

Registered Charity Number
221462
Company Number
00588731

CHRISTIAN PUBLISHING & OUTREACH LIMITED
TRUSTEES' REPORT AND AUDITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2016



CHRISTIAN PUBLISHING & OUTREACH LIMITED

CHARITY INFORMATION

Trustees

Mrs C J Breuning
Mrs C F Butcher
Rev R B James
Rev G J Jefferson
Mr T W Russoff
Mr A D Stockbridge
Mr R H Webb

Registered office

Garcia Estate
Canterbury Road
Worthing
West Sussex
BN13 1BW

Solicitors

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Scandinavian House
2-6 Cannon Street
London
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Principal bankers

Barclays Corporate
PO Box 165
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West Sussex
RH10 1YX

Unity Trust Bank plc
Nine Brindleyplace
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B1 2HB

Auditor

Kreston Reeves LLP
9 Donnington Park
85 Birdham Road
Chichester
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CHRISTIAN PUBLISHING & OUTREACH LIMITED

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CHRISTIAN PUBLISHING & OUTREACH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2016

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 30 April 2016. The financial statements comply with The Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accountancy 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 Ireland published on 16 July 2014.

Trustees

The Trustees who served during the year and to the date of this report were as follows:

Mrs C J Breuning	
Mrs C F Butcher	
Rev R B James	
Rev G J Jefferson	
Mr T W Russoff	
Mr A D Stockbridge	Chairman
Mr R H Webb	
Mr S S P Weerasinghe	Resigned 15 January 2016

Other key management personnel involved in the day to day management of the charity:

PL Slide	(resigned June 2015)
AL Moreman	(joined September 2015)
RS Bravo	
FM Axell	(resigned May 2016)
PS Coram	
LJ Treener	
S Dearsley	

Structure, Governance and Management

Governing Document

Christian Publishing & Outreach Limited was established in 1957 and is a charitable company limited by guarantee governed by a Memorandum & Articles of Association. It is registered as a charity with the Charity Commission for England & Wales.

Recruitment and appointment of new Trustees

During the year no new Trustees were appointed; however, the current Board of Trustees recognises the need to continue to seek out people with the requisite skills and experience to add to the governing body of the charity. To this end, active recruitment is underway to find new trustees who have a passion for and commitment to the aims of the charity, with a view to adding up to two new members of the Board in 2016/17. The current recruitment process has taken on a number of forms, including approaching those known to existing members of the Board, and advertising vacancies in Christian Publishing & Outreach Limited's (CPO's) own publications and websites, as well as other organisations.

Induction and training of new Trustees

All new Trustees seek to familiarise themselves with the work of the Charity and its subsidiary companies. This includes meeting both directors and key employees, and having an understanding of the processes and systems that are in place. An updated introduction to CPO has been produced in 2016 for all new and existing trustees, and an information pack is given to all new Trustees including a history of CPO, the latest financial and departmental reports, the Memorandum & Articles of Association, annual accounts and various guides published by the Charity Commission.

Remuneration of key management personnel

Staff remuneration is reviewed annually by the Executive team and normally increased in line with inflation. The exception is the Chief Executive's salary which is set by The Trustees and benchmarked against similar roles in comparative organisations. In view of the nature of the organisation, the CPO Executive team benchmark staff salaries against pay levels in other charities of a similar size in the faith sector. In January 2016 CPO adopted the Living Wage for all permanent staff in recognition of the benefits this provided.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2016

Organisational structure

CPO has provided evangelistic and support materials to the wider Church since 1957. The main activities detailed below are:

- The publishing and distribution of Christian magazines.
- A Church resources service.
- A design, print and distribution service.
- A fulfilment operation.

CPO currently carries out all primary purpose activities of the Charity. All non-primary purpose trading is conducted through a subsidiary company called Heritage Studios. Separate accounts are available for Heritage Studios.

The Charity is administered by a Board of Trustees who are appointed in accordance with the Articles of Association. The Trustees are responsible for the proper handling of the affairs of the charity. The Trustees are responsible to the Charity Commission for the maintenance of the charitable objects of the Charity.

Chief Executive

An executive team is appointed to manage the Charity on behalf of the Trustees, reporting to them on a regular basis, as well as formally at Trustee meetings. This executive team is led by a Chief Executive, appointed by the Board of Trustees. In September 2015, Mr Andrew Moreman took on this role and from that point on has been responsible for the day-to-day running of both Christian Publishing & Outreach Limited and Heritage Studios Limited.

Trustee meetings

The trustees met four times during the year. The Chief Executive and members of the executive team attended part of these meetings to report on the operational side of the charity and its subsidiary and to agree on strategic changes which were critical to the Charity's development. With the operational knowledge provided by the staff team, trustees are able to make strategic and policy decisions. Trustees are required to declare conflicts of interest at any meeting and withdraw from decisions where a conflict of interest arises.

All Trustees give their time freely and no one was paid for their time contributing as a Trustee during the year.

Strategic Review

The Trustees commissioned a major Strategic Review which was formally agreed at the March 2014 board. Elements of this plan have now been put in place, most noticeably by the decision to radically increase our creative/design capacity by setting up an Innovation Hub in Brighton. This involved appointing new designers and a Director for Innovation.

