

The Swedenborg Society

Swedenborg House
20-21 Bloomsbury Way
London WC1A 2TH
020 7405 7986

2019
Two hundred and ninth
Report for the year 2018



CHARITY INFORMATION

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Charity Number: 209172
Company Number: 00209822 (England and Wales)

President
Homero Aridjis

Vice President
John Cunningham, FCII

Trustees
David Lister, FRCS (Chairman)
John Cunningham, FCII (Vice President)
Alec Morley, MA (Hon. Treasurer)
Revd Alan Cowley, MDiv
Revd Frederick Elphick, MDiv
Revd Ethan McCardell
Rufus Moore, MA (appointed 14 March, 2019)
Bridget Smith, MA (appointed 14 March, 2019)
Mr P L Johnson (deceased 19 August, 2019)
Michael Hiller (deceased 1 January, 2018)
Nigel Sutton
Andrew Bentley, MA (appointed 10 November, 2018)
Alan Lewin (appointed 14 March, 2019)
Homero Aridjis (resigned 10 November, 2018)

Executive Director
Stephen McNeilly, MA

Bankers:
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Investment Managers:
Quilter Cheviot, 1 Kingsway, London, WC2B 6AN

Solicitors:
Gordons Partnership LLP, Edgeborough House, Upper Edgeborough Road, Guildford,
Surrey, GU1 2BJ

Auditors:
WMT Chartered Accountants, Verulam Point, Station Road, St Albans, Hertfordshire, AL1 5HE

Property Advisers:
Emmerson Barnett, Chartered Building Surveyors, Stanbrook Mead, Stanbrook, Thaxted,
Essex, CM6 2NQ

TABLE OF CONTENTS

CHAIRPERSON'S STATEMENT.....	2
1. THE SWEDENBORG SOCIETY REPORT OF THE COUNCIL FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2018.....	3
OBJECTIVES AND ACTIVITIES.....	3
Governing Document	
Book Grants	
Volunteers	
ACHIEVEMENTS AND PERFORMANCE.....	4
Performance Indicators	
Printing, Publishing, Translating and Editing	
Events	
Talks	
Exhibitions and Performances	
Seminars and Discussion Groups	
Children's Workshops	
The Swedenborg Film Festival	
Artist Residency	
Swedenborg Ph.D. Scholarship	
Bookshop and Distribution	
Marketing and Publicity	
Archive, Library and Museum	
Premises	
FINANCIAL REVIEW	10
Risks and Uncertainties	
Investment Policy	
Reserves Policy	
Gifts and Legacies	
STRUCTURE, GOVERNANCE AND MANAGEMENT.....	12
Governance	
2018 Council Election	
Members of the Council	
Members of the Advisory and Revision Board	
Staff	
Volunteers	
Health and Safety	
Company Matters	
Public Benefit	
Statement of the Council's Responsibilities	
2. THE SWEDENBORG SOCIETY AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018.....	17
Independent Auditor's Report	
Statement of Financial Activities	
Balance Sheet	
Statement of Cash Flows	
Notes to the Financial Statements	

CHAIRPERSON'S STATEMENT

I would like to thank all the members of staff of the Society for their hard work over the last year associated with the great improvements in the appearance of the Society's building in Bloomsbury, as well as the many other activities mentioned in this Report. My special thanks to Steve McNeilly, the Society's CEO, for all that he does for the Society and for his enlightening friendship.

As the Articles of the Swedenborg Society state, the Society exists to keep the literary remains of Emanuel Swedenborg before the public eye. This Report is the literary remains of the Society's 2018 activities. From next year its format will be changing to reflect changes and enhancements of these activities.

Swedenborg lived from 1688 to 1772 in prosperous circumstances thanks to his family background. Europe found itself in a changing philosophical period with the emergence of the ideas of Newton's and the so-called Enlightenment. Swedenborg's main occupation was on the Royal Board of Mines, which involved him in inventing mechanical improvements for the mining industry, but he was also a member of the Swedish Parliament's House of Nobles, and he had regular contact with the Swedish king, Charles XII, and the king's military activities. However he is remembered chiefly for the descriptions of his experiences in the spiritual world.

Today, Swedenborg's literary remains face enormous changes, such as the coming of the Internet, mass international travel, quantum physics, space travel, social media intrusions, climate change, the loss of wildlife and the enormous increase of the human population. The framework of society and the outer appearances in general are under stress as never before.

Swedenborg is best known for his theory of correspondences, the inner meaning of things underlying their outer appearances. He says that remains are the goods and truths stored in the interiors of man by the Lord through which angels can conjoin themselves with man. I do not wish to turn this statement into a sermon, but as you read this Annual Report, it is perhaps worthwhile to keep in mind the difference between the external remains of the report and its internal remains where angels dwell, as the latter changes the face of the former. I recommend looking at J F Potts's *Swedenborg Concordance* about these categories.

David Lister, FRCS, Chairperson of the Council

THE SWEDENBORG SOCIETY

Report of the Council for the twelve months ended 31 December 2018

Objectives and Activities

The Society exists to provide for the continuation of the public knowledge of the works of Emanuel Swedenborg and the appreciation of Swedenborg's ideas and influence on later generations.

The primary charitable objects of the Swedenborg Society are summarized as:

- To print, publish, purchase, sell and distribute as grants the literary remains of Emanuel Swedenborg, biographies of Swedenborg and literature in agreement with his writings;
- To organize meetings, lectures, conferences and other functions as a means of directing attention to, and promoting interest in, the works of Swedenborg;
- To encourage study of the works of Swedenborg.

The Society undertakes a number of activities to further these objectives:

- We grant books to public and university libraries;
- We organize events, lectures, seminars and exhibitions at Swedenborg House;
- We develop links with academic institutions to assist the research and study of Swedenborg's writings and their impact on later philosophical thought;
- We operate a bookshop to make the writings of Swedenborg and later books based on his ideas, available to the public;
- We house a library, archive and permanent collection of artefacts;
- We foster a community to all who share an interest or a curiosity in the ideas and works of Swedenborg.

GOVERNING DOCUMENT

During 2018 the Society's Trustees spent much time and effort in reviewing and updating the Society's Governing Document, which was last revised in 1963. With the support of charity law specialists Bates Wells Braithwaite, this has now been completed and consent has been received from the Charity Commission. The new Objects and Articles of Association allow the Society to fulfil a much broader remit of charitable activities. They also now offer greater safeguarding protocols regarding the Society's financial assets. As a consequence, the Trustees are now proceeding to the second phase of the planned charitable upgrades and enhancements, which were begun back in 2010. Items under discussion include applications for National Museum and National Archive Status; doctoral research scholarships; new membership structures; and closer links with other academic and cultural institutions. Hard copies of the new Governing Document can be supplied to members on request, or downloaded from our website.

BOOK GRANTS

The Society has long maintained a policy of giving its publications as grants to libraries, universities and other public institutions in the UK and overseas. The Society is also a member of an umbrella body called Swedenborg Publishers International, which provides funding for translation and publishing projects around the world. The Society is keen to further its efforts in this sphere, and is taking an active role in providing financial support for doctoral research.

VOLUNTEERS

The Society is fortunate to be able to draw on volunteers to assist with the furtherance of its objectives by providing support for translating, editing, research, copy-editing and proofreading. Much of this effort is provided by members of the Society's Advisory and Revision Board, who also play a crucial role in establishing a suitable forum for scholarly discussion and publishing strategy. The Society's bookshop is open five days a week with the support of volunteers who also assist in welcoming visitors during events at Swedenborg House.

