



New Creation Christian Book and Coffee Shop

Trustees' Annual Report

For the period 1st January, 2019 to 31st December, 2019

Reference and administration details:

Charity name:	New Creation Christian Book and Coffee Shop
The charity is also known as:	Lighthouse Christian Books and Café
Registered charity number:	1063924
Charity's address:	Lighthouse 13 Bampton Street Tiverton Devon
Postcode:	EX16 6AA

Names of the charity Trustees who managed the charity during the period:

	Trustee name	Office (if any)
1	Mrs Holly Haig	
2	Mr Rikky Apps	Treasurer
3	Mr Bruce Govett	
4	Mrs Val Bloxham (appointed during the year)	
4	Mrs Maureen Rendell (resigned during the year)	
5	Mr Cliff Bailey (resigned during the year)	

Major changes made during the year

Towards the end of the year, in October 2019, the charity moved to new premises and changed its trading name. It had been trading as **New Creation Christian Book and Coffee Shop** from 58 Bampton Street, Tiverton, EX16 6AH and then moved to 13 Bampton Street, Tiverton, EX16 6AA trading as **Lighthouse Christian Books and Café**. However, the charity name registered with the Charity Commission remained unchanged.

Also during the year the Shop Manager, Mrs Val Bloxham, retired and the Café Supervisor, Mrs Penny Tedder, was appointed to her position. Instead of appointing a replacement Café Supervisor, a new post of Assistant Shop Manager was created and filled by Mrs Kim Wilkinson.

During this period two Trustees resigned, Mrs Maureen Rendell and Mr Cliff Bailey, and Mrs Val Bloxham joined the Trustees.



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Structure, governance and management

The Trust's governing document is a Trust Deed dated 12th June, 1997 as amended on 9th December, 2019 to allow the Charity to change its name from New Creation to Lighthouse. This constitutes the charity as a Trust. Any new Trustee is selected by existing Trustees.

The charity's organisational structure and relationship with any related parties.

The overall management of the charity is carried out by the Trustees while the day to day running is carried out by the Shop Manager and Café Supervisor/Assistant Shop Manager.

The Trustees are responsible for:

- 1 managing the assets of the Trust, which include the furnishings and equipment in the shop, café, kitchen and office;
- 2 the lease and liaising with the landlords about the condition of the building (the landlords are responsible for external repairs to the property);
- 3 maintain the internal parts of the property, including repairs and decorations, etc.;
- 4 financial resources.

The Shop Manager and Café Supervisor/Assistant Shop Manager are together responsible for:

- 1 the day to day running of the Trust's business
- 2 stock control
- 3 supervising the team of volunteers.

The Trustees meet regularly (approximately every two months) as a Management Committee and the Shop Manager and Café Supervisor/Assistant Shop Manager will attend the meeting as necessary (at least for part of the meeting). Following prayer together, they review the immediate past performance, the current situation and decide on any future development. If any matters turn up between meetings these are normally dealt with by email and ratified at the next meeting. As the premises are rented the Trustees keep in contact with the landlords as to the condition of the building.

Objectives and activities

Summary of the objectives of the charity as set out in its governing document:

To advance the Christian faith, in particular by the distribution of Bibles and other Christian literature and of other Christian goods; and such other charitable purposes as the Trustees shall determine.

Summary of the main activities undertaken for the public benefit in relation to these objectives:

The Charity was established to provide Christian resources for members of Tiverton and district churches and fellowships, Sunday Schools and Youth Fellowships; as an outreach to the people of the area and to spread the Gospel (Good News) of Jesus Christ to the general public.



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It fulfils these aims by running a book shop and café in Tiverton, which is normally open five and a half days a week.

The book shop stocks Christian books, CDs, DVDs, greetings cards and other gifts, including fair-traded goods. Wherever possible, our stock is obtained from Christian suppliers and most of it carries some form of Christian message. There is also a second-hand book section selling Christian books, CDs and DVDs that have been donated.

The café supplies hot and cold drinks, all day snacks and light lunches. Most of the food is prepared and cooked on the premises.

The Charity also attends external events, such as the Mid-Devon Show, and will visit local churches and other events, when invited, to provide a stand selling books and other goods.