The review requires that our products and services provide unique benefits and clear added value to the UK Church. To achieve this, we will develop as a strategically driven organisation which is lean, flexible, creative, innovative and efficient.

With this in mind, the new Chief Executive has established a set of short term strategic objectives, approved by the Board, to ensure that the organisation continues to grow. These include placing a renewed emphasis on the core mission of the Charity at the centre of all operations, the development of a new web-to-print tool to give additional support mechanisms for churches, a focus on developing strong working partnerships with other Christian charities who provide resources to support the Church and, critically, a review of the resource requirements and staffing structure. This final objective has led the trustees to approve a number of changes to the organisation, to be implemented in 2016–17, which will enable more agile working and allow for growth.

Staff

The trustees wish to place on record their appreciation of the hard work and dedication of all the staff and a particular thank you to those who have left and/or retired after many years of service.

The updated strategic objectives described above also highlight the need to invest further in the staff team by providing more and broader opportunities for learning and development through training, coaching and work shadowing, as well as seeking to implement apprenticeships in the organisation. A staff learning and development plan will be implemented following the restructure in 2016–17 which will include the implementation of online tools for managing appraisal, review, attendance and performance.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2016

Related parties

As noted above all primary purpose trading is held directly within Christian Publishing & Outreach (the charity) and there is one wholly owned subsidiary company Heritage Studios Ltd for non-primary purpose trading, thus creating a simple structure and administration.

The Charity owns the entire issued share capital of Heritage Studios, which publishes Funeral Service Journal and is a fully owned subsidiary of Christian Publishing & Outreach Limited. Separate accounts are available for the subsidiary.

Risk management

The charity has a range of risk management policies and procedures, and reviews these on a regular basis to ensure there have been no material changes, and relevant action taken where necessary. Every area of work has a detailed list of all the activities, the risks associated with that area and the action taken to mitigate risk. These include fire risk assessment, business continuity, major illness, working with VDUs, COSHH, PPE and manual handling.

A new Health and Safety Board has been established at an operational level and this is now led by a Director, who will report back to the executive team. From there risks will be periodically updated at an operational level with regular reporting to the Trustees on incidents and any mitigating actions taken.

Strategic Risks

The Trustees have a responsibility to examine potential top-level risks to the Charity and identify appropriate mitigating action for these risks. To this end, a strategic risk matrix has been added to the existing operational level processes. Trustees have reviewed and approved this document. Oversight of strategic risk will be carried out quarterly by the Finance and Risk Sub-Committee which includes at least two Trustees along with the Chief Executive and Director of Finance.

The Strategic Risks will be reviewed at a full Board meeting annually or upon request of the Finance and Risk Sub-Committee. Currently these strategic risks are identified as:

- **Market & customer misalignment:** A lack of ability to adapt to changing customer & market needs. Potential to become irrelevant & for the brand seen as outdated. Lack of innovation, risk taking and flexibility.
- **Reputation:** Theological controversy, key staff or trustee conflict with objects of the charity, inappropriate or failed partnerships with other Christian charities or organisations.
- **Capacity:** Inadequate a) senior & wider staff capacity and/or competence b) resources & operations investment & c) organisational structure.
- **Governance & Strategy:** Lack in the areas of proper governance, a clear and deliverable strategy, reporting and accountability.
- **Operations:** Failure to implement professional standards, exceptional customer service, or to meet health and safety needs.
- **Financial:** Failure to effectively manage long term financial strategy; systems or regulatory failure; fraud or mismanagement of funds.

Objectives and aims

To advance the Gospel of our Lord Jesus Christ by assisting Churches and other organisations for the advancement of the Christian faith with their display, publicity and advertising and by such other means being charitable as may be determined by the Charity.

Our Mission is to provide evangelistic and support materials that comprehensively serve the Body of Christ. In fulfilling our objects and mission we seek to:

- Make a national impact by equipping the Church to revitalise its communication and be mission focused.
- Be the UK's leading developer and provider of innovative Christian resources and media.
- Be a dynamic, flexible, proactive organisation committed to excellence and productive partnerships.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2016

Public Benefit

The Trustees have considered the guidelines issued by the Charity Commission with regard to public benefit and how the charity complies with these requirements. They are confident that they have complied with the duty in section 17(5) of the Charities Act 2011 with regard to public benefit.

The charity makes available to Christian organisations its range of materials and services without the exclusion of any denomination within the Christian religion. The Charity seeks to assist, encourage and motivate Churches throughout the UK into being outward looking in their communities – following Jesus' example of meeting both people's physical and spiritual needs. Thus bringing benefit to all in the Church and the wider community regardless of race and creed. The Trustees consider that this position is entirely in line with the charity's objects.

The service that the charity offers is available throughout the United Kingdom and overseas and there is no limitation placed on the area that the charity will cover and undertake its activities.

In addition, our customers often round up payments and request that the surplus goes towards CPO's Project Print fund. This money is available to support mission organisations by subsidising their printing costs. We are currently exploring how a new print tool could be used to generate additional funds for project print so that CPO can donate more resources for outreach.

