

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

REPORT AND ACCOUNTS

FOR THE YEAR ENDED

30 SEPTEMBER 2023

APPROVED by the TRUSTEES on 4th December 2023

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

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GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

CHARITY DETAILS

Trustees/ Executive Committee:	Chairman	* P R Metcalf MBE, FCA, DChA
	Vice Chairman	K Sedgewick
	Treasurer	* Mrs A Metcalf FCA, DChA
	Secretary	* P D Taylor JP
		* Mrs B Rhodes B.A, ACMA – app 13 th Feb 2023
		Honorary Alderman C Crompton
		Honorary Alderman N Pomfret (Preston City Council)
		Councillor J Saksena (Preston City Council)
		J Whittle (SVP)
		Mrs M Thompson - retired 13 th February 2023
		T Greaves – retired 13 th February 2023

* *Finance & Executive Committee*

President (ex officio): Mayor of Preston City Council

Operations Manager: G Moss – appointed 15th May 2023

Warehouse / Office: Unit 2, off Boundary Road
Plungington
Preston
PR2 3DS
Tel: 01772 716572

Registered Office: 1 Yewlands Avenue
Fulwood
Preston
Lancashire
PR2 9QR

Charity Number: 1015952

Bankers: National Westminster Bank PLC
35 Fishergate
Preston
Lancashire

Independent Examiner: N Mason FCA DChA
Moore and Smalley LLP
Richard House
Winckley Square
Preston
PR1 3HP

Investment Advisers: Hedley & Company Stockbrokers Ltd
13b Winckley Square
Preston
PR1 3JJ

Website <https://gift92.com/>

<https://www.facebook.com/Gift92>

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

TRUSTEES REPORT

The trustees present their report and the financial statements for the year ended 30 September 2023.

Objects and activities for the public benefit

The charity was established for the relief of poverty in the Preston area through reuse and recycling of household items. It was set up to collect donated items of furniture and household effects and delivers such items when requested to needy persons. In furtherance of these aims the charity co-operates with other outside bodies, statutory or voluntary, to assist in its objects and in particular Preston City Council, Lancashire County Council and the LCC Waste Group.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

Constitution

The charity is a registered charity governed by a scheme and constitution approved by the Charity Commission on 28 December 1992.

Trustees

The charity is managed by a Committee of Trustees. The members of the Committee are elected at the AGM for a period of three years. One-third of the membership retires annually but may offer themselves for re-election. The trustees who have served during the year are set out on page 1.

Recruitment, induction and training of trustees

The existing trustees accept the obligation to fully inform a new trustee of the duties and responsibilities of charity trustees by providing the new trustee with copies of the governing document, minutes of previous meetings of the trustees, recent annual accounts of the charity and the relevant Charity Commission publication relating to the responsibilities of trustees.

New trustees are also able to view the Power Point presentation and website which the charity uses for promotional purposes and to inform new Referral Agents, Churches, community, and social groups of how the charity operates and the valuable contribution made to the local community in the Preston area.

Key management

The trustees are the key management personnel of the charity with Mr P R Metcalf MBE in charge of directing and controlling daily operations, assisted by an Operations Manager appointed on 15th May 2023.

All trustees give of their time freely, no trustee remuneration or expenses were paid in the year and there were no related party transactions.

Financial review

The accounts annexed to this report show a net surplus for the year of £37,004 including investment gains, which increased the charity's total funds from £309,501 to £346,505 of which £93,860 was held on the unrestricted general income fund as at 30 September 2023.

The value of the Investment fund has increased from £110,882 at 30 September 2022 to £118,506 at 30 September 2023. The fund generated £5,118 investment income to support the charity's operational costs. There was a net unrealised gain of £7,537 during the year, and a profit of £629 on investments sold during the year.

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

TRUSTEES REPORT (CONTINUED)

Investment policy and performance

Our investment advisers are instructed to seek a return generating in excess of inflation over the long term, providing an income of 4% per annum with capital growth in excess of inflation through the use of gilts, unit trusts and common investment funds. At the year end the investment portfolio was yielding 4.87%. The trustees receive quarterly valuation reports from the investment advisers.

The management of risk

The trustees are mindful of potential risks to the charity and regularly review and evaluate policies and procedures. Due to other charities recycling furniture in the Preston area which they sell to generate funds for their cause, there is considerable competition for usable donated household items. The trustees sought to appoint to the post of operations manager to enhance the charity's work in the community and review our procedures.

Reserves policy

The Trustees aim to maintain free reserves in the unrestricted general fund which equates to approximately 6 months of unrestricted general expenditure. The charity held £93,860 free reserves at the year-end which represents 8 month's budgeted expenditure in the coming financial year.

