

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 2015**  
**FOR**  
**FARNBOROUGH CHRISTIAN OUTREACH**

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

**FARNBOROUGH CHRISTIAN OUTREACH**  
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**for the year ended 31 July 2015**

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## **FARNBOROUGH CHRISTIAN OUTREACH**

### **REPORT OF THE TRUSTEES** **for the year ended 31 July 2015**

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 2015. 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

J R D Edwards

D R Palmer

- appointed 9.10.14

**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.

## FARNBOROUGH CHRISTIAN OUTREACH

### REPORT OF THE TRUSTEES for the year ended 31 July 2015

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **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.

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 increased by £3,872 to £115,857 (compared to £111,985 in 2014). Out of shop sales including to Schools, Churches, Church events, conferences and bookstalls continue to be a significant part of the Charity. With the closure of other Christian bookshops in Hampshire and Surrey we are serving a growing number of churches over a widening geographical area.

Voluntary income for the period increased by £24,087 to £58,821 (compared to £34,734 in 2014). The increase includes a legacy as well as increased donations from supporters and members, which is very encouraging for the Trustees. Total resources expended increased from £161,183 in 2014 to £170,448 in 2015. Overall there was a net incoming resource for the period of £8,571 (compared to a net outflow of £12,734 in 2014).

The Charity's subsidiary, The Triangle Café Limited had a turnover for the period of £93,996 (compared to £95,979 in 2014) however with reduced cost of sales and expenses the Café was able to pay an increased management charge to the bookshop of £4,200 (compared to £1,600 in 2014). The net result was a loss of £124 (compared to a net profit of £426 in 2014). Although sales turnover has been disappointing and the cinema opening has had no real impact as yet, careful management of costs and expenses means the Company remains financially viable.

#### **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 £55,203 at 31st July 2015 and the aim of the trustees is to build this up to a balance which represents 3 months of operating expenditure.

**FARNBOROUGH CHRISTIAN OUTREACH**

**REPORT OF THE TRUSTEES**  
**for the year ended 31 July 2015**

**FINANCIAL REVIEW**

**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.

**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 increasing income and containing expenses where possible 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 – most of the downstairs lighting has now been converted to LEDs and the reduction in electricity costs will be seen in future accounting periods;
- Continued review of opening hours, range of products sold and use of premises as the town centre developments progress;
- Continue to work with local Schools and RE teachers;
- Continue to improve links with Churches through regular contact with church leaders;
- 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 21 April 2016..... and signed on its behalf by:



.....  
C M Mason - Trustee

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

I report on the accounts for the year ended 31 July 2015 set out on pages six to thirteen.

**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.

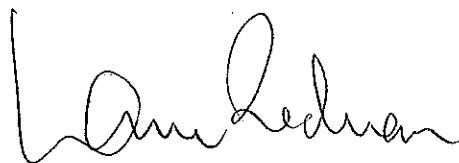
**Independent examiner's statement**

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: ..... 21 April 2016 .....

**FARNBOROUGH CHRISTIAN OUTREACH**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 July 2015**

	Unrestricted funds	Restricted funds	Total 2015 funds	Total 2014 funds
Notes	£	£	£	£
<b>INCOMING RESOURCES</b>				
<b>Incoming resources from generated funds</b>				
Voluntary income	58,821	-	58,821	34,734
<b>Incoming resources from charitable activities</b>				
Bookshop	115,857	-	115,857	111,985
Other incoming resources	<u>4,341</u>	<u>-</u>	<u>4,341</u>	<u>1,730</u>
<b>Total incoming resources</b>	179,019	-	179,019	148,449
<b>RESOURCES EXPENDED</b>				
<b>Charitable activities</b>				
Bookshop	163,498	-	163,498	154,583
Governance costs	<u>6,950</u>	<u>-</u>	<u>6,950</u>	<u>6,600</u>
<b>Total resources expended</b>	<u>170,448</u>	<u>-</u>	<u>170,448</u>	<u>161,183</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>	8,571	-	8,571	(12,734)
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<u>78,628</u>	<u>177</u>	<u>78,805</u>	<u>91,539</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>87,199</u></u>	<u><u>177</u></u>	<u><u>87,376</u></u>	<u><u>78,805</u></u>

