

REGISTERED COMPANY NUMBER: 04046637 (England and Wales)
REGISTERED CHARITY NUMBER: 1083852

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 JULY 2014
FOR
FARNBOROUGH CHRISTIAN OUTREACH

HPCA Limited
Chartered Accountants
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

FARNBOROUGH CHRISTIAN OUTREACH
CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 July 2014

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 12
Detailed Statement of Financial Activities	13 to 14

FARNBOROUGH CHRISTIAN OUTREACH

REPORT OF THE TRUSTEES for the year ended 31 July 2014

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2014. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04046637 (England and Wales)

Registered Charity number
1083852

Registered office
64 Kingsmead
FARNBOROUGH
Hampshire
GU14 7SL

Trustees

K Fontana
C M Mason
G Martin
Mrs H F McKenna - resigned 17.9.13
B A Ruthven - resigned 12.6.14
J R D Edwards

Company Secretary

Independent examiner

HPCA Limited
Chartered Accountants
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

STRUCTURE, GOVERNANCE AND MANAGEMENT

Farnborough Christian Outreach (a company limited by guarantee) was incorporated on 3rd August 2000, and was registered with the Charity Commission for England and Wales on 28th November 2000. On 31st January 2001, all of the assets and liabilities of the Farnborough Christian Outreach Trust (an unincorporated Charity, registered under the charity number 285306) were gifted to Farnborough Christian Outreach.

On 15th December 2000, The Triangle Café Limited (company number 4126321) was incorporated, with the sole issued share being held by Farnborough Christian Outreach. This company carries out the activities of the café situated in the new premises of Farnborough Christian Outreach, to which the charity moved in November 2001.

The company was established under its Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10.

Appointment and induction of trustees

Trustees are appointed by the members and at each Annual General Meeting, one third of Board Members will retire from office. On retirement, trustees are eligible for re-election. The Articles of Association provides for a minimum of three trustees and no maximum. The trustees are also responsible for the appointment of new members.

FARNBOROUGH CHRISTIAN OUTREACH

REPORT OF THE TRUSTEES for the year ended 31 July 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

New trustees undergo an induction to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the decision making processes and the recent performance of the charity. They meet key employees and the other trustees.

Organisational policy

The trustees meet every month. The general manager is appointed to manage the day to day operations of the charity. To facilitate effective operations, the general manager has delegated authority, within the terms of delegation approved by the trustees, for operational matters including finance and employment.

Risk assessment policy

The trustees have worked with staff to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

OBJECTIVES AND ACTIVITIES

The Charity's objects are to promote the advancement of Evangelical Christian Causes on an ecumenical basis.

The principal activity of the charity during the year was the running of the Christian bookshop known as 'The Triangle'. In addition the Charity sponsored and facilitated a number of local events.

PUBLIC BENEFIT

The Charity is of public benefit in the following ways:

- Provision of literature and other supplies and resources for local Churches and schools;
- Supplier of fairly traded goods to the local community, including the local Borough Council;
- Employment of special needs people;
- Employment of voluntary staff and an active participant in work experience scheme.

ACHIEVEMENT AND PERFORMANCE

Bookshop sales for the year reduced by £1,922 to £111,985 (compared to £113,907 in 2013). Out of shop sales including to Schools, Churches and bookstalls continue to be a significant part of the Charity.

Voluntary income for the period increased by £6,778 to £34,734 (compared to £27,956 in 2013). This is very encouraging for the Trustees and demonstrates the loyalty, generosity and high level of support there is for the Charity from individual supporters and churches. Total resources expended/ outgoings reduced from £167,791 in 2013 to £161,183 in 2014. Overall there was a net outflow for the period of £12,734 (compared to £24,676 in 2013).

The Charity's subsidiary, The Triangle Café Limited had a turnover for the period of £95,979 (compared to £112,476 in 2013). The net result was a profit of £426 (compared to a net profit of £2 in 2013). With the improvements being made in the general economic conditions and Farnborough town centre developments, including the new cinema, the Trustees anticipate better trading conditions in the near future which should lead to an improving financial position for The Triangle Cafe.

