

Charity registration number: 505981

Kendal & District Christian Literature Society

known as

Market Place Books

Annual Report and Financial Statements

for the Year Ended 31 January 2021

Stables Thompson & Briscoe
Chartered Accountants & Statutory Auditors
Lowther House
Lowther Street
Kendal
Cumbria
LA9 4DX

Kendal & District Christian Literature Society

known as Market Place Books

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Reference and Administrative Details

Chairman	J Brook, Chair of Trustees
Trustees	S Grime, Vice Chair J Bell (resigned 27 June 2020) W Allen H Boardman (resigned 27 June 2020) F Brook R Spratt (appointed 27 June 2020)
Senior Management Team	M Severn, Manager R Graves, Deputy Manager (left 31 January 2021)
Principal Office	United Reformed Church 106 Highgate Kendal Cumbria LA9 4HE
Charity Registration Number	505981
Bankers	Barclays Bank 9 Highgate Kendal Cumbria LA9 4DF
Independent Examiner	Stables Thompson & Briscoe Chartered Accountants & Statutory Auditors Lowther House Lowther Street Kendal Cumbria LA9 4DX

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Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 January 2021.

Objectives and activities

Objects and aims

The constitution of the Kendal and District Christian Literature Society, which runs the shop, indicates that the main objective of the Charity is to advance the Christian religion in Kendal and the surrounding area.

The aims of the charity are to be a resource for individuals and churches and to spread and educate further God's Word. This is highlighted by the strapline for the shop which summarises this as: Promoting Christ, Providing Resources, Supporting the Church.

Public benefit

The Trustees have reviewed the outcomes and achievements of our objectives and activities for the year, to ensure they remain focused on our charitable aims, and continue to deliver benefits to the public.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Use of volunteers

As in previous years, our continued existence is due to the dedication and commitment of our small team of staff and volunteers. Once again, on behalf of the trustees, I want to take this opportunity to thank everyone who has helped in whatever capacity over the last year. Once again, I want particularly to thank Ruth Graves our assistant manager, for her hard work and dedication. It continues to be a simple fact that we could not continue without the many diverse talents of our staff, volunteers, trustees and supporters.

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Trustees' Report

Achievements and performance

Financial review

We heard in June 2020 that we had been successful in our grant application and we received a grant of £20,000 from the Trustees of The Birkenhead Christian Bookshop. We are very grateful for this funding and happy to acknowledge that this has underpinned our move and continued existence.

We concluded our discussions with Kendal URC and agreed to move. We completed the move in October 2020 after the removal of our fixtures and fittings from our old premises. This was completed during the second lock down and we are grateful to all those involved.

We have started to operate from our new shop and we look forward to continuing to deliver resources to churches and individual believers in the days ahead. Needless to say conditions for all high street shops are difficult. But we remain committed to our vision and we are encouraged by God's faithfulness to us during this turbulent period.

The unprecedented trading conditions during the year have resulted in an extraordinary set of accounts. Due to a combination of circumstances we have finally managed to slash our annual deficit! Our deficit this year is under £1k.

Factors that have contributed to this, include the Birkenhead Christian Bookshop grant of £20k and £25k COVID Grants. We have rent savings starting to be reflected in a reduction in overheads.

Our sales are dramatically down to £24.5k from £70k, but that is to be expected as there have been extensive periods of COVID related lockdown closure. There is a large one off cost of £9k relating to our move from 26 Market Place.

The detailed figures in our accounts show that our net loss for the year was £978. This compares with a loss in the previous year of £28,792. Our sales fell to £24,352 from £70,837 last year. However, because of grants and other income our total income was only slightly reduced at £76,505 from £77,707 last year. Our expenditure was significantly reduced at £77,483 from £106,500 in the previous year. Taken together, this gives us a sound financial basis to work from for the future.

In these challenging times, we continue to work prayerfully together in order to see the fruit we so eagerly desire. The trustees remain committed in faith, to meet the ongoing challenges head-on and we continue to look at opportunities for the future development of the Charity.

Policy on reserves

All reserves are unrestricted but with £40,000 of reserves designated for working capital requirements.

