trustees for the Year Ended 31st August 2022

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors,
on March 1, 2023 and signed on the board's behalf by:



.....
S C H Symonds - Trustee

Report of the Independent Auditors to the Members of International Bible Students Association

Opinion

We have audited the financial statements of the International Bible Students Association (the 'company') for the year ended 31st August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st August 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and Section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of International Bible Students Association

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement the trustees (who are also 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 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 company or to cease operations, or have no realistic alternative but to do so.

Our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our objectives in performing the audit are to identify and assess the risk of material misstatement in the financial statements due to fraud or error and to obtain sufficient audit evidence to support this. We also evaluate and respond to the risk of material misstatements.

Audit procedures performed by the engagement team included:

- Obtaining an understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework.
- Gaining an understanding of the entity's current activities, the scope of its authorization and the effectiveness of its control environment.
- Discussions with management and those charged with governance as to any known or suspected instances of non-compliance with laws and regulations, as well as fraud.
- Reviewing and challenging assumptions, judgements and estimates made by management in its' significant accounting policies.
- Examination of significant and unusual transactions as well as minutes of meetings of those charged with governance.

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

Report of the Independent Auditors to the Members of International Bible Students Association

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Nicholas Hume FCA.

Nicholas Hume FCA (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Ltd
Chartered Accountants and Statutory Auditor
Becket House
36 Old Jewry
London
EC2R 8DD

Date: March 2, 2023

International Bible Students Association

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the Year Ended 31st August 2022

		2022 Unrestricted fund £	2021 Unrestricted fund £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	2	59,285,204	34,867,079
Investment income	3	6,706	1,583
Other income	4	<u>4,181,075</u>	<u>36,938,741</u>
Total		63,472,985	71,807,403
EXPENDITURE ON			
Charitable activities	5		
Provision of conventions for Bible education		45,683	79,494
Donations and aid		35,009,532	63,525,482
Provision of serviced facilities		5,003,581	3,499,796
Caring for members of the Order		8,376,468	8,087,083
Provision of facilities to produce Bible-based literature		<u>342,970</u>	<u>312,113</u>
Total		48,778,234	75,503,968
NET INCOME/(EXPENDITURE)		14,694,751	(3,696,565)
RECONCILIATION OF FUNDS			
Total funds brought forward		154,238,940	157,935,505
TOTAL FUNDS CARRIED FORWARD		<u><u>168,933,691</u></u>	<u><u>154,238,940</u></u>

The notes form part of these financial statements

International Bible Students Association

Balance Sheet

31st August 2022

	Notes	2022 Unrestricted fund £	2021 Unrestricted fund £
FIXED ASSETS			
Tangible assets	9	170,052,018	156,027,845
Social investments	10	<u>460,215</u>	<u>460,215</u>
		170,512,233	156,488,060
CURRENT ASSETS			
Stocks	11	167,727	154,850
Debtors	12	3,410,460	1,080,607
Cash at bank and in hand		<u>472,241</u>	<u>1,869,793</u>
		4,050,428	3,105,250
CREDITORS			
Amounts falling due within one year	13	<u>(2,201,089)</u>	<u>(1,926,411)</u>
NET CURRENT ASSETS			
		<u>1,849,339</u>	<u>1,178,839</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		172,361,572	157,666,899
CREDITORS			
Amounts falling due after more than one year	14	<u>(3,427,881)</u>	<u>(3,427,959)</u>
NET ASSETS			
		<u>168,933,691</u>	<u>154,238,940</u>
FUNDS			
Unrestricted funds	16	<u>168,933,691</u>	<u>154,238,940</u>
TOTAL FUNDS			
		<u>168,933,691</u>	<u>154,238,940</u>

The financial statements were approved by the Board of Trustees and authorised for issue on March 1, 2023 and were signed on its behalf by:



S C H Symonds - Trustee



A Sutton - Trustee

The notes form part of these financial statements

International Bible Students Association

Cash Flow Statement

for the Year Ended 31st August 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	18	<u>12,813,191</u>	<u>(44,220,835)</u>
Net cash provided by/(used in) operating activities		<u>12,813,191</u>	<u>(44,220,835)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(21,174,787)	(612,512)
Sale of tangible fixed assets		6,957,338	45,908,030
Interest received		<u>6,706</u>	<u>1,583</u>
Net cash (used in)/provided by investing activities		<u>(14,210,743)</u>	<u>45,297,101</u>
Cash flows from financing activities			
Loan repayments in year		<u>-</u>	<u>(1,000,000)</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(1,000,000)</u>
Change in cash and cash equivalents in the reporting period			
		(1,397,552)	76,266
Cash and cash equivalents at the beginning of the reporting period		<u>1,869,793</u>	<u>1,793,527</u>
Cash and cash equivalents at the end of the reporting period		<u><u>472,241</u></u>	<u><u>1,869,793</u></u>

