



KENNET FURNITURE REFURBIZ LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th SEPTEMBER 2023



CONTENTS

	Page number
Company information	3
Trustees' report	4 - 9
Independent Examiner's report	10
Statement of financial activities	11
Balance sheet	12 - 13
Notes to the financial statements	14 - 21

KENNET FURNITURE REFURBIZ LTD

COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2023

Trustees/Directors	Pamela Collier Daniel Dickinson – appointed 8 June 2023 Patrick English Kevin Harrison Sebastiano Longo – appointed 19 July 2023 Ian Poulton (Treasurer) Yvonne Pearce Sam Selman Christopher Shears (Company Secretary) Victoria Saunders Jeffrey Sutherland-Kay (Chair of Trustees)
Company Secretary	Christopher Shears
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	Mr Andrew Fisher FCA The Alanbrookes Group Ltd (trading as J S Weeks & Co) 24, Glove Factory Studios Holt, Wiltshire BA 14 6RL

KENNET FURNITURE REFURBIZ LTD

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2023

We present our report and financial statements for the year ended 30 September 2023. 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 2019), 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 and induction information, which includes their role as a trustee 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, KFR successfully continued with its main activities at the warehouse and showroom in Devizes, creating another 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 the county of Wiltshire.
- Overall, we sold over 10,100 items of re-usable furniture and electrical goods, diverting them from landfill.
- KFR repaired and tested over 1,150 donated white goods which were made available for sale at low cost. In addition, we tested approximately 1,200 small electrical items.
- The weight of goods re-used and therefore not sent to landfill amounted to 230 tonnes, equivalent to the weight of 65 KFR vans. Carbon savings from re-use were 370 tonnes, equivalent to 100 average petrol cars each driving 13,500 miles.

[Note: Re-use weights are calculated using the Reuse Network calculator; carbon savings are calculated using UK Government greenhouse gas (GHG) factors.]

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 with more complex needs who struggle with social inclusion and retired people giving their time and experience to

KENNET FURNITURE REFURBIZ LTD
TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

KFR. The total number of volunteer hours exceeded 5,300. If we had had to employ staff instead, it would have cost over £55,000.

3. STATEMENT OF RESPONSIBILITIES OF THE TRUSTEES

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure of the charity for the year. In preparing those financial statements the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

FINANCIAL PERFORMANCE AND RESERVES

The statement of financial activities on page 11 shows the incoming resources and the application of those resources. In the background, the economic climate of high interest rates and high inflation, and the pressure on the cost of living, have meant an increasing need for our services and we have reached a wider audience (see 7 below). KFR continues to respond well to the challenges.

- a) This year overall has been one of relative stability for KFR. Our business model is based around partnerships and without the strong partnerships we have with a range of charities, organisations and commercial companies, built up over time, we would not be able to help so many low-income families. This year, our partnerships contributed to record levels of business, with total income of £676,609 (an increase of 42% compared to the previous year) giving an operating surplus of £10,517. Capital Expenditure totalled £40,165.
- b) This puts pressure on the staff which, as always, they handled well, meeting each challenge as it arose. In view of their contribution to the charity's performance, the trustees decided that the 16 staff should share equally £16,000 of the operating profits as recorded in note 4a (£18,144 when employer's National Insurance and pension contributions are taken into account). The trustees would like to express their sincere thanks to all the staff and volunteers for their hard work through the year.

KENNET FURNITURE REFURBIZ LTD
TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

- c) 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. The warehouse extension, which was brought into use in October 2022, along with bespoke workshops for white goods refurbishment and cleaning, gave us the opportunity to create a much-improved layout in the main part of the warehouse, making it easier for customers to view the goods on offer. This in turn contributed to the record performance. Given the demand for the services and goods which KFR provides, we expect business performance to continue to grow, albeit at a more modest rate.
- d) During the year ended 30th September 2023 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. At £648,897 the value of the sales was 52% 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.
- e) We received no restricted funding during the year.

KFR maintains a contingency reserve of £125,000, in accordance with our reserves policy. The additional dilapidations reserve has increased to £6,400, making a total reserve of £131,400.

4. 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 2023 these have been short term deposits with KFR's banker and other UK regulated banks.

