

CLC INTERNATIONAL OFFICE
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

CLC INTERNATIONAL OFFICE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Chamberlain G Ince J Raby J Watkins P Nemansky C Pulsford	(Appointed 18 August 2022) (Appointed 3 July 2023)
International director	Mr G Chamberlin	
Charity number	1058306	
Principal address	118 Prospect Road Sheffield S17 4JE	
Independent examiner	Grant Wade BAACA Wells Richardson Cannon House Rutland Road Sheffield South Yorkshire S3 8DP	
Bankers	CAF Bank Limited 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ Univest Bank and Trust Co. 10W Broad Street PO Box 64197 Souderton PA 18964 USA	

CLC INTERNATIONAL OFFICE

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CLC INTERNATIONAL OFFICE

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 JANUARY 2023

The trustees present their annual report and financial statements for the year ended 31 January 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Declaration of Trust dated 8 August 1996, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The charity's objects are:

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

CLC is a missionary fellowship operating in 44 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 organizations work together under the guidelines of the voluntary code of the CLC International Constitution and the Guiding Principles.

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 the Regional Directors of five regions - Africa, Asia, Europe, Latin America, North America & Caribbean - 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.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

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 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.

CLC INTERNATIONAL OFFICE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

Achievements and performance

The year ended 31 January 2023 was positive for CLC internationally. By the end of the fiscal year global sales continued to increase compared to pre-pandemic levels. Total global sales were almost 4% above the previous fiscal year and 5.50% above fiscal year ending 31 January 2019. Though internet sales fell about 8% compared to the previous fiscal year, they still represent over 15.5% of total global sales. The reason for the fall is that customers have returned to visiting the physical bookshops. Additionally, many countries had a notable increase of sales on third-party websites such as Amazon, Ebay, Shopee and Mercadolibre. Some countries continued to have a significant increase in sales by engaging customers on social media platforms such as WhatsApp, Facebook and Instagram. We had comprehensive sales reporting every six months.

International Director and Regional Directors

The International Director, Gary Chamberlin, continued to lead the body of Regional Directors throughout the year, meeting frequently via Zoom. The Regional Directors began to travel again, post-Covid, in the second part of the year. They continued to concentrate on meeting each other and giving oversight to the various CLC teams through video meetings, instant messaging and emails.

The first post-Covid physical meeting of the Regional Directors took place in October in Cyprus. On that occasion Hervé Lessous, Director of CLC France, was elected to be the new European Director.

The Regional Directors continued to develop the Structural Review of the International Office. Though this remains important and there has been progress, the urgency subsided because of lower expenses and higher revenues, resulting in a more balanced budget.

Global meetings

The use of Zoom to enable global meetings continued to be effective and appreciated. It is an excellent way of bringing the worldwide CLC Fellowship together. Three meetings to promote prayer for the CLC Fellowship were organised in March, June and October. Approximately 120 CLC staff participated at each meeting from about 40 countries. The devotionals at these meetings focused on the CLC Core Values of faith, fellowship, holiness and sacrifice.

The International Council held meetings on Zoom in May and September 2022 to consider various issues and to consider proposals for the IO Protocol, which was developed in order to better define the relationships among the Council, Trustees, ID, RDs and IO Staff. In May the International Council approved a significant part of the IO Protocol. The approval of the remaining part will be in-person at the Council meeting in September 2024.

Mutual Support

The International Office continued to facilitate the support of certain CLC ministries to strengthen those that were particularly hard hit by the pandemic. Support was especially focused on funding salaries and helping a few countries purchase badly needed stock such as Benin, Burkina Faso, Mexico, Peru and Sierra Leone. In particular, the Caribbean islands and Myanmar benefited in this way since they continued to face great difficulties throughout the year.

Project Funding

Funding was provided to Burkina Faso to purchase a good used vehicle, permitting them to run book tables at churches and conferences, mostly in the south and near the capital.

