



# Trustees' Annual Report

For the period 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2021

## 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:**

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

## Major changes made during the year

At the end of July, the vacant post of Assistant Shop Manager was filled by Miss Grace Sanders.

## Structure, governance and management

The Trust's governing document is a Trust Deed dated 12<sup>th</sup> June, 1997 as amended on 9<sup>th</sup> 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 2021 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.



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## **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.

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:**

With 2020 being the first full year in the charity's new premises and with a new name; the trustees were hoping to see an increase in trade. But it turned out to be a stop-start year due to the outbreak of Covid- 19 and various government lock-downs and other restrictions, including "social distancing". So they were looking forward to a new year and a new start in 2021.

The shop had only been open for two days after the Christmas break when the government introduced a third lock-down, which meant it had to stop trading immediately on 5<sup>th</sup> January. With the experience of the two previous lock-downs the trustees were able to carry on with very limited trading by taking orders by phone or email and posting or delivering the goods.



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The shop's Manager was furloughed part-time, and they were again able to recover some of her wages under the Covid-19 Job Retention Scheme. They were also able to claim under the Small Business Grant Scheme again.

The full lock-down came to an end in mid-April and the book shop was able to recommence trading again on 12<sup>th</sup> April, subject to various government restrictions, including social distancing. It was not until 17<sup>th</sup> May that the café was able to reopen, albeit with a limited menu and reduced seating.

Following the lifting of most government restrictions in mid-July, the full menu and inside seating was reintroduced and by mid-August the Café was fully functional.

During July, a contractor was employed to deck-out the rear yard to make a level and safe area to be used as an outside seating area. Suitable table and chairs, and a couple of parasols were bought together with some plants in pots. The area was named the Harbour and opened for customer use in August, providing additional seating for use in fine weather.

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

1. it was only the second full year of trading in the new premises, and the previous year had also been disrupted due to Covid-19;
2. the interrupted nature of the trading with the shop closed for a total of 14 weeks at the beginning of the year;
3. the café was closed for a total of 20 weeks, and when re-opened was only able to offer a very limited service with a limited menu for another 12 weeks;
4. due to Covid-19, some of the customers were reluctant to leave their homes or mingle with other people.

However, despite all the disruptions to trading during the year they managed to end the year with a deficit of only £11,370 (the accounts are set out on pages 7 and 8). Most of this came from costs incurred in constructing and the fitting out the Harbour, which cost £10,400. They 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 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.



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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 33 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.

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:

Full Name: Richard Apps

Position: Trustee - Treasurer

Date: 23<sup>rd</sup> September, 2022

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 2021 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

13<sup>th</sup> October 2022

Meadowside  
High Street  
Halberton  
Tiverton EX16 7AG

**LIGHTHOUSE CHRISTIAN BOOKS AND CAFÉ**  
Reg Charity No: 1063294  
**RECEIPTS AND PAYMENT ACCOUNTS - 2021**

**RECEIPTS AND PAYMENTS ACCOUNT – 2021**

1 January, 2021 to 31 December, 2021

1 January, 2020 to 31 December, 2020

<b><u>Receipts</u></b>		£	£	£	£
Sales	Goods – General	17,222.49		15,534.85	
	Goods – Bibles	1,171.03		1,074.01	
	Goods – 3 <sup>rd</sup> World	1,687.19		1,557.57	
	Second-hand Books	565.99		483.66	
	Vouchers (net)	76.58		100.63	
	Café	7,125.38	27,848.66	5,488.75	24,239.47
Donations			3,784.25		7,263.19
Grants			16,097.00		11,334.00
Other Income			422.56		24.13
			48,152.47		42,860.79
Interest	HSBC	6.24		67.11	
	Barclays	0.00	6.24	0.00	67.11
	<b><u>TOTAL RECEIPTS</u></b>		<b><u>48,158.71</u></b>		<b><u>42,927.90</u></b>
<b><u>Payments</u></b>		£	£	£	£
Purchases	Bookshop	11,618.96		12,147.30	
	Café	1,371.62	12,990.58	1,442.70	13,590.00
Merchant Services charges			504.95		571.48
Gifts/Adverts			195.00		124.50
Insurances			1,042.81		1,261.25
Print, Stationery and Postage			203.47		110.39
Rent			10,749.96		11,574.21
Repairs, Renewals and Capital Outlay			12,183.96		3,538.80
Employee costs			18,555.25		16,531.97
Utilities	Electricity Supply	424.26		607.90	
	Gas Supply	730.91		810.71	
	Phone and Internet	467.67		747.96	
	Water Supply	355.98		15.95	
	Business Rates	400.19	2,379.01	168.28	2,350.80
Subscriptions and Licences			217.21		194.23
Sundries			278.19		25.00
Administration			210.82		141.77
Bank Charges			17.60		0.00
	<b><u>TOTAL PAYMENTS</u></b>		<b><u>59,528.81</u></b>		<b><u>50,014.40</u></b>
<b><u>Surplus/Deficit</u></b>			£		£
Total Receipts			48,158.71		42,927.90
Total payments			59,528.81		50,014.40
	<b><u>TOTAL SURPLUS/DEFICIT</u></b>		<b><u>-11,370.10</u></b>		<b><u>-7,086.50</u></b>

**LIGHTHOUSE CHRISTIAN BOOKS AND CAFÉ**  
Reg Charity No: 1063294  
**RECEIPTS AND PAYMENT ACCOUNTS - 2021**

**MEMO: TRADING ACCOUNT**

1 January, 2021 to 31 December, 2021

	£	£
Sales		27,848.66
Cost of Sales		
Opening Stock	6,500.00	
Purchases	12,990.58	
Closing Stock	<u>5,500.00</u>	<u>13,990.58</u>
<b>Gross Profit</b>		<b><u>13,858.08</u></b>
Margin	[profit as a percentage of 'cost of sales']	99.05%

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	<u>6,500.00</u>	<u>13,590.00</u>
<b>Gross Profit</b>		<b><u>10,649.47</u></b>
Margin	[profit as a percentage of 'cost of sales']	78.36%

**ASSETS & LIABILITIES**

as at 31<sup>st</sup> December 2021

**ASSETS**

	£	£	£	£
HSBC Current Account	3,169.34		9,868.80	
Less - cheques not presented	<u>0.00</u>	3,169.34	<u>0.00</u>	9,868.80
HSBC Deposit Account		59,012.25		64,006.01
Barclays Bank Savings Account		0.11		0.11
Petty cash (Cash retained)		531.93		208.81
<b>Total Cash</b>	[see reconciliation below]	<u>62,713.63</u>		<u>74,083.73</u>
Stock				
Book Shop	5,500.00		6,500.00	
Coffee Shop	<u>200.00</u>	<u>5,700.00</u>	<u>200.00</u>	<u>6,700.00</u>
<b>Total Assets</b>		<b><u>68,413.63</u></b>		<b><u>80,783.73</u></b>

**LIABILITIES**

Creditors	0.00	0.00
<b>Net Funds</b>	<b><u>68,413.63</u></b>	<b><u>80,783.73</u></b>

**CASH RECONCILIATION**

Cash brought forward	74,083.73	81,170.23
Cash Movement	-11,370.10	-7,086.50
Cash Carried forward	62,713.63	74,083.73

Prepared by Rikky Apps  
Trustee  
1 July, 2021