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Trustees' Report

Going concern

We have completed another year in the life of the Bookshop. At last year's AGM it was made clear that the Bookshop could not continue in its existing format. The shop was losing money and reaching the end of its financial reserves.

The shop lease on our premises at 26 Market Place came to an end in March 2020. Having looked at the finances and agreed a reduced rent package with our landlord, the Trustees agreed to extend the lease until September 2020. We also agreed to continue to explore the possibility of a move to the Kendal URC premises 106 Highgate, following their refurbishment programme scheduled for completion in late 2020. It was understood that the URC shop was smaller than the existing premises, but there would be a significantly reduced rent.

The COVID lockdown during 2020 meant that the shop had to close its doors for several months. Fortunately, the Government provided financial assistance for high street businesses in the form of business grants and furlough payments for staff. These are highlighted in the accounts.

As the Trustees prepared to make a decision on the future of the Bookshop, we were approached by the Trustees of Birkenhead Christian Bookshop. Unfortunately, they had taken the decision to close their shop after many years trading. However, they had some proceeds left and were looking to support other similar charities and we were invited to submit a grant application. The Trustees agreed to apply for a grant and on the basis of a revised business plan and financial projections for the new premises at 106 Highgate, agreed that if the application was successful to make the move to Kendal URC and continue trading.

In these challenging times, we continue to work prayerfully together in order to see the fruit we so eagerly desire. The trustees remain committed in faith, to meet the ongoing challenges head-on and we continue to look at opportunities for the future development of the Charity.

It is worth closing with some words from last year's annual report 'We continue to look for a reversal in the declining sales of Christian resources in order to see more life changing materials in the hands of many people in our community and beyond. The trustees seek to build on the foundations laid over many years, to see this happen. We are encouraged that the seeds of life contained in God's Word, continue to be scattered and will reap their harvest in season.'

'We have over 40 years of successful trading. We look forward to the year to come with some trepidation, but in hope and expectation despite the prevailing conditions.'

'We will be looking at taking radical decisions over the coming months, to do all we can to stave off the ultimate closure of the shop and potentially to see a new chapter in the life of the shop should that be possible.'

Having prevailed thus far, we look forward in faith and with thankful hearts, to seeing what the next 12 months of trading will bring in our new home!

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

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Trustees' Report

Recruitment and appointment of trustees

Following identification of the skills required, Trustees are recruited by personal recommendation.

Induction and training of trustees

They are invited to spend 12 months as co-opted observers attending Trustee meetings to familiarise themselves with all aspects of KDCLS and Market Place Books, before being formally elected at an AGM. At the outset, prospective Trustees are provided with our Statement of Faith, our governing Rules and a copy of the Essential Trustee from the Charity Commission.

Arrangements for setting key management personnel remuneration

The key personnel comprise of the Shop Manager and the Assistant Shop Manager. Their remuneration is set annually by the Charity Trustees. This is done after taking into account background information such as the annual rate of inflation and pay rises across a range of other sectors, together with the performance of the shop and the individual concerned.

Organisational structure

The charity is made up a group of Trustees including the Chairman, vice Chairman and Treasurer. They oversee the work of the Shop Manager and the Assistant Shop Manager, who in turn supervise the group of volunteers in the shop.

Major risks and management of those risks

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

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies approved by the board of trustees, which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

Cash flow risk

The charity's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The charity uses foreign exchange forward contracts and interest rate swap contracts to hedge these exposures.

Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

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Trustees' Report

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables, and investments.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity uses a mixture of long-term and short-term debt finance.

Further details regarding liquidity risk can be found in the Statement of accounting policies in the financial statements.

The annual report was approved by the trustees of the charity on 19 April 2021 and signed on its behalf by:

.....
J Brook
Chairman

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Shop Managers Report

This year has been the most challenging we have ever had due to the twin effects of the coronavirus pandemic and the move of our premises.

