

CLC International Office

Annual Report and Financial Statements

for the year ended

31 January 2018

CLC International Office

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CLC International Office
Financial Statements
for the year ended 31 January 2018

The Trustees are pleased to present their report together with the financial statements of the Charity for the year ended 31 January 2018.

Reference & Administrative Information

Charity name	CLC International Office
Charity number	1058306
Start of financial year	1 February 2017
End of financial year	31 January 2018
Correspondence address	291 Abbeydale Road Sheffield S7 1FJ
Website	www.clcinternational.org
Trustees	Mr J Chamberlain Ms Erica Lugg (from July 2018) Mr G Ince Mr J Raby Mr J Watkins (from 6 April 2017) Miss R Williams
International director	Mr G Scalante
Primary bankers	Charities Aid Foundation Kings Hill West Malling Kent ME19 4TA Union National Bank and Trust Co 10 W Broad Street PO BOX 64197 Souderton PA18964 USA
Registered auditor	Winter & Co Chartered Certified Accountants and Statutory Auditor 103 Wilkinson Street Sheffield S10 2GJ

CLC International Office

Trustees' Report for the year ended 31 January 2018

Structure, Governance and Management

Governing Document

The Charity is governed by a Declaration of Trust dated 8 August 1996 and is a registered charity, number 1058306.

Trustee Appointment and Induction

CLC International Office Trustees are appointed on the recommendation of the existing Board and the International Director. New trustees undergo orientation to brief them on their legal obligations under charity law, the content of the Declaration of Trust, the decision making process and recent financial performance of the Charity.

Organisational Structure

Trustee meetings are held at least twice a year with additional meetings as necessary. The International Director is appointed on a four-year basis on the recommendation of the International Council.

The Board of Trustees, with the co-operation of the CLC International Office Team, led by the International Director, are primarily responsible for safeguarding and directing the distribution of monies received into the International Office Fund to progress the Objects as set out in the 1996 Declaration of Trust.

Trustees' organisational responsibilities and risk management

- The Trustees recognise their responsibility to assist CLCIO in fulfilling the aims of the International CLC fellowship respecting the guidelines set out in the CLC International Constitution 2016 edition.
- The Trustees will always seek to ensure that the Charity and its representatives function within the legal and regulatory framework as laid down by the Charity Commission of England and Wales, continually striving for best management practice.
- The Trustees will work to maintain the integrity of the CLC IO Fund by maintaining sound financial practices and overall efficient administration of the Charity and resources.
- The Trustees will ensure that monies granted are used for the purpose for which they are given and in accordance with the objects set out above.
- The Trustees will maintain absolute confidentiality about all sensitive information.
- The Trustees will regularly seek to assess the level of risk to the reputation, operation and achievement of the Charity and personal safety to members of the Charity and decide on the appropriate action to take in order to prevent damaging eventualities occurring and to mitigate the effect if they do.
- The Trustees recognise that they must always act in the best interests of the Charity and as a body will take appropriate action to prevent any Board member acting under conflicting interest. Decisions regarding the Trust Fund will be taken by the Trustees acting together and not by any one individually. The Trustees may delegate decisions on day to day matters as necessary but will establish proper reporting procedures and clear lines of accountability.

CLC International Office

Trustees' Report for the year ended 31 January 2018

Objectives and Activities

Objectives

The Charity's objectives are:

- The advancement of the Evangelical Tenets of the Christian religion either in the United Kingdom or overseas especially through Christian literature.
- The advancement for the public benefit of religious or other education.

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities. The trustees are also aware of the Charity Commission's guidance on public benefit in The Advancement of Religion for the Public Benefit and have had regard to it in their administration of the Charity.

The trustees confirm that they have complied with their duties under section 17 of the 2011 Charities Act with regard to public benefit.

Activities - CLC International Office (CLCIO) and other CLCs

CLC is a missionary fellowship operating in 47 countries around the world. Each entity has its own registration in its country of operation, according to national legislation. There is no legal responsibility or ownership - apart from Romania, Bulgaria, Kyrgyzstan and France - and the individual CLC organisations work together under the guidelines of the voluntary code of the CLC International Constitution.

The role of the CLC International Office is to facilitate CLC ministries, to obtain and provide funding for projects, to create and manage websites and other digital projects, to provide supervision and training services and to serve as a common point of communication and reference for CLC worldwide.