The notes form part of these financial statements

International Bible Students Association

Notes to the Financial Statements

for the Year Ended 31st August 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, a company limited by guarantee registered in the United Kingdom, which is a public benefit entity under FRS102, have been prepared in accordance with applicable charity and company law, namely the Charities SORP (FRS102) '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 (FRS102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (effective 1 January 2019), the Companies Act 2006 and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention or transaction value, unless stated in the relevant accounting policy note(s). All amounts are stated in pounds sterling and rounded to the nearest whole number.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported value of assets, liabilities, income and expenditure. The nature of estimation and judgement means that actual outcomes could differ from expectation. A significant area of estimation and judgement is when support costs have been allocated to activity on a basis consistent with their use of resources.

Another estimate in these financial statements is depreciation. The trustees are of the opinion that the rates applied to the financial statements are appropriate.

Income

All income, whether in the form of donations, or legacies is recognised in the Statement of Financial Activities once the Association has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Donations in the form of assets are generally included at fair value. Where obtaining a fair value is not practical or beneficial, the value provided by the donor may be used.

For legacies, entitlement is taken as the earlier of the date on which either: the Association is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Association has been notified of the executor's intention to make a distribution.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Association to that expenditure, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated as described in the following paragraphs.

Allocation and apportionment of costs

Where a cost is incurred for the purpose of directly achieving one of the charitable aims it is allocated to that particular aim.

Some costs do not relate to one particular aim, but support all of the aims of the Association. When this is the case the support cost is apportioned to the activity based on the proportion of direct costs it incurs. This does not include the donations activity as minimal support costs are incurred in this activity.

Tangible fixed assets

Fixed assets are valued at cost less depreciation. Assets costing less than £3,000 are not capitalised.

Depreciation is provided at the following annual rates, less estimated residual value, in order to write off each asset over its estimated useful life:

Freehold land	-	Not depreciated
Buildings	-	2% to 2.5% on cost
Plant and machinery	-	10% on cost
Motor vehicles	-	14% to 20% on cost
Assets in the course of construction	-	Not depreciated
Fixtures and fittings	-	20% on cost
Computer Equipment	-	14% to 33% on cost

International Bible Students Association

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Impairment reviews are carried out on individual assets when there is some indication that the recoverable amount of a fixed asset is below its net book value.

Social investments

The Association classifies its social investments as programme related. The investment is to further charitable aims, and any financial return is incidental. The investment is held at cost less impairment as fair value cannot be measured reliably.

Stocks

Stocks comprise electrical, maintenance, and home supplies, and are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Foreign currencies

Foreign currency balances have been translated at the prevailing rate on the balance sheet date. Income and expenditures during the year have been translated at the prevailing rate on the day of the transaction.

Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Donated goods

Donated goods are recognised as income when the Association has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Association of the item is probable and that economic benefit can be measured reliably.

Other recognised gains and losses

These comprise unrealised and realised gains and losses on investments. Unrealised gains and losses represent the difference between the market value brought forward (or cost, for assets bought within this financial year) and the market value at the balance sheet date. Realised gains and losses represent the difference between sales proceeds and market value brought forward (or cost, for assets bought within this financial year.)

Interest Receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Debtors

Debtors are recognised at the total amount due to the Association. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes current and deposit accounts as well as trivial amounts of petty cash.

Creditors

Creditors are recognised where the Association 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Concessionary loans are initially measured at the amount received. The carrying amount is subsequently adjusted to reflect any impairment or accrued interest payable if applicable.

International Bible Students Association

Notes to the Financial Statements - continued

for the Year Ended 31st August 2022

1. ACCOUNTING POLICIES - continued

Financial instruments

The Association has only basic financial assets and liabilities. These are initially recognised at transaction value and subsequently measured at their settlement value if there is any variance. If any are for a period longer than twelve months these are amortised when appropriate.

Going Concern

The trustees consider the Association a going concern and have no material uncertainties in this regard. A strong balance sheet position and consistent income base contribute to this conclusion.