Achievements and Performance

PERFORMANCE INDICATORS

The Council monitors the Society's performance through a range of financial and non-financial performance indicators. The key ones are:

	2018	2017
Number of visitors to events	1,297	1,309
Number of members	588	596
Social Media followers	2,774	2,467
Distribution of books	2185	3,142
Contribution from property	£197,964	£120,673

PRINTING, PUBLISHING, TRANSLATING AND EDITING

2018 saw the arrival of two key publications, namely Malcolm Peet's *Medicine, Mysticism and Mythology: Garth Wilkinson, Swedenborg and Nineteenth-Century Esoteric Culture* and *In Celebration of Tomas Tranströmer* featuring contributions from Homero Aridjis, Kjell Espmark, Monica Lauritzen, David Lister, Robin Robertson, Monica Tranströmer, Ulrika Funered and Per Wästberg.

Dual-language English and Latin editions of Swedenborg's *Doctrina Novae Hierosolymae de Domino*, *Doctrina Novae Hierosolymae de Scriptura Sacra*, *Doctrina Vitae pro Nova Hierosolyma ex praeceptis Decalogi* and *Doctrina Novae Hierosolymae de Fide* are now complete and are awaiting scheduling for 2019. These are edited and translated by John Elliott, with Robert Gill as consultant. John Elliott has also continued to work on a new English edition of *The New Jerusalem and Heaven's Teaching For It*. The edition utilizes John Chadwick's existing version from 1990, but includes new translations of the book's lengthy

sections of references to *Arcana Coelestia*—the first time these passages have been translated into English by the Swedenborg Society since the nineteenth century. Typesetting and design work continues on the Latin indices to *Apocalypsis Revelata*.

Work continues on volumes 4 and 5 of Norman Ryder's important reference tool *A Descriptive Bibliography of the Works of Emanuel Swedenborg (1688-1772)*. Another work forthcoming is *Death Is Waking Up: A Conversation with Marina Abramović* by Marina Abramović and Devin Zuber. Work continues on a new translation of Swedenborg's *Divine Providence* by K C Ryder. A new series of introductory books are in commission with planned publishing dates for 2019. These include *Introducing Swedenborg: Correspondences* by Gary Lachman and *Swedenborg and the Emergence of a Modern Heaven* by Colleen McDannell & Bernhard Lang. Work also continued on the new library edition of Swedenborg's published works. Following the academic models of Oxford World's Classics and Cambridge Texts in the History of Philosophy, but drawing on long-established Advisory and Revision Board policies, the library edition will aim to provide each of Swedenborg's works with a high standard critical apparatus in a clear and accessible format, familiar to scholars and university students alike. Work on adapting several existing translations of Swedenborg by John Chadwick for the new library series was commenced this year.

During 2018 the Advisory and Revision Board met twice during the year, in March and September. Members of the A&R Board are listed on page 14.

EVENTS

2018 saw another successful year of events, exhibitions, talks, conferences, film festivals, reading groups and workshops. The Society has a broad and diverse programme of events, all free to the public, and attendance is commensurate with 2017.

TALKS

For the Swedenborg Birthday Meeting, on Saturday 20 January, Dr David Bodanis, author of *E=mc²* (2001), *Electric Universe* (2006) and the recently published international bestseller *Einstein's Greatest Mistake* (2016), gave a talk entitled 'Isaac Newton'. The talk was given to a packed audience. 25 April saw Ariel Hessayon in conversation with John Rees in celebration of the launch of *The Refiner's Fire: the Collected Works of TheaurauJohn Tany*, edited by Ariel Hessayon and published by Breviary Stuff Publications. On 26 September Swedenborg House hosted a panel discussion with Michael Bracewell, Patricia Pulham, Cally Spooner and Francesco Ventrella. The event was entitled *Vernon Lee, Swedenborg and Psychological Aesthetics in the Art Gallery* and was organized in conjunction with David Zwirner Books for the launch of Vernon Lee's *The Psychology of an Art Writer*. In conjunction with the exhibition *Swedenborg and the English Romantics: items from the Swedenborg Collection*, Sibylle Erle, Reader in English Literature at Bishop Grosseteste University in Lincoln gave a talk entitled 'Tennyson, Blake and Swedenborg' on Thursday 25 October. On Saturday 10 November Malcolm Peet gave a talk entitled 'Medicine, Mysticism and Mythology: Garth Wilkinson, Swedenborg and Nineteenth-Century Esoteric Culture' at Wellspring House in Manchester.

This was on the occasion of the Society's AGM and also the launch of Malcolm's book of the same name.

EXHIBITIONS AND PERFORMANCES

Swedenborg and the English Romantics: items from the Swedenborg Collection

Organized in conjunction with the Bloomsbury Festival, Swedenborg House staged an exhibition of rare items from the Swedenborg Archive. The exhibition took place between 17 October and 2 November and included exhibits and miscellanea by Emanuel Swedenborg, William Blake, S T Coleridge, C A Tulk, Philip James de Louthembourg, John Flaxman, J J G Wilkinson and others. Curated by Stephen McNeilly, the exhibition was arranged, prepared and researched by the staff at Swedenborg House. These included: James Wilson and Alex Murray (Archivists and display texts), Jacob Cartwright (Display Consultant/Production Manager), Bailey Fernandez (Researcher), Maia Gaffney-Hyde (Display Consultant), Avery Curran (Content Consultant), Denise Prentice (Social Media Strategist) and Anthony Finnigan (Production Accountant).

SEMINARS AND DISCUSSION GROUPS

Arcana Coelestia Reading Group

The monthly reading group related to Swedenborg's magnum opus *Arcana Coelestia* continued throughout 2018. The sessions were led by a variety of people and were scheduled for the last Thursday in every month. The series has introduced many new faces to the building, and they have been a great success. More seminars are planned for 2019.

Henry Corbin Reading Group - Spiritual Hermeneutics

Drawing directly on the publication *Swedenborg and Esoteric Islam* by the late Islamic scholar and perennial philosopher Henry Corbin, Max Phillips led a series of seminars comparing the revelation of the internal sense of the sacred books to two distinct religions, Christianity and Islam. The seminars are ongoing with more planned for 2019.

CHILDREN'S WORKSHOPS

Discover the Hidden Treasures of Swedenborg House

Drawing workshops for children aged 6+.

On 20 October the Society hosted another children's drawing workshop, run by the celebrated author and artist Sally Kindberg and accompanied by artist and filmmaker Jacob Cartwright. The children were led through a unique exploration of our collection of artefacts and treasures at Swedenborg House, including strange mechanical inventions, powdered wigs, and duck feather pens. More workshops are planned for 2019.

THE SWEDENBORG FILM FESTIVAL

This year saw the Society stage its ninth Swedenborg Film Festival. Curated by Gareth Evans (writer; presenter; producer of the films *Patience: After Sebald*, *By Our Selves* and *Unseen*; and Film Curator at the Whitechapel Gallery) and Nora Foster (Communications Manager,

Frieze, and formerly Assistant Curator at the Swedenborg Society), the ongoing aim of the Festival is to promote new artistic and filmic responses to Swedenborgian thought, and to help raise the profile of Swedenborg House.

As with previous years, hundreds of entry applications were received from all around the world. The guest judge was the international artist Susan Hiller and the festival saw the UK première of Susan's work *Lost and Found*, consisting of a continuous soundtrack of people speaking 23 extinct, endangered and revived languages, translated and subtitled, with a continuous oscilloscopic representation of the sound waves of each language as spoken. Chosen from an open call for submissions, this year's featured artists were: Jonathan Bryant Crawford, Martin Del Carpio, James Edmonds, Keira Greene, Oona Grimes, Atobe Hiroshi, Andrew Kötting, Mox Mäkelä, Diane Nerwen, James Norton, Louiza Ntourou, Julian Olariu, Annette Philo, Jon Ratigan, Victoria Skogsberg, Alcaeus Spyrou, John Smith, John Strutton, Huangzhi Tang and Sharon Whooley.

2018 Swedenborg Film Festival Winners, were: Oona Grimes for *u.e u.*, Alcaeus Spyrou for *Anina* and Andrew Kötting for *Their Rancid Words Stagnate Our Ponds*.