The function of the International Office is carried out by five Regional Directors - North America, South America, Africa, Europe and Asia - and a Digital Director, working in conjunction with the International Director. This group is given authority by the four-yearly International Council to interpret and apply the CLC International Constitution. While the International and Regional Directors do not have executive authority over the national CLC teams, their responsibility in fulfilling the role of the International Office is to monitor and mentor; to hold accountable leaders to their objectives; to provide leadership training; to give objective assessment of the health of the organisation; to provide oversight and accountability for grants made; and to be a service provider for websites and training.

Grant Making Policy

CLC IO makes funding available to various CLC ministries overseas based on the opportunity and financial need to create or support a viable Christian Literature ministry. Normally this will follow an on the spot investigation by the Regional Directors.

GDPR

The data protection legislation enacted since the year end is relevant to CLCIO and a detailed digital policy has been developed and applied.

CLC International Office

Trustees' Report for the year ended 31 January 2018

Voluntary help and gifts in kind

The Trustees record their grateful thanks to the volunteers who have helped in maintaining the office, visited overseas centres and offered their advice and assistance throughout the year. Their contribution has been invaluable.

Achievements and Performance

During the year we have conducted two regional directors' meetings, in April and October 2017. These meetings have been important to assess the work worldwide and provide direction to the I.O. team as well to follow-up on the I.O. projects.

Our work in Europe region is experiencing some challenges due to the changes in the book industry distribution and the fragile economy in some European countries. The same is true for the USA, Canada and the Caribbean territories. Our work in the Latin America region is still stable and growing thanks to the strong church growth.

We see potential in the Africa and Asia regions where we do not have a strong presence. We experience some limitations in supporting the ministries in these very diverse countries. We are working to strengthen the work of the regional directors in these two areas, providing extra resources, people and expertise to support the work in areas like finances and leadership.

Leaders' Conferences

We convened three Regional Leaders Conferences this year. We were able to hold conferences for Europe, the Americas and Asia leaders. The conferences provided a good scenario for training and fellowship.

We gave specific training on the new CLC language with the four words, Accountability, Innovation, Transparency and Sustainability. The language seems to be adopted very positively and with enthusiasm by most of the countries. Our goal is to make it something that facilitates the work of the I.O. leadership as we work in our relationship with the countries.

International Office Projects

Digital Project: Through recent years the I.O. was able to develop an online platform to provide the countries with the tools to distribute books online and over twenty countries are currently using this platform.

The second part of the project is the eBook platform that will be linked with each country's web site to offer digital content (eBooks). This platform will offer eBooks in several languages and will be accessible to customers through their browser or through an app. The IOS app's version is already created and we are waiting to have the Android version ready. Then we will launch and promote the entire project.

TBII - Thompson Bible International Institute: The TBII is an organization based in the USA that provides qualified training for pastors and leaders around the world. We already are in partnership with the TBII in several countries in Latin America where they train thousands of pastors and leaders every year. The common vision and mission of these two organizations provide a perfect complement where training and quality literature are made available for pastors and leaders that haven't received formal training. The two organizations decided to continue exploring opportunities to grow our partnership in other regions worldwide.

CLC International Office

Trustees' Report for the year ended 31 January 2018

Global Publishing: We started this I.O. project in 2014 with the goal to double our publications globally in ten years. Right now, we have 20 countries actively doing publishing and just in 2017 we published 241 new titles. We were able to contribute to our Global Publishing Project with £ 2,000.

Other worldwide projects:

During the year the International Office was able to support financially the following countries and projects worldwide:

Mexico: A bookmobile vehicle is needed to be used for books and Bibles distribution in the countryside of Mexico. The development of this part of the ministry will strengthen the work of our store and wholesale ministry in Mexico City. We granted a gift of £ 15,000 to Mexico to help the local team to buy a vehicle.

Dominica: After category 5 hurricane Maria hit this small island in September, the store was closed for several weeks. We were able to provide some help for the store and the staff. We made funds of £5,000 available to buy new stock for the reopening of the only Christian shop in the country.

Spain: The country is in a deep economic crisis: the unemployment rate is over 20%. Due to the crisis we closed down two shops (Malaga and Murcia). We are working on a project to rescue the ministry in Spain and we made available funds of £ 20,000 for stock and salaries.

Mozambique: The project to provide 10,000 good quality and low-cost Portuguese Bibles for Mozambique was supported by some CLC countries and foundations around the globe. The International office promoted the project among the entire CLC fellowship and provided £ 5,000 for this project. The project was successfully completed and the Bibles arrived in Mozambique on time for the launch of the Bible and thanksgiving service on December 9th.