The notes form part of these financial statements

**FARNBOROUGH CHRISTIAN OUTREACH**

**BALANCE SHEET**

**At 31 July 2015**

		Unrestricted funds	Restricted funds	Total 2015 funds	Total 2014 funds
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	5	31,995	-	31,995	35,300
Investments	6	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>
		31,996	-	31,996	35,301
<b>CURRENT ASSETS</b>					
Stocks		78,484	-	78,484	78,952
Debtors	7	30,784	-	30,784	7,674
Cash at bank and in hand		<u>421</u>	<u>177</u>	<u>598</u>	<u>606</u>
		109,689	177	109,866	87,232
<b>CREDITORS</b>					
Amounts falling due within one year	8	<u>(54,486)</u>	<u>-</u>	<u>(54,486)</u>	<u>(43,728)</u>
<b>NET CURRENT ASSETS</b>		<u>55,203</u>	<u>177</u>	<u>55,380</u>	<u>43,504</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		87,199	177	87,376	78,805
<b>NET ASSETS</b>		<u>87,199</u>	<u>177</u>	<u>87,376</u>	<u>78,805</u>
<b>FUNDS</b>					
Unrestricted funds	10			87,199	78,628
Restricted funds				<u>177</u>	<u>177</u>
<b>TOTAL FUNDS</b>				<u>87,376</u>	<u>78,805</u>

The notes form part of these financial statements



**FARNBOROUGH CHRISTIAN OUTREACH**

**BALANCE SHEET - CONTINUED**

**At 31 July 2015**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2015.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31 July 2015 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 21 April 2016 and were signed on its behalf by:



.....  
C M Mason -Trustee

The notes form part of these financial statements

## FARNBOROUGH CHRISTIAN OUTREACH

### notes to the financial statements for the year ended 31 July 2015

#### 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. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2015	2014
	£	£
Depreciation - owned assets	<u>6,395</u>	<u>5,898</u>

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 July 2015**

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 July 2015 nor for the year ended 31 July 2014.

**Trustees' expenses**

During the year, expenses of £nil were paid to C Mason (2014: £nil). 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 had been repaid.

**4. STAFF COSTS**

	2015	2014
	£	£
Wages and salaries	12,738	12,775
Social security costs	-	258
	<u>12,738</u>	<u>13,033</u>

The average monthly number of employees during the year was as follows:

2015	2014
<u>5</u>	<u>5</u>

No employees received emoluments in excess of £60,000.

The monthly average number of employees during the year, calculated on a full time basis equivalent, was nil (2014: 1).

**5. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 August 2014	85,497	24,572	25,566	135,635
Additions	<u>-</u>	<u>3,090</u>	<u>-</u>	<u>3,090</u>
At 31 July 2015	<u>85,497</u>	<u>27,662</u>	<u>25,566</u>	<u>138,725</u>
<b>DEPRECIATION</b>				
At 1 August 2014	55,634	19,135	25,566	100,335
Charge for year	<u>4,290</u>	<u>2,105</u>	<u>-</u>	<u>6,395</u>
At 31 July 2015	<u>59,924</u>	<u>21,240</u>	<u>25,566</u>	<u>106,730</u>
<b>NET BOOK VALUE</b>				
At 31 July 2015	<u>25,573</u>	<u>6,422</u>	<u>-</u>	<u>31,995</u>
At 31 July 2014	<u>29,863</u>	<u>5,437</u>	<u>-</u>	<u>35,300</u>

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 July 2015**

**6. FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1 August 2014 and 31 July 2015	<u>1</u>
 <b>NET BOOK VALUE</b>	
At 31 July 2015	<u><u>1</u></u>
At 31 July 2014	<u><u>1</u></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:	%
Ordinary	holding 100