Funds were raised for Sierra Leone to purchase a kéké, a 3-wheeled vehicle, to enable them to run book tables in and around the city of Bo.

The Ukraine Project received funds of over £350,000 from many sources including individuals, publishers, CLC countries and foundations in the UK and USA. About 500,000 pieces of literature including children's Bibles and books and Gospels of John were printed mostly in Poland and distributed to refugees through our CLC channels in Hungary, Italy, Romania, UK and mostly Poland. Many were also distributed among many refugees inside Ukraine, some on the front lines and in bomb shelters.

A loan was provided to help Ecuador construct a new building on a piece of land which they have owned for many years. The new building in the important port city of Guayaquil will include a warehouse and a large shop.

At the beginning of the year a loan was granted to Panama to help purchase a shop in the Westland Mall in the north of Panama City.

CLC INTERNATIONAL OFFICE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

Bible Projects

In the previous year funds were raised for printing Bibles for three countries in Francophone West Africa. At the beginning of this fiscal year the 10,000 French language Bibles began to arrive in Benin, Burkina Faso and Ivory Coast.

Funds designated for CLC-ELS Pakistan were released to enable them to purchase 1,000 Bibles in order to ensure a constant supply to meet the demands.

Mission Statement Updated

The CLC International Mission Statement is as follows: The purpose of CLC is to honour God by making Christian literature and resources available to all nations, to help people come to faith and maturity in the Lord Jesus Christ.

Financial review

Income

Total income for the year was £529k (2022: £472k). Funding for projects amounted to £299k (2022: £179k) and was principally from CLC organisations but also from trusts and individuals.

Non-project income of £230k (2022: £293k) included £153k (2022: £135k) contributions from other CLC organisations, £55k (2022: £32k) from website charges to those organisations, £Nil (2022: £138k) from sale of charity's offices, £20k (2022: (£13k)) comprising foreign exchange gains and losses and £2k (2022: £1k) from other sources (mainly interest, book sales, rents and donations).

Expenditure

Total expenditure for the year was £518k (2022: £399k). Expenditure on projects amounted to £346k (2022: £222k).

Non-project expenditure of £172k (2022: 177k) included £72k (2022: £106k) on support for staff and volunteers, £22k (2022: £Nil) on their travel and accommodation, £41k (2022: £43k) on website and IT costs, £11k (2022: £14k) on contributions not paid and £26k (2022: £14k) on other costs.

Reserves Policy

Free reserves at 31 January 2023 are £383k (2021: £381k). It is the Trustees' opinion that unrestricted funds equal to at least six months' normal expenditure should be maintained, which amounts to approximately £91k (2022: £116k). 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.

Covid 19

This year, the world has continued to experience the impact of the Covid19 pandemic. The CLC Fellowship has experienced its effect in all of the countries in which we serve. Some countries have been deeply impacted, particularly where there is a strong dependence on physical bookshops and those bookshops have been closed. At different times and for varying periods a total of 130 of our 146 bookshops worldwide were required to close because of the lockdown measures.

On the other side, the pandemic has created opportunities for us to refocus our distribution with an emphasis on online channels.

The International Office income has been negatively impacted by the fall in sales and the trustees have been taking steps to ensure its continued viability of the work.

Funds carried forward at 31 January 2023 are £601k (2022: £590k).

Plans for future periods

A significant part of the funds from the sale of the property in Abbeydale Road in Sheffield was subsequently designated for capital investments. Two loan funds were initiated for capital investments.

The International Director has a number of key priorities. These include a focus on making strategic capital investments, growing our global publishing and internet presence and focusing on future leadership as some Regional Directors will not be available for election again in 2024, the next physical CLC Council. This necessitates a strategic review to ensure a sustainable future for the International Office. The Regional Directors kept these priorities in focus during the year, resulting in positive developments for each priority.

