



Trustees' Annual Report

For the period 1st January, 2020 to 31st December, 2020

Reference and administration details:

Charity name:	Lighthouse Christian Books and Café
The charity's previous name:	New Creation Christian Book and Coffee Shop
Registered charity number:	1063924
Charity's address:	Lighthouse 13 Bampton Street Tiverton Devon
Postcode:	EX16 6AA
Phone Number	01884 255769
Email Address	office@lighthousetiverton.org.uk
Web-site	www.lighthousetiverton.org.uk

Names of the charity Trustees who managed the charity during the period:

	Trustee name	Office (if any)
1	Mrs Holly Haig	
2	Mr Rikky Apps	Treasurer
3	Mr Bruce Govett	
4	Mrs Val Bloxham	

Major changes made during the year

In January, the charity official changed its name from ***New Creation Christian Book and Coffee Shop*** to ***Lighthouse Christian Books and Café***.

At the end of March, the Assistant Shop Manager, Mrs Kim Wilkinson, resigned. Because of the current coronavirus outbreak, the post has not yet been filled.

Structure, governance and management

The Trust's governing document is a Trust Deed dated 12th June, 1997 as amended on 9th December, 2019 to allow the Charity to change its name from New Creation to Lighthouse. This constitutes the charity as a Trust. Any new Trustee is selected by existing Trustees.



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The charity's organisational structure and relationship with any related parties.

The overall management of the charity is carried out by the Trustees while the day-to-day running is carried out by the shop's Manager, and when we have one, the Deputy Manager.

The Trustees are responsible for:

- 1 managing the assets of the Trust, which include the furnishings and equipment in the shop, café, kitchen, office and storage areas;
- 2 the lease and liaising with the landlords about the condition of the building (the landlords are responsible for external repairs to the property);
- 3 maintain the internal parts of the property, including repairs and decorations, etc.;
- 4 financial resources.

The Manager and Deputy Manager are together responsible for:

- 1 the day to day running of the Trust's business;
- 2 stock control;
- 3 supervising the team of volunteers.

The shop's Manager deals mainly with the book shop while the Deputy Manager deals mainly with the café although they will deputise for each other when necessary.

The Trustees usually meet regularly (approximately every two months) as a Management Committee and the Manager and Deputy Manager will attend the meeting as necessary (at least for part of the meeting). Following prayer together, they review the immediate past performance, the current situation and decide on any future development. However, during 2020 there were fewer meetings due to government restriction caused by the coronavirus pandemic.

If any matters turn up between meetings these are normally dealt with by email and ratified at the next meeting. As the premises are rented the Trustees keep in contact with the landlords as to the condition of the building.

Objectives and activities

Summary of the objectives of the charity as set out in its governing document:

To advance the Christian faith, in particular by the distribution of Bibles and other Christian literature and of other Christian goods; and such other charitable purposes as the Trustees shall determine.

Summary of the main activities undertaken for the public benefit in relation to these objectives:

The Charity was established to provide Christian resources for members of Tiverton and district churches and fellowships, Sunday Schools and Youth Fellowships; as an outreach to the people of the area and to spread the Gospel (Good News) of Jesus Christ to the general public.



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It fulfils these aims by running a book shop and café in Tiverton, which is normally open five and a half days a week.

The book shop stocks Christian books, CDs, DVDs, greetings cards and other gifts, including fair-traded goods. Wherever possible, our stock is obtained from Christian suppliers and most of it carries some form of Christian message. There is also a second-hand book section selling Christian books, CDs and DVDs that have been donated.

The café supplies hot and cold drinks, all day snacks and light lunches. Most of the food is prepared and cooked on the premises.

The Charity also attends external events, such as the Mid-Devon Show, and will visit local churches and other events, when invited, to provide a stand selling books and other goods.

There is a **Room Downstairs** which is available for individuals or groups to use, free of charge. It is used for various meetings during the year. It is also the location of the second-hand book section.

The charity also provides a place of opportunity for Christian service in the bookshop and café, a sanctuary and place of refreshment for body, mind and spirit, a place of prayer, an outlet for Traidcraft goods and, wherever possible, monetary support for other Christian Charities and ventures.