	2015	2014
	£	£
Aggregate capital and reserves	308	432
(Loss)/profit for the year	<u>(124)</u>	<u>426</u>

**7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Trade debtors	-	1,500
VAT	769	983
Prepayments and accrued income	<u>30,015</u>	<u>5,191</u>
	<u><u>30,784</u></u>	<u><u>7,674</u></u>

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 July 2015**

**8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015	2014
	£	£
Bank loans and overdrafts	28,358	21,979
Other loans	3,500	3,500
Trade creditors	12,245	11,655
Amounts owed to group undertakings	4,878	2,337
Social security and other taxes	175	172
Other creditors	1,105	2,381
Sundry Creditors	350	350
Accruals and deferred income	<u>3,875</u>	<u>1,354</u>
	<u>54,486</u>	<u>43,728</u>

**9. OPERATING LEASE COMMITMENTS**

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

	2015	2014
	£	£
Expiring:		
Between one and five years	<u>28,000</u>	<u>28,000</u>

**10. MOVEMENT IN FUNDS**

	At 1.8.14	Net movement	Transfers	At 31.7.15
	£	in funds	between funds	£
		£	£	
<b>Unrestricted funds</b>				
General fund	43,328	14,966	(3,090)	55,204
Fixed Asset Fund	<u>35,300</u>	<u>(6,395)</u>	<u>3,090</u>	<u>31,995</u>
	78,628	8,571	-	87,199
<b>Restricted funds</b>				
Buy a bulb	177	-	-	177
	<u>177</u>	<u>-</u>	<u>-</u>	<u>177</u>
<b>TOTAL FUNDS</b>	<u>78,805</u>	<u>8,571</u>	<u>-</u>	<u>87,376</u>

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31 July 2015**

**10. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	179,019	(164,053)	14,966
Fixed Asset Fund	<u>-</u>	<u>(6,395)</u>	<u>(6,395)</u>
	<u>179,019</u>	<u>(170,448)</u>	<u>8,571</u>
<b>TOTAL FUNDS</b>	<u>179,019</u>	<u>(170,448)</u>	<u>8,571</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.

**11. 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 £4,200 (2014: £1,600) 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 (2014: nil).

At the end of the year, a balance of £4,878 (2014: £2,337) was due to the café.

**FARNBOROUGH CHRISTIAN OUTREACH**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 July 2015**

	2015 £	2014 £
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Donations and membership fees	58,821	34,734
<b>Incoming resources from charitable activities</b>		
Bookshop sales	115,857	111,985
<b>Other incoming resources</b>		
Management charge	4,200	1,600
Interest on pension scheme liabilities	<u>141</u>	<u>130</u>
	<u>4,341</u>	<u>1,730</u>
<b>Total incoming resources</b>	179,019	148,449
<b>RESOURCES EXPENDED</b>		
<b>Charitable activities</b>		
Wages	12,738	12,775
Social security	-	258
Rates and water	960	498
Insurance	1,552	1,258
Light and heat	7,481	6,737
Telephone and internet	2,223	1,712
Postage and stationery	3,184	2,945
Advertising	526	736
Sundries	415	620
Purchases	77,865	70,705
Rent	28,001	28,003
Repairs and maintenance	15,495	14,019
Travel and entertainment	190	204
Donations given	397	-
Dues and subscriptions	584	628
Book token expense	-	2,000
Depn improvements to property	4,290	4,290
Depn plant and machinery	2,105	1,608
Bank charges and interest	2,099	2,130
Credit card commission	788	707
Credit card costs	<u>479</u>	<u>481</u>
	161,372	152,314
<b>Governance costs</b>		
Accountancy	6,950	6,600
<b>Support costs</b>		

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 2015**

	2015	2014
	£	£
Other Sundries	<u>2,126</u>	<u>2,269</u>
<b>Total resources expended</b>	170,448	161,183
	<hr/>	<hr/>
<b>Net income/(expenditure)</b>	<u>8,571</u>	<u>(12,734)</u>

This page does not form part of the statutory financial statements