Achievement and Performance

The activities of the charity are wide ranging, but fall into five main categories. They are New Media, Publications, Design & Print Services, Church Resources and Fulfilment Services. Success criteria for each category differs as appropriate to the strategic aim for that area of work, operational plans include key indicators to review performance. During the year new reporting mechanisms have supported the Board of Trustees in scrutinising improvement or under-performance across departments through operational updates at Board Meetings.

Publications

Inspire magazine

Inspire magazine is the largest-reach, regularly published Christian title in the UK. Published eight times per annum, it has a print run of 50,000 and a regular readership of around 200,000 in churches across the UK.

The magazine is designed to be an inspirational, accessible title telling uplifting stories of Christian faith in action, transforming lives in churches, communities and nations around the world. It is read both inside and outside churches, as well as being distributed in prisons, community centres, transport hubs, schools and workplaces.

In 2015-16, Inspire worked with a broad mix of Christian charities and ministries, including Church Army, Evangelical Alliance, Youth for Christ, Traidcraft, Emmaus, Scripture Union, Barnabas Fund, Embrace the Middle East, London City Mission, Orbis, London School of Theology, Christian Guild Holidays and Philo Trust.

The magazine's digital engagement has continued to develop with a busy Twitter channel, Facebook page, monthly e-newsletters and a digital issue of the magazine accessible via the website.

Inspire is a free title that draws on the committed and engaged support of its readers and distributors, and continues to rely for its funding on a mix of donations, advertising revenue and partnerships. The Inspire Awards, which highlight grassroots unsung heroes, took place at the Palace of Westminster in November 2015 with the support of a number of MPs.

The print magazine was given a redesign, launching with the January 2016 issue, and to mark 10 years of publishing (March 2016) has committed to publishing at least 100 inspirational stories through 2016.

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Woman Alive magazine

Woman Alive been established for more than 30 years in the UK and remains the only monthly magazine written and designed specifically for Christian women.

It delivers a broad mix of grassroots real life stories, helpful, insightful teaching and engaging features on topical issues, helping women make their faith count at home, at work, at church and in their local communities.

Highlights during 2015-16 included working with Bible Reading Fellowship (BRF) to host the second 1-day women's conference in Woking, Surrey, which attracted more than 200 women for a day's teaching, worship and ministry; giving the print magazine a new masthead and refreshed design style, maintaining a strong subscriber base across the UK, and building a strong social media presence including a lively Facebook book club with more than 1300 members and daily conversations.

Funeral Service Journal

Funeral Service Journal (FSJ) is the UK's sole independent monthly magazine for the funeral industry. This business title reaches the funeral industry's decision makers every month, whether independent firms or those who are part of a national chain.

The magazine team has represented the title at a range of conferences, exhibitions and events across the UK, where they have been able to meet industry leaders, readers and advertisers. FSJ is committed to serving a changing funeral industry, as a title offering genuine independence, high quality editorial content and being first port of call for information on events and trends in the funeral market.

Fulfilment

CPO works with a number of Christian organisations, especially the Boys' Brigade in assisting them to promote the Christian Gospel to boys throughout the UK. Their mission to help Christians and the Church reach out and practically engage with their communities very much echoes our own.

CPO is able to assist this uniformed organisation by taking and fulfilling orders for their brigades, depots, leaders, parents and the boys themselves – with uniforms, badges, other resources and written materials pertinent to fulfilling this mission. These resources are all essential in providing an attractive environment conducive to sharing the Christian message, and are an important financial contribution to the BB headquarters' funds.

We also assisted Boys' Brigade in communicating with, and raising funds from, their supporter base by designing, printing and distributing their quarterly magazine. In addition, we upgraded their website, webshop and web-to-print facility.

During 2016, CPO undertook the fulfilment of a book ("The Servant Queen and the King She Serves") produced by HOPE, Bible Society and LICC. This celebrated the 90th Birthday of Her Majesty, Queen Elizabeth II, and her own journey of faith. This book was an unprecedented success, with one million copies being printed to date and copies shipped to more than a dozen countries, as well as enjoying huge success as an outreach resource for hundreds of UK churches.

Church Resources

Church Resources forms part of the original vision of CPO, providing resources for the Church in the UK to reach their local communities. The strategic focus on a combination of high quality design with partnerships has meant that this area of the Charity has experienced growth in income of 6%. This represents the first growth in 10 years, reflecting the impact of the strategic review and allied change process which has taken place over the last two years.

The success of the "Servant Queen" means that CPO has seen an increase in its active database to more than 26,000 users, who purchase church publicity and outreach materials, such as posters, vinyl banners, invitations, cards, books and digital resources.

CPO currently derives most of its Church Resource revenue from publicity materials connected to the major Christian festivals, and Christmas in particular. CPO also partners in originating resources with a number of key Christian ministries and campaigns, including Scripture Union, Messy Church, and HOPE, who use CPO as their communications agency.

CPO is also the delivery partner for the Church of England weddings, christenings and funerals project, hosting the website and providing customer services, print and fulfilment.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2016

New Media

Following the strategic review in 2013, the setting up of the Innovation Hub in Brighton has become the spearhead for design, digital strategy and development for church resources and marketing. The Hub has helped CPO both to provide more modern designs for churches and also start to provide the marketing and digital resources needed by many organisations and churches to communicate the Christian message.

