

KENNET FURNITURE REFURBIZ LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th SEPTEMBER 2022



Part of the showroom and warehouse in Devizes, illustrating the improved layouts made possible by the October 2022 extension

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KENNET FURNITURE REFURBIZ LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Trustees/Directors	Kenneth Brown – resigned 20 July 2022 Jason Caulfield-Ware – resigned 24 May 2022 Pamela Collier Patrick English Kevin Harrison – appointed 16 November 2022 Karin Horney – resigned 16 March 2022 Ian Poulton (Treasurer) - appointed 16 March 2022 Yvonne Pearce Sam Selman Christopher Shears (Company Secretary) Victoria Saunders – appointed 16 November 2022 Juliet Singer – resigned 16 November 2022 Jeffrey Sutherland-Kay (Chair of Trustees)
Company Secretary	Christopher Shears (appointed as Co Sec 16 March 2022)
Registered office	Unit 6B (5) Hopton Industrial Estate London Road Devizes Wiltshire SN10 2EU
Registration number	3213883 England and Wales
Charity number	1056649
Independent examiner	Mrs B Moss FCA J S Weeks & Co 10 Market Place Devizes Wiltshire SN10 1HT

**TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

We present our report and financial statements for the year ended 30 September 2022. We have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 effective 1st January 2015), Charities SORP (FRS102) and the Companies Act 2006.

1. STRUCTURE, GOVERNANCE and MANAGEMENT

Kennet Furniture Refurbiz Ltd (KFR) is a company limited by guarantee and a charity registered in England with the Charity Commission.

Our governing documents are our Memorandum and Articles of Association. In the event of KFR being wound up the liability of each trustee and member is limited to a sum not exceeding £1.

As existing trustees, we elect new trustees in accordance with the Articles of Association. On appointment, all new trustees receive a copy of the Memorandum and Articles of Association, an induction pack, which includes information on their role, disclosure and declaration of interests form and the Charity Commission booklet 'Essential Trustee'. Training is made available to all trustees as required. As trustees we meet as a board on a regular basis to set strategy and business plans and to monitor performance. We delegate to the General Manager the task of day-to-day management of KFR, which he carries out to a high standard.

2. OBJECTIVES AND ACTIVITIES

KFR's mission is to:

- Refurbish furniture and white goods so that quality items are available to households with limited income;
- Revive communities by removing unwanted items, reducing landfill and training people with new skills.

Through this mission, KFR aims to improve the lives of people most in need in the region by offering for sale good quality, second-hand furniture and electrical items. To assist us in our mission we provide training and personal development opportunities to the young and unemployed.

During the year under review, and despite the operational impacts of the Covid-19 pandemic, KFR successfully continued with its main activities at the warehouse and showroom in Devizes, creating a record year for the organisation.

- KFR sold at low cost, or provided free, over 5,900 pieces of second-hand furniture and electrical goods donated, in the main, by companies and households in Wiltshire.
- KFR repaired and tested around 1,900 donated white goods which were made available for sale at low cost.

KFR has a small number of hard-working and enthusiastic staff and several willing volunteers. The volunteers comprise a wide range of people and have included some who are actively looking for employment, some on Government training schemes, some with more complex needs who struggle with social inclusion and retired people giving their time and experience to KFR. The total number of volunteer hours exceeded 6,400. If we had had to employ staff instead, it would have cost over £61,000.

KENNET FURNITURE REFURBIZ LTD
TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

3. TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The purpose of this statement is to distinguish our responsibilities in relation to financial statements and accounting records from those of the auditors as stated in their report.

Charity and company law require us as trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs and of the incoming resources and application of resources of the company for that period. In preparing those financial statements we are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charity Commission's Statement of Recommended Practice (SORP)
- Make judgements and estimates that are reasonable and prudent
- Prepare financial statements on a going-concern basis, unless it is inappropriate to assume that the company will continue to operate.

As trustees we are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and also for ensuring that the financial statements comply with relevant legislation. We are responsible for safeguarding the assets of the company and thus for taking reasonable steps for the prevention and detection of fraud and other irregularities.