Kenya: Due to the implementation of a POD system in Nairobi, the need for new equipment to support the publishing work was urgent. The I.O. decided to provide £3,500 to buy a new Computer system that will allow our team to become more efficient in dealing with the admin and publishing work they do.

Burkina Faso: This small French speaking country in West Africa experienced some financial and leadership instability. The RD for Africa was able to assist the country and a plan was put in place in order to get their finances in a healthier position and more leadership stability that will allow them to face a more promising future. We made available funds for £ 2,500 to buy new stock.

Individual stories

Florence, Italy: This is one of the few CLC shops worldwide in a prime location. We are right opposite the "La Academia" Museum, where Michelangelo's statue of David is exhibited. Over a million tourists visit the museum every year. Many of these tourists also walk into the CLC shop to buy books, souvenirs and tickets for the museum. In a visit that Rudy, our Global Mobiliser, made recently we made the commitment to share the gospel with each one of our customers and give them a leaflet to read later. We are also trying to encourage the local church to see the opportunity to work together to reach out to people. We are very happy because the shop can also be used as a base for urban evangelism to bring people to Christ.

Manta, Ecuador: Two years ago, Carlos, our National Director in Ecuador, met a "street" bookseller who was selling the "piracy" version of the book: Purpose Driven Life. Carlos invited this person to visit our CLC shop in town. This man visited the CLC Bookstore and became a Christian. Now he sells only "originals"!

CLC International Office

Trustees' Report for the year ended 31 January 2018

Areas of future development

Digital:

Since the year-end we have experienced a significant improvement in the use of the I.O. website platform work by adding people to do training about its best use. One of our problems in the past was that people who work in the countries with our platform have different levels of knowledge and not all of them were taking advantage of all the system's tools and features. Now we have one person for the European region and another person for the Latin America region that are available to give personalized training to the person who runs the system in each country.

We are still working on the eBook platform that is going to be launched as soon as we have the Android version of the app working. We were testing an Android app, but the first version had some technical issues that made us delay the entire eBook project.

Publishing:

The Publishing project is moving forward. We started the project in 2014 with 2000 titles and the goal is to double our publications in 10 years. We participated in a publishing conference in Budapest at the beginning of the year, which was a good opportunity for training and contacting publishers that are licensing new titles for foreign languages. The conference was organized in cooperation with the CBA (Christian Booksellers Association) of the USA. The plan is to keep participating in these conferences to strengthen our teams and support them as they develop their own publishing plans.

Bibles distribution:

We can report a growing need for Bibles in different languages and regions and in particular for affordable Bibles in struggling places. After our successful experience with the Portuguese Bible project for Mozambique, we are looking for similar projects in other languages. The plan consists of raising funds to print a reasonable quantity of Bibles that will be available in the countries at a low or subsidised price that people will be able to afford.

CLC International Office

Trustees' Report for the year ended 31 January 2018

Financial Review

Reserves Policy

Free reserves at 31 January 2018 are £108,102 (2017: £108,243). It is the Trustees' opinion that unrestricted funds equal to at least six months' normal expenditure should be maintained, which amounts to approximately £100,000 (2017: £103,000). In this context, the trustees consider normal expenditure should exclude costs of supporting projects, transfers, project funds, depreciation, bad debts and other non-committed expenditure.

Summary

Due to the timing of grant making expenditure, the net assets have increased and the Fund continues to meet the Trustees' objective of having six months' expenditure in hand. The Trustees consider that the reserves are sufficient to cover all foreseeable Project Fund Liabilities.

A brief summary of the Charity's activities in financial terms for the year under review is as follows:

	2018	2017
	£	£
Incoming resources from generated funds	6,363	9,248
Incoming resources from charitable activities	520,531	312,335
	<u>526,894</u>	<u>321,583</u>
Charitable activities - Costs of Goods Sold	8,449	73
Charitable activities - Costs of supporting projects	316,760	209,142
Charitable activities - General office expenditure	190,249	213,584
Governance costs	3,061	3,070
	<u>518,519</u>	<u>425,869</u>
Net Surplus / (Deficit)	<u>8,375</u>	<u>(104,286)</u>
Unrestricted Funds	(141)	(66,231)
Restricted Funds	8,516	(38,055)
	<u>8,375</u>	<u>(104,286)</u>

Funds carried forward at 31 January 2018 are £583,557 2017: £575,182)

Trustees' responsibilities in relation to the financial statements

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity at the year end and of its incoming resources and resources expended during that year. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

CLC International Office

**Trustees' Report
for the year ended 31 January 2018**

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Statement of Recommended Practice for Charities (FRS 102). They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the board of trustees who served during the year under review and up to the date of this report are set out on page 1. In accordance with charity law the trustees certify that:

- so far we are aware, that there is no relevant accounting information of which the auditor is unaware; and
- as trustees we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant accounting information and to establish that the charity's auditor is aware of that information.