Design & Print Services

Design & Print Services manage all aspects of production, fulfilment and despatch both for CPO publications and a wide variety of Christian organisations. These range from churches wanting bespoke resources to large international aid charities seeking help with fundraising campaigns.

CPO's own magazines are designed, planned and mailed through our in-house facilities. The CPO church resources printed products are originated by our Brighton Hub, together with our Worthing studio and form the major part of the catalogues which are sent out to UK churches. These products are printed mainly to order and are produced on our large digital presses.

Working with other Christian organisations, we are able to assist them in the planning and production of their supporter magazines and mailings. CPO provides print, fulfilment and despatch for the Church of England weddings, christenings and funerals project and for many other Christian initiatives wanting to use an organisation which works closely with churches, understands their specific needs, and offers in-house design, print and mailing.

Financial Review

Reserves Policy

The Trustees keep the level of the charity reserves under review. The majority of the reserves held are unrestricted in nature and it is the intention that this will continue to be the case. The policy of the Trustees is to build cash reserves to enable them to consider investment in areas that are similar to the work undertaken by CPO, and in line with the objects of the charity. The total amount of funds held at the end of the financial year was £957,387. Free reserves (comprising unrestricted funds excluding those held as fixed assets) were £388,211. The key asset held by the charity is a freehold property from which CPO operates and the Trustees are committed to providing funds for anticipated building refurbishments and improvements, together with possibility of disposing of the property and re-locating to new premises. The cost of these works and possible move whilst unquantifiable at present are likely to be significant but are of vital importance.

CPO owns the property from which CPO and Heritage Studios operate. This freehold property was re-valued in April 2014. The Trustees do not consider there to have been any impairment to the property since this valuation.

Financial Review Summary

The funds available to us during the year have enabled us to continue our mission to provide evangelistic and support materials that comprehensively serve the Body of Christ. The charity has been pleased to work with Hope on the fulfilment of the Servant Queen publication which dominated activity during the latter part of the year. As a direct result charitable income increased by £240k with Royalties paid during the period of £528k reflected in charitable activities costs. We are grateful to God for his provision, not only in a difficult economic environment, but also during a time when there are significant changes in the ways the Church and other Christian organisations communicate.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2016

Plans for the future

Having seen those elements of the Strategic Review which have been implemented bear significant fruit, the Board of Trustees, supported by the staff team, remain committed to fully embracing a process of change to ensure that CPO is able to reflect the following values:

Focussed – we are committed to serving the Church and individual Christians through quality and effective outreach solutions and our Christian titles. We seek to adapt our culture, organisation and methods of working to make this achievable.

Responsive – we seek to understand customer needs and requirements, reacting to them and adapting the solutions we provide accordingly. We will develop our ability (on all levels) to listen, understand and react to the needs of those we serve.

Innovative – we seek to respond to changing circumstances by using new ideas, digital technology and other opportunities in addition to more traditional communication methods.

Partnership – we will continue working proactively and dynamically with the Church, individuals, our staff and other Christian organisations to fulfil our Objects and serve God's Kingdom. We aim to operate with honesty, integrity and respect in all our dealings.

Growth – we are committed to growing our abilities, services, influence and standing in line with all of the above. It is the responsibility of everyone in CPO, irrespective of position or role, to contribute in building the whole ministry. Standing still is not an option.

During 2016–17, we plan to reflect upon and review the changes made so far and lay out a further 3-year strategic plan, in consultation with our partners, which will once again focus on the kind of radical change which will enable CPO to provide ever more effective solutions to the challenges faced by our partners and the wider UK Church.

Statement of trustees' responsibilities

The trustees (who are also directors of Christian Publishing & Outreach Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 2015 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the Trustees are aware, there is no relevant information of which the charitable company's auditor is unaware; and the trustees have taken all the steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 APRIL 2016

Members appointment and liability

The members of the charitable company are the Trustees and employees who comply with the requirements of membership as defined by the Memorandum and Articles of Association. Every member undertakes to contribute an amount not exceeding £10 in the event of the company being wound up while a member or within one year of ceasing to be a member.

Small company provisions

These financial statements have been prepared in accordance with the special provisions of Section 415A of the Companies Act 2006 relating to small companies.

This report was approved by the trustees on

16/12/16

and signed on behalf of the trustees by



A D Stockbridge
Chairman

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF CHRISTIAN PUBLISHING & OUTREACH LIMITED

FOR THE YEAR ENDED 30 APRIL 2016

We have audited the group and parent charity's financial statements of Christian Publishing & Outreach Limited for the year ended 30 April 2016 which comprise the consolidated statement of financial activities, the consolidated Balance Sheet, the charity's Balance Sheet, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the charitable company's members, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed auditor under section 144 of the Charities Act and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statement; or
- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 April 2016 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.