ARTIST RESIDENCY

Bridget Smith continued in her role as Artist in Residence. Bridget's practice involves filmmaking and photography and she has exhibited internationally, featuring in public collections in Austria, Spain, Mexico, USA and the UK (including the V&A and the Scottish National Gallery of Modern Art). Bridget has worked previously with the Swedenborg Society during the 2010 bicentenary exhibition *Fourteen Interventions*, the 2011 and 2016 Swedenborg Short Film Festivals and the 2016 exhibition *Now It Is Permitted: 24 Wayside Pulpits*, co-curated with Stephen McNeilly. A photograph of Swedenborg Hall features in her 2007 book *Society*. She is represented by the Frith Street Gallery in London and her residency at Swedenborg House coincides with her Ph.D. research at the Royal College of Art. The final exhibition for her artist residency is scheduled for 2019.

SWEDENBORG PH.D. SCHOLARSHIP

A scholarship reserve was set up in 2017 to help fulfil the Society's stated charitable aim to support academic, educational and scholarly activities in relation to the work and intellectual legacy of Swedenborg. During 2018 financial support was given to Mr Vincent Roy-Di Piazza who had begun doctoral research on the theme of Emanuel Swedenborg's natural theology of soul-mind-body interaction, in the department of History of Science and Medicine & Economic and Social History at Linacre College, Oxford.

BOOKSHOP AND DISTRIBUTION

2018 saw continued use and activities in the Swedenborg Society's Bookshop. We are also pleased to note that Swedenborg Society titles continue to be stocked in a range of bookshops throughout the UK, including Foyles, Blackwell's, Daunt Books, Waterstones and a number of independent booksellers. During 2018 the Society also continued in its distribution of grants,

supplying copies of its publications to individuals and institutions throughout the world.

The Swedenborg Foundation continued to act as US distributors for 19 of the Society's titles. The distribution agreement with Combined Book Services (of Tonbridge, Kent), continued to provide new sales outlets and marketing opportunities. Commission from the latter services tends to be high, but as part of our desire to have copies of Swedenborg's works made as widely accessible as possible, it is felt necessary to increase availability of our publishing stock through established sales outlets (and therefore at decreased margins), rather than seek to limit distribution by handling all book sales in-house.

MARKETING AND PUBLICITY

The Society's marketing and publicity strategy for 2018 continued to embrace a variety of media types and outlets, including traditional print-based flyers and social media networks. Much work was done in developing a new website, which is due to be launched in 2019 and new social media strategies are now complete and led by Denise Prentice. Social media followers continue to increase, as do our Twitter impressions. These have increased from 67,936 (between Feb 2016-Jan 2017) to 120,570 (between Feb 2018-Jan 2019). Articles and other items have been commissioned for the planned *Swedenborg Review*, a printed magazine to be made available in 2019. This follows on from *Things Heard and Seen*, edited by Patrick Johnson. The Council would like to offer a special note of gratitude to the excellent work undertaken by Patrick. Additional conventional publicity methods included: poster display boards; information displays and leaflets; printed invitations and flyers posted to the press and selected individuals and handed out to visitors to Swedenborg House.

ARCHIVE, LIBRARY AND MUSEUM

At the close of 2018, the long-standing task of cataloguing and upgrading the storage of the Swedenborg Society archive was almost complete, having only some small matters left to attend to such as the inspection and cleaning. A new shelf listing is underway. The storage of some of the Archive's most important items in section M—the Relics section—has been significantly upgraded with acid-free boxes and protective wadding, rendering them far safer and ensuring they will be preserved to National Archive standards. Excellent work was undertaken Anna Morley and Bailey Fernandez who completed library internships at Swedenborg House.

In the wake of the Swedenborg Society's archive being complete, cataloguing work on the Conference archive was also begun. The church records have been singled out to begin the process of adding them to the online catalogue. Seeing as many enquiries, both from academics and from those researching family histories, involve the church record collection, it is hoped that prioritizing these will allow greater access to various enquirers sooner, taking some of the legwork out of family history requests.

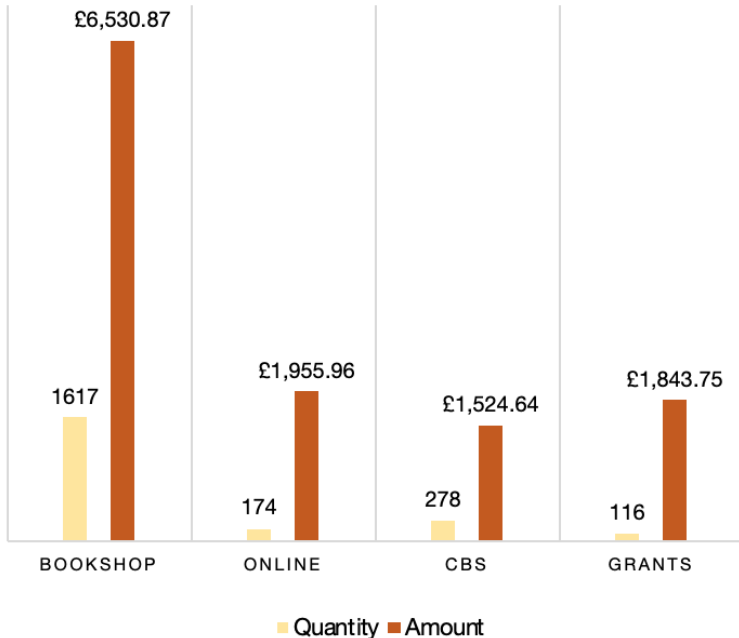
The process of cataloguing has also involved the creation of far more detailed and up-to-date explanations of the contents of the collection. Greater progress on this section of the Conference Archive is planned for 2019 with the help of Jae Cottrell who is scheduled to

BOOK SALES 2018

TOTALS

Quantity: 2185

Amount: £11,855.22



Books Sold: 2069

Amount: £10,011.47

Book Grants: 116

Amount: £1,843.75

undertake an 8-week internship. The aim for Jae is to complete the cataloguing the church records.

Numerous research requests have been received throughout 2018 including research undertaken by Sibylle Earle, Reader in English Literature at Bishop Grosseteste University and Holly Trubshawe, Curatorial Assistant at the Kingsbridge Cookworthy Museum, Devon. Cookworthy being a former Swedenborgian and china clay manufacturer. Projecting into 2019, steady work will continue with cataloguing the Conference archive. Alongside this, the

room where the General Conference collection is stored will be properly organized following the merging of the Swedenborg Society's and General Conference's periodicals sections. Acquisitions related to the Conference Archive are still coming in. Special thanks are offered to Maeve Hawkins and Gordon Kuphal for their continued help and support.

Following the completion of the newly updated Governing Document, preparations are now underway for applying for National Museum and National Archive status. Detailed updates and outlines of the benefits of this will be given in the next Annual Report. During 2018 five original etchings by William Blake from the Job series were added to the collection and in preparation for the *Swedenborg and the Romantics: items from the Swedenborg Collection* exhibition, numerous and valuable fragments, objects and other rare miscellanea were restored, conserved and framed to National Museum standards by the specialist art framers and restorers, John Jones.

PREMISES

The Swedenborg Society's premises at 20-21 Bloomsbury Way remain an essential component of the Society's ongoing charitable activities and investment income. During 2018, electrical rewiring work was completed in the Society's Storeroom, Wynter Room and Basement; new high-speed fibre optic broadband cabling was installed throughout the building; a new IT back-up system was installed for the staff at Swedenborg House and new security locks and other upgrades were installed both internally and externally. Plans are underway to install new emergency lighting systems in 2019. Extensions to the Society's Strongroom and Archive are still at the planning stage. Repair of the 1925 terrazzo floors was begun and is due for completion in 2019. As with previous years, Swedenborg House underwent a comprehensive Fire, Health and Safety Risk Assessment. During 2018 all renovation work has been completed on time and within budget. Planned works for 2019 are to include: the complete redecoration/change of carpet to the staircase at 21 Bloomsbury Way; the redecoration of the staircase and common areas of the Swedenborg Society; a new boiler is to be installed and repairs are planned to the roof. Steps are also underway for an environmental and sustainability audit of the building.