When at No 58 there was a **Room Upstairs** but since moving to No 13 we now have a **Room Downstairs**. In both premises, the room was available for individuals or groups to use, free of charge. It is used for various meetings during the year. It is also the location of the second hand book section.

The charity also provides a place of opportunity for Christian service in the bookshop and café, a sanctuary and place of refreshment for body, mind and spirit, a place of prayer, an outlet for Tearcraft and Traidcraft goods and, wherever possible, monetary support for other Christian Charities and ventures.

Achievements and performance

Summary of the main achievements of the charity during the year:

Like 2018, 2019 was also an unusual year for the charity. Last year (2018), for various reasons, we took the decision to close the shop due to the decline in income, until we unexpectedly received donations totalling just over £70,000. This allowed us to consider relocating the shop nearer to the town centre. No 13 Bampton Street was available and seemed the right location. However, it needed some building works and we ended the year waiting for the Landlord to complete them.

At the start of 2019 we were still in negotiations with the Landlords of 13 Bampton Street, but decided that it may not be right for us and so ended the negotiations and started to look for other premises. None were as suitable as No 13 and so in the summer we approached the Landlords again and this time entered into a contract to lease the premises.

It was decided with the move to new premises to revamp the shop and café to make it more attractive to younger people. It was also decided to change the name from New Creation to Lighthouse, or Lighthouse Christian Books and Café in full. It is the intention to register this new name with the Charity Commission [which was done in 2020].

As No 13 was basically a shell, we had to fit it out, including installing a kitchen for the café, shelving, furniture, etc. By October it was ready to be moved into and so on 19th we closed New Creation at No



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58 Bampton Street and on 28th we opened Lighthouse at No 13. We were still financially responsible for No 58 till the lease could be terminated in early 2020.

During the year, the book shop and coffee shop have continued to trade. The receipts from such trading for the period at No 58 were down compared with the previous year but showed an upturn once we moved into No 13. Outgoings increased over the previous year as we spent money on fitting out the new shop as well as the running costs of both premises for several months. This meant we ended the year with a deficit of £21,370. However, as last year we were able to put £70,000 aside for the move it means that the charity still has a healthy bank balance, although there will be more costs associated with the move to be paid during 2020. The Trustees thank God for this surplus and believe that as long as He wants the shop to continue trading in Tiverton He will provide the necessary finances, but they also realise that they have a responsibility to make sure that the business is run as efficiently as possible.

The Trustees also give thanks to the employees who not only carry out their duties but go over and beyond what they are employed to do. And they also give thanks to the many volunteers who help in so many ways, serving in the shop, waiting in the café and working in the kitchen.

Next, they give thanks to the many local people who support them by using the book and coffee shop, giving donations and praying for them.

Lastly, they would like to give glory to the Lord, who has watched over New Creation for the last 31 years, providing all their needs.

Financial review

Brief statement of the charity's policy on reserves:

As part of their area of responsibility, the Trustees have established a Reserve Policy requiring reserves of approximately six months expenses, and this has been calculated as £25,000.00.

A second reserve fund of £15,000 has been put aside to cover any shortfall in income to meet the increased rent as a result of the relocation. This has been assessed as enough to cover the first three years of the lease, when there is an opportunity to exit the lease.

At present the charity has excess of this in its reserves.

Details of any funds materially in deficit:

This is not applicable as accounts are prepared on a Receipts and Payments basis.



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Declaration

The Trustees declare that they have approved the Trustees' report above.

Signed on behalf of the charity's Trustees

Signature:

Full Name: Richard Apps

Position: Trustee - Treasurer

Date: 1 July, 2020

NEW CREATION CHRISTIAN BOOK AND COFFEE SHOP
Reg Charity No: 1063294
RECEIPTS AND PAYMENT ACCOUNTS - 2019

RECEIPTS AND PAYMENTS ACCOUNT – 2019

1 January, 2019 to 31 December, 2019

1 January, 2018 to 31 December, 2018

<u>Receipts</u>		£	£	£	£
Sales	Goods – General	21,700.56		22,529.56	
	Goods – Bibles	1,195.47		1,756.79	
	Goods – 3 rd World	2,693.77		3,600.30	
	Second-hand Books	950.38		1,057.47	
	Vouchers (net)	-38.24		41.42	
	Coffee Shop	<u>12,455.37</u>	38,957.31	<u>12,159.88</u>	41,145.42
Donations		5,440.24		85,162.57	
Other Income		<u>21.49</u>		<u>1.77</u>	
			44,419.04		126,309.76
Interest	HSBC	177.45		63.55	
	Barclays	<u>0.00</u>	177.45	<u>0.11</u>	63.66
TOTAL RECEIPTS			<u>44,596.49</u>		<u>126,373.42</u>

