

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

**REPORT OF THE TRUSTEES AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31ST JULY 2017**  
**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 31st July 2017**

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## **FARNBOROUGH CHRISTIAN OUTREACH**

### **REPORT OF THE TRUSTEES** **for the year ended 31st July 2017**

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 31st July 2017. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

#### **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 Resources Centre 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 to £116,235 (compared to £123,067 in 2016). Out of shop sales including to Schools, Churches, Church events, conferences and bookstalls continue to be a significant and growing part of the Charity and now provide a steady income. With regular contact being made through the shop manager and schools liaison officer we hope to continue to be of service to local churches and schools. The Speaking Volumes initiative has again been particularly useful for local schools, enabling funding through The Triangle for Christian library books.

The Trustees have been focused on reducing overheads wherever possible. One significant achievement has been the removal of the bank overdraft and associated bank charges.

Voluntary income for the period increased to £61,066 (compared to £42,265 in 2016). This year includes additional donations given following the appeal for the dumb waiter and new chairs. The Trustees continue to be greatly encouraged by the generous support given by supporters, members and churches. Total resources expended was £174,860 in 2017 meaning there was a net inflow for the period of £2,441.

The Charity's subsidiary, The Triangle Café Limited had a turnover for the period of £84,772 (compared to £86,604 in 2016). The fall in turnover again resulted in the subsidiary being unable to pay any management charge to the Charity. The net result was a loss of £6,089 (compared to a loss of £5,792 in 2016). Clearly it has been another disappointing period for the subsidiary. With the support of members the Trustees are working on making improvements to the Cafe, for example we have now replaced broken and damaged chairs and tables. The Cafe team are also running various sales promotions and new menus with a view to improving the financial position of the subsidiary. The Cafe has also featured in local press articles giving lots of good promotion and the Cafe successfully maintained its 5 star health and hygiene rating. A promotional leaflet is also being produced and will be distributed to local residents and hotels etc.

#### **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.

##### **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 £55,383 at 31st July 2017 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 31st July 2017

#### **FUTURE PLANS**

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 where possible;
- Reduced overheads through change to low energy LED lighting in additional areas not already changed;
- Renewed links with Schools and RE teachers and promotion of Speaking Volumes initiative;
- 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.

#### **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.

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.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
04046637 (England and Wales)

**Registered Charity number**  
1083852

**FARNBOROUGH CHRISTIAN OUTREACH**

**REPORT OF THE TRUSTEES**  
**for the year ended 31st July 2017**

**REFERENCE AND ADMINISTRATIVE DETAILS**

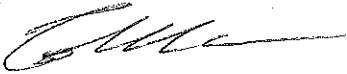
**Registered office**  
64 Kingsmead  
FARNBOROUGH  
Hampshire  
GU14 7SL

**Trustees**  
K Fontana  
C M Mason  
J R D Edwards  
D R Palmer  
Mrs S M Smith

- appointed 1.7.17

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

Approved by order of the board of trustees on 30th April 2018 and signed on its behalf by:



C M Mason - Trustee

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

**Independent examiner's report to the trustees of Farnborough Christian Outreach ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31st July 2017.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report 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

30th April 2018

**FARNBOROUGH CHRISTIAN OUTREACH**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31st July 2017**

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies		61,066	-	61,066	42,372
<b>Charitable activities</b>					
Bookshop		116,235	-	116,235	123,067
<b>Total</b>		<u>177,301</u>	<u>-</u>	<u>177,301</u>	<u>165,439</u>
<b>EXPENDITURE ON</b>					
Charitable activities					
Bookshop		174,860	-	174,860	180,322
<b>NET INCOME/(EXPENDITURE)</b>		<u>2,441</u>	<u>-</u>	<u>2,441</u>	<u>(14,883)</u>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		72,316	177	72,493	87,376
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>74,757</u>	<u>177</u>	<u>74,934</u>	<u>72,493</u>