5. 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 warehouse and aim to keep our blue prices (see below), 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.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

6. ACHIEVEMENTS AND PERFORMANCE

Founded in 1996 as Kennet Furniture Exchange focused on the needs of low-income families just in Devizes, KFR now reaches out to low-income families across the whole of the county of Wiltshire. We have a simple but successful 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.

In recent years, KFR has reported outstanding year-on-year business growth, with income this year up by 42% on last year. Whilst we have continued to benefit from strong relationships with our supply partners, such as FurnitureBox, FCC Environment, Rework, Appliance Recycling Group and Hills Waste Solutions, we have also developed stronger relationships with our demand partners, such as Wiltshire Council, Wiltshire Community Foundation, Voluntary Action Swindon, Swindon Emergency Assistance Fund and several housing associations. We are very grateful to all our business partners for their continued support.

We expect the demand for good quality, re-usable furniture and, in particular, kitchen appliances to continue to grow and this has led us to review KFR's sustainability over the medium to longer term. We started the year by completing our move into the additional warehouse space at the west end of our facility, including the creation of new engineering workshops for the inspection, refurbishment and testing of white goods, with bespoke spaces for dry appliances (cookers, tumble dryers) and wet appliances (washing machines, dishwashers), plus space for testing fridges and fridge-freezers and for cleaning tested appliances ready for display in the warehouse.



The KFR van crews, led by Operations Supervisor Simon Cole (far left)

Over the last year, we have seen an increase in the demand for our services in the Swindon area, following the closure of the Gateway Furniture project. This included some funding for the free provision of goods to people in hardship in Swindon and we are pleased to report that a further tranche of funding has been secured so that this provision can continue well into the new financial year. The fund is managed by Voluntary Action Swindon.

Free provisioning is in KFR's DNA. In addition to funds managed by external organisations, KFR received grants of £31,000, including £20,000 from the DWP's Local Assistance Fund via Wiltshire Community Foundation. KFR's own provision funding, formed by setting aside 4% of our monthly income, totalled £28,050. We allocated over £38,000 from our provisioning funds to the free provision of household items, with £23,000 carried forward to the new financial year.

We continued to use a dual pricing system. Our standard, green price is paid by low-income families in receipt of state benefits and represents what we believe to be excellent value. All provisioning is deemed to be at the green price. Our blue price is generally 40% higher and is therefore closer to a second-hand market price. Blue prices are paid by the general public, with the additional income helping to fund our operations and to support KFR's own provisioning. The value of green price discounting during the year was £118,000, benefiting over 5,500 customers.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

In order to satisfy customers' expectations for prompt delivery in all parts of the county, and to support requests for house clearances and for home visits for white goods maintenance, it was necessary to review our van fleet. We replaced one of our two delivery/collection vans, which had become unreliable and costly to maintain, and added a third van. Both of these vans were procured on 5-year leases. Unfortunately, the weight of goods transported in our vans along with the distances travelled meant that electric vehicles were not viable. Towards the end of the year, we added a second-hand, small van for the engineers to use when making home visits.

In the late Spring, we instigated a project to look at our energy usage at the warehouse and the costs and benefits of adding solar panels to the warehouse roof: part of our desire to improve the longer-term sustainability of the charity. A building survey was undertaken to make sure that the roof could bear the weight



and a number of options were considered by the Board. The final decision was to install a solar array of 81 panels and associated infrastructure and this was completed at the end of August. The panels are expected to generate around 29 MWh per annum, with the £25,000 (capital expenditure) of the installation forecast to be covered in approximately three years through reduced energy costs and the sale of surplus power to our energy supplier.

As part of our aim to put management and delivery of the charity's objectives on a more sustainable footing, we began the year by finalising, after consultation, and then implementing a new staffing structure. This included clear reporting lines through a supervisory level to the general manager and better-defined role descriptions. A new role of Operations Supervisor was created to manage our delivery and collection service and our van fleet. After a local search,

the role was eventually filled through an internal promotion. The addition of a third delivery van created the need for another driver and crewperson. We believe that KFR now has a staffing structure that will support the organisation through the medium term.