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Legacies	7,632,326	3,073,698
Non-cash donations	19,899,063	1,059,842
Cash donations	31,745,975	30,695,403
Other Income	<u>7,840</u>	<u>38,136</u>
	<u>59,285,204</u>	<u>34,867,079</u>

3. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	<u>6,706</u>	<u>1,583</u>

4. OTHER INCOME

	2022	2021
	£	£
Gain on sale of tangible fixed assets	4,150,700	36,825,799
Foreign currency gains	-	(6,411)
Income from recycling	<u>30,375</u>	<u>119,353</u>
	<u>4,181,075</u>	<u>36,938,741</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Provision of conventions for Bible education	39,853	5,830	45,683
Donations and aid	35,009,532	-	35,009,532
Provision of serviced facilities	4,402,576	601,005	5,003,581
Caring for members of the Order	7,306,790	1,069,678	8,376,468
Provision of facilities to produce Bible-based literature	<u>299,211</u>	<u>43,759</u>	<u>342,970</u>
	<u>47,057,962</u>	<u>1,720,272</u>	<u>48,778,234</u>

International Bible Students Association

Notes to the Financial Statements - continued

for the Year Ended 31st August 2022

6. SUPPORT COSTS

	Finance £	Information technology £	Other £	Governance costs £	Totals £
Provision of conventions for Bible education	532	5,075	147	76	5,830
Provision of serviced facilities	54,807	523,308	15,050	7,840	601,005
Caring for members of the Order	97,546	931,392	26,787	13,953	1,069,678
Provision of facilities to produce Bible-based literature	<u>3,990</u>	<u>38,102</u>	<u>1,096</u>	<u>571</u>	<u>43,759</u>
	<u>156,875</u>	<u>1,497,877</u>	<u>43,080</u>	<u>22,440</u>	<u>1,720,272</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Auditors' remuneration	22,440	20,400
Depreciation - owned assets	4,254,020	4,068,057
Other operating leases	355,513	142,683
Surplus on disposal of fixed assets	<u>(4,127,540)</u>	<u>(36,828,474)</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

The trustees do not receive any remuneration or benefits for their role as trustees of the charity. However, all trustees are members of a worldwide religious order. By virtue of their membership of the religious order, they (and if married to a member of the order, their spouse) receive from the Association accommodation, meals, a modest allowance and certain other personal services depending on age.

The total allowance paid to each trustee, by virtue of their membership of the religious order, in the year ending 31 August 2022 was £2,175 (2021: £2,056). The trustees and their spouses donated in total £3,910 to the charity.

Trustees' expenses

No expenses were reimbursed to trustees in their role as trustees during this year or the previous year.

International Bible Students Association

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

9. TANGIBLE FIXED ASSETS

	Freehold property £	Assets in the course of construction £	Plant and machinery £
COST			
At 1st September 2021	169,532,416	77,628	1,987,476
Additions	20,480,569	47,387	88,439
Disposals	(3,330,005)	-	(139,991)
Reclassification	-	(91,165)	91,165
At 31st August 2022	<u>186,682,980</u>	<u>33,850</u>	<u>2,027,089</u>
DEPRECIATION			
At 1st September 2021	15,465,341	-	852,329
Charge for year	3,960,959	-	126,093
Eliminated on disposal	(507,884)	-	(103,463)
At 31st August 2022	<u>18,918,416</u>	<u>-</u>	<u>874,959</u>
NET BOOK VALUE			
At 31st August 2022	<u>167,764,564</u>	<u>33,850</u>	<u>1,152,130</u>
At 31st August 2021	<u>154,067,075</u>	<u>77,628</u>	<u>1,135,147</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1st September 2021	64,434	767,792	483,907	172,913,653
Additions	18,083	520,319	19,990	21,174,787
Disposals	-	(67,550)	(18,114)	(3,555,660)
Reclassification	-	-	-	-
At 31st August 2022	<u>82,517</u>	<u>1,220,561</u>	<u>485,783</u>	<u>190,532,780</u>
DEPRECIATION				
At 1st September 2021	27,878	299,845	240,415	16,885,808
Charge for year	10,721	101,307	54,940	4,254,020
Eliminated on disposal	-	(40,229)	(7,490)	(659,066)
At 31st August 2022	<u>38,599</u>	<u>360,923</u>	<u>287,865</u>	<u>20,480,762</u>
NET BOOK VALUE				
At 31st August 2022	<u>43,918</u>	<u>859,638</u>	<u>197,918</u>	<u>170,052,018</u>
At 31st August 2021	<u>36,556</u>	<u>467,947</u>	<u>243,492</u>	<u>156,027,845</u>

At the reporting date, an entity has a binding sale agreement on land and buildings which are held in the fixed asset group 'freehold property', being one of the properties formerly used by IBSA in London. The net carrying value of this is £3,495,978. Included in freehold property is land which is not depreciated with a value of £34,688,828.

International Bible Students Association

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

10. SOCIAL INVESTMENTS

	Programme related investments equity £
MARKET VALUE	
At 1st September 2021 and 31st August 2022	<u>460,215</u>
NET BOOK VALUE	
At 31st August 2022	<u><u>460,215</u></u>
At 31st August 2021	<u><u>460,215</u></u>

This represents an investment in a project which helps Jehovah's Witnesses around the world find places to meet and carry out their worship. Although it is still in its early stages, the trustees are pleased with the early results achieved and are confident that it will continue to advance the charitable aims of the Association.

