

HAVERING CHRISTIAN BOOKSHOP LIMITED

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

DIRECTORS REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
28 FEBRUARY 2021

COMPANY NO. 01387679

CHARITY NO. 277278

HAVERING CHRISTIAN BOOKSHOP LIMITED

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Schedule of Contents

Legal and Administrative Information	Page 1.
Report of the Council of Management	Page 2.
Council of Management Responsibilities	Page 5.
Reporting Accountants Report	Page 6.
Profit and Loss Account	Page 7.
Balance Sheet	Page 8-9.
Notes to the Financial Statements	Page 10-13.
Statement of Financial Activities	Page 14.
The following page does not form part of the Statutory Accounts:-	
Detailed Trading and Profit and Loss Account	Page 15.

HAVERING CHRISTIAN BOOKSHOP LIMITED

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

LEGAL AND ADMINISTRATIVE INFORMATION

28 FEBRUARY 2021

CHAIRMAN: Rev. Susan Millar

SECRETARY: Rev. C. L. Phillips

REGISTERED NUMBER; 01387679

MEMBERS OF COUNCIL OF MANAGEMENT:

Mrs. J. Phillips
Mr. K. Phillips
Mrs. P. Phillips
Mrs. J. Smith

REGISTERED OFFICE:
80 Victoria Road

Romford,
Essex
RM1 2LA

REPORTING FINANCIAL EXAMINER:

Littlehampton

Mr. A. Wedgewood
7 Maynard Mead
Angmering

BN16 4PA

HAVERING CHRISTIAN BOOKSHOP LIMITED
CHARITY REGISTRATION NO. 277278

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

REPORT OF THE COUNCIL OF MANAGEMENT

The Council of Management present their report with the financial statements of the company for the year ended 28th February 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of retailers of Holy Scripture and Christian literature, CD's, greetings cards and other articles that support, uphold or maintain the Christian faith.

COUNCIL OF MANAGEMENT

The Council of Management during the year under review were:

Rev. S.A. Millar
Rev. C. L. Phillips
Mrs. J. Phillips
Mr. K. Phillips
Mrs. P. Phillips
Mrs. J. Smith

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Havering Christian Bookshop Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association incorporated on 7th September 1978.

Appointment of Trustees

The Trustees continue to look to appoint new people to the Board. As set out in the Articles of Association a simple majority elects the Chairman of the trustees. The number of trustees shall be held at no less than four and no more than fourteen. Any member shall subscribe to the 'Basis of faith' as per the memorandum and all admissions for membership are to be appointed by the council and delivered to the Council in a format dictated by the Council. No Trustee in their capacity as such received any payment of whatsoever nature from the company during the period under review.

Trustee Induction and Training

New trustees undergo an orientation period to enable them to understand their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process and recent financial performance of the company. They will be invited to attend a meeting of the trustees to understand the process and are given previous financial documents as well as The Essential Trustee publication to review.

Organisation

A board of trustees, currently consisting of 6 members, who meet on a regular basis, administer the charity.

The general running of the Charity is performed by one member of salaried staff and 5 unpaid volunteers who provide invaluable support in general shop activities, at the annual stock take, and in various aspects of the work of the Charity.

Risk Management

The trustees have a risk management strategy which comprises:

- A constant review at all meetings of the board of the risks the charity may face

- Establishment of systems and procedures to mitigate those risks identified

- Implementation of those procedures that have been designed to minimize the potential impact on the charity

As part of their ongoing responsibilities the Trustees have reviewed the various major risks to which the Company is exposed and feel that adequate steps and procedures have been implemented to mitigate those risks as far as is reasonably practical. A key part of this process is to ensure that financial risk is managed by the setting of an adequate reserves policy that is regularly reviewed by the trustees.

OBJECTIVES AND ACTIVITIES

The objectives for the charity, as per the principal activity are to encourage and spread Christian beliefs and teachings through the easy accessibility of a large selection of Christian publications.