FINANCIAL REVIEW

Reserves policy

The General Fund represents the Unrestricted funds arising from the past operating results. It also represents the free reserves of the charity, as all fixed assets are included in the fixed asset fund, which is a designated fund. The general fund balance was £43,328 at 31st July 2014 and the aim of the trustees is to build this up to a balance which represents 3 months of operating expenditure.

Principal funding sources

The main sources of income, derive from the sales of Christian literature and media, donations from members and supporters and sales from the subsidiary, the Triangle Café Limited.

FARNBOROUGH CHRISTIAN OUTREACH

REPORT OF THE TRUSTEES
for the year ended 31 July 2014

FINANCIAL REVIEW

Investment policy

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit, after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification.

PLANS FOR THE FUTURE

The Trustees and management team continue to be focused on closing the gap between income and outgoings so that the Charity's mission may continue into the future. Specifically our plans include:

- Continued improvement in operational efficiencies;
- Reduced overheads through change to low energy LED lighting;
- Review of opening hours, range of products sold and use of premises following the opening of the cinema in 2015;
- Renewed links with Schools and RE teachers;
- Continue to improve links with Churches through regular contact with church leaders and a network of representatives;
- Additional stalls and outlets in the shopping centre during busy periods to increase our presence and sales;
- Improved internet presence and promotion through our website and links from other websites;
- Internet sales.

The Trustees are committed to ensuring the ongoing viability of the Charity so that it continues to fulfil its objectives in the future.

Approved by order of the board of trustees on 26 April 2015..... and signed on its behalf by:


.....
G Martin - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
FARNBOROUGH CHRISTIAN OUTREACH

I report on the accounts for the year ended 31 July 2014 set out on pages five to twelve.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) 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 required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the 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 statements 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 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

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.



Lance Redman FCCA ACA
For and on behalf of
HPCA Limited
Chartered Accountants
Station House
Connaught Road
Brookwood
Woking
Surrey
GU24 0ER

Date: 26 April 2015

FARNBOROUGH CHRISTIAN OUTREACH

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 July 2014

	Unrestricted funds	Restricted funds	Total	2014 funds	Total	2013 funds
	£	£	£	£	£	£
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	34,734	-	34,734		27,956	
Investment income	-	-	-		2	
Incoming resources from charitable activities						
Bookshop	111,985	-	111,985		113,907	
Other incoming resources	<u>1,730</u>	<u>-</u>	<u>1,730</u>		<u>1,250</u>	
Total incoming resources	148,449	-	148,449		143,115	
RESOURCES EXPENDED						
Charitable activities						
Bookshop	154,583	-	154,583		161,341	
Governance costs	<u>6,600</u>	<u>-</u>	<u>6,600</u>		<u>6,450</u>	
Total resources expended	161,183	-	161,183		167,791	
NET INCOMING/(OUTGOING) RESOURCES						
	(12,734)	-	(12,734)		(24,676)	
RECONCILIATION OF FUNDS						
Total funds brought forward	91,362	177	91,539		116,215	
TOTAL FUNDS CARRIED FORWARD	<u>78,628</u>	<u>177</u>	<u>78,805</u>		<u>91,539</u>	

The notes form part of these financial statements

FARNBOROUGH CHRISTIAN OUTREACH

BALANCE SHEET

At 31 July 2014

		Unrestricted funds	Restricted funds	Total	2014 funds	Total	2013 funds
	Not es	£	£		£		£
FIXED ASSETS							
Tangible assets	6	35,300	-		35,300		40,857
Investments	7	<u>1</u>	<u>-</u>		<u>1</u>		<u>1</u>
		35,301	-		35,301		40,858
CURRENT ASSETS							
Stocks		78,952	-		78,952		79,632
Debtors	8	7,674	-		7,674		10,755
Cash at bank and in hand		<u>429</u>	<u>177</u>		<u>606</u>		<u>409</u>
		87,055	177		87,232		90,796
CREDITORS							
Amounts falling due within one year	9	<u>(43,728)</u>	<u>-</u>		<u>(43,728)</u>		<u>(36,615)</u>
NET CURRENT ASSETS		<u>43,327</u>	<u>177</u>		<u>43,504</u>		<u>54,181</u>
TOTAL ASSETS LESS CURRENT LIABILITIES							
		78,628	177		78,805		95,039
CREDITORS							
Amounts falling due after more than one year	10	<u>-</u>	<u>-</u>		<u>-</u>		<u>(3,500)</u>
NET ASSETS		<u>78,628</u>	<u>177</u>		<u>78,805</u>		<u>91,539</u>
FUNDS							
Unrestricted funds	12				78,628		91,362
Restricted funds					<u>177</u>		<u>177</u>
TOTAL FUNDS					<u>78,805</u>		<u>91,539</u>

The notes form part of these financial statements

FARNBOROUGH CHRISTIAN OUTREACH

BALANCE SHEET - CONTINUED

At 31 July 2014

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2014.