Financial Review

These financial statements have been prepared in accordance with the accounting policies set out in the notes and comply with the Society's Governing Document. They have also been prepared in accordance with the Companies Act 2006 and the Statement of Recommended Practice applicable to charities (SORP 2015).

The financial and budgetary controls in place have allowed the Society to concentrate its efforts on its core activities of publishing and events, whilst ensuring the effective stewardship of the Society's assets.

The Society's activities are funded primarily through income generated by its investment portfolio and property, with additional income generated through membership subscriptions and book sales. The Society is also extremely fortunate to benefit from generous donations from its members and associated organizations.

Total incoming resources for the year amounted to £515,776 (2017: £660,099) and total resources expended for the year was £463,199 (2017: £459,020), resulting in a net surplus before investments and revaluations of £52,577 (2017: £201,079).

The Society's investment portfolio continues to generate a substantial part of our income each year, although at the year end the valuation of the portfolio had fallen by £372,345 (2017: increased by £445,776). The Society has a very long investment horizon and changes in the portfolio value from year to year do not impact the Society's operations.

This year, in line with SORP 2015, we have revalued Swedenborg House as at 31 December 2018. This has resulted in a revaluation surplus of £4m.

The net movement in funds for the year is £3,680,232 (2017: £646,855). Total funds at 31 December 2018 were £19,159,173 (2017: £15,478,941).

RISKS AND UNCERTAINTIES

The Society is exposed to various risks in the pursuance of its charitable objectives. The Society's activities are diverse, and the Council monitors the risks facing the Society periodically. The principal risks are:

- *Loss and damage of the building*

Swedenborg House is critical to the Society's success both as the location of its head office and as a key source of income through event hire and rent received. The Society has mitigated this risk through a comprehensive assessment of fire and health and safety issues at the building, and through holding appropriate insurance.

- *Membership changes*

The Society is a membership organization and needs to attract new members in order to grow and for the membership to prosper. The Society considers that the events programme—open to all and free of charge—is a key way in which this risk is mitigated. The Society is increasing its presence on social media as a way of connecting with an audience that has historically not engaged with the Society.

- *Credit risk*

The Society has a modest exposure to credit risk, as relatively small amounts of its incoming resources are subject to credit arrangements.

INVESTMENT POLICY

The trustees have delegated day to day management of the Society's investment portfolio to Quilter Cheviot. The Society's investments are the primary means of funding its activities and are held to produce a reasonable level of income whilst allowing the potential for capital growth.

RESERVES POLICY

At 31 December 2018 total unrestricted funds amounted to £19,057,812 (2017: £15,377,196).

The majority of these funds are represented by the Society's premises, which houses the Society's library, archiving and administrative facilities, and by its investment portfolio, which is held to provide income over the long term. These could not be disposed of without seriously impairing the Society's ability to continue its charitable activities over the long term.

The amount of free reserves—defined as unrestricted funds less fixed assets and investments—at 31 December 2018 was £205,646 (2017: £132,703). This level of free reserves represents 162 days of operating costs (2017: 90 days), which the Council considers provides a reasonable buffer to enable the Society to manage temporary changes in its income streams or expenditure profile.

Much of the Society's work is long term in character, with the work of translation, revision and publication taking place over a number of years. The council have designated a reserve of 70% of the Society's investment portfolio as a Capital Investment Reserve to provide for continuity of these long term operations. The balance of the Capital Investment Reserve at 31 December 2018 was £3,901,291 (2017: £4,180,428).

GIFTS AND LEGACIES

The Council acknowledges with thanks the legacies received as follows:

Dorothy Raymond	£5,533
Robert Selvendran	£60,000

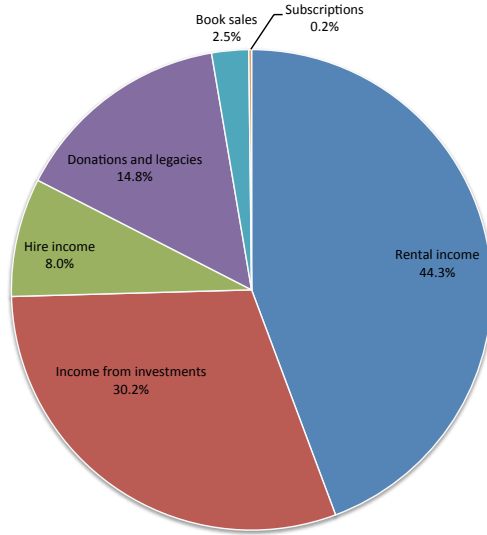
Structure, Governance and Management

GOVERNANCE

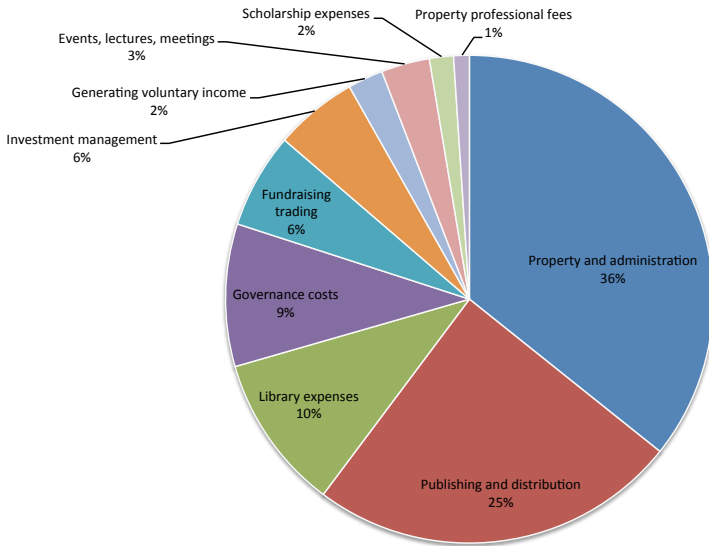
The Society is a company limited by guarantee and a charity registered in England and Wales. The charity is governed by its newly drafted Articles of Association dated 2018. The Society is run by a board of Trustees called the Council. The Council delegates the day-to-day running of the Society to its Executive Director and takes advice from a number of subcommittees. All paid-up members of the Society are eligible for election to the Council, which is the Society's decision-making body, in accordance with the procedures set out in the Articles of Association. The Council has the power to fill casual vacancies by co-option. New members of the Council are given copies of the Memorandum and Articles of Association and are advised by the Chairperson and Executive Director of their duties as company directors and charity Trustees. Council decisions are taken by majority vote. Members of the subcommittees are elected by the Council. New candidates for the Council, following an informal interview/meeting with the Chairperson and Council, are invited to attend a preliminary Council meeting and are given a copy of the Society's Annual Report, the Minutes of three previous Council meetings and a copy of the Charity Commission's *The Essential Trustee*.

During 2018 the Council implemented its newly drafted Trustee Handbook which includes comprehensive guidelines for Trustee inductions; Trustee training; Trustee decision making; Trustee meeting protocols; and other such items as given as best practice from the Charity Commission. As mentioned earlier, the Charity Commission approved the newly drafted and updated Governing Document, which offers the Society greater powers to act according to its

Sources of Unrestricted Income



Resources Expended



primary aims and objectives as well as providing greater organizational safeguards. Christen Jamar continued in her role as Trustee Clerk, a supporting role for the Trustees, which includes the duties of minute taking, researching and keeping the Council informed of recommended best practice.

2018 COUNCIL ELECTION

Patrick Leonard Johnson, David Lister and Homero Aridjis, retired under Article 32 and Patrick Leonard Johnson and David Lister were re-elected as ordinary members of the Council. Mr Homero Aridjis, former Mexican Ambassador to the Netherlands and Switzerland, was elected President (which is no longer a trustee position according to the new Governing Document), and Mr John Cunningham, a long-standing member of the Council and Chairman of the Council from 1993 to 2006, was elected Vice-President of the Society for the year 2018/19 at the Annual General Meeting held on 10 November. At the same meeting Mr Alec Morley was elected as Hon. Treasurer for the same period and Andrew Bentley was elected onto the Council.