ACHIEVEMENTS AND PERFORMANCE

During the year under review the charity has experienced dual challenges caused by the restrictions on trading caused by the Corona Virus Pandemic and the planned redevelopment of our property.

The timing of the corona virus restrictions prevented us from trading out of temporary premises as planned which meant that we also had to put all stock into storage, but we were provided with support via the local council grant, and business rates relief, and also were in receipt of Government support via the Job Retention Scheme for our single paid employee.

The redevelopment of our property was delayed by the corona virus situation which has meant that our re-opening date will be much later than anticipated. The new premises will be modern, energy efficient and accessible to all, replacing the damp and dilapidated former building.

The provision of books on sale or return basis at local churches and the availability of the shop to serve the local community continue to be at the heart of all that the charity pursues.

FINANCIAL REVIEW

The financial accounts attached to this Report cover the period 1st March 2020 to 28th February 2021. It will be seen from the accounts that income for the year under review amounted to £43,997. Expenditure totaled £33,040.

There was no capital expenditure during the year.

Direct and indirect costs attributable to the provision of the service amounted to £32,565. (98.55%).
The costs of management and administration of the charity were £475. (1.45%).

At the period end, capital funds totaled £234,429. represented by net current assets of £110,598.
fixtures and fittings of £ NIL freehold property of £184,395. less long term creditors of £60,564.

The Company owns the shop premises.

During the year to 28th February 2021, the Charity continued to use a £5,000 loan from
Romford Baptist Church, which is interest free and disclosed within other creditors. This loan
is only due for repayment in the future if the Charity becomes insolvent.

Investment Powers and Policy

Under the Memorandum and Articles of Association, the charity has the power to invest in
any way the trustees wish. The trustees, having regard to the liquidity requirements of the charity and to
the reserves policy, currently maintain the available funds in interest bearing deposit accounts and
continually monitor the market to ensure the rate achieved is competitive with similar investment
opportunities.

Reserves Policy

The Trustees have reviewed the financial statements and are aware that the several years of sustained
losses have restricted the reserves to minimum levels.

The Trustees have considered the risks faced by the Charity and have agreed to a reserve policy of at least
one months' normal expenditure.

SMALL COMPANY EXEMPTIONS

These accounts have been delivered in accordance with the provisions applicable to companies subject to
the small companies regime.

By Order of the Council

Rev. C. L. Phillips – Secretary

Date.....

HAVERING CHRISTIAN BOOKSHOP LIMITED

COUNCIL OF MANAGEMENT RESPONSIBILITIES
IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

Company Law requires the Council of Management to prepare Financial Statements for each financial period, which gives a true and fair view of the state of affairs of the Company and of the net income or expenditure for that period. In preparing those Financial Statements, the Council of Management is required to:

1. Select suitable accounting policies and then apply them consistently.
2. Make judgements and estimates that are reasonable and prudent.
3. State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements and
4. Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Council of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies Act 2006. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

HAVERING CHRISTIAN BOOKSHOP LIMITED

ACCOUNTANTS REPORT TO THE MEMBERS OF
HAVERING BOOKSHOP LIMITED

I have examined without carrying out an audit the accounts for the year ended 28 February 2021 as set out on Pages 7 to 15.

Respective Responsibilities of The Council of Management and Accountants. As described on the previous page, the Council of Management is responsible for the preparation of Financial Statements. It is my responsibility to form an independent opinion, based on my audit, on those Financial Statements and to report my opinion to you.

Basis of Opinion

My work was conducted in accordance with the Statement of Standards for Reporting Accountants and so my procedures consisted of comparing the accounts with the accounting records kept by the Company and making such limited enquiries of the Members, as I considered necessary for the purposes of this Report.

The examination was not an audit conducted in accordance with Auditing Standards, accordingly I do not express an audit opinion on the accounts. Therefore my examination does not provide any assurance that the accounting records and accounts are free from material misstatement.

Opinion

In my opinion:

- (a) the accounts are in agreement with the accounting records kept by the Company under the Companies Act 2006;
- (b) having regard only to and on the basis of the information contained in those accounting records:
 - (i) the Company satisfied the conditions for exemption from an audit of the accounts for the year specified and did not, at any time within that year fall within any of the categories of companies not entitled to the exemption.

