

Registered Charity Number 283511

LUTON CHRISTIAN BOOK CENTRE
ALSO TRADING AS
LUTON CHRISTIAN BOOK SHOP

**Annual Report
and Financial Statements**

**For the Period
1 March 2016 – 28 February 2017**

**Kestin House
45 Crescent Road
Luton
LU2 0AH**

Luton Christian Book Centre
Trustees' Annual Report for the Period
1 March 2016 – 29 February 2017

Structure Governance and Management
Names of Trustees

The following Trustees served during the year:

Mr. J. S. Maple (Chair of Trustees)
Mr R. L. Stammers
Mr O Brown
Mrs Deborah Bernard
Mrs Elizabeth Coulson

Luton Christian Book Centre is an independent Christian Charity. It exists to serve the need for Christian resources in and around the Luton area. It is non-denominational and Trustees represent a number of different Churches in and around Luton. The current Trustees are responsible for the appointment of new Trustees and there is no limit to the period Trustees can serve.

LCBC always seeks to broaden its support from local churches and would be interested to recruit further Trustees who are passionate to see this Christian resource continue to serve the local community.

The Trustees met once during the current reporting period and shared communications by e-mail in lieu of a second meeting. Meetings also took place immediately before and after the reporting period (February 2016 and March 2017) None of the Trustees receive remuneration and there has been no request for reimbursement of any expenses.

The Trustees decide on all matters of policy and regularly review the performance and strategy for the bookshop. They guide and give encouragement to staff and contribute to the close relationship that exists between Churches and LCBC.

Staff

The day to day running of the shop continues to be the responsibility of John Maple assisted by John Snuggs, Robin Pinner and Guy Marshall.

We were very sad to say goodbye to Lesley who moved in the Summer to be nearer her family in Yorkshire. Lesley had served as a volunteer for more than 20 years and covered regularly for Saturdays when the shop was in Hightown. Esther who started working Saturdays as a student in 2010 also left us in the Autumn to take up her first fulltime employment in Southampton. She had contributed a lot to the success of the shop looking after our Facebook page more recently. We are pleased that Avril has now taken on this role and has continued to develop it further.

Rosemary and Gordon have joined the team of volunteers and four of our weekday volunteers are willing to work Saturdays for a small remuneration. We again have a full compliment of 15 staff and are grateful for their breadth of experience and commitment to the ongoing success of the shop. We are also so grateful to John Read who diligently looks after our accounts and end of year reporting.

Charitable Objectives and Activities

The objective of Luton Christian Book Centre is to propagate Christian knowledge and understanding by means of display and sale to the public of Bibles, evangelical Christian literature, audio visual material, teaching resources, gifts and cards for all occasions.

A discount is offered to all Churches and to those in full time Christian ministry. We are always mindful of internet prices and seek to provide competitive quotations to churches ordering multiple copies of books and other resources. Through this we seek to encourage support which is mutually beneficial.

Copies of "Sea Changed" by Kate Nicholas were given to Azalea to be given as Christmas gifts to the clients they give help to.

The history of a Christian bookshop in Luton can be traced back to 1947 when the Religious Book Depot opened in Reginald Street Luton. Moving premises several times and changing its name twice Luton Christian Book Shop now provides an extensive resource of Bibles, Bible study and teaching materials, youth resources general Christian literature, music, DVDs, gifts and cards.

It is non-profit making and does not normally receive any donations. However, we have been greatly encouraged and touched by the generosity of one of our customers who has made regular donations of £20 towards the work of the bookshop.

The property is owned by Urban Saints and we are very grateful for the continued personal support of Matt Summerfield and Urban Saints staff.

Achievements and Performance

This is the twelfth year of operation for Luton Christian Book Centre (LCBC) in its premises at Kestin House. It remains a difficult retail climate due to the competition from on-line sale of books and the sale of e-books and e-music. Sales held up during the first half year but fell well behind in the second half finishing 9.7% lower than the previous financial year.

We continue to receive good support from churches in Luton, Harpenden and St Albans. However we are aware that there is a lot more we could do to attract new customers and to interact fully with Churches and Christians in Luton. We still regularly welcome new customers who have found the shop for the first time. We therefore need to be more proactive with our publicity. We have maintained a good presence on Facebook but do not currently have the resource to take the shop to where the customers are. Future plans are reviewed below.

We have 6 regular book agents taking a selection of titles into local churches and Deborah Bernard has again run a successful occasional bookstall at another local church.