4. FINANCIAL RESULTS AND RESERVES

The statement of financial activities on page 11 shows the incoming resources and the application of those resources for KFR. The key factors are:

- a) It was another challenging year as a result of the ongoing Covid-19 pandemic. Whilst the country continued to recover, the seemingly regular surges of new infections took their toll on our staffing levels, amongst both the paid and the volunteer staff. Our staff handled these pressures well and it was not found necessary at any time to close the warehouse to the public. The trustees would like to put on record their sincere thanks to all the staff for their hard work through the year helping KFR to produce another record financial performance, demonstrating that there is an ever stronger need for the services that KFR provides.
- b) The increasing demand for good quality, second-hand furniture and white goods was matched by an increasing supply of donations, both private and corporate, alongside the purchase of graded and refurbished white goods. Although we had doubled the size of the warehouse in 2021, it became clear, as the 2022 calendar year unfolded, that our capacity to store, refurbish and display continued to be constrained. Consequently, as the financial year drew to a close, negotiations were being completed to extend into fallow space at the west end of the warehouse, adding another 5,000 square feet for storage and bespoke areas for white goods refurbishment and cleaning. These areas were brought into use in October 2022, allowing a much-improved layout in the main part of the warehouse. KFR is very grateful to our landlords, Gaiger Brothers Limited, for their help and support in making this happen.



Part of the re-organised warehouse

KENNET FURNITURE REFURBIZ LTD
TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

- c) During the year ended 30th September 2022 KFR had one principal source of unrestricted funding: this was from the sale of donated second-hand furniture, white goods and electrical items and bought in graded and refurbished white goods, which at £426,140 was 25% higher than the value of sales in the previous year. A smaller, secondary source of unrestricted funding came through grants, donations and Gift Aid refunded.
- d) We received no restricted funding during the year.

As at 30th September 2022, a contingency reserve of £125,000 was agreed, which is within the reserves policy of KFR. An additional dilapidations reserve of £4,000 has been created, making a total reserve of £129,000.

5. INVESTMENT POLICY

As there is a relatively low level of funds available for investment, we consider bank deposits provide a satisfactory return to KFR. In the year to 30th September 2022 these have been short term deposits with KFR's banker and other UK regulated banks.

6. RISK MANAGEMENT

As trustees we review both the major and the minor risks that KFR faces on a regular basis, confirming that procedures are in place to mitigate, so far as is possible, any significant risks. We carry out periodic reviews of the controls over key financial systems, including the maintenance of adequate reserves, along with ensuring that the organisation's insurance cover is fit for purpose. We also consider other financial, business, operational and compliance risks faced by KFR using a risk taxonomy developed specifically for this purpose.

KFR is facing increasing competition from other charities and commercial operators in the provision of our core products on the high street. We monitor the sales price in our showroom and aim to keep our prices, on average, below the market rate for second-hand goods.

We are aware that risk is not fixed and that everyone should be aware of their environment for changes as and when they may occur. For this reason, KFR continues to involve staff in developing future plans, ensuring risks of any nature are explained and understood. Training of staff continues to be a priority as does the recruitment of volunteers and trustees with the appropriate skills to cover roles as required.

7. ACHIEVEMENTS AND PERFORMANCE

Founded in 1996 as Kennet Furniture Exchange, KFR has developed a successful but simple business model where donated items of reusable furniture, white goods and small electricals, plus some bought-in goods such as new mattresses and pre-refurbished white goods, are offered for sale at a low price to low-income families and individuals. A mix of internal and external provision funding allows free goods to be provided to people in hardship or distress.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The business model is based around partnerships. Without these companies and organisations, on both the supply and demand sides, we would not be able to help so many low-income families.

On the supply side, our partnership with FurnitureBox, the Wiltshire-based furniture e-tailer, has gone from strength to strength and we collected several pallets of their customer returns each week. The sale of their donated furniture added £44,000 to our revenue during the year and we are very grateful

to the company, and in particular to the two founders Monty George and Dan Beckles, for their support for KFR. FurnitureBox moved to a new site in Chippenham in 2022 and we wish them continued success.



KFR's general manager Dan Thompson celebrates the opening of the new FurnitureBox site with Dan Beckles and Monty George



Another significant corporate relationship is with FCC Environment, the Household Recycling Centre (HRC) operator, which provided access for KFR to four of their Wiltshire HRCs to collect reusable furniture and white goods.

Donated white goods in the new storage area awaiting re-engineering



Although KFR re-engineered over 1,900 donated white goods items during the year, diverting over 66 tonnes from landfill, the need for second-hand white goods became greater than we were able to satisfy ourselves and we therefore formed two new partnerships: with Rework for the purchase of already refurbished white goods; and with Appliance Recycling Group for the purchase of graded new goods. This has ensured a steady supply of white goods to provide choice to our core audience of low-income families, whilst offering a small number of higher-end machines to walk-in customers. The sales of the latter helped to support our charitable purposes.