Auditors

Winter and Co., Chartered Certified Accountants and Registered Auditor, Sheffield, were appointed as auditors on 1 August 2006 and have expressed their willingness to continue in office.

This Report was approved by the Trustees on 16 November 2018 and signed on their behalf by:

Mr J Raby

Independent auditor's report to the trustees of CLC International Office

We have audited the financial statements of CLC International Office for the year ended 31 January 2018 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications of our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 January 2018 and of its incoming resources and application of resources 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 Charities Act 2011.

**Independent auditor's report to the trustees of
CLC International Office**

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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Winter & Co
Chartered Certified Accountants and
Statutory Auditor

103 Wilkinson Street
Sheffield
S10 2GJ

16 November 2018

Winter & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

CLC International Office

**Statement of Financial Activities
for the year ended 31 January 2018**

	Notes	Unrestricted Funds	Restricted Funds	2018 Total	2017 Total
<u>Incoming Resources</u>					
Incoming resources from generated funds					
Investment Income	6	6,363	-	6,363	9,248
Incoming resources from charitable activities	7	272,362	248,169	520,531	312,335
Total Incoming Resources		<u>278,725</u>	<u>248,169</u>	<u>526,894</u>	<u>321,583</u>
<u>Resources Expended</u>					
Charitable activities	8	266,627	248,831	515,458	422,799
Governance Costs	9	3,061	-	3,061	3,070
Total Resources Expended		<u>269,688</u>	<u>248,831</u>	<u>518,519</u>	<u>425,869</u>
Net incoming/(outgoing) resources before transfers		9,037	(662)	8,375	(104,286)
Transfers between funds	19	(9,178)	9,178	-	-
Net movement in funds		(141)	8,516	8,375	(104,286)
Funds at 1 February		191,953	383,229	575,182	679,468
Funds at 31 January	16 - 17	<u><u>191,812</u></u>	<u><u>391,745</u></u>	<u><u>583,557</u></u>	<u><u>575,182</u></u>

The statement of financial activities includes all gains and losses recognised in the year.
All incoming resources and resources expended relate to continuing activities.

The notes on pages 13 to 24 form an integral part of these financial statements.

CLC International Office

**Balance sheet
as at 31 January 2018**

	Notes	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Fixed Assets					
Tangible Assets	10	74,881	-	74,881	74,881
Investments	11	8,829	-	8,829	8,829
		<u>83,710</u>	<u>-</u>	<u>83,710</u>	<u>83,710</u>
Current assets					
Stock	13	12,741	-	12,741	12,954
Debtors	14	63,946	-	63,946	52,568
Cash at bank and in hand		55,919	391,745	447,664	449,758
		<u>132,606</u>	<u>391,745</u>	<u>524,351</u>	<u>515,280</u>
Creditors: amounts falling due within one year	15	(24,504)	-	(24,504)	(23,808)
Net Current Assets (Liabilities)		<u>108,102</u>	<u>391,745</u>	<u>499,847</u>	<u>491,472</u>
Net Assets		<u>191,812</u>	<u>391,745</u>	<u>583,557</u>	<u>575,182</u>
Funds					
Unrestricted Funds	16				
- Designated		23,155	-	23,155	16,835
- General		168,657	-	168,657	175,118
Restricted Funds	17	-	391,745	391,745	383,229
		<u>191,812</u>	<u>391,745</u>	<u>583,557</u>	<u>575,182</u>

These financial statements were approved by the Trustees on 16 November 2018 and signed on their behalf by:

.....
Mr J Raby

The notes on pages 13 to 24 form an integral part of these financial statements.

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

1. Basis of Preparation

1.1. Basis of accounting

a) The Charities Act 2011

b) SORP (FRS 102) the Statement of Recommended Practice - Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015)

c) Applicable accounting standards.

