

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 2018 – 28 February 2019**

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

Luton Christian Book Centre
Trustees' Annual Report for the Period
1 March 2018 – 28 February 2019

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 three times during the current reporting period (August, October, and January). 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 Robin Pinner and Guy Marshall.

As reported last year, John Snuggs and his wife Elaine moved to Leeds in the Summer of 2018 to be nearer their son and family. A meal and a gift for their new home was arranged by the Trustees as an opportunity to express our thanks to John and Elaine and wish them every blessing in their new home.

Deborah Bernard, one of our Trustees kindly offered to host a meal for all our volunteers and Trustees. This allowed staff who work different days to meet one another and Trustees. It was a very pleasant occasion enjoyed by all who attended and thanks go to Deborah for being an excellent host.

In October Celeste decided to leave the bookshop and this left a big gap as she worked Tuesdays and most Saturdays. However, Avril, Gill and Carol have covered Saturdays. Without seeing any request for additional staff Eddie Borghossian volunteered to help and was welcomed as a new volunteer. Eddie's former job had

been IT Director and it is amazing how his talents were to be used soon after joining the team as we experienced a computer breakdown on the till. The main server was becoming obsolescent and during the year we have been able to replace all three computers and their associated network components as well as arrange an off-site back up using the cloud facility.

We again 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.

As reported last year John Maple who has now managed the shop for 15 years feels it is time to retire for personal and family reasons. We have so far not received an application for his role of Manager and a deadline has been set for the end of the next financial year, February 2020.

John is now working 2 days a week and responsibilities have been delegated to other staff where possible.

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.

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, cards and selected fair trade products.

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 continuing support of Richard Langmead, CEO of Urban Saints.

Achievements and Performance

This is the fourteenth 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. This year we have seen an overall drop in sales of 5.7%. The sale of CDs, DVDs general gifts, children's sundries and Church supplies have all decreased while Bible sales and Traidcraft goods have increased. It is particularly pleasing that Bible sales have increased by 9.7% as we have intentionally extended the range of Bibles we stock,

we sold 1,258 Bibles during 2018. Sale of Traidcraft items, now in their second year, increased by 124%

We continue to receive good support from churches in Luton, Harpenden and St Albans. We are grateful to Guy Marshall who makes the majority of deliveries to Churches in St Albans. However, we are still aware that there is a lot more we could do to attract new customers and to interact fully with Churches and Christians in Luton. However, we are always busy with essential ordering and selling to give sufficient time to marketing. We still regularly welcome new customers who have found the shop for the first time. Thanks to Avril we have maintained a good presence on Facebook and she has also nurtured a successful Book Club which meets the first Friday of each month in the Bookshop.

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 now have 5 schools that order regularly from us in the Summer term (which accounts for 150 Bibles sold).

Schools were also contacted about grants offered by Speaking Volumes for Christian books placed in school or classroom libraries. The demand for grants has exceeded the funds that Speaking Volumes has available and there is still one School grant in the pipeline which we hope to provide books for. We were also able to make a donation of £100 towards the Speaking Volumes grant scheme.

We were invited to organise two conference bookstalls. One was for the National Youth Ministry Conference in November with 900 delegates. We gave a generous discount to support the organisers but greatly overestimated the potential sale of books (Youth Leaders have a small budget!). We had to return more than 80% of the books ordered but thanks to the support of publishers providing see-safe stock the bookstall broke even. The second conference "The New Housing Hub" was smaller with less than 100 delegates. We gave higher discounts direct to delegates and sales approached 50% of titles ordered for the conference and, thanks to the returns policy of publishers, made a small profit.

A further bookstall organised by a customer at their Church Fare sold over £100 of books from stock.

Storyboards recommending selected books and newly published books now feature in our shop displays.

In order to reach out in Luton we placed a quarter page advertisement in the October and December editions of the Luton Vine Businesses Magazine which is delivered to homes free of charge to many areas in Luton.

Open evenings and afternoons were again arranged before Christmas with free tea/coffee and mince pies and a total of 9 groups, (two more than last year), visited the shop during these evenings. Some groups travelled in from neighbouring villages and they were all enjoyable occasions allowing visitors to shop whilst enjoying fellowship together.

Bookshop signs at the front door which had become tarnished were replaced to maintain appearance.

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

A discount is also 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.

Financial Review

As reported above, sales fell by £6010 (5.8%), whilst stock purchases remained fairly level (-1%).