The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 July 2014 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:



.....
C M Mason -Trustee

FARNBOROUGH CHRISTIAN OUTREACH

notes to the financial statements for the year ended 31 July 2014

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

Incoming resources are recognised when receivable.

Income tax recoverable on gift aid donations is recognised when the income is recognised.

Incoming resources from charitable activities, represents bookshop sales net of value added tax.

Other incoming resources represents rental income from the offices

Resources expended

Expenditure is accounted for on an accruals basis.

Charitable activities are bookshop expenses net of value added tax.

Governance costs represent the costs of complying with statutory requirements.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Straight line over 20 years
Plant and machinery	- Straight line over 5 years
Fixtures and fittings	- Straight line over 6 years

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Funds

General unrestricted funds represent the funds of the charity that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity. Funds designated for a particular purpose by the trustees are also unrestricted.

Restricted funds are those subject to specific trusts, which may be declared by the donor or with their authority. The restricted funds of the charity are restricted income funds which are expendable at the discretion of the trustees in furtherance of some particular aspects of the activities of the charity.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	2014	2013
	£	£
Interest receivable - trading	<u>-</u>	<u>2</u>

FARNBOROUGH CHRISTIAN OUTREACH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 July 2014

3. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2014	2013
	£	£
Depreciation - owned assets	<u>5,898</u>	<u>5,595</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2014 nor for the year ended 31 July 2013.

Trustees' expenses

During the year, expenses of £nil were paid to C Mason (2013: £208). All amounts had been repaid by the year end.

During the year C Mason loaned £1,000 to the charity. At the year end this remained outstanding.

5. STAFF COSTS

The monthly average number of employees during the year, calculated on a full time basis equivalent, was 1 (2013: 1).

6. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST				
At 1 August 2013	85,497	24,231	25,566	135,294
Additions	<u>-</u>	<u>341</u>	<u>-</u>	<u>341</u>
At 31 July 2014	<u>85,497</u>	<u>24,572</u>	<u>25,566</u>	<u>135,635</u>
DEPRECIATION				
At 1 August 2013	51,344	17,527	25,566	94,437
Charge for year	<u>4,290</u>	<u>1,608</u>	<u>-</u>	<u>5,898</u>
At 31 July 2014	<u>55,634</u>	<u>19,135</u>	<u>25,566</u>	<u>100,335</u>
NET BOOK VALUE				
At 31 July 2014	<u>29,863</u>	<u>5,437</u>	<u>-</u>	<u>35,300</u>
At 31 July 2013	<u>34,153</u>	<u>6,704</u>	<u>-</u>	<u>40,857</u>

FARNBOROUGH CHRISTIAN OUTREACH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 July 2014

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
MARKET VALUE	
At 1 August 2013 and 31 July 2014	<u>1</u>
 NET BOOK VALUE	
At 31 July 2014	<u>1</u>
At 31 July 2013	<u>1</u>

There were no investment assets outside the UK.

The company's investments at the balance sheet date in the share capital of companies include the following:

The Triangle Café Limited

:

Nature of business: Coffee shop

	%
Class of share:	holding
Ordinary	100

	2014	2013
	£	£
Aggregate capital and reserves	432	6
Profit for the year	<u>426</u>	<u>2</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade debtors	1,500	1,500
VAT	983	1,360
Prepayments and accrued income	<u>5,191</u>	<u>7,895</u>
	<u>7,674</u>	<u>10,755</u>

FARNBOROUGH CHRISTIAN OUTREACH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 July 2014

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Bank loans and overdrafts	21,979	15,445
Other loans	3,500	-
Trade creditors	11,655	12,976
Amounts owed to group undertakings	2,337	2,860
Social security and other taxes	172	235
Other creditors	2,381	352
Sundry Creditors	350	1,558
Accruals and deferred income	<u>1,354</u>	<u>3,189</u>
	<u>43,728</u>	<u>36,615</u>

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2014	2013
	£	£
Other loans - 1-2 years	<u>-</u>	<u>3,500</u>

The loan is interest-free and repayable by the 30th September 2014.

11. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	2014	2013
	£	£
Expiring:		
Between one and five years	<u>-</u>	<u>28,000</u>

12. MOVEMENT IN FUNDS

	At 1.8.13	Net movement in funds	Transfers between funds	At 31.7.14
	£	£	£	£
Unrestricted funds				
General fund	50,124	(6,836)	40	43,328
Fixed Asset Fund	<u>41,238</u>	<u>(5,898)</u>	<u>(40)</u>	<u>35,300</u>
	91,362	(12,734)	-	78,628
Restricted funds				
Buy a bulb	177	-	-	177
	<u>177</u>	<u>-</u>	<u>-</u>	<u>177</u>
TOTAL FUNDS	<u>91,539</u>	<u>(12,734)</u>	<u>-</u>	<u>78,805</u>

FARNBOROUGH CHRISTIAN OUTREACH

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
for the year ended 31 July 2014

12. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	148,449	(155,285)	(6,836)
Fixed Asset Fund	-	(5,898)	(5,898)
	<u>148,449</u>	<u>(161,183)</u>	<u>(12,734)</u>
TOTAL FUNDS	<u>148,449</u>	<u>(161,183)</u>	<u>(12,734)</u>

Unrestricted funds

The fixed asset fund is a designated fund and represents the net book value of fixed assets of the charity, for the purpose of freeing reserves that are not available for expenditure. Transfers relate to assets capitalised during the year, and outgoing resources represent depreciation charged during the year.

Restricted Fund

The Buy a Bulb fund is as a result of an appeal to pay for the new LED lights installed in the bookshop to enhance the displays.

13. RELATED PARTY DISCLOSURES

The charity owns the entire share capital of The Triangle Café Ltd (referred to as the café), a limited company registered in England and Wales. As most of the administration of the café is carried out by the charity, management charges of £1,600 (2013: £1,250) are passed on to the café. These are included in other incoming resources.

The charity did not receive a donation from the café this financial year (2013: nil).

At the end of the year, a balance of £2,337 (2013: £2,860 was due to the café) was due to the café.

FARNBOROUGH CHRISTIAN OUTREACH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 July 2014

	2014	2013
	£	£
INCOMING RESOURCES		
Voluntary income		
Donations and membership fees	34,734	27,956
Investment income		
Interest receivable - trading	-	2
Incoming resources from charitable activities		
Bookshop sales	111,985	113,907
Other incoming resources		
Management charge	1,600	1,250
Interest on pension scheme liabilities	<u>130</u>	<u>-</u>
	<u>1,730</u>	<u>1,250</u>
Total incoming resources	148,449	143,115
RESOURCES EXPENDED		
Charitable activities		
Wages	12,775	12,735
Social security	258	405
Rates and water	498	552
Insurance	1,258	1,575
Light and heat	6,737	7,465
Telephone	1,712	1,753
Postage and stationery	2,945	1,757
Advertising	736	1,506
Sundries	620	141
Purchases	70,705	79,173
Rent	28,003	27,188
Repairs and maintenance	14,019	17,446
Travel and entertainment	204	393
Donations given	-	45
Dues and subscriptions	628	553
Book token expense	2,000	-
Depn improvements to property	4,290	4,290
Depn plant and machinery	1,608	1,305
Bank charges and interest	2,130	1,854
Credit card commission	707	773
Credit card costs	<u>481</u>	<u>432</u>
	152,314	161,341
Governance costs		
Accountancy	6,600	6,450
Support costs		

This page does not form part of the statutory financial statements

FARNBOROUGH CHRISTIAN OUTREACH

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 July 2014

	2014	2013
	£	£
Other Sundries	<u>2,269</u>	<u>-</u>
Total resources expended	161,183	167,791
	<u> </u>	<u> </u>
Net expenditure	<u>(12,734)</u>	<u>(24,676)</u>

This page does not form part of the statutory financial statements