During the year we refurbished the coffee area installing fitted cupboards and new vinyl, wood effect, flooring to replace the stained carpet.

Both our printers (one HP and one Epson) failed within weeks of each other and these have been replaced with new HP inkjet printers/scanners

The Trustees reviewed our stocking strategy and agreed that our priorities should be to stock a comprehensive range of Bibles and quality gifts alongside our current range of books, cards, CDs and DVDs. The stock of CDs should be gradually reduced in line with falling sales, focussing on those categories we know to be popular.

Following the closure of the World Trade Shop in Luton we decided to stock a range of Traidcraft TM teas, coffees, biscuits and cereal products. The profit margin is 20-25% but this does provide another service to customers and we are offering 10% discount to Churches who are already purchasing catering sized packs of tea and coffee for after service refreshments. We hope to develop these sales further.

We were challenged by the book "The Bookstall that Matters" and have begun to make more regular changes in displays on themed subjects and a book case has been allocated for the face out display of New Titles.

We again supplied leavers Bibles to two Primary Schools and hope to attract more C of E schools to take up the offer of greatly discounted prices in the summer term.

We notified 12 Primary Schools about the generous grant scheme operated by Speaking Volumes for the purchase of children's Christian books for school libraries. The response was disappointing but we later learned that letters classed as "advertising" do not reach the Head Teacher. However, we have had orders from two schools and one from the YMCA who were successful in receiving a grant for books under the scheme operated by Speaking Volumes.

Keith Wright designed two flyers for us. The first was distributed to 12 Churches before Easter and offered 20% discount to customers who presented the voucher on the flyer. The response was disappointing and emphasised the need for more personal contact. However, a further flyer has been printed for use over 1-2 years emphasising we are "more than a bookshop" and inviting groups to attend by arrangement in afternoons or evenings.

Open evenings were again arranged before Christmas with free tea/coffee and mince pies and a total of 7 groups visited the shop during these evenings.

We are grateful to Kate Nicholas for attending a signing of her book "Sea Change". The Luton Herald and Post kindly ran an article about Kate and her book and invitations were sent to local Churches. Still the attendance was disappointing but it was a very special Saturday for the shop and those customers who did attend.

The customer loyalty scheme continues to be popular. Customers spending £10 or more receive a discount card which offers £10 back after an equivalent of 10 purchases of £10.

A discount is offered for all church purchases and to all involved in full time Christian service. We do not believe that Churches should pay more by shopping with us and we therefore aim to meet or better internet prices wherever possible.

Three Counties Booksellers still exists to provide a forum for local Christian Bookshops. We met three times during the year to share ideas and experience with our four nearest Christian bookshops Dunstable, Bedford, Letchworth and Stony Stratford.

Financial Review

Sales fell by £10,413 (9.7%). This is almost entirely due to the fall in book sales from £68,255 to £58,304 (14.6%). The only significant growth was in gifts up from £14,695 to £16,977 (15.5%)

Despite this, the financial statement shows a small operating surplus of £1189 for the year but this is compared to a surplus of £8058 in the previous period.

The trustees are grateful to John Read for preparing the current accounts and to Mr Terry West for reviewing these accounts.

Risk Management

The Trustees reviewed the financial risk assessment following the Charity Commission Guideline (Simplified Risk Management for Small Charities). Following advice from Payment Sense, our card reader supplier we are now keeping all card receipts in a locked cupboard and allowing Payment Sense to run a scan on our computer to ensure no data from the card reader is stored on the computer. We are insured for fire and theft, and public and employee liability, through a standard package offered to members of the Booksellers Association. The main risk is the fall in sales and clear guidelines have been set as to the level of sales or of capital reserve at which urgent action is required to hold back on purchasing and, if necessary implement a planned closure programme.

Future Plans

Our objective is to serve the Churches in and around Luton. Our plans for the next twelve months are similar to those reported previously.

We will ensure all shop procedures are up to date and carry out regular training to ensure all staff are familiar with and can operate consistently with these procedures

We will invite Church Groups/Home Groups to arrange daytime or evening visits to the shop.

We will continue to build closer relationships with local Churches and Church Leaders.

We will purchase four new tables with eight chairs to finish the refurbishment of the coffee area.

We still plan to make a 2-3 minute promotional documentary on Youtube which can be shown in as many local Churches as possible to ensure congregations are familiar with our location and our full range of products. We have been waiting for completion of work on the coffee area and hope to proceed with this during the summer.