Achievements and performance

Summary of the main achievements of the charity during the year:

2020 was meant to be a new start for the charity in new premises and with a change of name, having fitted out and moved into the new shop towards the end of 2019. However, it was not to be.

Early in the year there was the coronavirus outbreak and while the Trustees were making plans about how to cope with the changing situation, including closing the café side of the business, the government brought in a nationwide lock-down. This meant they had to close both the shop and café at very short notice. At this point, the assistant manager, Kim Wilkinson, decided to hand her notice in.

The shop and café shut for the first lock-down on 21st March to comply with government restrictions. The shop was able to reopen on 15th June, but with restricted access to comply with government guidance. The café was reopened on 24th July but with only two tables accommodating 4 customer and a limited menu.

During the first lock-down the shop's Manager was furloughed and the Trust were able to claim for 80% of her wages under the government's CJRS (Covid Job Retention Scheme). They were also able to claim under the Small Business Grant Scheme which provided some monies towards the rent and other overheads whilst normal revenue was severely curtailed.



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Both the shop and café were closed under the second lock-down from 5th November to 2nd December. During this period the Trustees were able to carry on with some trading by taking orders by phone or email and posting or delivering the goods.

Again, the shop's Manager was furloughed, this time part-time, and they were again able to recover some of her wages under the CJRS. They were also able to claim under the Small Business Grant Scheme again.

It is difficult to compare the year's trading with previous years for the following reasons:

1. it was the first full year of trading in the new premises;
2. the interrupted nature of the trading with the shop closed for a total of 16 weeks, including 4 weeks in the run up to Christmas (their busiest time);
3. the café was closed for a total of 21 weeks, and when re-opened from July onwards was only able to offer a very limited service with a limited menu.

However, despite all the disruptions to trading during the year we managed to end the year with a deficit of only £7,086 (the accounts are set out on pages 7 and 8). Some of this came from costs incurred in the fitting out the new shop and the overheads associated with No 58 (the old New Creation premises) until the lease expired at the end of February. We were able to meet the deficit out of the charity's reserves. The Trustees thank God that in previous years He has supplied a surplus of income that has allowed them to continue trading during this difficult year. They believe that as long as He wants the shop to continue trading in Tiverton He will provide for their financial needs, but they also realise that they have a responsibility to make sure that the business is run as efficiently as possible.

The Trustees also give thanks to the employees who not only carry out their duties but go over and beyond what they are employed to do. And they also give thanks to the many volunteers who help in so many ways, serving in the shop, waiting in the café and working in the kitchen.

Next, they give thanks to the many local people who support them by using the book shop and café, giving donations and praying for them.

Lastly, they would like to give glory to the Lord, who has watched over first New Creation and now Lighthouse for the last 32 years, providing all their needs.

Financial review

Brief statement of the charity's policy on reserves:

As part of their area of responsibility, the Trustees have established a Reserve Policy requiring reserves of approximately six months expenses, and this has been calculated as £25,000.00.

A second reserve fund of £10,000 has been put aside to cover any shortfall in income to meet the increased rent as a result of the relocation. This has been assessed as enough to cover the remainder of the period up to the first break-point, when there is an opportunity to exit the lease.



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At present the charity has excess of this in its reserves.

Details of any funds materially in deficit:

This is not applicable as accounts are prepared on a Receipts and Payments basis.

Declaration

The Trustees declare that they have approved the Trustees' report above.

Signed on behalf of the charity's Trustees

Signature:

A handwritten signature in black ink, appearing to read 'Richard Apps'.

Full Name: Richard Apps

Position: Trustee - Treasurer

Date: 1 April, 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
LIGHTHOUSE CHRISTIAN BOOKS AND CAFÉ

I report on the accounts of the charity for the year ended 31 December 2020 which are set out on pages 7 and 8.

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

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- 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 set out in 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 2011 Act; and to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act have 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.