On the demand side, KFR has continued to work with some key organisations. Principal amongst these is Wiltshire Council, where we supported their Local Welfare Provision programme and their refugee resettlement programme, as well as other social care teams. During the year, we also worked with several housing associations and a wide range of organisations supporting families and individuals in need, hardship or distress.

Provisioning, the supply of goods at no cost, has been in KFR's DNA for many years and we see provisioning as central to our charitable vision. Over the last three years, funding for provisioning has been received from a number of companies, including Nationwide Building Society, Herman Miller, Wiltshire Community Foundation and Aster Group, and we would like to record our sincere thanks for the support of all our funders. The funding has enabled KFR to supply over £52,000 of free goods during this period. As KFR has grown, so has our

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

capacity to support provisioning from our own revenue. Consequently, the Board has decided to allocate 4% of monthly gross revenue in our 2022/23 financial year (with a minimum of £2,000 per month) to our own Community Impact Grants fund. This will be in addition to any grants and corporate donations received.

It is through the re-circulation of reusable furniture and electrical items, that KFR is able to support low-income families and individuals across the whole county of Wiltshire. The re-circulation of reusable domestic items also encouraged the protection and sustainability of natural resources, thereby contributing to the achievement of the UK's net-zero carbon target. An internal project has been instigated to identify more accurately the weight of items diverted from landfill and the consequent CO₂ savings in order to evidence our impact in this area. Initial calculations indicate that through our activities, 144 tonnes of reusable items were diverted from landfill during the financial year.

We are pleased to report that our work as the leading reuse organisation in Wiltshire was again recognised nationally by The Reuse Network with the award of Reuse Organisation of the Year 2021. We were also delighted to host a visit by the High Sheriff for Wiltshire, the Marchioness of Lansdowne, and to receive her personal commendation and good wishes.

Lady Lansdowne with KFR's
chair of trustees Jeff Sutherland-Kay
and general manager Dan Thompson



The Board recognises that our staff and volunteers are integral to KFR's success and grateful thanks go to them. During the year, we again made use of the Government's Kickstart Scheme for 16 to 24 year-olds by employing two young people. Both gained valuable on-the-job experience and we were pleased to be able to invite one of them to join the staff at the end of their Kickstart period. The increasing pace of both supply and demand during the year led to a thorough review of roles and responsibilities, with staff consultations taking place as the financial year ended.

There have been changes at Board level too, with Ken Brown, Karin Horney and Jason Caulfield-Ware all stepping down from the Board. Ken had been a friend and supporter of KFR for many years, including several years as Chair of Trustees, and we are always pleased to welcome him back on his occasional visits to the warehouse. Karin had been a trustee for 21 years and fulfilled the roles of both Treasurer and Company Secretary; her calm and steady hand will be missed. Jason, a fairly recent recruit to the Board, felt he had to put all his focus into growing his marketing consultancy firm; he continues to be involved with KFR, however, as we have since retained his consultancy to provide marketing services. New trustee Ian Poulton, a very experienced financial director, was appointed to replace Karin as Treasurer, whilst current trustee Chris Shears was appointed as Company Secretary.

8. FUTURE PLANS

The Board of Trustees recognises that KFR has a significant role to play in the support of low-income families in the region. This carries both challenges and risks for the organisation, as we continue to focus on our core activities of generating the supply of donated furniture from both personal and corporate donors and meeting the demands of our customers. A detailed plan has been developed for the new financial year, with the sale of both refurbished and purchase white goods forecast to rise significantly and the sale of furniture forecast to benefit from the improved warehouse layout.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The closures of furniture projects in Wilton (Burnbake Trust) and Swindon (Gateway) provide additional opportunities in the south and north of the county, which we believe we are well positioned to develop from our base in Devizes. These opportunities will bring an uplift in costs as well as revenue, with the budget for the year including the addition of a third van to our delivery and collection service. The budget also allows for increases in rent, utilities and staff costs whilst our planned revenue performance is still expected to deliver a small surplus.

9. PUBLIC BENEFIT

The Board has kept in mind the Charity Commission's guidance on public benefit. The focus of our charitable activities during the year is set out above in our statements on "Objectives and Activities" and "Achievements and Performance" and these explain how as a charity we have delivered public benefit.

10. INDEPENDENT EXAMINERS

JS Weeks & Co have indicated their willingness to continue and will be proposed for reappointment.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).