In addition to the unrestricted general fund the charity held designated reserves totalling £87,092 as detailed in note12, plus £118,506 in respect of the Investment fund, which is held to create income. We are also endeavouring to build reserves as the warehouse roof needs replacing and our long-term aim is to locate to a larger warehouse as our current building which we have occupied since inception is not large and hinders expansion of operation. Our current van bought in 2016 has had a few recent repairs and will need replacing.

Review of activities and achievements

During the charity's thirty first year of operation Gift92 made 780 deliveries of furniture and household items, assisting 1,818 people, of which 929 were dependent children. Preston is a city with high levels of deprivation and our service helps mitigate this. Our referral agencies confirm the clients need of our help and support our service financially with a contribution to our running costs. These agencies include social services, housing associations, homeless charities, and local authority housing.

We made 984 collections of household furniture mainly from the general public whose support is vital to our success and diverted 74,711 tonnes from landfill.

The charity is one of four Lancashire reuse organisations that support Lancashire County Council Crisis Support Scheme renamed "Under One Roof" from 1st December 2021 supported by Selnet. The work was awarded the MRW National Recycling Partnership Award 2014. We serve west of Preston. South Ribble and the West Lancashire area including Chorley for the scheme.

Gift92 also supports referrals from the Preston Council Household Assistance project to be delivered across Preston in a timely manner.

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

TRUSTEES REPORT (CONTINUED)

The Trustees are grateful to: -

Our four long serving staff and 10 regular volunteers, plus a newly appointed operations manager who have enabled the charity to efficiently maintain its service to the community.

The general public who has again contributed with regular furniture donations without which we could not fulfil our aims.

St Clare's Catholic Church who enables our van to be parked overnight in a secure area.

Our service helps financially vulnerable persons avoid incurring crippling debt from expensive lenders when moving into empty properties. We have also signposted people to other agencies who can assist improving their circumstances.

We received funding this year as shown in note 4, for which we are extremely grateful. We continue not to charge for furniture as the people we serve are the neediest in Preston and have very limited resources.

Tax status

The charity is exempt from tax on income and gains to the extent that these are applied to its charitable objects

Independent examiner

Nicola Mason FCA, a Member of the Institute of Chartered Accountants, has kindly undertaken the examination of the accounts.

This report was approved by the Board of Trustees on 4th December 2023 and signed on its behalf by:



.....
P R Metcalf MBE FCA DChA
Chairman of the Board of Trustees

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

ON THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

I report to the charity trustees on my examination of the accounts of the charity for the year ended 30 September 2023 which are set out on pages 6 to 13.

Responsibilities and basis of report

As the charity's trustees 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 charity's accounts carried out under section 145 of the 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 the charity 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 applicable 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.

		17/05/2024
Signed:	<i>Nicola Mason</i>	Date: 2024
Name:	Nicola Mason FCA DChA	
Relevant professional qualification	Member of the Institute of Chartered Accountants	

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Note	Unrestricted general income fund £	Designated funds £	Restricted funds £	2023 Total £	2022 Total £
Income						
Grants and other income	4	9,698	-	7,500	17,198	30,283
Income from charitable activities	5	264,159	-	-	264,159	209,241
		273,857	-	7,500	281,357	239,524
Expenditure						
Charitable activities	6	(243,846)	(625)	(7,599)	(252,070)	(205,659)
Investment management charges		-	(473)	-	(473)	(363)
Total Expenditure		(243,846)	(1,098)	(7,599)	(252,543)	(206,012)
Net income/(expenditure) before investment gains/losses		30,011	(1,098)	(99)	28,814	33,512
Realised investment gains/losses		-	629	-	629	1,854
Net unrealised investment gains/losses		-	7,561	-	7,561	(8,992)
Transfers between funds	12	(21,296)	21,296	-	-	-
Net movement in funds		8,715	28,388	(99)	37,004	26,374
Total funds brought forward		85,145	177,210	47,146	309,501	283,127
Total funds carried forward		93,860	205,598	47,047	346,505	309,501