MEMBERS OF THE COUNCIL

David Lister, FRCS (Chairperson); Mr John Cunningham, FCII (Vice-President); Mr Alec Morley, MA (Hon. Treasurer); Revd F C Elphick, MDiv; Mr Nigel Sutton; Revd Alan Cowley; Mr Alan Lewin; Mr Rufus Moore MA; Ms Bridget Smith MA; Mr Andrew Bentley, MA; Revd Ethan McCardell. Members of the Council are also directors of the company.

MEMBERS OF THE ADVISORY AND REVISION BOARD

David Lister, FRCS (Chairman); Mr James Wilson, BA (Secretary); Revd Göran Applegren; Mrs Josephine Appelgren, MA; Revd John Elliott, BA, BD; Revd F C Elphick, MDiv; Revd Robert Gill; Revd Alan Lewin; Mr Stephen McNeilly, MA; Mr Kenneth Ryder, MA; Revd Norman Ryder; Revd Alan Cowley; Mr Alex Murray, MA.

STAFF

Stephen McNeilly continued in his role as Executive Director and James Wilson continued his role as Editor and Librarian. Alex Murray, Assistant Librarian, continued in his post throughout the year. Maia Gaffney-Hyde continued on a part-time basis helping with publicity, events and publishing projects. Oliver Hancock was also employed on a part-time basis for occasional proofreading and other publishing matters. Jacob Cartwright continued in his role as Building Manager. Denise Prentice continued in her role as Administrator and Office Manager and Anthony Finnigan, ACA continued in his role as the Society's Accountant. Two internships were undertaken in 2018, by Anna Morley and Bailey Fernandez. Avery Curran was employed part-time as a publishing and social media assistant. The pay structure at Swedenborg House is decided by the Council and follows recommendations of Ashworth Black, market review specialists, and is in line with charitable sector wages for the South-East and London area.

VOLUNTEERS

As mentioned above, volunteers provide a vital support for the continuation of our charitable activities and also an important framework for social networking and people investment. Our team of dedicated onsite volunteers for 2018 were John Cunningham, David Lister, Elizabeth Seninde, Lolita Sobolyova, Andrew Bentley and Michael Shea. The work of all our volunteers and interns is greatly appreciated and vital for the continued work of the Society.

HEALTH AND SAFETY POLICY

The general provisions of the Health and Safety at Work Act 1974 are such that it is incumbent upon the Council of the Society to exercise a duty of care to ensure, as far as is reasonably practicable, the safety of their employees at work by maintaining safe plant; safe systems of work; safe premises; ensuring safe access to and egress from the premises and maintaining a safe working environment without risks and with adequate facilities and arrangements for staff welfare; also ensuring adequate instruction, training and supervision. The Swedenborg Society is also bound by the Act to ensure the safety, while on its premises, of all persons, employees, contractors and visitors (either working or otherwise) using the facilities there.

During 2018 the Society undertook its comprehensive yearly Fire and Safety Risk Assessment of the premises. The Council have determined to review its Fire, Health and Safety policies annually. Jacob Cartwright, Stephen McNeilly and James Wilson were the designated first aiders and fire officers.

COMPANY MATTERS

This report represents a Directors' Report as required by section 417 of the Companies Act 2006. In its preparation the Council has taken advantage of the exemption available to small companies under Part 15 of the Companies Act 2006.

PUBLIC BENEFIT

The Society has had due regard to the public benefit guidance published by the Charity Commission. The Society's charitable aims relate to the furtherance of education, culture and philosophy, and the Society seeks to ensure that its activities in this regard are accessible to all as far as possible. The vast majority of events held by the Society are free to attend, and the Society grants its books to libraries free of charge. The Council considers that through the Society's programme of events, publishing, translating and publicity the Society is acting for the public benefit in the pursuance of its objects.

STATEMENT OF THE COUNCIL'S RESPONSIBILITIES

The members of the charity's Council (whose members are also directors of the Swedenborg Society for the purposes of company law) are responsible for preparing the Council's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Council to prepare financial statements for each financial year which give a true

and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on an ongoing concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Council is responsible for keeping adequate 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. It is 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 Council is aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Council has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

The Council is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Council

Alan Cowley
Trustee

12/09/2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SWEDENBORG SOCIETY: A COMPANY LIMITED BY GUARANTEE

Opinion

We have audited the financial statements of The Swedenborg Society for the year ended 31 December 2018 which comprise the Statement of Financial Activity, the Balance Sheet, the Statement of Cash Flows and the related notes including a summary of accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 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 authorized for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SWEDENBORG SOCIETY: A COMPANY LIMITED BY GUARANTEE

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' Annual Report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the Trustees' Annual Report.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SWEDENBORG SOCIETY: A COMPANY LIMITED BY GUARANTEE

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: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 charity and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Elizabeth Irvine (Senior Statutory Auditor)
For and on behalf of WMT
Chartered Accountants
Statutory Auditors

Verulam Point, Station Way
St Albans
Hertfordshire
AL1 5HE

Date 12 September 2019

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING THE INCOME
AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2018	Unrestricted Funds	Restricted Funds	Endowment Funds	Total 2017
		£	£	£	£	£	£	£	£
Income	1								
Donations and legacies	6	77,244	-	-	77,244	132,310	88,000	-	220,310
Charitable activities:									
Book sales		12,809	-	-	12,809	18,725	-	-	18,725
Other trading activities - hire income		41,170	-	-	41,170	27,209	-	-	27,209
Investments	7	383,997	-	556	384,553	393,299	-	556	393,855
Total		515,220	-	556	515,776	571,543	88,000	556	660,099
Expenditure	1								
Raising funds:									
Cost of generating voluntary income		10,845	-	-	10,845	11,206	-	-	11,206
Fundraising trading and other costs	8	29,267	-	-	29,267	35,274	-	-	35,274
Investment management costs	9	30,264	-	61	30,325	37,202	-	59	37,261
Charitable activities	10	392,762	-	-	392,762	375,279	-	-	375,279
Total		463,138	-	61	463,199	458,961	-	59	459,020
Net gains/(losses) on investments									
Realized gains/(losses) on investments		(3,392)	-	-	(3,392)	3,450	-	-	3,450
Unrealized gains (losses) on investment assets	14	(368,569)	-	(384)	(368,953)	442,505	-	(179)	442,326
		(371,961)	-	(384)	(372,345)	445,955	-	(179)	445,776
Net income/(expenditure) before transfers		(319,879)	-	111	(319,768)	558,537	88,000	318	646,855
Transfers between funds		495		(495)	-	497	-	(497)	-
Net incoming/(outgoing) resources before other recognized gains and losses		(319,384)	-	(384)	(319,768)	559,034	88,000	(179)	646,855
Gain on revaluation of fixed assets		4,000,000	-	-	4,000,000	-	-	-	-
Net movement in funds		3,680,616	-	(384)	3,680,232	559,034	88,000	(179)	646,855
Fund balances at 1 January 2018		15,377,196	88,000	13,745	15,478,941	14,818,162	-	13,924	14,832,086
Fund balances at 31 December 2018		19,057,812	88,000	13,361	19,159,173	15,377,196	88,000	13,745	15,478,941