**Kreston Reeves LLP
Statutory Auditor
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ**



Kreston Reeves LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 £
Income - continuing operations				
Income and endowments from:				
Donations and legacies	4	70,798	-	70,798
Income from investments	5	76	-	76
Income from charitable activities		3,264,443		3,264,443
Total income and endowments		3,335,317	-	3,335,317
Expenditure				
Expenditure on raising funds	6	19,709	-	19,709
Expenditure on charitable activities	7	3,449,489	-	3,449,489
Total expenditure		3,469,198	-	3,469,198
Net expenditure		(133,881)	-	(133,881)
Net movement in funds		(133,881)	-	(133,881)
Total funds brought forward		1,088,156	3,112	1,091,268
Total funds carried forward		954,275	3,112	957,387

The Group has no recognised gains and losses other than those included in the results above.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	Unrestricted funds £	Restricted funds £	2015 £
Income - continuing operations				
Income and endowments from:				
Donations and legacies	4	50,000	-	50,000
Income from investments	5	334	-	334
Income from charitable activities		2,306,383	-	2,306,383
Total income and endowments		2,356,717	-	2,356,717
Expenditure				
Expenditure on raising funds	6	18,334	-	18,334
Expenditure on charitable activities	7	2,392,033	-	2,392,033
Other expenditure				
Taxation		55	-	55
Total expenditure		2,410,422	-	2,410,422
Net expenditure		(53,705)	-	(53,705)
Net movement in funds		(53,705)	-	(53,705)
Total funds brought forward		1,141,861	3,112	1,144,973
Total funds carried forward		1,088,156	3,112	1,091,268

The Group has no recognised gains and losses other than those included in the results above.

CONSOLIDATED BALANCE SHEET

AS AT 30 APRIL 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	9		558,131		552,856
Intangible assets	10		<u>7,933</u>		<u>55,533</u>
			<u>566,064</u>		<u>608,389</u>
Current assets					
Stocks and work in progress	13	30,362		37,021	
Debtors	14	432,083		330,100	
Cash at bank and in hand		<u>691,123</u>		<u>486,518</u>	
		<u>1,153,568</u>		<u>853,639</u>	
Creditors: Amounts falling due within one year	17	<u>757,702</u>		<u>362,795</u>	
Net current assets			<u>395,866</u>		<u>490,844</u>
Total assets less current liabilities			<u>961,930</u>		<u>1,099,233</u>
Creditors: Amounts falling due after more than one year	18		4,543		7,965
Net assets			<u>957,387</u>		<u>1,091,268</u>
Funds					
Unrestricted fund			954,275		1,088,156
Restricted fund			3,112		3,112
			<u>957,387</u>		<u>1,091,268</u>

For the year ending 30 April 2016 the parent company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this parent company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Trustees and authorised for issue on 16/12/16 and signed on their behalf by

A D Stockbridge

BALANCE SHEET

AS AT 30 APRIL 2016

	Notes	2016 £	2016 £	2015 £	2015 £
Fixed assets					
Tangible assets	9		558,131		552,856
Investments	11		1		1
			<u>558,132</u>		<u>552,857</u>
Current assets					
Stocks	13	30,362		37,021	
Debtors: due within one year	14	650,953		566,109	
Cash at bank and in hand		<u>433,489</u>		<u>252,255</u>	
		1,114,804		855,385	
Creditors: Amounts falling due within one year	17	<u>711,443</u>		<u>315,882</u>	
Net current assets			403,361		539,503
Total assets less current liabilities			<u>961,493</u>		<u>1,092,360</u>
Creditors: Amounts falling due after more than one year	18		4,543		7,965
Net assets			<u>956,950</u>		<u>1,084,395</u>
Unrestricted fund			953,838		1,081,283
Restricted fund			<u>3,112</u>		<u>3,112</u>
Funds	20		<u>956,950</u>		<u>1,084,395</u>

For the year ending 30 April 2016 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;

- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the Trustees and authorised for issue on their behalf by

16/12/16

and signed on

A D Stockbridge

CHRISTIAN PUBLISHING & OUTREACH LIMITED

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 APRIL 2016

	Notes	2016 £	2015 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	15	259,509	(59,653)
Cash flows from investing activities:			
Purchase of property, plant and equipment		<u>(50,292)</u>	<u>(20,907)</u>
Net cash used in investing activities		(50,292)	(20,907)
Cash flows from financing activities:			
Repayment of borrowing		<u>(4,612)</u>	<u>(20,387)</u>
Net cash used in financing activities		(4,612)	(20,387)
Change in cash and cash equivalents in the reporting period		204,605	(100,947)
Cash and cash equivalents at the beginning of the reporting period	16	<u>486,518</u>	<u>587,465</u>
Cash and cash equivalents at the end of the reporting period	16	<u><u>691,123</u></u>	<u><u>486,518</u></u>

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

1 Accounting policies

General information and basis of preparation

Christian Publishing & Outreach Limited is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are providing evangelistic and support materials to Churches and other organisations.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 24.

Group financial statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary, Heritage Studios Limited and Christian Media Limited, the wholly owned subsidiary of Heritage Studios Limited, on a line by line basis. A separate Statement of Financial Activities for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The net surplus / (deficit) of the parent charity for the year was a deficit of £125,645 (2015: surplus of £289,163).

A separate cash flow statement for the charity has not been presented because the charity has taken advantage of the exemption under FRS 102 section 1.12.

Fixed assets

Tangible fixed assets are stated at deemed cost less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives as follows:

Plant and machinery	20% straight line
Fixtures and fittings	15% straight line
Sundry equipment	15% straight line
Computer equipment	33% straight line
Freehold property	over 50 years straight line

Land is not depreciated.