The shop has had to confront 3 national lockdowns and some additional tier 4 restrictions over the course of the financial year. This totals as of 31st Jan 2021 approximately 21 weeks of closure to physical customers. Until the 1st of July both staff were furloughed full time with salary supported by the Coronavirus Job Retention Scheme (JRS) as the scheme at the time required. From the 1st July I as manager went back to work on a flexible hours basis and we brought the deputy manager back on the same basis from August.

Between lockdowns, the shop was open to physical customers part time for the majority of weeks as footfall in the town was significantly reduced and so we took advantage of the ability to claim furlough on a part time basis. The first lockdown took effect before we were able to sell much Easter stock; we will therefore adjust future Easter stock orders to minimise financial loss from that trading period.

What we have discovered is that the shop is more than a physical location: that we are able to trade remotely over the phone, via email and via the website. We have delivered products using the postal service and also, from November, offering free delivery within Kendal limits utilising the manager's time and personal transport.

In fact a large proportion of the year's sales have come from trading weeks that saw us closed to the physical customer. The growth of mail order and web customers is a positive thing and every indication is that will continue into 2021.

In addition to the closure under coronavirus restrictions, the shop moved premises in September from 26 Market Place to our new location at 106 Highgate where we are able to have a Church as our landlord's and benefit from substantially reduced rent and bills. However preparation for the move necessitated a temporary closure in mid September to remove fittings in the old shop, and the shop-fitting in the new premises also took longer than expected so the opening was pushed back to mid October. The new premises are excellent and have fitted in a great deal of the old stock. Whilst they are not directly visible from the High Street we have taken steps to fit signage to highlight location. The loss of a position in the Market Place is a regret but financially necessary as rent and costs there are now exorbitant.

We took steps as part of move preparation to dispose of very old stock via book recycling websites for a low price per book which generated some cash sale but also reduced the physical volume to move and store and the ongoing value of future stock. We also took similar steps with stock on sale or return: several boxes of surplus and unsold products were returned to publishers and we were issued with credit notes.

When we did reopen in our new premises at 106 Highgate, we saw a steady stream of customers in who we had made aware by use of email and social media and instore advertising that we had moved. After the November lockdown had lifted, Christmas trading was also busy and effective although with reduced footfall due to the ongoing Covid19 situation. We were pleased to be able to hold a delayed 'opening' ceremony, socially distanced, with our Member of Parliament in December.

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Volunteers have not been in the shop due to the pandemic and the need to reduce contact tracing since early March 2020. We miss them very much and look forward to their return in 2021. Trustees have assisted staff with shop needs and customer orders. Our deputy manager Ruth, after many years of devoted service to the shop, took the decision to leave with effect from the 31st January. She will be missed a lot and we are so thankful for everything she brought to the shop.

We have received 3 grants from the government via the local authority (in addition to the JRS payments) which have been very welcome. In addition we were humbled and honoured to be in receipt of a number of larger donations especially a significant one from the Trustees of Birkenhead Christian Bookshop (which ceased operating in 2020 and disbursed its funds). Their grant enabled us to go ahead with the move and enable us to face the future with confidence and optimism.

Our thanks to God for His faithfulness and encouragement; and our thanks to everyone associated with the shop, staff, volunteers, trustees and customers!

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Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the applicable Charities (Accounts and Reports) Regulations, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 19 April 2021 and signed on its behalf by:

.....

J Brook
Chairman

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Independent Examiner's Report to the trustees of Kendal & District Christian Literature Society

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 January 2021 which are set out on pages 11 to 23.

Respective responsibilities of trustees and examiner

As the charity's trustees of Kendal & District Christian Literature Society you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Kendal & District Christian Literature Society's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Kendal & District Christian Literature Society as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

.....
Chloe Chapman-Hastwell ACA
Chartered Accountants & Statutory Auditors
ICAEW

Lowther House
Lowther Street
Kendal
Cumbria
LA9 4DX

19 April 2021

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Statement of Financial Activities for the Year Ended 31 January 2021

	Note	Unrestricted funds £	Total 2021 £
Income and Endowments from:			
Donations and legacies	2	52,125	52,125
Other trading activities	3	<u>24,382</u>	<u>24,382</u>
Total Income		<u>76,507</u>	<u>76,507</u>
Expenditure on:			
Raising funds	5	(23,407)	(23,407)
Charitable activities	6	<u>(54,076)</u>	<u>(54,076)</u>
Total Expenditure		<u>(77,483)</u>	<u>(77,483)</u>
Net movement in funds		(976)	(976)
Reconciliation of funds			
Total funds brought forward		<u>45,024</u>	<u>45,024</u>
Total funds carried forward	20	<u><u>44,048</u></u>	<u><u>44,048</u></u>

The notes on pages 14 to 23 form an integral part of these financial statements.