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Note	£	2023 £	£	2022 £
Fixed assets					
Tangible fixed assets	7		46,033		46,658
Investments	8		<u>118,506</u>		<u>110,882</u>
Total fixed assets			164,539		157,540
Current assets					
Stock		5,565		2,769	
Debtors	9	16,121		15,140	
Investments	10	50,101		-	
Cash at bank and in hand	10	<u>142,316</u>		<u>144,451</u>	
Total current assets		214,103		162,360	
Liabilities					
Creditors falling due within one year	11	<u>(32,137)</u>		<u>(10,399)</u>	
Net current assets/liabilities			181,966		151,961
Total assets less current liabilities			346,505		309,501
Creditors falling due after one year			-		-
Net assets			346,505		309,501
Funds of the charity:					
Unrestricted General funds			93,860		85,145
Designated funds	12	87,092		66,328	
Designated Investment fund		<u>118,506</u>	<u>205,598</u>	<u>110,882</u>	177,210
Restricted funds	13		<u>47,047</u>		<u>47,146</u>
Total charity funds	13		346,505		309,501

CERTIFICATE OF TRUSTEES

The accounts were approved by the trustees on 4th December 2023 and signed on their behalf by:



.....
P R Metcalf MBE - Chairman

The notes on pages 8 to 15 form part of these accounts.

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

1. **Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The accounts (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 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The charity constitutes a public benefit entity as defined by FRS 102. The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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.

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.

Fund accounting

General unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds comprise unrestricted funds that have been set aside and earmarked by the Trustees for particular purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the financial statements.

Income

All income is included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

Grants restricted by the terms of the grantor are shown under restricted funds.

No amount is included in the financial statements for volunteer time in line with SORP (FRS102) Further details are given in the Trustees Annual Report.

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Expenditure

The charity is registered for VAT. All expenditure is accounted for on an accruals basis and has been allocated between the different expenditure categories of the SOFA dependent on the fund financing those costs.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include governance costs and administrative 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 cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Going concern

The trustees are required to assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the accounts. 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 are sufficient with the level of reserves for the charity to be able to continue as a going concern.

Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value at the balance sheet date using the closing quoted market price.

Realised gains and losses

All gains and losses are taken to the statement of financial activities as they arise.

Realised gains and losses are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the previous year end and their carrying value.

Fixed assets and depreciation

The premises owned by the charity are shown at cost and are not depreciated. Depreciation has been charged at 25% on written down value of the van.

2. **Employees**

The average number of paid employees during the year was 4 full time and there were regularly ten volunteers who were unpaid. The role of Operations Manager has been undertaken by a trustee, assisted by an Operations Manager appointed in May 2023, this cost is reflected in the accounts to 30th September 2023.

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

3. Trustees' remuneration and expenses

No trustees or connected person has received or is due to receive any remuneration or other benefits directly or indirectly from the charity's funds.

4. Income

	General funds £	Restricted income £	2023 Total £	2022 Total £
Grants				
HMRC Furlough	-	-	-	193
Places for People	-	-	-	3,000
Arnold Clarke	-	-	-	1,000
PCC – Operations Manager post	-	7,500	7,500	-
PCC VCFS (to March 2022)	-	-	-	5,000
Barrat Developments	1,500	-	1,500	-
Subtotal Grants	1,500	7,500	9,000	9,193
Donations and legacies				
The Thomas Parkinson Will Trust	-	-	-	14,204
HMRC Gift aid tax repayment	217	-	217	186
Donations	1,503	-	1,503	1,239
Other Income				
Investment income	5,118	-	5,118	5,395
Bank Interest	1,360	-	1,360	66
Total Grants and Other Income	9,698	7,500	17,198	30,283

5. Income from charitable activities

	General funds	2023 Total	2022 Total
Landfill tax credits	4,021	4,021	4,593
Referral fees, admin /delivery charges	14,983	14,983	17,636
Sale of New appliances	216,204	216,204	162,900
Sale of Shand appliances & donated goods	28,951	28,951	24,112
Total	264,159	264,159	209,241
Total Income	273,857	7,500	281,357

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

6. Charitable activities and support costs

	2023 Total £	2022 Total £
Cost of Sales		
Cost of appliances bought	148,348	117,347
Costs re sale of donated items	919	1,703
	<u>149,267</u>	<u>119,050</u>
Salary costs (£7,500 grant funded)	81,319	68,737
Vehicle and travelling expenses	10,787	7,614
Office and support costs	6,717	5,459
Property costs (£99 from restricted funds)	3,355	3,955
Depreciation (£625 designated fund)	625	834
	<u>252,070</u>	<u>205,649</u>
Total Charitable Expenditure		

Employees

	£	£
Salary	78,044	65,764
Employer's Pension contributions	3,275	2,973
	<u>81,319</u>	<u>68,737</u>

7. Tangible fixed assets

	Freehold Property £	Van £	Total £
Cost			
As at 1 October 2022/30 September 2023	<u>44,157</u>	<u>20,440</u>	<u>64,597</u>
Depreciation			
As at 1 October 2022	-	17,939	17,939
Charge for year	-	625	625
As at 30 September 2023	<u>-</u>	<u>18,564</u>	<u>18,564</u>
Written down value			
30 September 2023	<u>44,157</u>	<u>1,876</u>	<u>46,033</u>
30 September 2022	<u>44,157</u>	<u>2,501</u>	<u>46,658</u>

All the assets are used in direct furtherance of the charity's objects.