For and on behalf of the Trustees
Jeffrey Sutherland-Kay
Director and Chair of Trustees
15th March 2023

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
KENNET FURNITURE REFURBIZ LTD**

I report on the accounts of the company for the year ended 30th September 2022, which are set out on pages 11 to 21.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view'. The report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- To keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - To prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Mrs B Moss FCA
J S Weeks & Co
10 Market Place
Devizes
SN10 1HT

15 March 2023

KENNET FURNITURE REFURBIZ LTD

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

		Restricted Funds	Unrestricted Funds	Total Funds 2022	Total Funds 2021
	Notes	£	£	£	£
Incoming resources					
Incoming resources from General funds:-					
<i>Voluntary income:-</i>					
Donations	3	-	1209	1209	2262
<i>Activities for generating funds:-</i>					
Investment income	3	-	201	201	16
Sales and Fees	3	-	426141	426141	320397
Others	3	-	13311	13311	40896
Incoming resources from charitable activities:-					
Grants	3	-	36361	36361	35784
		-----	-----	-----	-----
Total incoming resources		-	477223	477223	399355
		=====	=====	=====	=====
Resources expended					
Unrestricted funds	4	-	381290	381290	249921
Restricted funds	4	-	-	-	17641
Governance costs	4	-	11775	11775	10365
		-----	-----	-----	-----
Total resources expended		-	393065	393065	277927
		-----	-----	-----	-----
Net movement in funds		-	84158	84158	121428
Reconciliation of funds					
Total funds brought forward		-	284621	284621	163193
		-----	-----	-----	-----
Total funds carried forward		-	368779	368779	284621
		=====	=====	=====	=====

The notes on pages 14 to 21 form an integral part of the financial statements.

KENNET FURNITURE REFURBIZ LTD

BALANCE SHEET
AS AT 30 SEPTEMBER 2022

	Notes	£	2022 £	2021 £
Fixed assets	7		27011	13598
Current assets				
Debtors and prepayments	8	31015		28004
Closing Stock		4977		-
Cash at bank		344144		292195
Cash in hand		960		1029
		-----		-----
		381096		321228
Creditors: Amounts falling due within one year	9	(36068)		(42055)
		-----		-----
Net Current Assets		345028		279173
Creditors: Amounts falling due after more than one year	10	(3260)		(8150)
		-----		-----
			341768	271023
			-----	-----
Net assets	11		368779	284621
			=====	=====
Capital and reserves				
General fund			239779	104621
Restricted funds			-	-
Contingency reserves	4b		129000	180000
			-----	-----
			368779	284621
			=====	=====

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

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

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

KENNET FURNITURE REFURBIZ LTD

**BALANCE SHEET
AS AT 30 SEPTEMBER 2022**

The financial statement and balance sheet on pages 11 and 12 were approved by the trustees and authorised for issue on 15th March 2023 and signed on their behalf by:



Jeffrey Sutherland-Kay
Director and Chair of Trustees
Kennet Furniture Refurbiz Ltd
Company Number: 3213883 England and Wales
Charity Number: 1056649

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees and members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

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 Companies Act 2006.

Basis of preparation

Kennet Furniture Refurbiz Ltd 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.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

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 cashflow statement in these financial statements.

Transition to FRS 102

In preparing the accounts, the trustees have considered whether, in applying the accounting policies required by FRS 102 and the Charities SORP 102, a restatement of comparative items was required. No restatements are required as a result of the transition to FRS 102.

Income and endowments

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

Donations

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable that 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.

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.

Governance costs

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

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 £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Trade debtors

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

Trade debtors 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 trade debtors is established when there is objective evidence that the charity 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

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 they do 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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

Fund structure

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

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

KENNET FURNITURE REFURBIZ LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

3 Income resources

	Restricted funds £	Unrestricted funds £	Total funds 2022 £	Total funds 2021 £
Voluntary income:-				
Donations	-	1209	1209	2262
	=====	=====	=====	=====
Activities for generating funds:-				
Sales and fees	-	426141	426141	320397
Investment income:-				
Bank deposit interest	-	201	201	16
	-----	-----	-----	-----
	-	426342	426342	320413
	=====	=====	=====	=====
Other income :-				
HMRC Covid 19 job retention scheme	-	-	-	4378
Wilts Community Foundation – Kickstarter	-	13311	13311	11636
Covid 19 insurance claim	-	-	-	24882
	-----	-----	-----	-----
	-	13311	13311	40896
	=====	=====	=====	=====
Incoming resources for charitable activities:-				
Grants:-				
VPRS Funding	-	32361	32361	
Wilts Community Funding	-	3000	3000	
Freemasons	-	1000	1000	
	-----	-----	-----	-----
	-	36361	36361	35784
	=====	=====	=====	=====
Total incoming resources	-	477223	477223	399355
	=====	=====	=====	=====