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Statement of Financial Activities for the Year Ended 31 January 2021

	Note	Unrestricted funds £	Total 2020 £
Income and Endowments from:			
Donations and legacies	2	6,182	6,182
Other trading activities	3	70,837	70,837
Investment income	4	61	61
Other income		627	627
Total Income		<u>77,707</u>	<u>77,707</u>
Expenditure on:			
Raising funds	5	(49,086)	(49,086)
Charitable activities	6	<u>(57,413)</u>	<u>(57,413)</u>
Total Expenditure		<u>(106,499)</u>	<u>(106,499)</u>
Net movement in funds		(28,792)	(28,792)
Reconciliation of funds			
Total funds brought forward		<u>73,816</u>	<u>73,816</u>
Total funds carried forward	20	<u><u>45,024</u></u>	<u><u>45,024</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 20.

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**(Registration number: 505981)
Balance Sheet as at 31 January 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	241	940
Current assets			
Stocks	14	24,316	33,725
Debtors	15	1,689	625
Investments	16	4,225	2,590
Cash at bank and in hand	17	15,848	12,549
		<u>46,078</u>	<u>49,489</u>
Creditors: Amounts falling due within one year	18	<u>(2,271)</u>	<u>(5,405)</u>
Net current assets		<u>43,807</u>	<u>44,084</u>
Net assets		<u>44,048</u>	<u>45,024</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>44,048</u>	<u>45,024</u>
Total funds	20	<u>44,048</u>	<u>45,024</u>

The financial statements on pages 11 to 23 were approved by the trustees, and authorised for issue on 19 April 2021 and signed on their behalf by:

.....
J Brook
Chairman

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Notes to the Financial Statements for the Year Ended 31 January 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Kendal & District Christian Literature Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The accounts are presented in Sterling to the nearest £.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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Notes to the Financial Statements for the Year Ended 31 January 2021

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £1,000.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Leasehold improvements	Straight line over lease term
Fixtures and fittings	25% reducing balance
Computer equipment	33.33% straight line

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Notes to the Financial Statements for the Year Ended 31 January 2021

Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO).

Trade debtors

Are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of is established when there is objective evidence that the will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Financial Statements for the Year Ended 31 January 2021

2 Income from donations and legacies

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Voluntary income			
Donations	4,579	4,579	3,997
Grants, including capital grants;			
Government grants	24,668	24,668	-
Grants from other charities	20,050	20,050	-
Donations from support partners	2,828	2,828	2,185
	<u>52,125</u>	<u>52,125</u>	<u>6,182</u>
		Unrestricted funds General £	Total funds £
Donations and legacies;			
Donations from individuals		4,579	4,579
Grants, including capital grants;			
Government grants		24,668	24,668
Grants from other charities		20,050	20,050
Regular giving and capital donations		<u>2,828</u>	<u>2,828</u>
Total for 2021		<u>52,125</u>	<u>52,125</u>
Total for 2020		<u>6,182</u>	<u>6,182</u>

3 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Sales of goods and services	<u>24,382</u>	<u>24,382</u>
Total for 2021	<u>24,382</u>	<u>24,382</u>
Total for 2020	<u>70,837</u>	<u>70,837</u>

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Notes to the Financial Statements for the Year Ended 31 January 2021

4 Investment income

	Unrestricted funds General £	Total funds £
Total for 2021	-	-
Total for 2020	61	61

5 Expenditure on raising funds

a) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		23,407	23,407
Total for 2021		23,407	23,407
Total for 2020		49,086	49,086
		Direct costs £	Total costs £
Costs of trading activities		23,407	23,407
Total for 2021		23,407	23,407
Total for 2020		49,086	49,086