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

8. Fixed asset investments

	Listed Investment	Cash held on investment portfolio	2023 Total	2022 Total
	£	£	£	£
Market value at 1 October 2022	106,957	3,925	110,882	104,081
Disposals at carrying value	(5,683)	-	(5,683)	(16,250)
Investment income capitalised	-	-	-	172
Investments bought in year	9,263	(9,263)	-	-
Net gains/(losses) on revaluation	7,537	24	7,561	(8,992)
Management charges incl. Vat	-	(566)	(566)	(437)
Sale proceeds	-	6,312	6,312	18,104
Thomas Parkinson Will Trust	-	-	-	14,204
Market value at 30 September 2023	118,074	432	118,506	110,882

	2023 Cost	Market value	2022 Cost	Market value
	£	£	£	£
Investments	123,588	118,074	122,206	106,957
Cash on deposit	432	432	3,925	3,925
Total	124,020	118,506	126,131	110,882

All investments are carried at their fair value. Investments in equities and fixed interest securities are all traded on quoted public markets, primarily the London Stock Exchange.

Investments are valued using the mid-market value as at 30 September 2023 provided by the investment advisers Hedley and Company Stockbrokers Ltd.

9. Debtors

	2023 £	2022 £
Debtors	12,998	11,528
Landfill tax credit	925	1,240
Sundry debtors	1,147	1,893
Prepaid expenses	1,051	479
	16,121	15,140

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30 SEPTEMBER 2023

10. Cash at bank

	2023 £	2022 £
Cash	11	7
Paypal	374	68
Capital Reserve	100,413	125,153
Current account	41,518	19,223
	142,316	144,451
Deposit account	50,101	-
	192,417	144,451

11. Creditors – falling due within one year

	2023 £	2022 £
Referral fees in advance	3,850	2,290
Grant in Advance	12,500	-
Sundry creditors and accrued expenses	4,226	3,549
PAYE and NIC	2,358	1,583
NEST Pension	390	260
HMRC – Vat	5,732	1,776
Credit card	3,081	941
	32,137	10,399

12. Designated funds

	Brought forward £	Transfers £	Expenses £	Net Gains £	Carried forward £
Warehouse roof replacement	17,000	5,000	-	-	22,000
Redundancy	31,827	11,389	-	-	43,216
New Vehicle	17,501	5,000	(625)	-	21,876
	66,328	21,389	(625)	-	87,092
Investment fund	110,882	(93)	(472)	8,189	118,506
	177,210	21,296	(1,097)	8,189	205,598

The Redundancy Reserve Fund is in accordance with recommended good employment practice, the reserve is based on the age of each employee as well as their length of time employed and includes £17,696 entitlement in lieu of notice.

The balance on the vehicle fund is designated towards replacing the charity's vehicle. It comprises the written down value of the existing van £1,876 plus £20,000 designated from general funds.

GUILD INITIATIVE FOR FURNITURE TRUST (Gift92)

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

Designated funds contd.

The Investment Fund is held to create income and designated towards the purchase of a new warehouse.

13. Restricted funds

These are funds that can only be used for restricted purposes. Restrictions arise when specified by the donor. The restrictions are binding upon the Trustees of the charity.

	Brought forward £	Transfers £	Expenses £	Net Gains £	Carried forward £
Property	44,157	-	-	-	44,157
Restricted income funds					
Warehouse maintenance	2,552	-	(99)	-	2,453
Access to volunteering	437	-	-	-	437
	47,146	-	(99)	-	47,047

Property

The purchase of the property used as a warehouse was funded by a grant from National Lottery Charities Board in 1997. This fund represents the cost of the charity's premises.

Warehouse maintenance

The remaining balance on this grant is held towards ongoing alterations and repairs to the warehouse.

Access to Volunteering

The remaining balance on this grant is held in respect of future volunteering expenses.

14. Analysis of net assets between funds

	Unrestricted General £	Designated £	Restricted £	2023 Total £	2022 Total £
Tangible fixed assets	-	1,876	44,157	46,033	46,658
Investments	-	118,506	-	118,506	110,882
Net Current assets	93,860	85,216	2,890	181,966	151,961
Creditors due after one year	-	-	-	-	-
Net assets	93,860	205,598	47,047	346,505	309,501