Structure, governance and management

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

CLC INTERNATIONAL OFFICE

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

The trustees who served during the year and up to the date of signature of the financial statements were:

J Chamberlain

E Lugg

(Resigned 28 March 2022)

G Ince

J Raby

J Watkins

R Williams

(Resigned 12 July 2022)

H Alvarez

(Appointed 18 August 2022 and resigned 10 May 2023)

P Nemansky

(Appointed 18 August 2022)

C Pulsford

(Appointed 3 July 2023)

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.

Trustee meetings are held at least four times 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.

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.

The trustees' report was approved by the Board of Trustees.

J Raby

Trustee

13 November 2023

CLC INTERNATIONAL OFFICE

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF CLC INTERNATIONAL OFFICE

I report to the trustees on my examination of the financial statements of CLC International Office (the charity) for the year ended 31 January 2023.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

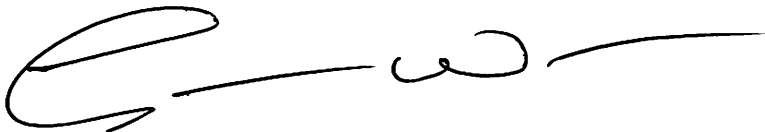
Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Grant Wade BA ACA
Wells Richardson
Cannon House
Rutland Road
Sheffield
South Yorkshire
S3 8DP

Dated: 16 November 2023

CLC INTERNATIONAL OFFICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

		Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Restricted funds 2022 £	Total 2022 £
	Notes								
<u>Income and endowments from:</u>									
Charitable activities	3	209,100	14,230	284,582	507,912	167,478	21,641	157,736	346,855
Other trading activities	4	-	-	-	-	240	-	-	240
Investments	5	705	-	-	705	(500)	-	-	(500)
Surplus/(Loss) on dollar exchange		20,223	-	-	20,223	(12,864)	-	-	(12,864)
Other income	6	-	-	-	-	-	138,405	-	138,405
Total income		<u>230,028</u>	<u>14,230</u>	<u>284,582</u>	<u>528,840</u>	<u>154,354</u>	<u>160,046</u>	<u>157,736</u>	<u>472,136</u>
<u>Expenditure on:</u>									
Charitable activities	7	171,335	21,595	324,652	517,582	178,045	25,867	194,933	398,845
Net incoming/(outgoing) resources before transfers		<u>58,693</u>	<u>(7,365)</u>	<u>(40,070)</u>	<u>11,258</u>	<u>(23,691)</u>	<u>134,179</u>	<u>(37,197)</u>	<u>73,291</u>
Gross transfers between funds	12	(54,988)	5,000	49,988	-	32,777	2,386	(35,163)	-
Net income for the year/ Net movement in funds		<u>3,705</u>	<u>(2,365)</u>	<u>9,918</u>	<u>11,258</u>	<u>9,086</u>	<u>136,565</u>	<u>(72,360)</u>	<u>73,291</u>
Fund balances at 1 February 2022									
As originally reported		188,654	201,508	176,713	566,875	179,568	64,943	249,073	493,584
Prior year adjustment	22	-	-	22,979	22,979	-	-	22,979	22,979
As restated		<u>188,654</u>	<u>201,508</u>	<u>199,692</u>	<u>589,854</u>	<u>179,568</u>	<u>64,943</u>	<u>272,052</u>	<u>516,563</u>
Fund balances at 31 January 2023		<u><u>192,359</u></u>	<u><u>199,143</u></u>	<u><u>209,610</u></u>	<u><u>601,112</u></u>	<u><u>188,654</u></u>	<u><u>201,508</u></u>	<u><u>199,692</u></u>	<u><u>589,854</u></u>

CLC INTERNATIONAL OFFICE

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2023

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

CLC INTERNATIONAL OFFICE

BALANCE SHEET

AS AT 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	13		8,829		8,829
Current assets					
Stocks	14	748		1,410	
Debtors	15	149,686		112,285	
Cash at bank and in hand		478,656		516,155	
		<u>629,090</u>		<u>629,850</u>	
Creditors: amounts falling due within one year	16	<u>(36,807)</u>		<u>(48,825)</u>	
Net current assets			592,283		581,025
Total assets less current liabilities			<u>601,112</u>		<u>589,854</u>
Income funds					
Restricted funds	17	209,610		199,692	
Unrestricted funds - designated	18	199,143		201,508	
Unrestricted funds - general		192,359		188,654	
		<u>601,112</u>		<u>589,854</u>	