John Anderson BA CPFA

4th August, 2021

Meadowside
High Street
Halberton
Tiverton EX16 7AG

LIGHTHOUSE CHRISTIAN BOOKS AND CAFÉ
 Reg Charity No: 1063294
RECEIPTS AND PAYMENT ACCOUNTS - 2020

RECEIPTS AND PAYMENTS ACCOUNT – 2020

1 January, 2020 to 31 December, 2020

Receipts

		£	£	£	£
Sales	Goods – General	15,534.85		21,700.56	
	Goods – Bibles	1,074.01		1,195.47	
	Goods – 3 rd World	1,557.57		2,693.77	
	Second-hand Books	483.66		950.38	
	Vouchers (net)	100.63		-38.24	
	Café	5,488.75	24,239.47	12,455.37	38,957.31
Donations			7,263.19		5,440.24
Grants			11,334.00		0.00
Other Income			24.13		21.49
			42,860.79		44,419.04
Interest	HSBC	67.11		177.45	
	Barclays	0.00	67.11	0.00	177.45
	TOTAL RECEIPTS		42,927.90		44,596.49

Payments

		£	£	£	£
Purchases	Bookshop	12,147.30		14,589.59	
	Coffee Shop	1,442.70	13,590.00	2,930.17	17,519.76
Merchant Services charges			571.48		497.81
Gifts/Adverts			124.50		1,073.24
Insurances			1,261.25		1,308.72
Print, Stationery and Postage			110.39		148.18
Rent			11,574.21		7,499.63
Repairs, Renewals and Capital Outlay			3,538.80		9,975.72
Employee costs			16,531.97		24,741.12
Utilities	Electricity Supply	607.90		723.41	
	Gas Supply	810.71		514.11	
	Phone and Internet	747.96		729.65	
	Water Supply	15.95		217.50	
	Business Rates	168.28	2,350.80	0.00	2,184.67
Subscriptions and Licences			194.23		209.90
Sundries			25.00		454.52
Administration			141.77		354.00
	TOTAL PAYMENTS		50,014.40		65,967.27

Surplus/Deficit

	£	£
Total Receipts	42,927.90	44,596.49
Total payments	50,014.40	65,967.27
TOTAL SURPLUS/DEFICIT	-7,086.50	-21,370.78

LIGHTHOUSE CHRISTIAN BOOKS AND CAFÉ
 Reg Charity No: 1063294
RECEIPTS AND PAYMENT ACCOUNTS - 2020

MEMO: TRADING ACCOUNT

1 January, 2020 to 31 December, 2020

	£	£
Sales		24,239.47
Cost of Sales		
Opening Stock	6,500.00	
Purchases	13,590.00	
Closing Stock	6,500.00	13,590.00
Gross Profit		10,649.47
Margin	[profit as a percentage of 'cost of sales']	78.36%

1 January, 2019 to 31 December, 2019

	£	£
Sales		38,957.31
Cost of Sales		
Opening Stock	11,000.00	
Purchases	17,519.76	
Closing Stock	6,500.00	22,019.76
Gross Profit		16,937.55
Margin	[profit as a percentage of 'cost of sales']	76.92%

ASSETS & LIABILITIES

as at 31st December 2020

ASSETS

	£	£
HSBC Current Account	9,868.80	
Less - cheques not presented	0.00	9,868.80
HSBC Deposit Account		64,006.01
Barclays Bank Savings Account		0.11
Petty cash (Cash retained)		208.81
Total Cash	[see reconciliation below]	74,083.73
Stock		
Book Shop	6,500.00	
Coffee Shop	200.00	6,700.00

as at 31st December 2019

	£	£
HSBC Current Account	12,046.86	
Less - cheques not presented	0.00	12,046.86
HSBC Deposit Account		68,938.90
Barclays Bank Savings Account		0.11
Petty cash (Cash retained)		184.36
Total Cash	[see reconciliation below]	81,170.23
Stock		
Book Shop	6,500.00	
Coffee Shop	200.00	6,700.00

Total Assets

80,783.73

87,870.23

LIABILITIES

Creditors	0.00
Net Funds	80,783.73

Creditors	0.00
Net Funds	87,870.23

CASH RECONCILIATION

Cash brought forward	81,170.23
Cash Movement	-7,086.50
Cash Carried forward	74,083.73

Cash brought forward	102,541.01
Cash Movement	-21,370.78
Cash Carried forward	81,170.23

Prepared by Rikky Apps
 Trustee
 1 July, 2021