Payments		£	£	£
Purchases	Bookshop	14,589.59		18,554.32
	Coffee Shop	2,930.17	17,519.76	21,048.77
Merchant Services charges			497.81	402.82
Gifts/Adverts			1,073.24	136.25
Insurances			1,308.72	773.75
Print, Stationery and Postage			148.18	219.89
Rent			7,499.63	4,833.00
Repairs, Renewals and Capital Outlay			9,975.72	191.90
Employee costs			24,741.12	24,941.62
Utilities	Electricity Supply	723.41		397.17
	Gas Supply	514.11		538.12
	Phone and Internet	729.65		651.82
	Water Supply	217.50		247.00
	Business Rates	0.00	2,184.67	1,834.11
Subscriptions and Licences			209.90	203.52
Sundries			454.52	181.50
Administration			354.00	113.15
TOTAL PAYMENTS			65,967.27	54,880.28

<u>Surplus/Deficit</u>	£	£
Total Receipts	44,596.49	126,373.42
Total payments	65,967.27	54,880.28
TOTAL SURPLUS/DEFICIT	-21,370.78	71,493.14

NEW CREATION CHRISTIAN BOOK AND COFFEE SHOP
Reg Charity No: 1063294
RECEIPTS AND PAYMENT ACCOUNTS - 2019

MEMO: TRADING ACCOUNT

1 January, 2019 to 31 December, 2019

	£	£
Sales		38,957.31
Cost of Sales		
Opening Stock	11,000.00	
Purchases	17,519.76	
Closing Stock	<u>6,500.00</u>	<u>22,019.76</u>
Gross Profit		<u>16,937.55</u>
Margin	[profit as a percentage of 'cost of sales']	76.92%

1 January, 2018 to 31 December, 2018

	£	£
Sales		41,145.42
Cost of Sales		
Opening Stock	13,000.00	
Purchases	21,048.77	
Closing Stock	<u>11,000.00</u>	<u>23,048.77</u>
Gross Profit		<u>18,096.65</u>
Margin		78.51%

ASSETS & LIABILITIES

as at 31st December 2019

ASSETS

	£	£
HSBC Current Account	12,046.86	
Less - cheques not presented	<u>0.00</u>	<u>12,046.86</u>
HSBC Deposit Account		68,938.90
Barclays Bank Savings Account		0.11
Petty cash (Cash retained)		184.36

as at 31st December 2018

	£	£
HSBC Current Account	6,661.27	
Less - cheques not presented	<u>0.00</u>	<u>6,661.27</u>
HSBC Deposit Account		95,761.45
Barclays Bank Savings Account		0.11
Petty cash (Cash retained)		118.18

Total Cash	[see reconciliation below]	<u>81,170.23</u>	<u>102,541.01</u>
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Stock	Book Shop	6,500.00		11,000.00	
	Coffee Shop	<u>200.00</u>	<u>6,700.00</u>	<u>150.00</u>	<u>11,150.00</u>

Total Assets		<u>87,870.23</u>	<u>113,691.01</u>
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LIABILITIES

Creditors	0.00	0.00
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Net Funds	<u>87,870.23</u>	<u>113,691.01</u>
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CASH RECONCILIATION

Cash brought forward	102,541.01	31,047.87
Cash Movement	-21,370.78	71,493.14
Cash Carried forward	81,170.23	102,541.01

Prepared by Rikky Apps
Trustee
1 July, 2020

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
NEW CREATION CHRISTIAN BOOK AND COFFEE SHOP

I report on the accounts of the charity for the year ended 31 December 2019 which are included separately.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements to keep accounting records in accordance with section 130 of the 2011 Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

John Anderson BA CPFA

11th October, 2020

Meadowside
High Street
Halberton
Tiverton EX16 7AG