Assets purchased or donated with a cost or value exceeding £500 are capitalised.

Goodwill

The Goodwill was originally purchased in 2011 for £238,000 and is being amortised over a five year period.

Investments

Investments in subsidiaries are measured at cost less impairment.

Stocks

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

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Income from charitable activities is included at the value of goods and services supplied.

Expenditure

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.

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to charitable activities and raising funds in proportion with direct expenses.

Operating leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Pension costs

The group makes contributions to a defined contribution pension scheme for employees. The assets of the schemes are held separately from those of the group. The annual contributions payable are charged to the Statement of Financial Activities.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid after taking account of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition of opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Redundancy or termination payments

It is the charitable company's policy to recognise termination benefits when they become committed, by legislation, by contractual or other agreements with employees or their representatives or by a constructive obligation based on business practice, custom or a desire to act equitably, to make payments (or provide other benefits) to employees when it terminates their employment. Termination payments do not provide the company with future economic benefits therefore it is their policy to recognise them as an expense in profit or loss immediately.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Judgements and key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Goodwill - determining goodwill requires an estimation of the useful life to which it should be amortised over. Goodwill bought in 2011 is being amortised over 5 years. The net book value of goodwill at the balance sheet date was £7,933.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

2 Staff costs

	2016	2015
The monthly average number of employees (headcount) was:-		
Charitable staff	35	35
Administration	6	5
	<u>41</u>	<u>40</u>

	2016	2015
The monthly average number of employees (FTE) was:-		
Charitable staff	29	28
Administration	5	5
	<u>34</u>	<u>33</u>

	£	£
Their total remuneration was:		
Salaries and wages, including benefits in kind	886,912	873,799
Social security costs	68,141	62,047
Pension costs	44,101	41,974
	<u>999,154</u>	<u>977,820</u>

	£	£
Total remuneration paid to key personnel in the year:		
Salaries and wages, including benefits in kind	205,438	273,180
Social Security Costs	24,788	23,340
Pension Costs	11,263	12,924
	<u>241,489</u>	<u>309,444</u>

Employees who received over £60k remuneration in the year was nil. (2015: nil)

Total redundancy payments amount to £22,467 (2015: £nil), comprising of payments in lieu of notice and associated employer's national insurance. Amounts are included in staff costs for the year.

3 Taxation

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

4 Donations

	Unrestricted fund	Restricted fund	Total	
	2016	2016	2016	2015
	£	£	£	£
Other Donations	883	-	883	-
Copy Sales - Inspire	69,915	-	69,915	50,000
	<u>70,798</u>	<u>-</u>	<u>70,798</u>	<u>50,000</u>

5 Investment income

	Unrestricted fund	Restricted fund		
	2016	2016	2016	2015
	£	£	£	£
Bank deposit interest	76	-	76	334
	<u>76</u>	<u>-</u>	<u>76</u>	<u>334</u>

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

6 Expenditure on raising funds

	Unrestricted fund	Restricted fund	Total	Total
	2016	2016	2016	2015
	£	£	£	£
Marketing	19,709	-	19,709	18,334
	<u>19,709</u>	<u>-</u>	<u>19,709</u>	<u>18,334</u>

7 Expenditure on Charitable activities

	Unrestricted fund	Restricted fund	Total	Total
	2016	2016	2016	2015
	£	£	£	£
Publishing of evangelistic literature	2,843,231	-	2,843,231	1,745,099
Office Costs	399,622	-	399,622	521,752
Repairs, renewals and equipment hire	27,831	-	27,831	(24,763)
Finance costs	36,836	-	36,836	27,818
Depreciation	92,616	-	92,616	87,768
Charitable donations	5,107	-	5,107	-
	<u>3,405,243</u>	<u>-</u>	<u>3,405,243</u>	<u>2,357,674</u>
Expenditure on Charitable activities of which are governance costs:				
Trustees expenses	7,778	-	7,778	3,957
Trustees meeting costs	5,456	-	5,456	4,278
Audit	16,870	-	16,870	13,599
Legal and professional	14,142	-	14,142	12,580
	<u>44,246</u>	<u>-</u>	<u>44,246</u>	<u>34,414</u>
	<u>3,449,489</u>	<u>-</u>	<u>3,449,489</u>	<u>2,392,088</u>

8 Net Income

	Total	Total
	2016	2015
	£	£
Net income / (expenditure) stated after charging:		
Staff pension contributions	44,101	41,974
Auditors remuneration - Kreston Reeves LLP	9,500	-
Accountancy fees - Kreston Reeves LLP	6,000	-
Auditors remuneration - Sheen Stickland	1,369	13,599
Amortisation for goodwill	47,600	47,600
Depreciation	43,217	40,168
Operating leases	<u>23,917</u>	<u>22,658</u>