The financial statements were approved by the Trustees on 13 November 2023

J Raby
Trustee

CLC INTERNATIONAL OFFICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	23		(38,204)		(77,513)
Investing activities					
Proceeds from disposal of tangible fixed assets		-		211,915	
Investment income received		705		(500)	
Net cash generated from investing activities			705		211,415
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(37,499)		133,902
Cash and cash equivalents at beginning of year			516,155		382,253
Cash and cash equivalents at end of year			478,656		516,155

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

Charity information

CLC International Office is a charity governed by a Declaration of Trust dated 8 August 1996 and is a registered charity, number 1058306.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Declaration of Trust, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Prior period error

Restricted funds brought forward have been increased by £22,979, representing loan monies owed by CLC Peru previously recognised as Project income of £3,829 and Project expenditure of £26,808 in the year ended 31 January 2020.

1.3 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Donated goods and services are recognised on receipt.

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

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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 recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	33.3%
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

Freehold land and buildings were included in the financial statements at cost. No depreciation was provided on freehold land and buildings. It was the policy of the Trustees to maintain their properties in such a condition that their value was not impaired by the passage of time. Freehold land and buildings were disposed of in August 2021.

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

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 22. Each operating subsidiary undertaking is exclusively involved in running a Christian bookshop. 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 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.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Foreign exchange

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.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

3 Charitable activities

	2023 £	2022 £
Bible Companion sales	935	635
Contributions	152,936	134,506
CLC Projects	272,037	100,925
CLC Holdings	26,775	78,452
Website and Digital income	55,229	32,337
	<u>507,912</u>	<u>346,855</u>
Analysis by fund		
Unrestricted funds - general	209,100	167,478
Unrestricted funds - designated	14,230	21,641
Restricted funds	284,582	157,736
	<u>507,912</u>	<u>346,855</u>

4 Other trading activities

	Total Unrestricted funds general 2023 £	2022 £
Letting and licensing arrangements	-	240
	<u>-</u>	<u>240</u>

5 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	705	(500)
	<u>705</u>	<u>(500)</u>

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

6 Other income

	Total Unrestricted funds designated	
	2023	2022
	£	£
Net gain on disposal of tangible fixed assets	-	138,405

The profit on disposal of tangible fixed assets resulted from the sale of the charity's premises on Abbeydale Road in August 2021.

7 Charitable activities

	2023	2022
	£	£
Staff costs	4,998	2,703
Depreciation and impairment	-	277
Cost of Goods sold	788	756
CLC Projects	324,635	152,920
CLC Holdings	21,612	67,880
Establishment costs	1,795	3,756
Telephone	800	929
Travel expenses	22,211	(281)
Printing, postage, stationery, books and subscriptions	5,631	3,216
Hospitality, Conference and Directors' meeting expenses	378	540
IT and website costs	41,081	43,249
Volunteers' Support costs	71,974	106,286
Bank charges	623	355
Bad debts	10,926	13,789
	507,452	396,375
Share of governance costs (see note 8)	10,130	2,470
	517,582	398,845
Analysis by fund		
Unrestricted funds - general	171,335	178,045
Unrestricted funds - designated	21,595	25,867
Restricted funds	324,652	194,933
	517,582	398,845

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

8 Support costs

	Support costs £	Governance costs £	2023 £	Support costs £	Governance costs £	2022 £
Independent Examiner fees	-	2,800	2,800	-	2,360	2,360
Legal and professional fees	-	7,330	7,330	-	110	110
	-	10,130	10,130	-	2,470	2,470
Analysed between Charitable activities	-	10,130	10,130	-	2,470	2,470

Governance costs includes payments to the independent examiner of £2,800 (2022- £2,360).