CLC International Office constitutes a public benefit entity as defined by FRS 102.

2. Accounting Policies

2.1. Form of Financial Statements

Balances are split between unrestricted and restricted funds held by the Charity.

a) Unrestricted Funds - These funds are not subject to any restrictions regarding their use and are available for furtherance of the objectives of the Charity.

b) Designated Funds - These are unrestricted funds which are designated for a particular purpose or project that the Trustees have decided to support.

c) Restricted Funds - These are funds subject to specific conditions imposed by the donor or by a specific term of a trust deed or other legal measure, but still within the objectives of CLC International Office.

2.2. Incoming resources

a) Incoming resources from charitable activities are included in the Statement of Financial Activities (SOFA) when due and invoiced with the exception of donations, which are included when received.

b) Where incoming resources have related expenditure, the incoming resources and related expenditure are reported gross in the SOFA.

c) The following specific policies are applied to particular categories of income.

- Donated services and facilities are included at the value to the Charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

- Investment income is recognised when credited to the account.

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

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2. Accounting Policies (continued)

2.3. Rental Income

Rental income is accounted for on an accruals basis and includes all rental income due in the period of account.

2.4. Resources expended and liabilities

- a) Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of irrecoverable VAT. Expenditure has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.
- b) Liabilities are recognised as soon as there is a legal or constructive obligation to pay out resources.
- c) Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.
- d) Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

2.5. Tangible fixed assets and depreciation

Freehold land and buildings are included in the financial statements at cost. No depreciation is provided on freehold land and buildings. It is the policy of the Trustees to maintain their properties in such a condition that their value is not impaired by the passage of time. The residual value is similar to its carrying value and depreciation, therefore, would not be material. The Trustees perform annual impairment reviews in accordance with the requirement of FRS 15 to ensure that the carrying amount is not greater than the recoverable amount.

Individual items of office and computer equipment are capitalised if they cost more than £1,000 and have a useful economic life of more than one year.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Computers	- 30% Straight Line
Fixtures, fittings and equipment	- 9-18% Straight Line

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

..... continued

2. Accounting Policies (continued)

2.6. Investments

a) Shares in subsidiary undertakings

The shares in subsidiary undertakings represent Programme Related Investments, as defined in the FRS 102 SORP. Programme Related Investments are included in the balance sheet at the amount invested less any impairments and any amounts repaid.

Where the original amount invested is not known, the Trustees have adopted a fair value based on their best estimate.

Details of the subsidiary undertakings are set out in note 12. Each operating subsidiary undertaking is exclusively involved in running a Christian bookshop. Companies (i) and (ii) operate in Bulgaria, company (iii) operates in Romania and company (iv) operates in Central Asia. Although no benefit arises from any of the operating subsidiaries, the objectives of these subsidiaries are consistent with the aims and purposes of CLC International Office.

The dormant subsidiary company (v) will operate in the United Kingdom and will be involved in the development of an eReader App.

b) Other unlisted investments

The FRS 102 SORP requires that where the investment is in ordinary shares in unlisted companies it must be included at fair value if this can be measured reliably; or if not, cost less impairment.

The Trustees consider that it is not cost effective to obtain a reliable fair valuation of the other unlisted investments which are included, therefore, at cost.

2.7. Stock

Stock is valued at the lower of cost or net realisable value.

2.8. Taxation

The charity is not liable to income or capital gains tax on its charitable activities. Irrecoverable VAT is included in the asset cost or expense to which it relates.

2.9. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange prevailing at the accounting date. Transactions in foreign currencies are recorded at the date of the transactions. All differences are taken to the Statement of Financial Activities.

3. Auditing Practices Board Ethical Standard

In common with many other organisations of our size and nature we use auditors to assist with the preparation of the financial statements.

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

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4. Employees

The charity had no employees during the year.
No social security costs were payable.