The notes numbered 1 to 24 form part of these financial statements

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 DECEMBER 2018

	Notes	2018		2017	
		£	£	£	£
Fixed Assets					
Tangible assets	1, 12		6,665,245		4,514,561
Heritage assets	12		342,410		330,500
Investment property	13		6,372,600		4,529,137
Investments	14		5,573,272		5,972,040
			<u>18,953,527</u>		<u>15,346,238</u>
Current Assets					
Stocks			100		100
Debtors	15	192,250		84,326	
Cash at bank and in hand		161,169		134,214	
		<u>353,519</u>		<u>218,640</u>	
Creditors					
Amounts falling due within one year	16	(147,873)		(85,937)	
Net Current Assets			<u>205,646</u>		<u>132,703</u>
Net Assets			<u>19,159,173</u>		<u>15,478,941</u>
The funds of the charity					
Endowment funds	17		13,361		13,745
Unrestricted income funds					
General fund	18		1,900,994		1,926,377
Property reserve	19		0		7,492
Capital investment reserve	19		3,901,291		4,180,428
Scholarship reserve	19		42,628		50,000
Freehold property revaluation reserve	20		12,970,499		8,970,499
Heritage asset revaluation reserve	20		242,400		242,400
Restricted funds					
Heritage asset	21		88,000		88,000
Total Funds	22		<u>19,159,173</u>		<u>15,478,941</u>

Under the Companies Act 2006 s454, on a voluntary basis the Trustees can amend these financial statements if they subsequently prove to be defective. The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

Approved by the Council on 12 September 2019 and signed on its behalf by
David Lister FRCS, *Chair of the Council*

The notes numbered 1 to 24 form part of these financial statements

Charity Registration No: 209172

Company Registration No: 00209822

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Total 2018	Total 2017
	£	£
Cash used in operating activities		
Net cash (used in) operating activities	(364,111)	(190,949)
Cash flows from investing activities:		
Dividends, interest and rents from investments	384,553	393,855
Purchase of fixed assets	(19,910)	(89,274)
Acquisition cost of investments	(47,309)	(351,829)
Disposal proceeds of investments	73,732	235,575
Net cash provided by investing activities	391,066	188,327
Change in cash and cash equivalents in the year	26,955	(2,622)
Cash and cash equivalents at 1 January	134,214	136,836
Cash and cash equivalents at 31 December	161,169	134,214
Reconciliation of net income/(expenditure) to net cash flow from operating activities:		
Net income/(expenditure) for the year	(319,768)	646,855
Depreciation charges	13,853	12,442
Realized and unrealized gains on investments	372,345	(445,776)
Dividends, interest and rents from investments	(384,553)	(393,855)
(Increase)/decrease in debtors	(107,924)	12,208
Increase/(decrease) in creditors	61,936	(22,823)
Net cash provided by (used in) operating activities	(364,111)	(190,949)
Analysis of cash and cash equivalents		
Cash in hand	161,169	134,214
Total cash and cash equivalents	161,169	134,214

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES

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

a) 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Swedenborg Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Preparation of the accounts on a going concern basis

The Trustees consider that the Charity will be able to continue in operation for the foreseeable future and that on this basis the charity is a going concern.

c) Incoming resources

Income is recognized when the charity has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income be received and the amount can be measured reliably.

Investment income, comprising income from rent, service charges, dividends and interest, is accounted for on a receivable basis.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalized and notification has been made by the executors 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 charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of room hire or provision of other specified service is deferred until the criteria for income recognition are met.

Goods and services that are donated to the charity are included at their value to the charity where this can be reliably measured. Donations that meet the recognition criteria for heritage assets are recognized as an addition at a value determined by an external valuer as detailed in note 12. The value of services provided by volunteers is not been included in these accounts.

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

d) Interest receivable

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

e) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Endowment funds are historical donations given to the charity to be held as capital, where the trustees have discretionary power to use the funds as income.

f) Expenditure and irrecoverable VAT

Expenditure is recognized once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- costs of raising funds comprise a proportion of the property costs and their associated support costs.
- expenditure on charitable activities includes property, shop and publication costs with associated support costs.
- investment management costs comprise investment management fees and professional fees.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs, with the exception of payroll costs, have been allocated between the cost of raising funds and expenditure on charitable activities based on estimated floor space as follows:

Charitable activities 77.1%

Trading costs 22.9%

Payroll costs have been allocated based on the estimated time spent by support staff as follows:

Costs of generating voluntary income 25%

Charitable activities 75%

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

h) Fixed assets

Individual fixed assets costing £1,000 or more are capitalized at costs and are depreciated over their estimated useful economic life on a straight line basis as follows:

Fixtures, fittings and equipment 25% - straight line.

The freehold land and property is held at a valuation prepared by the directors. This valuation is considered by the directors on an annual basis to determine whether there has been any

impairment in the value of the property. No depreciation is charged in relation to the property as the directors consider that any depreciation charge would be immaterial after taking into account the estimated residual value of the property.

i) Heritage assets

The Society holds an extensive library and archive relating to the life and works of Emanuel Swedenborg, held primarily for the purposes of transferring knowledge and promoting culture. This collection is considered to be a heritage asset and is stated in the balance sheet at an attributed value based on a valuation performed by Bernard Quaritch Limited. The asset is not depreciated as it is considered to have an indefinite life. Material additions, through purchase or donation, to the library are capitalized at their fair value.

j) Investment property

The proportion by floor area of the freehold property, Swedenborg House, that is rented out to tenants is classified as investment property.

The investment property is held at a valuation, determined by an independent valuer, at open market value.

k) Investments

Investments are held at market value.

l) Stock

Stocks of books, printed sheets and papers are included in the accounts at a nominal value of £100, based on significant uncertainties with regards to the realizable value of the books held. Disposal proceeds and acquisition costs are taken to the Statement of Financial Activities in the year in which they are received/paid.

m) Debtors

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

n) Cash at bank and in hand

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

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

1. ACCOUNTING POLICIES (CONTINUED)

o) Creditors and provisions

Creditors and provisions are recognized 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 recognized at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

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

q) Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates.

The key sources of estimation uncertainty that could have an impact on the financial statements relate to the valuation of the freehold property, as included in fixed assets and investment property, and the valuation of the heritage assets. Note 13 describes the factors considered in the valuation of the property and note 12 gives details of the external valuation of the heritage assets.

2. LEGAL STATUS OF THE SOCIETY

The Society is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

3. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

4. NET SURPLUS OF THE PERIOD

	2018	2017
The net movement in funds for the period is stated after charging:	£	£
Auditor's remuneration	<u>7,250</u>	<u>5,250</u>

5. EMPLOYEE INFORMATION

	2018	2017
Staff costs:	£	£
Wages and salaries	176,852	162,201
Social security costs	14,003	11,759
Pension contributions	<u>7,410</u>	<u>9,162</u>
	<u>198,265</u>	<u>183,122</u>

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

5. EMPLOYEE INFORMATION (CONTINUED)

The average number of employees during the period was 8 (2017: 7). No employees (2017: nil) earned in excess of £60,000.

No Council Member was remunerated during the year. Reimbursement of travel expenses of £1,893 (2017: £6,817) were made to 5 (2017: 5) Council Members during the year. Nothing was owed (2017: £Nil) to a Trustee at the year end for reimbursement of expenses incurred. Property maintenance services were purchased from Rufus Moore, a Trustee, on normal commercial terms totalling £1,775 (2017: £2,325) during the year. There are no other related party transactions which require disclosure in the accounts.

The key management personnel of the Society comprise the Council and the Executive Director. The total employee benefits of the key management personnel of the Society were £64,856 (2017: £60,201).

6. INCOME FROM DONATIONS AND LEGACIES

	2018	2017
	£	£
Donations	10,745	15,950
Subscriptions	965	1,275
Legacies	65,534	115,085
Donations in kind	-	88,000
	<u>77,244</u>	<u>220,310</u>

The Society benefits greatly from the involvement and enthusiastic support of its volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic benefit contribution of general volunteers is not recognized in the accounts. Included in donations in kind is £nil (2017: £88,000) that is restricted.