6 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Staff costs		28,040	28,040
Allocated support costs		25,261	25,261
Governance costs		775	775
Total for 2021		54,076	54,076
Total for 2020		57,413	57,413

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Notes to the Financial Statements for the Year Ended 31 January 2021

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Costs	<u>54,076</u>	<u>54,076</u>	<u>57,413</u>

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total funds £
Audit fees		
Audit of the financial statements	<u>775</u>	<u>775</u>
Total for 2021	<u>775</u>	<u>775</u>
Total for 2020	<u>471</u>	<u>471</u>

8 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2021 £	2020 £
Operating leases - other assets	8,533	13,833
Audit fees	775	471
Depreciation of fixed assets	<u>80</u>	<u>107</u>

9 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

H Boardman

H Boardman received remuneration of £500 (2020: £1,600) during the year.

Mrs Boardman was paid for acting as Treasurer and providing bookkeeping services for the charity. Mrs Boardman resigned as a Trustee on 27 June 2020 but continues to provide the same services.

S Grime

£32 (2020: £Nil) of expenses were reimbursed to S Grime during the year.

Mrs Grime was reimbursed for purchasing a gift voucher on behalf of the charity.

No trustees have received any other benefits from the charity during the year.

Kendal & District Christian Literature Society

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Notes to the Financial Statements for the Year Ended 31 January 2021

10 Staff costs

The aggregate payroll costs were as follows:

	2021	2020
	£	£
Staff costs during the year were:		
Wages and salaries	27,549	29,022
Pension costs	491	470
	<u>28,040</u>	<u>29,492</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021	2020
	No	No
Full time equivalents	<u>2</u>	<u>2</u>

No employee received emoluments of more than £60,000 during the year

11 Independent Examiners' remuneration

	2021	2020
	£	£
Independent Examination of the financial statements	<u>775</u>	<u>471</u>

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Notes to the Financial Statements for the Year Ended 31 January 2021

12 Taxation

The charity is a registered charity and is therefore exempt from taxation.

13 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 February 2020	22,226	18,728	5,293	46,247
At 31 January 2021	22,226	18,728	5,293	46,247
Depreciation				
At 1 February 2020	21,607	18,407	5,293	45,307
Charge for the year	619	80	-	699
At 31 January 2021	22,226	18,487	5,293	46,006
Net book value				
At 31 January 2021	-	241	-	241
At 31 January 2020	619	321	-	940

Included within the net book value of land and buildings above is £Nil (2020 - £Nil) in respect of freehold land and buildings and £Nil (2020 - £619) in respect of leaseholds.

14 Stock

	2021 £	2020 £
Stocks	24,316	33,725

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Notes to the Financial Statements for the Year Ended 31 January 2021

15 Debtors

	2021 £	2020 £
Trade debtors	499	625
Other debtors	1,190	-
	<u>1,689</u>	<u>625</u>

16 Current asset investments

	2021 £	2020 £
Cash deposits	<u>4,225</u>	<u>2,590</u>

17 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	15,774	12,413
Other cash and cash equivalents	74	136
	<u>15,848</u>	<u>12,549</u>

18 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	690	2,500
Other taxation and social security	80	1,516
Other creditors	626	515
Accruals	875	874
	<u>2,271</u>	<u>5,405</u>

19 Commitments

Capital commitments

The charity entered a two year lease on 2nd October 2020.

The total amount contracted for but not provided in the financial statements was £10,000 (2020 - £Nil).

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Notes to the Financial Statements for the Year Ended 31 January 2021

20 Funds

Unrestricted funds

Unrestricted funds

The specific purposes for which the funds are to be applied are as follows:

The charity has a designated fund. The Working Capital Fund of £40,000 approximately represents the monies tied up in stock and debtors during the year.

21 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 January 2021 £
Tangible fixed assets	241	241
Current assets	46,078	46,078
Current liabilities	<u>(2,271)</u>	<u>(2,271)</u>
Total net assets	<u>44,048</u>	<u>44,048</u>