5. Trustee remuneration and related party transactions

- a) No remuneration was paid to any trustee during the year under review.
- b) Travel and other expenses amounting to £611 (2017 - £479) were reimbursed to two (2017 - 2) trustees.
- c) The charity has incurred £391 (2017 - £371) of expenditure in respect of Trustees Indemnity Insurance.
- d) No trustee or other person connected to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

6. Investment Income

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Rental Income	1,030	-	1,030	1,780
Bank Interest Received	3,446	-	3,446	2,771
(Loss) / Surplus on dollar exchange	1,887	-	1,887	4,697
	<u>6,363</u>	<u>-</u>	<u>6,363</u>	<u>9,248</u>

7. Income from Charitable Activities

	£	£	£	£
Bible Companion Sales	1,051	-	1,051	2,028
Contributions	187,884	-	187,884	153,652
CLC Projects	-	203,524	203,524	82,079
CLC Holdings	60,865	44,645	105,510	67,076
CLC International Council Reserve	5,000	-	5,000	7,500
Awaiting allocation	17,562	-	17,562	-
	<u>272,362</u>	<u>248,169</u>	<u>520,531</u>	<u>312,335</u>

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

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8. Cost Of Charitable Activities	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Cost of Goods Sold	8,449	-	8,449	73
CLC Projects	-	188,187	188,187	90,444
CLC Holdings	59,546	60,644	120,190	118,698
CLC Projects awaiting allocation	8,383	-	8,383	
	<u>76,378</u>	<u>248,831</u>	<u>325,209</u>	<u>209,215</u>
<u>Establishment Costs</u>				
Repairs and Renewals	206	-	206	2,550
Utilities	1,305	-	1,305	1,525
Rates and Insurance	1,519	-	1,519	1,050
Depreciation	-	-	-	-
	<u>3,030</u>	<u>-</u>	<u>3,030</u>	<u>5,125</u>
<u>Administrative Costs</u>				
Telephone	864	-	864	1,443
Travel - Local	903	-	903	1,682
Travel - International Fares	41,145	-	41,145	38,462
International Accommodation and Related Costs	16,178	-	16,178	11,726
Printing, Postage and Stationery	641	-	641	2,202
Hospitality and Conference Expenses	75	-	75	103
Books and Subscriptions	21	-	21	216
IT Costs	2,784	-	2,784	3,848
Publications	-	-	-	1,302
Regional Directors' Meetings	3,185	-	3,185	3,680
Volunteers' Support - UK	9,440	-	9,440	20,416
Volunteers' Support - Overseas	93,194	-	93,194	69,506
Transfer to International Council Reserve	5,000	-	5,000	7,500
Bank Charges	292	-	292	17
Donations and Gifts	-	-	-	100
Bad debts	12,992	-	12,992	34,195
UK Support costs	505	-	505	12,061
	<u>187,219</u>	<u>-</u>	<u>187,219</u>	<u>208,459</u>
	<u>266,627</u>	<u>248,831</u>	<u>515,458</u>	<u>422,799</u>

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

..... continued

9. Governance Costs

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Governance Costs				
Audit	2,250	-	2,250	2,220
Legal and Professional	200	-	200	-
Trustee expenses	611	-	611	850
	<u>3,061</u>	<u>-</u>	<u>3,061</u>	<u>3,070</u>

10. Tangible fixed assets

	Land and buildings freehold £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 February 2017	73,510	9,517	83,027
Additions	-	-	-
Disposals	-	-	-
At 31 January 2018	<u>73,510</u>	<u>9,517</u>	<u>83,027</u>
Depreciation			
At 1 February 2017	-	8,146	8,146
At 31 January 2018	-	8,146	8,146
Net book values			
At 31 January 2018	<u>73,510</u>	<u>1,371</u>	<u>74,881</u>
At 31 January 2017	<u>73,510</u>	<u>1,371</u>	<u>74,881</u>

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

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11. Programme related investments

	Subsidiary undertakings (Note 12)	Unlisted investments	Total
Cost	£	£	£
At 1 February 2017	801	8,028	8,829
At 31 January 2018	801	8,028	8,829
Net book values			
At 31 January 2018	801	8,028	8,829
At 31 January 2017	801	8,028	8,829

Unlisted investments

In 2005, CLC France wished to buy a warehouse property. This involved acquiring SCI Le Point du Jour, the company which owned the property, a common practice in France. Unfortunately, CLC France was not legally able to be the outright shareholder and proposed that it would acquire 39/40 and that CLC International Office would buy 1/40. CLC IO did not have sufficient funds at that time and it was agreed that CLC France would pay CLC IO's share, but subsequently this was paid in full. The figure of £8,028 shown in the accounts represents CLC IO's 1/40 share at cost. CLC International Office has received no dividends or other income from SCI Le Point du Jour throughout the period of the investment.