The reasons why the trend in stock purchases did not follow the fall in sales were largely due to increases in the Bible stock and Traidcraft products which both saw an increase in sales. There is still need to reduce stock overall especially CDs. There were unplanned costs: £500 insurance excess following a break-in (see below) and £2000 to replace the shop computer network, and a stock write off provision of £2450 (dead stock). There is a deficit for the year of £339

The Trustees are grateful to John Read for preparing the current accounts and to 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.

During the year the building sustained several break-ins. Two in particular affected the bookshop. On two occasions the glass of the front door to the shop was smashed and on the second occasion the keys to the safe were found and approximately £1000 stolen from the safe (including the keys). Our Insurers were helpful in agreeing to repay the stolen money and pay for a replacement higher grade combination safe which is bolted to the concrete floor. The cost to us was the £500 excess. Urban Saints and Middle East Concern who have an office in the building have also sustained losses from several break-ins. Urban Saints have been responsible for repairing the damage to the building that each break-in has caused. As a result of the break in they have made a significant investment to improve security. CCTV has been installed and this has led to the arrest of two different offenders. They are also in the process of upgrading the alarm system so that different zones can be alarmed separately and they have installed heavy duty metal front and back doors. Despite all this it is a difficult building to make fully secure with so much ground floor glazing.

GDPR Regulations. A GDPR compliance procedure has been prepared. The only personal data held are names and addresses on invoices, which are held on the Booksolve inventory system, and only used for billing and e-mail addresses used for responding to customer e-mail requests for information. Customers have been

contacted by e-mail to request their approval for using their e-mail address and e-mails are only sent to those addresses where we have customer approval.

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 advertise and seek personal referrals for the appointment of a new shop manager

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, with approvals in line with our GDPR policy 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.

The stock turnover during the reporting period was 1.3, lower than last year (1.4) 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 seek to increase the sale 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
25th April 2019

Luton Christian Book Centre
Statement of Assets and Liabilities
As at 28 February 2019

	February <u>2019</u> £	February <u>2018</u> £
Fixed Assets		
Cost (stock control system upgrade)	-	6,048
Cumulative Depreciation	-	(6,048)
	<u>-</u>	<u>-</u>
Monetary Assets		
Bank Current Account	23,123	24,824
Church accounts outstanding & Prepayments	539	1,124
VAT	726	333
Cash in Hand	590	645
	<u>24,978</u>	<u>26,926</u>
Other Assets		
Stock at cost	50,229	48,740
Stock write off provision	(2,450)	(1,300)
	<u>47,779</u>	<u>47,440</u>
TOTAL CURRENT ASSETS	72,757	74,366
Liabilities		
Trade creditors	5,580	6,907
PAYE payable	144	87
	<u>5,724</u>	<u>6,994</u>
NET ASSETS LESS LIABILITIES	<u>67,033</u>	<u>67,372</u>
ACCUMULATION FUND		
As of 1 March	67,372	60,693
Surplus/Deficit for year	(339)	6,679
As at 28 February	<u>67,033</u>	<u>67,372</u>

Approved by the Trustees



J Maple
Chair of Trustees

Luton Christian Book Centre
Income and Expenditure Account
For the Year Ended 28 February 2019

<u>INCOME</u>	February <u>2019</u> £	February <u>2018</u> £
SALES		
Christian Goods		
Books	61,069	63,210
Cards	10,638	10,292
CDs, DVD's	4,709	7,244
Gifts and accessories	16,265	17,858
Church Supplies	3,287	4,553
Traidcraft	2,194	978
Refreshments	145	201
Carriage Charged	-	21
Tokens sold less tokens redeemed	(16)	(56)
TOTAL SALES	<u>98,291</u>	<u>104,301</u>
OTHER INCOME		
Bank Interest	-	-
Donations Received	95	69
TOTAL INCOME	<u>98,386</u>	<u>104,370</u>
EXPENDITURE		
Cost of Sales	<u>64,393</u>	<u>65,090</u>
EXPENSES		
Postage and carriage	7	90
Staff costs	15,938	15,536
Rent ,rates, services	12,236	11,939
Insurance/licences	94	377
Telephone and e-mail	999	931
Computer & Booksolve maintenance	3,098	1,353
Donations payable	100	-
Credit card transaction charges	1,100	1,072
Bookshop administration	525	875
Advertising and signage	235	200
Depreciation	-	228
	<u>34,332</u>	<u>32,601</u>
TOTAL EXPENDITURE	<u>98,725</u>	<u>97,691</u>
SURPLUS FOR YEAR	<u>(339)</u>	<u>6,679</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 2019, 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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24 October 2019