Financial Examiner
Mr Andrew Wedgewood

HAVERING CHRISTIAN BOOKSHOP LIMITED**A COMPANY LIMITED BY GUARANTEE**
AND NOT HAVING A SHARE CAPITAL**PROFIT AND LOSS ACCOUNT**

	<u>NOTE</u>	<u>Year Ended</u> 28 February 2021 £	<u>Year Ended</u> 29 February 2020 £
TURNOVER	2	1,191	34,925
Cost of Sales		<u>(4,285)</u>	<u>(6,623)</u>
GROSS PROFIT/LOSS		(3,094)	28,302
Administrative Expenses		(28,460)	(38,256)
Other Income		<u>42,805</u>	<u>7,499</u>
OPERATING PROFIT	3	(11,251)	(2,455)
Interest receivable and similar income		1	140
Interest payable and similar charges		<u>(295)</u>	<u>(584)</u>
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		10,957	(2,899)
Taxation on profit/(loss) on ordinary activities	4	-	-
PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION		<u>10,957</u>	<u>(2,899)</u>

None of the Company's Activities were acquired or discontinued during the above two financial periods.

There were no recognised gains or losses other than those recognised in the Profit and Loss Account during the above two financial periods.

The Notes on Page 10 to 13 form an Integral Part of these Accounts.

HAVERING CHRISTIAN BOOKSHOP LIMITED

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Registered Office: 80 Victoria Road, Romford, Essex. RM1 2LA

<u>BALANCE SHEET</u>	<u>Note</u>	<u>28 February 2021</u>	<u>29 February 2020</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible Assets			
Freehold Property	5	184,395	189,175
Fixtures and Fittings	5	- 184,395	- 189,175
<u>CURRENT ASSETS</u>			
Stock	6	104,978	104,978
Debtors	7	-	-
Cash at Bank and In Hand		<u>17,591</u>	<u>2,028</u>
		<u>122,569</u>	<u>107,186</u>
<u>CREDITORS: AMOUNTS FALLING</u>			
<u>DUE WITHIN ONE YEAR</u>	8	<u>11,971</u>	<u>18,033</u>
NET CURRENT ASSETS		<u>110,598</u>	<u>89,153</u>
TOTAL ASSETS LESS			
CURRENT LIABILITIES		<u>294,993</u>	<u>278,328</u>
<u>CREDITORS AMOUNTS FALLING</u>			
<u>DUE AFTER ONE YEAR</u>	9	60,564	54,856
		<u>234,429</u>	<u>223,472</u>
<u>CAPITAL AND RESERVES</u>			
PROFIT AND LOSS ACCOUNT	10	51,629	40,672
BUILDING FUND		7,800	7,800
PROPERTY REVALUATION RESERVE		<u>175,000</u>	<u>175,000</u>
		<u>234,429</u>	<u>223,472</u>

HAVERING CHRISTIAN BOOKSHOP LIMITED

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Registered Office: 80 Victoria Road, Romford, Essex, RM1 2LA

BALANCE SHEET (Continued)

- (a) For the year ending 28 February 2021 the company was entitled to exemption from audit under section 477 (2) of the Companies Acts 2006.
- (b) The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.
- (c) The directors acknowledge their responsibility for:
 - i) ensuring the company keeps accounting records which comply with Section 386; and
 - ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year, and of its profit or loss for the financial year, in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as is applicable to the company.

For and on behalf of the Members of the Council

..... Rev. C. L. Phillips Member of the Council

..... Rev. S.A. Millar Member of the Council

Date : 15th November 2021

The Notes on Page 10 to 13 form an Integral Part of these Accounts

HAVERING CHRISTIAN BOOKSHOP LIMITED

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Notes to the Financial Statements for the Year Ended 28 February 2021

1. Accounting Policies

(a) Basis of Accounting

The financial statements are prepared under the Historical Cost Convention and incorporate the results of the principal activity which is described in the Council of Management Report and which is continuing.