7. INVESTMENT INCOME

	2018	2017
	£	£
Rental income	202,147	183,180
Service charges receivable	26,413	23,918
Interest and dividends receivable	155,993	186,757
	<u>384,553</u>	<u>393,855</u>

8. FUNDRAISING, TRADING AND OTHER COSTS

	2018	2017
	£	£
Wages and salaries	8,339	6,349
Property costs	14,976	23,384
Administration	2,770	2,692
Depreciation	3,182	2,849
	<u>29,267</u>	<u>35,274</u>

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

9. INVESTMENT MANAGEMENT COSTS

	2018	2017
	£	£
Portfolio management	25,511	25,749
Property professional fees	<u>4,814</u>	<u>11,512</u>
	<u>30,325</u>	<u>37,261</u>

10. CHARITABLE ACTIVITIES

	2018	2017
	£	£
Lectures and meetings	3,196	1,782
Education and outreach	1,503	1,086
Publishing and distribution:		
Printing and binding	76,371	73,310
Books purchased for resale	3,196	2,986
Revision and translation	33,904	35,301
Property, shop and stock room expenses	165,511	173,966
Events	10,179	9,582
Library and catalogue expenses	47,767	37,404
Scholarship expenses	7,372	-
Governance costs	<u>43,763</u>	<u>39,862</u>
	<u>392,762</u>	<u>375,279</u>

As outlined in the accounting policies, relevant expenses are apportioned between charitable activities and other costs based on utilization of floor space.

Included in governance costs is £7,250 (2017: £5,250) in respect of audit fees.

Included in total expenditure is £20,409 (2017: £51,281) relating to the ongoing refurbishment of Swedenborg House.

11. SUPPORT COSTS

	2018	2017
	£	£
Premises		
Repairs and maintenance	9,454	16,586
Building works	20,409	51,281
Office operating costs	61,529	58,446
Support staff salaries	36,414	27,725
Office salaries	43,300	43,054
Audit fees	8,623	5,250
Accountancy services	<u>14,180</u>	<u>16,342</u>
	<u>193,909</u>	<u>218,684</u>

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

11. SUPPORT COSTS (CONTINUED)

	2018	2017
	£	£
Allocation of support costs:		
Costs of generating voluntary income	10,825	10,764
Fundraising, trading and other costs	29,267	35,274
Expenditure on Charitable Activities	<u>153,817</u>	<u>172,646</u>
	<u>193,909</u>	<u>218,684</u>

Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities.

Costs that cannot be allocated directly, with the exception of payroll, have been apportioned between charitable activities and fundraising costs based on estimated floor space as outlined in the accounting policies. Payroll costs relating to support staff have been apportioned equally between costs of generating voluntary income and expenditure on charitable activities.

12. TANGIBLE FIXED ASSETS

	Freehold Land and Buildings	Fixtures, Fittings and Equipment	Total
Cost / valuation	£	£	£
At 1 January 2018	4,470,863	114,649	4,585,512
Additions	-	8,000	8,000
Revaluation	2,156,537	-	2,156,537
Disposals		(8,586)	(8,586)
At 31 December 2018	<u>6,627,400</u>	<u>114,063</u>	<u>6,741,463</u>
Depreciation			
At 1 January 2018	-	70,951	70,951
Charge for the year	-	13,333	13,333
On disposals	-	(8,066)	(8,066)
At 31 December 2018	<u>-</u>	<u>76,218</u>	<u>76,218</u>
Net book value			
At 31 December 2018	<u>6,627,400</u>	<u>37,845</u>	<u>6,665,245</u>
At 31 December 2017	<u>4,470,863</u>	<u>43,698</u>	<u>4,514,561</u>

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

12. TANGIBLE FIXED ASSETS (CONTINUED)

All assets are held for the benefit of the charity.

The freehold property was revalued by Jonathan Hudson MICBA, an independent professional property valuer, on an open market basis as at 31 December 2018. The valuation was then allocated between freehold land and buildings and investment property on the basis of floor area.

The comparable amount under the historical cost basis for land and buildings is immaterial due to the age of the asset and its small original cost.

TANGIBLE FIXED ASSETS - HERITAGE ASSETS

Cost	Heritage Assets
	£
At 1 January 2018	330,500
Additions	11,910
At 31 December 2018	<u>342,410</u>
Net book value	
At 31 December 2018	<u>342,410</u>
At 31 December 2017	<u>330,500</u>

Heritage assets additions

	2018	2017	2016	2015	2014
	£	£	£	£	£
Heritage assets donated	0	88,000	0	0	0
Heritage assets purchased	<u>11,910</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	<u>11,910</u>	<u>88,000</u>	<u>0</u>	<u>0</u>	<u>0</u>

The heritage assets relate to the library and archives. They are included in the financial statements at a valuation based on insurance value. The historic cost was £100. The library was valued in 2015 by Bernard Quaritch Ltd, an independent antiquarian valuation expert who valued these assets at £242,500 for insurance purposes. The valuation is reviewed on a regular basis by the Society - the Trustees consider that the current valuation is appropriate as at 31 December 2018. Additions are valued at purchase cost or, where the additions are donated, they are periodically

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

12. TANGIBLE FIXED ASSETS (CONTINUED)

valued by an independent valuer. The most recent valuation of additions was performed by Bernard Quaritch Ltd as at 31 December 2017. The library was established in 1824 and provides an important resource for those researching Swedenborg. It has five main sections: The Swedenborg Collection; the Archives; Collateral titles; Periodicals; and the General Conference Collection. The library is a research library and is open to the public. Further details are provided in the Report of the Council.

Full information is available on the Society's website www.swedenborg.org.uk/library.

13. INVESTMENT PROPERTY

Valuation	2018	2017
	£	£
At 1 January 2018	4,529,137	4,529,137
Revaluation	<u>1,843,463</u>	<u>-</u>
At 31 December 2018	<u>6,372,600</u>	<u>4,529,137</u>

The investment property was revalued by Jonathan Hudson MICBA, an independent professional property valuer, on an open market basis as at 31 December 2018. The valuation was then allocated between freehold land and buildings and investment property on the basis of floor area.

14. FIXED ASSET INVESTMENTS

	2018	2017
	£	£
Market value at 1 January	5,972,040	5,410,010
Disposals at market value	(77,124)	(232,125)
Acquisitions at cost	<u>47,309</u>	<u>351,829</u>
	5,942,225	5,529,714
Unrealized gains	<u>(368,953)</u>	<u>442,326</u>
Market value at 31 December	<u>5,573,272</u>	<u>5,972,040</u>
Historical cost at 31 December	<u>3,973,481</u>	<u>3,964,525</u>

The following investments comprised more than 5% of the investment fund at valuation at 31 December 2018:

Mercantile Investment Trust	£298,350
Findlay Park LLP American Fund	£405,051

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

14. FIXED ASSET INVESTMENTS (CONTINUED)

	2018	2017
	£	£
Analysis of investments held		
Fixed interest - UK	735,995	755,600
Fixed interest - Non UK	102,956	114,742
Equities - UK	2,253,351	2,588,972
Equities - Non UK	2,472,312	2,499,182
Property fund	<u>8,658</u>	<u>13,544</u>
	<u>5,573,272</u>	<u>5,972,040</u>

Fixed asset investments represent financial assets measured at fair value through income and expenditure.

15. DEBTORS

	2018	2017
	£	£
Trade debtors	80,466	17,147
Prepayments and accrued income	<u>111,784</u>	<u>67,179</u>
	<u>192,250</u>	<u>84,326</u>

Included in prepayments and accrued income is an amount of £18,167 (2017: £22,604) due after more than one year.

16. CREDITORS

	2018	2017
	£	£
Trade creditors	21,221	5,664
Other creditors	56,949	47,037
Accruals and deferred income	<u>69,703</u>	<u>33,236</u>
	<u>147,873</u>	<u>85,937</u>

Deferred income

	2018	2017
	£	£
Deferred income as at 1 January	15,645	13,170
Released during the year	(15,645)	(13,170)
Deferred during the year	<u>20,121</u>	<u>15,645</u>
Deferred income as at 31 December	<u>20,121</u>	<u>15,645</u>

Deferred income comprises advance bookings for the hire of rooms at Swedenborg House.