KENNET FURNITURE REFURBIZ LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

4a Total resources expended

	Governance	Restricted funds	Unrestricted funds	Total funds 2022	Total funds 2021
	£	£	£	£	£
Cost Directly Allocated to Activities					
Purchases and testing of stock (Adjusted for stock)	-	-	54516	54516	19279
Salaries and Wages	-		207109	207109	150822
Rent of Warehouse	-		37600	37600	28200
Workshop/Property expenses	-	-	5721	5721	11512
Vehicles:-					
Fuel	-	-	9074	9074	6453
Other costs including hire	-		17284	17284	9532
Volunteers expenses:-					
Mileage	-	-	3777	3777	4479
Allowances	-	-	2855	2855	3579
Office Expenses	-	-	4103	4103	2482
Lighting, Heating and Water	-	-	4870	4870	2720
Telephone	-	-	2331	2331	2084
Insurances	-	-	2450	2450	962
Advertising and Sundry Expenses	-	-	6130	6130	5607
Professional Fees	11775	-	730	12505	12266
Training Costs and Conferences	-		1245	1245	(620)
Equipment Repairs and Renewals	-	-	5328	5328	6933
Protective Clothing	-	-	1651	1651	1963
Bank and Credit Card Charges	-	-	2146	2146	1802
Hire Purchase Interest	-	-	695	695	695
KFR Provision Funding	-	-	2000	2000	-
Depreciation:-					
Motor van	-	-	6780	6780	6780
Office Equipment	-	-	637	637	397
Tenants Improvements	-	-	2258	2258	-
Total resources expended	11775	-	381290	393065	277927
	=====	=====	=====	=====	=====

4b Contingency reserve

The charity has decided that they should hold adequate reserves to cover 3 to 6 months of the annual budgeted operating costs and a provision towards the cost of dilapidations.

KENNET FURNITURE REFURBIZ LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

5 Net incoming resources are stated after charging

	2022	2021
	£	£
Depreciation	9674	7177
Auditors remuneration	960	915
	=====	=====

6 Staff costs

	2022	2021
	£	£
Salaries and wages (including employers national insurance)	203165	142853
	=====	=====

There were no employees with emoluments in excess of £60000 per annum.

7 Tangible fixed assets

	Tenants Improvements £	Office equipment £	Motor vehicles £	Total £
Cost				
At 1 October 2021	-	10368	51365	61733
Additions	22577	510	-	23087
	-----	-----	-----	-----
At 30 September 2022	22577	10878	51365	84820
	-----	-----	-----	-----
Depreciation				
At 1 October 2021	-	8070	40065	48135
Change in the year	2258	636	6780	9674
	-----	-----	-----	-----
At 30 September 2022	2258	8706	46845	57809
	-----	-----	-----	-----
Net book value				
At 30 September 2022	20319	2172	4520	27011
	=====	=====	=====	=====
At 30 September 2021	-	2298	11300	13598
	=====	=====	=====	=====

KENNET FURNITURE REFURBIZ LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

8 Debtors and prepayments

	Restricted funds £	Unrestricted funds £	Total 2022 £	Total 2021 £
Trade debtors	-	4574	4574	1975
Other debtors	-	26441	26441	26029
	-----	-----	-----	-----
	-	31015	31015	28004
	=====	=====	=====	=====

9 Creditors:- amounts falling due within one year

	Restricted funds £	Unrestricted funds £	Total 2022 £	Total 2021 £
Trade creditors	-	21464	21464	4085
Accruals and Deferred Income	-	7224	7224	31346
Social security and other taxes	-	2490	2490	1734
Hire Purchase Account	-	4890	4890	4890
	-----	-----	-----	-----
	-	36068	36068	42055
	=====	=====	=====	=====

10 Creditors:- amounts falling due after more than one year

	Restricted funds £	Unrestricted funds £	Total 2022 £	Total 2021 £
Hire Purchase Account	-	3260	3260	8150
	-----	-----	-----	-----
		3260	3260	8150
	=====	=====	=====	=====

11 Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	27011	27011
Current assets	-	381096	381096
Current liabilities	-	(39328)	(39328)
	-----	-----	-----
Net assets as at 30 September 2022	-	368779	368779
	=====	=====	=====

KENNET FURNITURE REFURBIZ LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

12 Movements in funds

	As at 01.10.2021 £	Incoming resources £	Resources expended £	Transfer £	As at 30.09.22 £
Contingency Reserve	180000	-	-	(51000)	129000
Unrestricted funds	104621	477223	(393065)	51000	239779
	-----	-----	-----	-----	-----
Total funds	284621	477223	(393065)	-	368779
	=====	=====	=====	=====	=====