**CONTINUING OPERATIONS**

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

**FARNBOROUGH CHRISTIAN OUTREACH**

**BALANCE SHEET**

**At 31st July 2017**

	Notes	Unrestricted funds £	Restricted funds £	2017 Total funds £	2016 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	6	19,373	-	19,373	25,693
Investments	7	1	-	1	1
		<u>19,374</u>	<u>-</u>	<u>19,374</u>	<u>25,694</u>
<b>CURRENT ASSETS</b>					
Stocks	8	72,241	-	72,241	76,737
Debtors	9	16,595	-	16,595	7,310
Cash at bank and in hand		1,475	177	1,652	1,290
		<u>90,311</u>	<u>177</u>	<u>90,488</u>	<u>85,337</u>
<b>CREDITORS</b>					
Amounts falling due within one year	10	(34,928)	-	(34,928)	(38,538)
<b>NET CURRENT ASSETS</b>		<u>55,383</u>	<u>177</u>	<u>55,560</u>	<u>46,799</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>74,757</u>	<u>177</u>	<u>74,934</u>	<u>72,493</u>
<b>NET ASSETS</b>		<u><u>74,757</u></u>	<u><u>177</u></u>	<u><u>74,934</u></u>	<u><u>72,493</u></u>
<b>FUNDS</b>	13				
Unrestricted funds				74,757	72,316
Restricted funds				177	177
<b>TOTAL FUNDS</b>				<u><u>74,934</u></u>	<u><u>72,493</u></u>

The notes form part of these financial statements



**FARNBOROUGH CHRISTIAN OUTREACH**

**BALANCE SHEET - CONTINUED**

**At 31st July 2017**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st July 2017.

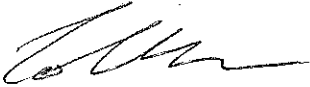
The members have not required the company to obtain an audit of its financial statements for the year ended 31st July 2017 in accordance with Section 476 of the Companies Act 2006.

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 charitable small companies.

The financial statements were approved by the Board of Trustees on 30th April 2018 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 31st July 2017

#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

##### **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.

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the year ended 31st July 2017

**2. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2017	2016
	£	£
Independent examiner's fees	2,292	2,500
Depreciation - owned assets	<u>6,669</u>	<u>6,625</u>

**3. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st July 2017 nor for the year ended 31st July 2016.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st July 2017 nor for the year ended 31st July 2016.

**4. STAFF COSTS**

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

2017	2016
<u>2</u>	<u>5</u>

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

**5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	42,372	-	42,372
Charitable activities			
Bookshop	<u>123,067</u>	<u>-</u>	<u>123,067</u>
<b>Total</b>	165,439	-	165,439
<b>EXPENDITURE ON</b>			
Charitable activities			
Bookshop	<u>180,322</u>	<u>-</u>	<u>180,322</u>
<b>Total</b>	180,322	-	180,322
<b>NET INCOME/(EXPENDITURE)</b>	<u>(14,883)</u>	<u>-</u>	<u>(14,883)</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	<u>87,199</u>	<u>177</u>	<u>87,376</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>72,316</u></u>	<u><u>177</u></u>	<u><u>72,493</u></u>

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the year ended 31st July 2017

6. TANGIBLE FIXED ASSETS	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1st August 2016	85,497	27,985	25,566	139,048
Additions	-	349	-	349
At 31st July 2017	<u>85,497</u>	<u>28,334</u>	<u>25,566</u>	<u>139,397</u>
<b>DEPRECIATION</b>				
At 1st August 2016	64,214	23,575	25,566	113,355
Charge for year	4,290	2,379	-	6,669
At 31st July 2017	<u>68,504</u>	<u>25,954</u>	<u>25,566</u>	<u>120,024</u>
<b>NET BOOK VALUE</b>				
At 31st July 2017	<u>16,993</u>	<u>2,380</u>	-	<u>19,373</u>
At 31st July 2016	<u>21,283</u>	<u>4,410</u>	-	<u>25,693</u>

7. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>MARKET VALUE</b>	
At 1st August 2016 and 31st July 2017	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31st July 2017	<u>1</u>
At 31st July 2016	<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		
		31.7.17	31.7.16
		£	£
Aggregate capital and reserves		(11,574)	(5,485)
(Loss) for the year		<u>(6,089)</u>	<u>(5,792)</u>

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31st July 2017**

**8. STOCKS**

	2017	2016
	£	£
Stocks	<u>72,241</u>	<u>76,737</u>

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

	2017	2016
	£	£
Amounts owed by group undertakings	3,650	-
Other debtors	257	-
VAT	2,784	776
Prepayments and accrued income	9,904	6,534
	<u>16,595</u>	<u>7,310</u>

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

	2017	2016
	£	£
Bank loans and overdrafts (see note 11)	-	8,766
Other loans (see note 11)	3,500	3,500
Trade creditors	25,510	21,903
Social security and other taxes	175	175
Other creditors	1,322	172
Accruals and deferred income	4,421	4,022
	<u>34,928</u>	<u>38,538</u>

**11. LOANS**

An analysis of the maturity of loans is given below:

	2017	2016
	£	£
Amounts falling due within one year on demand:		
Bank overdraft	-	8,766
Other loans	3,500	3,500
	<u>3,500</u>	<u>12,266</u>

**12. LEASING AGREEMENTS**

	2017	2016
	£	£
Expiring:		
Within one year	28,000	28,000
Between one and five years	4,667	32,667
	<u>32,667</u>	<u>60,667</u>

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the year ended 31st July 2017

**13. MOVEMENT IN FUNDS**

	At 1.8.16 £	Net movement in funds £	At 31.7.17 £
<b>Unrestricted funds</b>			
General fund	46,274	9,109	55,383
Fixed Asset Fund	26,042	(6,668)	19,374
	<u>72,316</u>	<u>2,441</u>	<u>74,757</u>
<b>Restricted funds</b>			
Buy a bulb	177	-	177
	<u>72,493</u>	<u>2,441</u>	<u>74,934</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	177,301	(168,192)	9,109
Fixed Asset Fund	-	(6,668)	(6,668)
	<u>177,301</u>	<u>(174,860)</u>	<u>2,441</u>
<b>TOTAL FUNDS</b>	<u>177,301</u>	<u>(174,860)</u>	<u>2,441</u>

**Comparatives for movement in funds**

	At 1.8.15 £	Net movement in funds £	At 31.7.16 £
<b>Unrestricted Funds</b>			
General fund	60,042	(8,364)	46,624
Fixed Asset Fund	27,157	(6,519)	25,692
	<u>87,199</u>	<u>(14,883)</u>	<u>72,316</u>
<b>Restricted Funds</b>			
Buy a bulb	177	-	177
	<u>87,376</u>	<u>(14,883)</u>	<u>72,493</u>

**FARNBOROUGH CHRISTIAN OUTREACH**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 31st July 2017**

**13. MOVEMENT IN FUNDS - continued**

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	165,333	(173,697)	(8,364)
Fixed Asset Fund	106	(6,625)	(6,519)
	<u>165,439</u>	<u>(180,322)</u>	<u>(14,883)</u>
<b>TOTAL FUNDS</b>	<u>165,439</u>	<u>(180,322)</u>	<u>(14,883)</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.

**14. 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. This year no management charges (2016: £nil) were passed onto the café.

The charity did not receive a donation from the café this financial year (2016: nil).

At the end of the year, a balance of £17,180 was due from the café (2016: £9,882 was due to the café). In view of the fact the Triangle Café Limited as at 31st July 2017 was insolvent, a further provision of £3,648 against this debt has been made in the accounts of Farnborough Christian Outreach (£9,882 provided in 2016).