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

17. ENDOWMENTS

	Balances 1.1.18	Net incoming resources	Gains and transfers	Balances 31.12.18
	£	£	£	£
Endowment fund	<u>13,745</u>	<u>111</u>	<u>(495)</u>	<u>13,361</u>

The permanent endowment comprises the Coulson Bequest Fund, the income from which is unrestricted.

18. GENERAL FUND

	2018	2017
	£	£
Balance at 1 January 2018	1,926,377	1,759,484
Net incoming resources per SOFA	(319,384)	559,034
Resources expended charged to designated funds	14,863	51,280
Transfer from/(to) capital investment reserve	279,138	(393,421)
Transfer to scholarship reserve	-	(50,000)
Balance at 31 December 2018	<u>1,900,994</u>	<u>1,926,377</u>

19. DESIGNATED FUNDS

	Balances 1.1.18	Net incoming resources	Gains and transfers	Balances 31.12.18
	£	£	£	£
Property reserve	7,492	(7,492)	-	0
Capital investment reserve	4,180,428	(279,137)	-	3,901,291
Scholarship reserve	50,000	(7,372)	-	42,628

The property reserve was a fund designated for exceptional expenditure required to maintain the property. The project has now completed.

The capital investment reserve was designated by the Trustees and is equivalent to 70% of the Society's investment portfolio. Much of the Charity's work is long-term in character, including a commitment to maintain the library and archives, and therefore justifies this designated reserve to ensure the continuity of operations.

The scholarship reserve was set up in 2017 to fund the provision of scholarships.

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

20. REVALUATION RESERVES

<u>Freehold property revaluation reserve</u>	2018	2017
	£	£
As at 1 January	8,970,499	8,970,499
Revaluation	4,000,000	-
Reserve at 31 December	<u>12,970,499</u>	<u>8,970,499</u>
<u>Analysis of reserve</u>		
Land and buildings	6,612,554	4,456,017
Investment property	<u>6,357,945</u>	<u>4,514,482</u>
	<u>12,970,499</u>	<u>8,970,499</u>
<u>Heritage asset revaluation reserve</u>	2018	2017
	£	£
As at 1 January	242,400	242,400
Revaluation	-	-
	<u>242,400</u>	<u>242,400</u>

The heritage assets were revalued in 2015. Subsequent material additions are valued when they are received.

21. RESTRICTED FUNDS

	Balances 1.1.18	Net incoming resources	Gains and transfers	Balances 31.12.18
	£	£	£	£
Heritage asset	88,000	-	-	88,000

The heritage asset restricted fund represents an archive donated to the Society. The conditions of the donation are such that the heritage asset will revert to the donor in the event that the Society ceases to operate or otherwise opts to no longer hold the archive.

THE SWEDENBORG SOCIETY (A COMPANY LIMITED BY GUARANTEE)
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2018

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Tangible fixed assets	6,919,655	88,000	-	7,007,655
Investment property	6,372,600	-	-	6,372,600
Investments	5,559,911	-	13,361	5,573,272
Current assets	353,519	-	-	353,519
Current liabilities	(147,873)	-	-	(147,873)
Total net assets	<u>19,057,812</u>	<u>88,000</u>	<u>13,361</u>	<u>19,159,173</u>
Unrealized gains/(losses) included in above:				
On tangible fixed assets	13,212,899	-	-	13,212,899
On investment assets (see note below)	<u>1,601,093</u>	-	<u>3,545</u>	<u>1,604,638</u>

Reconciliation of movements in unrealized gains on investment assets

Unrealized gains at 1 January 2018	2,003,586	-	3,929	2,007,515
Net gains arising on revaluations in year	(368,569)	-	(384)	(368,953)
Gains realized on disposals	(33,924)	-	-	(33,924)
Unrealized gains at 31 December 2018	<u>1,601,093</u>	-	<u>3,545</u>	<u>1,604,638</u>

23. FINANCIAL INSTRUMENTS

Financial assets that are debt instruments at amortized costs	2018	2017
	£	£
Debtors - Trade debtors	80,466	17,147
Cash at bank and in hand	<u>161,169</u>	<u>134,214</u>
	<u>241,635</u>	<u>151,361</u>
Financial liabilities measured at amortized costs		
Trade creditors	21,221	5,664
Other creditors	<u>55,845</u>	<u>43,945</u>
	<u>77,066</u>	<u>49,609</u>

24. GRANT COMMITMENTS

As at 31 December 2018 the charity had grant commitments of £nil (2017: £7,088) in relation to the Artist in Residency project.

LIST OF COLLECTORS

UK

The Administrator, The Swedenborg Society, 20/21 Bloomsbury Way, London WC1A 2TH.

OVERSEAS

USA:

Mr Christopher Bowyer, PO Box 487, Bryn Athyn, PA, 19009, USA.

Australia:

Mr Murray Heldon, 35 O'Brien's Road, Hurstville, New South Wales 2220.

Mr Ian Brock, 11 Chester Street, Lockleys, South Australia 5032.

Mrs Val Hart, 28 Kincardine Close, Floreat Park, Western Australia 6014.

Canada:

Mr John Wyncoll, 19 Hampshire Heights, Etobicoke, ON, M9B 2J9.

THE OBJECTS OF THE SWEDENBORG SOCIETY

The objects for which the Society is established include:

- (a) Printing, publishing, purchasing, selling and distributing as grants, the literary remains of Emanuel Swedenborg
- (b) Printing, publishing, purchasing, selling and distributing as grants, biographies of Swedenborg and, with the consent of a General Meeting, literature in agreement with his writings
- (c) Organizing meetings, lectures and other functions as a means of directing attention to, and promoting interest in, the works of Swedenborg
- (d) Encouraging the study of the works of Swedenborg by maintaining a Reading Room and Library
- (e) Holding examinations on the works of Swedenborg
- (f) Opening, supporting and maintaining branches and depots in any part of the world

THE SOCIETY was established in 1810 (incorporated 1925) for the purpose of translating and publishing the works of Emanuel Swedenborg Annual Membership subscriptions £20 or upwards (£15 for those aged 65 or over, students and the unwaged) Life Membership, £200 (£150 for those aged 65 or over) For a married couple – one-and-a-half times the individual subscription (applying to both annual and life membership) Application for membership must be in writing and approved by the Council

SUBSCRIPTIONS, DONATIONS AND LEGACIES are most welcome Subscriptions and donations may be sent to the Administrator or the Society's Collectors, a list of whom appears in this Report Would-be subscribers are reminded that there are tax advantages to the Society if donations or subscriptions are made under Gift Aid Details may be obtained from the Administrator As the Society is a registered charity, legacies are free of inheritance tax

REFERENCE LIBRARY The Library at Swedenborg House, 20/21 Bloomsbury Way, is open each week-day and the works of Swedenborg and collateral literature may be consulted

PUBLIC LIBRARIES Many of Swedenborg's theological works may be borrowed from the principal Public Libraries in Great Britain and throughout the world

A COMPLETE LIST of the Society's publications can be found on the Society's website www.swedenborg.org.uk

THE SWEDENBORG HALL AND ROOMS, when not required for the Society's purposes, may be hired For terms and conditions see the Society's website www.swedenborg.org.uk or apply to the Society's Administrator

MISSION STATEMENT

The Swedenborg Society provides for the continuation of the public knowledge of the works of Emmanuel Swedenborg, the appreciation of Swedenborg's ideas and the influence of his works on later generations. We hold that Swedenborg's work and legacy will always remain of importance and we support work that is evidence of its continued relevance. As an institution in the service of society, and open to the public, we give home to a permanent collection of artefacts, a library, a bookroom, an exhibition space and meeting rooms. The Society offers a community to all who share these interests and, within its means, assistance for those who seriously wish to further those interests in research or interpretation. The Society is a fully inclusive organization and is committed to maintaining an ethos in which every person feels welcomed, valued and respected regardless of their religious beliefs, ethnicity, political affiliations, sexual orientation or gender.