9 Trustees

Travel and other expenses amounting to £Nil (2022 - £Nil) were reimbursed to any trustees during the year.

The charity has incurred £377 (2022 - £377) of expenditure in respect of Trustees Indemnity Insurance.

No trustees received any remuneration during the year (2022 - £Nil).

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	1	1
Employment costs	2023 £	2022 £
Wages and salaries	4,998	2,703

There were no employees whose annual remuneration was more than £60,000.

11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

12 Transfers

	Unrestricted funds designated	Restricted funds	Total	Unrestricted funds designated	Restricted funds	Total
	2023 £	2023 £	2023 £	2022 £	2022 £	2022 £
European Conference costs	(3,086)		3,086	-	-	-
International Council reserve	(5,000)	5,000	-	-	-	-
Support payments - G Scalante	-	-	-	5,414	-	(5,414)
Contingency fund transfers re Benin	-	-	-	(400)	-	400
Suspense account fund transfer re Benin	-	-	-	-	(500)	500
Digital App project subsidy transfer	(46,902)	-	46,902	27,763	-	(27,763)
Website support costs re Switzerland	-	-	-	-	1,041	(1,041)
Evangelistic Literature project	-	-	-	-	1,845	(1,845)
	<u>(54,988)</u>	<u>5,000</u>	<u>49,988</u>	<u>32,777</u>	<u>2,386</u>	<u>(35,163)</u>

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

13 Fixed asset investments

	Unlisted investments £	Other investments	Total £
Cost or valuation			
At 1 February 2022 & 31 January 2023	8,028	801	8,829
Carrying amount			
At 31 January 2023	8,028	801	8,829
At 31 January 2022	8,028	801	8,829

	Notes	2023 £	2022 £
Other investments comprise:			
Investments in subsidiaries	21	801	801

14 Stocks

	2023 £	2022 £
Finished goods and goods for resale	748	1,410

15 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	54,598	53,582
Other debtors	82,078	52,733
Prepayments and accrued income	13,010	5,970
	149,686	112,285

16 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	61	-
Trade creditors	2,130	459
Other creditors	15,612	23,231
Accruals and deferred income	19,004	25,135
	36,807	48,825

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

17 Restricted funds

Project Mozambique: Bible printing	10,984	3,674	2,986	-	17,644	60	-	1,721	19,425
Project Peru	4,227	1,988	-	-	6,215	10,916	-	485	17,616
Project funds below £10,000, held for the benefit of individual CLC Countries	100,878	95,369	(127,817)	16,301	84,731	261,103	(288,732)	5,533	62,635
Africa Conference Travel Fund	1,748	-	-	-	1,748	-	-	(734)	1,014
Columbia Loan Fund	1,933	1,060	-	-	2,993	-	-	-	2,993
Conference Costs CLC Europe	3,181	-	-	-	3,181	5,637	(9,815)	3,086	2,089
Digital Technologies	132,345	-	(27,725)	(27,763)	76,857	-	(23,888)	46,902	99,871
Evangelistic literature Project	1,845	-	-	(1,845)	-	2,293	-	-	2,293
Publishing Fund	9,415	20,000	(22,359)	(7,041)	15	-	(17)	-	(2)
Rudy Kuijer Evangelism Fund	-	200	-	-	200	68	-	-	268
SOS Fund	-	25,686	(11,177)	(9,401)	5,108	4,505	(2,200)	(7,005)	408
Print on demand Equipment Fund	-	1,000	-	-	1,000	-	-	-	1,000
Awaiting allocation	5,496	8,759	(8,841)	(5,414)	-	-	-	-	-
	272052	157736	194933	35163	199692	284582	324652	49988	209610

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.

