

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 2017 – 28 February 2018**

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

Luton Christian Book Centre
Trustees' Annual Report for the Period
1 March 2017 – 29 February 2018

Structure Governance and Management

Names of Trustees

There was no change in Trustees, the following serving 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 four times during the current reporting period (March, June, September and February). 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 has continued to be the responsibility of John Maple assisted by John Snuggs, Robin Pinner and Guy Marshall.

However, John Snuggs gave good notice of his intention for he and his wife Elaine to move to Leeds to be nearer their son and family. John Snuggs has deputised for John Maple over the 13 years he has worked as a volunteer and will be sorely missed as a friend and work colleague. The assistance that Elaine has also given each year with the stocktaking will also be missed. John will cease regular working at the end of March but will be available for occasional duties between visits to Leeds and planning the move. The Trustees are meeting with John and Elaine to express their sincere appreciations and to say their goodbyes.

We were sorry to say goodbye to Rebecca who had helped as a Monday volunteer for 6 months and we wish her well as she returns to paid employment.

We are pleased to welcome two new volunteers, Martin and Angela Symonds from the start of the new financial year. Martin and Angela have 40 years experience working as missionaries in Taiwan and will “job share”, each working half a day Friday am or pm. It is the first time that Mandarin has been heard spoken in the shop and we give Martin and Angela a very warm welcome!

We have a compliment of 16 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.

John Maple has managed the shop for 14 years and feels it is time to plan for future succession. We are therefore seeking to recruit a person who will be available at least 2 days a week to take on the full role of managing the shop. John Maple hopes to be available for a lengthy hand over period and then to continue working as a volunteer.

In the interim responsibilities have been shared: purchasing Cards and Gifts has been fully delegated to Carol Beasley and Celeste Pyle; Guy Marshall, Robin Pinner and Avril Johnson are also meeting Sales Representatives for publishers when necessary. Each member of staff is being given responsibility for carrying out stock checks and generally looking after the shop displays covering all parts of the shop. This will allow John Maple to reduce regular working hours from 3 to 2 days a week while we look for a new shop Manager.

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 first choice suppliers which is mutually beneficial.

Copies of “The Message New Testament and Psalms and Journals were made available at cost price to Azalea to be given 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 towards the work of the bookshop.

The property is owned by Urban Saints and we are very grateful for the personal support that Matt Summerfield, CEO of Urban Saints, has given since we moved to the building in 2005. During the year Matt Summerfield has handed over day to day control of Urban Saints to Richard Langmead. We are very pleased to continue to have the support of Richard and his Team.

Achievements and Performance

This is the thirteenth 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. However, following the 9.7% decline in sales last year we are pleased to report a 7.4% increase this reporting period. It is particular pleasing that book sales increased by 8.4%. We also started to sell Fairtrade items in March when the World Trade Shop in Stopsley closed. The profit margin is small after customer discounts are applied but it is a further service we can provide to Churches and individual customers. As trade increases we hope to qualify for an additional discount from the suppliers.

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 and during the year invited a student to make a 3 minute video of the shop, scripted by John Maple. This was placed on Youtube with the intention it could be used by churches. However, in retrospect the film was too long and the idea is being reformulated - see future plans below.

We have 6 regular book agents taking a selection of titles into local churches.

12 Church of England Primary Schools were contacted with a special offer to provide Bibles for school leavers. We have 3 schools that order regularly from us in the Summer term and the mailing resulted in just one more request making 4 schools in all.

Schools were also contacted about grants offered by Speaking Volumes for Christian books placed in school or classroom libraries. Speaking Volumes now offer grants of 100% the cost of the books to a maximum of £500. We were pleased that two schools (Brammingham Luton and Silsoe Primary) applied and received grants. We were also asked to provide books for a grant awarded to the YMCA in Watford.

We were challenged when reading a book with the title "The Bookshop That Matters" The author also spoke at the Booksellers retreat in September. Some of the ideas adopted from the book during the year are:

- Regular changes of displays – every month
- Late night opening (still only an idea)
- A prayer board for customer prayer requests
- A regular display of recommended books, each with a storyboard to say why the book "made a difference"

Another significant idea was to hold a book club in the shop. This was taken up as a project by Avril, one of our volunteer staff and The Book Club has now met regularly once a month and has been a great success with up to 10 regular members.

Other ideas still to be considered are a flashing sign in the window, visible to traffic on the bypass and advertising in a Luton Vine Businesses Magazine which is delivered free throughout Luton. However, direct publicity via churches is still seen as the most effective method of advertising and we are planning to prepare a very short "slide show" (only 3-5 slides on Powerpoint) for churches to project before or after each morning service.