12. Investment in subsidiary undertakings

The investment by the Charity in five subsidiaries is as follows:

100% of issued ordinary share capital:	2018	2017
(i) Centre for Logistics and Co-operation Ltd	100	100
(ii) Maranatha Ltd	500	500
(iii) CLC Romania	100	100
(iv) Central Asia	100	100
(v) CLC Digital Ltd	1	1

CLC Digital Ltd, which was incorporated on 25 June 2013, was dormant for the period 25 June 2013 to 31 January 2018.

The Trustees consider that consolidated accounts are not required as the aggregate gross income of the parent charity and its subsidiaries, after consolidation adjustments, does not exceed the statutory income threshold of £1M (Charities Act 2011 (Group Accounts) Regulations 2015).

The net assets of subsidiary undertakings which are not material need not be disclosed in the parent's accounts. The Trustees consider that the net assets of its subsidiaries are not material to the parent charity and no disclosure is required, therefore, in these accounts.

CLC International Office

**Notes to the financial statements
for the year ended 31 January 2018**

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13. Stocks

2018	2017
£	£
12,741	12,954

Finished goods and goods for resale

14. Debtors

2018	2017
£	£
40,858	51,293
-	-
23,088	1,275
63,946	52,568

Trade debtors

VAT Receivable

Prepayments and accrued income

**15.1 Creditors: amounts falling due
within one year**

2018	2017
£	£
2,458	2,682
1,786	27
5,639	1,879
14,621	19,220
24,504	23,808

Trade creditors

Other taxes and social security costs

Other creditors

Accruals and deferred income (Note 15. 2)

15.2 Accruals and deferred income

2018	2017
£	£
-	814
2,250	2,220
12,371	16,186
14,621	19,220

Income received in advance

Audit fee

Support Account

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

..... continued

16. Unrestricted Funds

	Opening Balance	Income	Expenditure	Transfers	Closing Balance
	£	£	£	£	£
General Fund	175,118	195,299	(201,760)	-	168,657
Funds awaiting allocation:					
Project Austria			(8,383)	(8,383)	
Project Bolivia		1,570		1,570	
Project Cote D'Ivoire		710		710	
Project Mexico		15,000		15,000	
Project Mozambique		281		281	
Designated Funds					
R Jones	119	2,506	(2,519)	-	106
CLC Workers	-	-	-	-	-
Funds held in Trust	281	-	(281)	-	-
Holding Funds / CLC Workers	242	3,783	(2,200)	-	1,825
CLC Digital App Project	-	-	-	-	-
Investment in subsidiaries (Note 12)	801	-	-	-	801
Non RF Funds awaiting allocation	3,199	54,576	(52,106)	-	5,669
International Council Reserve Fund (i)	10,284	5,000	(2,440)		12,845
Emergency Fund (ii)	1,909	-	-	-	1,909
	<u>191,953</u>	<u>278,725</u>	<u>(269,689)</u>	<u>9,178</u>	<u>191,812</u>

- (i) The International Council Reserve Fund relates to monies set aside for the costs of the CLC International Council which is organised by the Charity every four years. During the year, the trustees transferred £5,000 from general funds to the International Council Reserve Fund.
- (ii) The Emergency Fund is a revolving loan fund made available to CLC ministries in serious difficulties at the discretion of the International Director (with agreement from the Trustees if the sum is above £5,000). Repayment terms will be drawn up as appropriate.