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

18 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities made up as follows:

	Movement in funds					Movement in funds			
	Balance at 1 February 2021	Incoming resources	Resources expended	Transfers	Balance at 1 February 2022	Incoming resources	Resources expended	Transfers	Balance at 31 January 2023
	£	£	£	£	£	£	£	£	£
R Jones	-	4,345	(4,345)	-	-	5,060	(5,060)	-	-
CLC Workers MacKinnon	-	4,020	(4,020)	-	-	4,110	(4,102)	-	8
Other CLC workers	4,415	12,093	(16,508)	-	-	359	(318)	-	41
Where most needed Fund	-	-	-	-	-	3,602	(2,415)	210	1,397
Investment in subsidiaries (Note 20)	801	-	-	-	801	-	-	-	801
Non RF Funds awaiting allocation	609	795	(694)	(500)	210	-	-	(210)	-
International Council Reserve Fund (i)	15,209	-	(300)	-	14,909	-	-	5,000	19,909
Emergency Fund (ii)	1,909	-	-	-	1,909	-	-	-	1,909
BELT Fund (iii)	42,000	388	-	2,886	45,274	1,099	-	-	46,373
Property Purchase Fund (iv)	-	138,405	-	-	138,405	-	-	(23,405)	115,000
Publishing fund	-	-	-	-	-	-	(9,700)	9,700	-
New Country Start Up fund	-	-	-	-	-	-	-	9,000	9,000
Publish Devotional Book fund	-	-	-	-	-	-	-	4,705	4,705
	64943	160046	25867	2386	201508	14230	21595	5000	199143

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 JANUARY 2023*

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

- (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.
- (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.
- (iii) The Barnabas Evangelical Literature Trust (BELT) Fund represents funds transferred from that charity following the decision to dissolve that charity in January 2021. The funds are to be used for loans towards the work of CLC around the world, particularly for the purchase of property.
- (iv) The Property Purchases Fund was created in August 2021, comprising the proceeds from the sale of the charity's former offices on Abbeydale Road. The funds are to be used for assisting the purchase of properties throughout the CLC fellowship.

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2023

20 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Restricted funds 2023 £	Total Unrestricted funds 2023 £	Designated funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 January 2023 are represented by:							
Investments	8,028	801	-	8,829	8,028	-	8,829
Current assets/(liabilities)	184,331	198,342	209,610	592,283	180,626	199,692	581,025
	<u>192,359</u>	<u>199,143</u>	<u>209,610</u>	<u>601,112</u>	<u>188,654</u>	<u>199,692</u>	<u>589,854</u>

CLC INTERNATIONAL OFFICE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2023

21 Subsidiaries

Details of the charity's subsidiaries at 31 January 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Centre for Logistics and Co-operation Ltd.	Bulgaria	Christian bookshop	Ordinary	100.00	
Maranatha Ltd.	Bulgaria	Christian bookshop	Ordinary	100.00	
CLC Romania	Romania	Christian bookshop	Ordinary	100.00	
Bishkek shop	Central Asia	Christian bookshop	Ordinary	100.00	
CLC Digital Ltd.	United Kingdom	Dormant	Ordinary	100.00	

CLC Digital Ltd (Co. no. 08582787), which was incorporated on 25 June 2013, was dormant for the period 25 June 2013 to 31 January 2022.

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.

22 Prior period errors

Restricted funds brought forward have been increased by £22,979, representing loan monies owed by CLC Peru previously recognised as Project income of £3,829 and Project expenditure of £26,808 in the year ended 31 January 2020.

23 Cash generated from operations	2023 £	2022 £
Surplus for the year	11,258	73,291
Adjustments for:		
Investment income recognised in statement of financial activities	(705)	500
Gain on disposal of tangible fixed assets	-	(138,405)
Depreciation and impairment of tangible fixed assets	-	277
Movements in working capital:		
Decrease in stocks	662	633
(Increase) in debtors	(37,401)	(23,866)
(Decrease)/increase in creditors	(12,018)	10,057
Cash absorbed by operations	(38,204)	(77,513)

24 Analysis of changes in net funds

The charity had no debt during the year.