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.

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 aim to meet or better internet prices wherever possible.

Three Counties Booksellers 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.

During the year the coffee area was refurbished with vinyl flooring replacing the stained carpet and four square tables and 8 matching chairs replacing the round tables and chairs. This allows tables to be arranged individually or brought together when serving teas and coffees to groups.

Financial Review

Sales rose by £7225 (7.4%). Book sales increased 8.4% to £63210 but are still well short of £83000 where they were 5 years ago.

The financial statement shows an operating surplus of £6679 for the year. 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). We are fully insured for fire and theft, and public and employee liability and have the necessary licence to play music in the shop.

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

We will ensure contact deals are kept secure and maintained in accordance with the forthcoming GDPR Regulations. We continue to build our list of e-mail contacts, with approvals, 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 meet.

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 1.4, slightly improved on last year (1.3) but we still have the target to increase this to 2.0 by identifying products having the highest turnover, putting "slow moving stock in the sale, 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
17th July 2018

Luton Christian Book Centre
Statement of Assets and Liabilities
As at 28 February 2018

| | February <u>2018</u> £ | February <u>2017</u> £ |
|---|------------------------------|------------------------------|
| Fixed Assets | | |
| Cost (stock control system upgrade) | 6,048 | 6,048 |
| Cumulative Depreciation | <u>(6,048)</u> | <u>(5,820)</u> |
| | 0 | 228 |
| Monetary Assets | | |
| Bank Current Account | 24,824 | 21,047 |
| Church accounts outstanding & Prepayments | 1,124 | 505 |
| VAT | 333 | 4 |
| Cash in Hand | <u>645</u> | <u>945</u> |
| | 26,926 | 22,501 |
| Other Assets | | |
| Stock at cost | 48,740 | 46,789 |
| Stock write off provision | <u>(1,300)</u> | <u>(2,400)</u> |
| | 47,440 | 44,389 |
| TOTAL CURRENT ASSETS | 74,366 | 66,890 |
| Liabilities | | |
| Trade creditors | 6,907 | 6,281 |
| PAYE payable | 87 | 144 |
| | <u>6,994</u> | <u>6,425</u> |
| NET ASSETS LESS LIABILITIES | <u>67,372</u> | <u>60,693</u> |
| ACCUMULATION FUND | | |
| As of 1 March | 60,693 | 59,504 |
| Surplus/Deficit for year | 6,679 | 1,189 |
| As at 28 February | <u>67,372</u> | <u>60,693</u> |

Approved by the Trustees



J Maple
Chair of Trustees

Luton Christian Book Centre
Income and Expenditure Account
For the Year Ended 28 February 2018

| <u>INCOME</u> | February <u>2018</u> £ | February <u>2017</u> £ |
|----------------------------------|------------------------------|------------------------------|
| SALES | | |
| Christian Goods | | |
| Books | 63,210 | 58,302 |
| Cards | 10,292 | 10,157 |
| CDs, DVD's | 7,244 | 7,231 |
| Gifts and accessories | 17,858 | 17,955 |
| Church Supplies | 4,553 | 3,506 |
| Refreshments | 201 | 155 |
| Carriage charged | 21 | (40) |
| Tokens sold less tokens redeemed | (56) | (190) |
| Traidcraft | 978 | 0 |
| TOTAL SALES | <u>104,301</u> | <u>97,076</u> |
| OTHER INCOME | | |
| Donations Received | 69 | 100 |
| TOTAL INCOME | <u>104,370</u> | <u>97,176</u> |
| EXPENDITURE | | |
| Cost of Sales | <u>65,090</u> | <u>63,070</u> |
| EXPENSES | | |
| Postage and carriage | 90 | (40) |
| Staff costs | 15,536 | 15,141 |
| Rent ,rates, services | 11,939 | 12,319 |
| Insurance/licences | 377 | 368 |
| Telephone and e-mail | 931 | 798 |
| Computer & Booksolve maintenance | 1,353 | 1,733 |
| Bank charges | 0 | 6 |
| Credit card transaction charges | 1,072 | 1,039 |
| Bookshop administration | 875 | 864 |
| Advertising and signage | 200 | 425 |
| Depreciation | 228 | 264 |
| | <u>32,601</u> | <u>32,917</u> |
| TOTAL EXPENDITURE | <u>97,691</u> | <u>95,987</u> |
| SURPLUS FOR YEAR | <u>6,679</u> | <u>1,189</u> |

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 2018, 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
ACMA
165 Old Bedford Road
Luton LU2 7EG

5 December 2018