The Company has taken advantage of the exemption in F.R.S. 1 from producing a Cash Flow Statement on the grounds that it is a small company.

(b) Turnover

Turnover represents the amounts involved, excluding Value Added Tax, in respect of the sale of goods and services to customers.

(c) Depreciation

Depreciation on the Freehold Property is calculated to write off the cost on a straight line basis over its estimated useful life. No depreciation is charged on Freehold Land. Depreciation on the remaining fixed assets has been provided by the reducing balance method using percentages designed to write off the cost of each asset over the estimated period of its use at the following rates per annum:-

Fixtures and Fittings	25%
-----------------------	-----

(d) Stock

Stocks are stated at the lower of cost or net realisable value after making due allowance for obsolete or slow moving items. Cost is calculated using the first-in first-out method and consists of material costs only.

2. Turnover

The Turnover and pre-tax profit is attributable to the principal activity, that of retailers of Holy Scripture and Christian Literature, CDs, DVDs and other articles which support, uphold or maintain the Christian faith. The whole of the turnover is to the U.K. market.

HAVERING CHRISTIAN BOOKSHOP LIMITED

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Notes to the Financial Statements for the Year Ended 28 February 2021 (Cont'd)

3. (Loss) on Ordinary Activities before Taxation

	<u>2021</u>	<u>2020</u>
	£	£
The Loss on Ordinary Activities before Taxation is stated after charging:-		
Depreciation	4,780	4,780
Interest Payable		
Bank Loans, overdrafts and others loans	295	584

4. Taxation

The Company is a registered charity and it is anticipated that there will be no taxation payable in respect of these accounts.

5. Tangible Fixed Assets

	<u>Freehold Property</u>	<u>Fixtures and Fittings</u>	<u>Total</u>
	£	£	£
<u>At Cost</u>			
At 1 March 2020	299,004	32,027	331,031
Additions	-	-	-
At 28 February 2021	<u>299,004</u>	<u>32,027</u>	<u>331,031</u>
<u>Depreciation</u>			
At 1 March 2020	109,829	32,027	141,856
Provided during the Year	4,780	-	4,780
At 28 February 2021	<u>114,609</u>	<u>32,027</u>	<u>146,636</u>
<u>Net Book Value</u>			
At 28 February 2021	<u>184,395</u>	-	<u>184,395</u>
At 28 February 2020	<u>189,175</u>	-	<u>189,175</u>

The property was revalued to £270,000 on 25 September 2002 by Kemsley Whiteley and Ferris Chartered Surveyors.

HAVERING CHRISTIAN BOOKSHOP LIMITED**A COMPANY LIMITED BY GUARANTEE**
AND NOT HAVING A SHARE CAPITALNotes to the Financial Statements for the Year Ended 28 February 2021 (Cont'd)

6.	<u>Stocks</u>	<u>2021</u>	<u>2020</u>
£	£		
	Goods for resale - Bookshop	<u>104,978</u>	<u>104,978</u>
		<u>104,978</u>	<u>104,978</u>
7.	<u>Debtors</u>	£	£
	Trade Debtors	-	-
	Other Debtors	-	400
	Prepayments and Accrued Income	-	-
		<u>-</u>	<u>-</u>
			<u>400</u>
8.	<u>Creditors: Amounts Falling Due Within One Year</u>	£	£
	VAT	-	-
	Trade Creditors	-	5,294
	Taxation and Social Security	-	-
	Other Creditors and Accruals	3,450	1,277
	Bank Loans and overdrafts	<u>8,521</u>	<u>11,462</u>
		<u>11,971</u>	<u>18,033</u>
9.	<u>Creditors (Amount falling due after more than One Year)</u>	£	£
	Bank Mortgage and Loan	48,964	43,256
	Other Loans	<u>11,600</u>	<u>11,600</u>
		<u>60,564</u>	<u>54,856</u>
	Included in the above are the following:-		
	Other Loans		
	Amounts repayable		
	Bank Mortgage and Loan	<u>11,600</u>	<u>11,600</u>
	Repayable within five years	48,964	43,256
	Repayable after five years	<u>-</u>	<u>-</u>
		<u>65,344</u>	<u>54,856</u>

The Bank loan is secured against the above Freehold property.