11. STOCKS

	2022 £	2021 £
Stocks - electrical, maintenance, and home supplies	<u>167,727</u>	<u>154,850</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other debtors	1,506,002	921,106
Prepayments and accrued income	<u>1,904,458</u>	<u>159,501</u>
	<u>3,410,460</u>	<u>1,080,607</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	262,929	119,235
Other creditors	1,771,692	1,688,824
Accrued expenses	<u>166,468</u>	<u>118,352</u>
	<u>2,201,089</u>	<u>1,926,411</u>

International Bible Students Association

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022 £	2021 £
Other loans (see note 15)	2,927,881	2,927,881
Accruals and deferred income (see note 21)	<u>500,000</u>	<u>500,078</u>
	<u>3,427,881</u>	<u>3,427,959</u>

15. LOANS

Loans represent a concessionary loan, with no interest charged, from other charitable entities with similar aims and objectives. It is not secured against any assets of the Association.

16. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	154,238,940	14,694,751	168,933,691
	<u>154,238,940</u>	<u>14,694,751</u>	<u>168,933,691</u>
TOTAL FUNDS	<u>154,238,940</u>	<u>14,694,751</u>	<u>168,933,691</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	63,472,985	(48,778,234)	14,694,751
	<u>63,472,985</u>	<u>(48,778,234)</u>	<u>14,694,751</u>
TOTAL FUNDS	<u>63,472,985</u>	<u>(48,778,234)</u>	<u>14,694,751</u>

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	157,935,505	(3,696,565)	154,238,940
	<u>157,935,505</u>	<u>(3,696,565)</u>	<u>154,238,940</u>
TOTAL FUNDS	<u>157,935,505</u>	<u>(3,696,565)</u>	<u>154,238,940</u>

International Bible Students Association

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	71,807,403	(75,503,968)	(3,696,565)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>71,807,403</u>	<u>(75,503,968)</u>	<u>(3,696,565)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	157,935,505	10,998,186	168,933,691
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>157,935,505</u>	<u>10,998,186</u>	<u>168,933,691</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	135,280,388	(124,282,202)	10,998,186
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>135,280,388</u>	<u>(124,282,202)</u>	<u>10,998,186</u>

17. RELATED PARTY DISCLOSURES

Although there are no related parties, the Association works closely with other charities in many countries which have similar aims and objectives. This is explained further in the 'Wider Network' paragraph of the Report of the Trustees.

18. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	14,694,751	(3,696,565)
Adjustments for:		
Depreciation charges	4,254,020	4,068,057
Profit on disposal of fixed assets	(4,127,540)	(36,828,474)
Interest received	(6,706)	(1,583)
Donated fixed assets received/sent	66,796	(545,945)
Increase in stocks	(12,877)	(41,988)
(Increase)/decrease in debtors	(2,329,853)	798,208
Increase/(decrease) in creditors	274,600	(7,972,545)
	<hr/>	<hr/>
Net cash provided by/(used in) operations	<u>12,813,191</u>	<u>(44,220,835)</u>

International Bible Students Association

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

19. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank and in hand	<u>1,869,793</u>	<u>(1,397,552)</u>	<u>472,241</u>
	<u>1,869,793</u>	<u>(1,397,552)</u>	<u>472,241</u>
Debt			
Debts falling due after 1 year	<u>(2,927,881)</u>	<u>-</u>	<u>(2,927,881)</u>
	<u>(2,927,881)</u>	<u>-</u>	<u>(2,927,881)</u>
Total	<u><u>(1,058,088)</u></u>	<u><u>(1,397,552)</u></u>	<u><u>(2,455,640)</u></u>

20. FINANCIAL INSTRUMENTS

	2022	2021
Debt instruments at amortised cost		
Other debtors	1,506,002	921,106
Accrued income	<u>1,904,458</u>	<u>105,628</u>
Total	<u><u>3,410,460</u></u>	<u><u>1,026,734</u></u>
Financial Liabilities at amortised cost		
Trade creditors	262,576	119,235
Other creditors	1,771,692	1,688,824
Accrued expenses	166,468	118,352
Other loans >1 year	2,927,881	2,927,881
Accruals and deferred income	<u>500,000</u>	<u>500,078</u>
Total	<u><u>5,628,617</u></u>	<u><u>5,354,370</u></u>

21. DEFERRED INCOME

Deferred income as at 1st September 2021	£ 500,078
Excess amount	<u>(78)</u>
Deferred income as at 31st August 2022	<u><u>500,000</u></u>

Deferred income relates to a deposit received for a property sale.