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

9 Tangible fixed assets GROUP

	Freehold properties £	Plant and machinery £	Fixtures and fittings £	Sundry equipment £	Computer equipment £	Total £
Cost						
At beginning of year	475,000	762,046	6,467	5,568	69,941	1,319,022
Additions	-	23,362	19,786	-	7,144	50,292
At end of year	475,000	785,408	26,253	5,568	77,085	1,369,314
Depreciation						
At beginning of year	-	708,499	5,423	5,193	47,051	766,166
Charge for the year	1,800	26,764	1,226	84	15,143	45,017
At end of year	1,800	735,263	6,649	5,277	62,194	811,183
At end of year	473,200	50,145	19,604	291	14,891	558,131
<i>At beginning of year</i>	<i>475,000</i>	<i>53,547</i>	<i>1,044</i>	<i>375</i>	<i>22,890</i>	<i>552,856</i>

Certain freehold land and buildings included above were recognised using open market valuation at transition date as deemed cost on transition to SORP 2015 (FRS 102). The valuation was performed by Stiles Harold Williams Chartered Surveyors. These assets are being depreciated from their valuation date of 25 April 2014 and have a net book value of £473,200 (2015: £475,000). The historic cost equivalent of these assets is £465,505 (2015: £465,505).

The net book value of tangible fixed assets includes £nil (2015: £24,970) in respect of assets held under finance leases.

PARENT CHARITY

	Freehold properties £	Plant and machinery £	Fixtures and fittings £	Sundry equipment £	Computer equipment £	Total £
Cost						
At beginning of year	475,000	762,046	6,467	5,568	69,941	1,319,022
Additions	-	23,362	19,786	-	7,144	50,292
At end of year	475,000	785,408	26,253	5,568	77,085	1,369,314
Depreciation						
At beginning of year	-	708,499	5,423	5,193	47,051	766,166
Charge for the year	1,800	26,764	1,226	84	15,143	45,017
At end of year	1,800	735,263	6,649	5,277	62,194	811,183
Net book value						
At end of year	473,200	50,145	19,604	291	14,891	558,131
<i>At beginning of year</i>	<i>475,000</i>	<i>53,547</i>	<i>1,044</i>	<i>375</i>	<i>22,890</i>	<i>552,856</i>

Certain freehold land and buildings included above were recognised using open market valuation at transition date as deemed cost on transition to SORP 2015 (FRS 102). The valuation was performed by Stiles Harold Williams Chartered Surveyors. These assets are being depreciated from their valuation date of 25 April 2014 and have a net book value of £473,200 (2015: £475,000). The historic cost equivalent of these assets is £465,505 (2015: £465,505).

The net book value of tangible fixed assets includes £nil (2015: £24,970) in respect of assets held under finance leases.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

10 Intangible fixed assets GROUP

	Goodwill £
Cost	
At beginning of year	238,000
Amortisation	
At beginning of year	182,467
Charge for the year	47,600
At end of year	230,067
Net book value	
At end of year	7,933
At beginning of year	55,533

Intangible fixed assets represent the total consideration payable regarding the goodwill acquired by Heritage Studios Limited in respect of its purchase of the title to the Funeral Services Journal.

11 Fixed Asset Investments - Charity

	Shares in group undertakings £
Cost	
At beginning of year	1
At end of year	1
Net Book Value	
At end of year	1
At beginning of year	1

12 UK Group Undertakings

Heritage Studios Limited (Company number 05298514)

Christian Publishing & Outreach holds all of the issued share capital of Heritage Studios Limited, a trading company incorporated in England and Wales. The company derives its income from the design, printing, publishing and distribution of the Funeral Services Journal.

The turnover for the year was £276,134, expenditure of £282,554 and a loss for the financial year was £6,436. The aggregate amount of capital and reserves at the year end was £438.

Christian Media Limited (Company number 01535920)

Heritage Studios Limited owns the entire issued share capital of Christian Media Limited, a dormant company incorporated in England & Wales.

The turnover for the year was £nil, expenditure £nil and profit for the financial year was £nil. The aggregate amount of capital and reserves at the year end was £100.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

13 Stocks and work in progress

	Group 2016 £	Parent charity 2016 £	Group 2015 £	Parent charity 2015 £
Raw materials & finished goods	<u>30,362</u>	<u>30,362</u>	<u>37,021</u>	<u>37,021</u>
	<u>30,362</u>	<u>30,362</u>	<u>37,021</u>	<u>37,021</u>

Stock amounts recognised in expenses were £171,988 (2015: £113,765).

14 Debtors

	Group 2016 £	Parent charity 2016 £	Group 2015 £ <i>Restated</i>	Parent charity 2015 £ <i>Restated</i>
Due within one year:				
Trade debtors	368,753	331,986	282,581	243,902
Amounts due from group companies	-	258,319	-	277,798
Prepayments and accrued income	61,005	60,648	45,473	44,409
Other debtors	<u>2,325</u>	<u>-</u>	<u>2,046</u>	<u>-</u>
Total due within one year	<u>432,083</u>	<u>650,953</u>	<u>330,100</u>	<u>566,109</u>

15 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2016 £	2015 £
Net income/(expenditure) for the reporting period (as per statement of financial activities)	(133,881)	(53,705)
Adjustments for:		
Depreciation charges	92,617	87,768
Decrease/(Increase) in stocks	6,659	(3,198)
(Increase) in debtors	(101,983)	(39,999)
Increase/(decrease) in creditors	396,152	(47,687)
Net cash generated from operating activities	<u>259,564</u>	<u>(56,821)</u>
Income taxes paid	(55)	(2,832)
Net cash provided by (used in) operating activities	<u>259,509</u>	<u>(59,653)</u>