We will continue to pass on supplier special offers to our customers and compete with internet pricing where possible.

We will continue to build our list of e-mail contacts and improve the frequency and relevancy of newsletters and other information sent by e-mail.

We will continue to seek opportunities to organise bookstalls to take stock away from the shop to where people regularly meet.

We are currently using Facebook and daily contact with customers to advertise a book club to meet monthly in the bookshop.

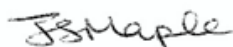
We want to make the shop more visible and are investigating the purchase of a neon sign which would be visible during the hours of darkness to drivers around the ring road. Another proposal is to place an advertisement in the "The Vine" which is the business directory delivered free to homes in Luton.

The stock turnover during the reporting period was only 1.3 but we still have the target to increase this to 2.0 by identifying products having the highest turnover, having a strict control on purchasing and aiming to increase overall sales.

The Bible is our most important product and we will seek to stock a comprehensive selection of all the main translations

We will continue to make improvements to shop displays, choosing themed subjects and changing these at least every month. We will increase the range of quality Christian gifts and further develop the sale of Traidcraft products

We will provide as attractive and helpful shopping experience as possible.



John Maple

For the Trustees
23rd May 2016

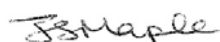
Luton Christian Book Centre
Income and Expenditure Account
For the Year Ended 29 February 2017

<u>INCOME</u>	February <u>2017</u> £	February <u>2016</u> £
SALES		
Christian Goods		
Books	58,302	68,255
Cards	10,157	10,360
CDs, DVD's	7,231	8,139
Gifts and accessories	17,955	15,691
Church Supplies	3,506	3,624
Refreshments	155	136
Couriers reimbursed	(40)	489
Tokens sold less tokens redeemed	(190)	796
TOTAL SALES	<u>97,076</u>	<u>107,490</u>
OTHER INCOME		
Bank Interest	-	11
Donations Received	100	-
TOTAL INCOME	<u><u>97,176</u></u>	<u><u>107,501</u></u>
<u>EXPENDITURE</u>		
Cost of Sales	<u><u>63,070</u></u>	<u><u>67,983</u></u>
EXPENSES		
Postage and carriage	(40)	679
Staff costs	15,141	13,166
Rent ,rates, services	12,319	11,880
Insurance/licences	368	370
Telephone and e-mail	798	1,060
Computer & Booksolve maintenance	1,733	1,914
Bank charges	6	12
Credit card transaction charges	1,039	1,030
Bookshop administration	864	852
Advertising and signage	425	233
Depreciation	264	264
	<u>32,917</u>	<u>31,460</u>
TOTAL EXPENDITURE	<u><u>95,987</u></u>	<u><u>99,443</u></u>
SURPLUS FOR YEAR	<u><u>1,189</u></u>	<u><u>8,058</u></u>

Luton Christian Book Centre
Statement of Assets and Liabilities
As at 28 February 2017

	February <u>2017</u> £	February <u>2016</u> £
Fixed Assets		
Cost (stock control system upgrade)	6,048	6,048
Cumulative Depreciation	<u>(5,820)</u>	<u>(5,556)</u>
	228	492
Monetary Assets		
Bank Current Account	21,047	18,369
Church accounts outstanding & Prepayments	505	2,592
VAT	4	593
Cash in Hand	<u>945</u>	<u>513</u>
	22,501	22,067
Other Assets		
Stock at cost	46,789	51,509
Stock write off provision	<u>(2,400)</u>	<u>(7,059)</u>
	44,389	44,450
TOTAL CURRENT ASSETS	66,890	66,517
Liabilities		
Trade creditors	6,281	7,361
PAYE payable	144	144
	6,425	7,505
NET ASSETS LESS LIABILITIES	<u>60,693</u>	<u>59,504</u>
 ACCUMULATION FUND		
As of 1 March	59,504	51,446
Surplus/Deficit for year	<u>1,189</u>	<u>8,058</u>
As at 28 February	<u>60,693</u>	<u>59,504</u>

Approved by the Trustees



J Maple
Chair of Trustees

Independent Examiner's Report to the Trustees of Luton Christian Book Centre

I report on the accounts of the charity for the year ended 28 February 2017, which comprise Income and Expenditure Report and Balance Sheet.

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 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Charities Act; and
- to 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 of 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 Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Acthave 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.



Terence West
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5 December 2017