CLC International Office

**Notes to the financial statements
for the year ended 31 January 2018**

..... continued

17. Restricted Funds - Countries	Opening Balance	Income	Expenditure	Transfers	Closing Balance
	£	£	£	£	£
Project Antigua	1,304	-	-	-	1,304
Project Austria	-	48,231	(28,550)	(15,906)	3,774
Project Bangladesh	11,835	1,760	-	-	13,595
Project Barbados	1,002	5,000	(5,000)	-	1,002
Project Belarus	9,746	1,465	(2,934)	2,508	10,784
Project Benin	353	658	(715)	-	296
Project Bolivia	(453)	14,340	(20,315)	1,571	(4,857)
Project Bulgaria	292	1,401	(263)	-	1,429
Project Burkina Faso	366	7,684	(5,664)	-	2,386
Project China	62,482	-	-	-	62,482
Project Colombia Loan Fund	(i) 2	-	-	-	2
Project Cote D'Ivoire	17	0	(710)	710	17
Project Cuba	2,012	-	-	-	2,012
Project Dominica	29	5,000	(5,000)	-	29
Project Ecuador	180	-	-	-	180
Project Equatorial Guinea	4,944	-	-	-	4,944
Project Hungary	-	-	(1,000)	1,000	-
Project France	300	-	300	-	-
Project Germany	-	5,994	(3,760)	3,089	5,323
Project India	1,479	469	(4,536)	4,536	1,948
Project Italy	(6)	4,980	(2,125)	(2,850)	-
Project Japan	4,945	-	-	-	4,945
Project Kenya	274	7,938	(6,826)	153	1,539
Project Korea	-	858	(858)	-	-
Project CA1	(109)	350	-	-	241
Project Liberia (Monrovia)	269	-	-	-	269
Project Mexico	-	3,771	(18,771)	15,000	-
Project Mozambique: Bible printing	-	40,560	(21,082)	(5,683)	13,795
Project Mozambique	2,440	14,250	(15,822)	5,964	6,832
Project Myanmar	4,646	1,686	-	-	6,332
Project Nicaragua	485	-	-	-	485
Project Pakistan	14,509	929	(5,106)	-	10,333
Project Panama	358	-	(358)	-	-
Project Paraguay	2,877	-	-	-	2,877
Project Philippines	325	1,116	-	-	1,441
Project Poland	(21)	-	422	422	(21)
Project Portugal	1,252	300	(2,216)	-	(665)
Project Romania	962	-	(872)	-	90
Project Russia	3,193	1,146	(3,559)	164	943
Project Sierra Leone	25	-	-	-	25
Project Spain	(38)	20,973	(22,736)	1,762	(38)
Project Thailand	4,255	2219.03	(4,442)	650	2,682
Project Trinidad & Tobago	1,126	-	-	-	1,126
Project Uruguay	-	6,402	(2,543)	-	3,858
Project Venezuela	-	4,043	(1,700)	-	2,343
Project Zambia	163	-	-	(163)	-

CLC International Office

Notes to the financial statements for the year ended 31 January 2018

..... continued

Carried forward	137,820	203,523	(188,185)	12,927	166,082
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Total Restricted Funds	Opening Balance	Income	Expenditure	Transfers	Closing Balance
	£	£	£	£	£
Brought forward	137,820	203,523	(188,185)	12,927	166,082
Holding CLC Suspense	428	188	-	-	615
Americas Conference	169	2,422	(2,591)	-	-
Africa Conference Travel Fund	-	-	-	163	163
BELT Barnabus Trust	-	23,191	(23,775)	2,850	2,266
Bible Companion Publishing	304	-	-	(304)	-
CLC Europe Conference Costs	2,084	10,938	(10,864)	-	2,159
Digital Technologies	239,692	-	(22,719)	-	216,974
Evangelistic Literature Project	7,495	-	-	(650)	6,845
Movie Translation French - Spanish	-	-	(696)	-	(696)
Project International Website	(4,966)	-	-	-	(4,966)
Publishing Fund	81	7,877	-	(5,654)	2,304
Shop in a Box Funds	123	30	(1)	(154)	-
	<u>383,230</u>	<u>248,170</u>	<u>(248,831)</u>	<u>9,178</u>	<u>391,745</u>

The Project Accounts represent funds raised for projects in specific countries. Where the funds raised are insufficient to meet the project expenditure, funds are transferred from the unrestricted funds of CLC International Office. In the event that the project does not go ahead, funds may be transferred to other projects with the agreement of the donors.

18. Other Funds

CLC International Office acts as a channel for funds designated to Barnabas Evangelical Literature Trust, a separate registered Charity. Funds received on behalf of Barnabas Evangelical Literature Trust during the year amounted to £Nil (2017 - £2,000).

19. Transfers

	Unrestricted Funds		
	General Funds	Designated Funds	Restricted Funds
	£	£	£
Transfers between funds:			
Project Austria	8,383	-	(8,383)
Project Bolivia	(1,570)	-	1,570
Project Cote D'Ivoire	(710)	-	710
Project Mexico	(15,000)	-	15,000
Project Mozambique	(281)	-	281
International Council Reserve	(5,000)	5,000	-
	<u>(20,944)</u>	<u>5,000</u>	<u>9,178</u>

CLC International Office

**Notes to the financial statements
for the year ended 31 January 2018**

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20. Capital commitments

The Trustees confirm that there are no capital commitments at 31 January 2018.

21. Contingent liabilities

The trustees confirm there are no contingent liabilities at 31 January 2018.

22. Post balance sheet events

The Trustees confirm there are no post Balance Sheet events that require disclosure in these accounts.