16 Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	<u>691,123</u>	<u>486,518</u>
	<u>691,123</u>	<u>486,518</u>

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

17 Creditors: amounts falling due within one year

	Group 2016 £	Parent charity 2016 £	Group 2015 £	Parent charity 2015 £
Mortgage	3,402	3,402	3,151	3,151
Social security and other taxes	23,736	15,504	14,283	5,091
Trade creditors	323,285	317,312	102,429	100,304
Corporation tax	-	-	55	-
Other creditors	64,723	37,369	155,306	125,765
Finance lease	-	-	1,441	1,441
Accruals and deferred income	342,556	337,856	86,130	80,130
	<u>757,702</u>	<u>711,443</u>	<u>362,795</u>	<u>315,882</u>

18 Creditors: amounts falling due after more than one year

	Group 2016 £	Parent charity 2016 £	Group 2015 £	Parent charity 2015 £
Mortgage	4,543	4,543	7,965	7,965
	<u>4,543</u>	<u>4,543</u>	<u>7,965</u>	<u>7,965</u>

19 Secured debts

The following secured debt are included within creditors:

	Group 2016 £	Parent charity 2016 £	Group 2015 £	Parent charity 2015 £
Amounts falling due within one year	3,402	3,402	3,151	3,151
Amounts falling due after more than one year	4,543	4,543	7,965	7,965
	<u>7,945</u>	<u>7,945</u>	<u>11,116</u>	<u>11,116</u>

The mortgage is secured by a first charge over the freehold property and a debenture over the remaining assets of the charity. The mortgage is repayable in full by September 2018.

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

20 Funds

Movement in funds - Parent

	As at 1 May 2015	Income	Gross transfers between funds	As at 30 April 2016
Restricted fund	3,112	-	-	3,112
Unrestricted fund	1,081,283	(127,445)	-	953,838
	<u>1,084,395</u>	<u>(127,445)</u>	<u>-</u>	<u>956,950</u>

Movement in funds - Group

	As at 1 May 2015	Income	Gross transfers between funds	As at 30 April 2016
Restricted fund	3,112	-	-	3,112
Unrestricted fund	1,088,156	(133,881)	-	954,275
	<u>1,091,268</u>	<u>(133,881)</u>	<u>-</u>	<u>957,387</u>

The restricted fund relates to the Project Print fund. This money is available to support mission organisations by subsidising their printing costs.

21 Analysis of net assets between funds

Group

	Restricted fund	Unrestricted fund	Restricted fund	Unrestricted fund
Fixed assets		566,064		608,389
Current assets	3,112	1,150,456	3,112	850,527
Creditors: amount falling due within one year	-	(757,702)	-	(362,795)
Creditors: amount falling due after one year	-	(4,543)	-	(7,965)
	<u>3,112</u>	<u>954,275</u>	<u>3,112</u>	<u>1,088,156</u>

22 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and buildings £	Other £	2016 Total £	2015 Total £
Not later than one year	-	3,547	3,547	-
Later than one and not later than five years	130,000	-	130,000	-
	<u>130,000</u>	<u>3,547</u>	<u>133,547</u>	<u>-</u>

CHRISTIAN PUBLISHING & OUTREACH LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2016

23 Trustees' remuneration and expenses

There were no Trustees' remuneration or other benefits for the year ended 30th April 2016 nor for the year ended 30 April 2015. Expenses were reimbursed for 7 Trustees as follows:

	2016	2015
	£	£
Trustees' expenses	<u>7,778</u>	<u>3,957</u>

Analysed by nature	2016	2015
	£	£
Travel	6,081	3,957
Subsistence	1,120	-
Other	577	-
	<u>7,778</u>	<u>3,957</u>

24 Transition to FRS102

This is the first year that the charity has presented its financial statements under Charities SORP 2015 (FRS 102). The charity has applied Section 35 'Transition to this FRS', of FRS 102 in preparing these financial statements as required by the Charities SORP 2015 (FRS 102). The last financial statements for the year ended 30 April 2015 were prepared under previous SORP (2005) and the transition date to Charities SORP 2015 (FRS 102) is therefore 1 May 2014.

In adopting the Charities SORP 2015 (FRS 102) there have been no changes to the charity's accounting policies, previously reported reserves or the comparative period's Statement of Financial Activities.

25 Pension Commitments

A defined contribution pension scheme is operated by the group. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension costs charged to the statement of financial activities represents contributions payable by the group to the fund and amounted to £44,101 (2015: £41,974).

There were outstanding contributions at the balance sheet date of £6,142 (2015: £5,496).

26 Related Party Disclosure

During the year CPO undertook the printing and delivery of The Servant Queen for HOPE. This unique publication focusing on the Queen's Christian faith was published by Bible Society, HOPE and the London Institute for Contemporary Christianity and co-authored by Catherine Butcher, Communications Director of HOPE and Trustee of CPO. During the year royalties of £528,023 were payable to HOPE and the outstanding balance at the year-end was £102,741. In addition £283,845 was received from HOPE in respect of print sales invoices totalling £239,986 representing a payment on account of £43,859 at the year-end.