The Bank holds as security the deeds to the Freehold Property, 80 Victoria Road, Romford, Essex RM1 2LA.

HAVERING CHRISTIAN BOOKSHOP LIMITED

A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Notes to the Financial Statements for the Year Ended 28 February 2021 (Cont'd)

10. Reserves	<u>2021</u>
	£
As at 1 st March 2020	40,672
Profit for the Year	<u>10,957</u>
As at 28 February 2021	<u>51,629</u>

HAVERING CHRISTIAN BOOKSHOP LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 28 FEBRUARY 2021

INCOME AND EXPENDITURE

<u>Incoming Resources</u> (All Unrestricted Funds)	<u>Note</u>	Total Funds <u>2021</u> £	Total Funds <u>2020</u> £
Literature and Audio Sales		1,191	34,925
Interest received		1	140
Gifts and Donations		3,549	7,499
Local Council Grant (Coronavirus support)		25,000	-
Coronavirus Job Retention Scheme		<u>14,256</u>	<u>-</u>
Total Incoming Resources		<u>43,997</u>	<u>42,564</u>
 <u>Resources Expended</u> (All Unrestricted Funds)			
Direct Charitable Expenditure	1	32,565	44,668
Management and Administration	2	<u>475</u>	<u>795</u>
Total Resources Expended		<u>33,040</u>	<u>45,463</u>
Net (Expenditure) for the Year		10,957	(2,899)
Other Recognised Gains and Losses		<u>-</u>	<u>-</u>
Net Movement in Funds		10,957	(2,899)
Revaluation of Freehold Property			
Balance brought forward at 1 March 2020		<u>223,472</u>	<u>226,371</u>
Balances carried forward at 28 February 2021		<u>234,429</u>	<u>223,472</u>

1. Analysis of Charitable Expenditure shown on Page 15.
2. Analysis of Management and Administration shown on Page 15.

HAVERING CHRISTIAN BOOKSHOP LIMITED
A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

	Year Ended 28 February 2021	Year Ended 29 February 2020
SALES	1,191	34,925
Deduct Cost of Sales		
Stock at 1 March 2020	104,978	100,065
Purchases and Direct Costs	<u>4,285</u>	<u>11,536</u>
109,263	111,601	
<u>104,978</u>	<u>4,285</u>	<u>104,978</u>
	6,623	
	Less Stock at 28 February 2021	
	(3,094)	28,302
GROSS PROFIT /LOSS	(3,094)	28,302
OTHER INCOME		
Interest received	1	140
Gifts and Donations	3,549	7,499
Local Council Grant (Corona virus support)	25,000	-
Corona virus Job Retention Scheme	<u>14,256</u>	<u>-</u>
	39,712	35,941
DEDUCT OVERHEAD COSTS		
Wages and National Insurance	19,010	21,623
Rates and Water	266	1,765
Light and Heat	460	3,892
Insurances	856	2,129
Repairs and Renewals	-	91
Storage Unit Rental	900	-
Printing, Stationery, Postage	-	1,975
Telephone	1,425	-
Sundry Expenses	-	1,162
Accountancy	-	-
Trade Subscriptions	150	27
Staff Training	-	-
Loan interest	295	584
Bank Charges and Interest	613	812
Depreciation		
Freehold Property	4,780	4,780
Fixtures and Fittings	-	-
	<u>28,755</u>	<u>38,840</u>
NET PROFIT/LOSS FOR THE YEAR	10,957	(2,899)
Retained Profit brought forward	<u>40,672</u>	<u>43,571</u>
RETAINED PROFIT/LOSS CARRIED FORWARD	<u>51,629</u>	<u>40,672</u>

This page does not form part of the Statutory Accounts.