At Board level, we have appointed two new trustees. Daniel Dickinson joined the Board in June 2023. Dan brings deep and valuable experience of information technology and fills a key gap in the Board's range of skills and knowledge. Sebastiano Longo became a trustee in July 2023. Seb is a long-time customer of KFR and his role is to represent the voice of the-customer in both Board and sub-committee discussions.

KENNET FURNITURE REFURBIZ LTD
TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

7. 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. KFR undertakes a 3-year planning process each year. This includes developing a detailed plan for the new financial year, with the sale of both refurbished and purchased white goods forecast to rise in the 2023/2024 financial year, although more modestly than in previous years. Some of this growth will come from our new business partners in Swindon, where we believe there will be a strong demand for our services. We also plan to develop further our activities in the Chippenham area and our house clearance services, both on a carefully managed basis to ensure that a beneficial cost:income ratio is maintained.



There are two particular areas of expenditure we have budgeted for. Firstly, we expect the general increase in the demand across the county for reusable furniture and white goods, plus our focus on providing good quality customer service, to require a fourth delivery van later in the year. We will not commit to this until we are sure that it is needed. Secondly, and as part of our overall aim to improve the charity's sustainability, we plan to upgrade our IT system to ensure that it better supports the way that KFR works. A project has already been instigated and we are working closely with our system supplier to deliver the necessary enhancements.

8. PUBLIC BENEFIT

The Board keeps 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.

9. INDEPENDENT EXAMINERS

The Alanbrookes Group Ltd have indicated their willingness to continue in this capacity and will be proposed for reappointment.

For and on behalf of the Trustees
Jeffrey Sutherland-Kay
Director and Chair of Trustees

15 March 2024

KENNET FURNITURE REFURBIZ LTD
**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
KENNET FURNITURE REFURBIZ LTD**

I report on the accounts of the charity for the year ended 30th September 2023, which are set out on pages 11 to 21.

Respective responsibilities of trustees and basis of examiner's report

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011. 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 required.

I report in respect of my examination of the accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

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.

Independent examiner's statement

I have completed my examination and 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 2011 Act; or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....
Mr Andrew Fisher FCA BA
The Alanbrookes Group Ltd
24, Glove Factory Studios
Holt, Wiltshire
BA 14 6RL

15 March 2024

**STATEMENT OF FINANCIAL ACTIVITIES (incorporating and income and expenditure account)
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

		Restricted Funds	Unrestricted Funds	Total Funds 2023	Total Funds 2022
	Notes	£	£	£	£
Incoming resources					
Incoming resources from General funds:-					
<i>Voluntary income:-</i>					
Donations	3	-	2,748	2,748	1,209
<i>Activities for generating funds:-</i>					
Investment income	3	-	1,604	1,604	201
Sales and Fees	3	-	648,897	648,897	426,141
Others	3	-	7,294	7,294	13,311
Incoming resources from charitable activities:-					
Grants (net of expenditure)	3	-	16,066	16,066	36,361
Total incoming resources		-	676,609	676,609	477,223
		=====	=====	=====	=====
Resources expended					
Charitable activities	4	-	651,272	651,272	381,290
Governance costs	4	-	14,820	14,820	11,775
Total resources expended		-	666,092	666,092	393,065
		-----	-----	-----	-----
Net income and movement in funds		-	10,517	10,517	84,158
Reconciliation of funds					
Total funds brought forward		-	368,779	368,779	284,621
		-----	-----	-----	-----
Total funds carried forward		-	379,296	379,296	368,779
		=====	=====	=====	=====

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed the notes to the accounts.

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 2023

	Notes	£	2023 £	2022 £
Fixed assets	7		56,897	27,011
Current assets				
Debtors and prepayments	8	58,713		31,015
Closing Stock		9,732		4,977
Cash at bank		334,935		344,144
Cash in hand		972		960
		-----		-----
		404,352		381,096
Creditors: Amounts falling due within one year	9	(81,953)		(36,068)
		-----		-----
Net Current Assets			322,399	345,028
Creditors: Amounts falling due after more than one year	10	(-)		(3,260)
		-----		-----
			322,399	341,768
Net assets	11		-----	-----
			379,296	368,779
			=====	=====
Capital and reserves				
Restricted funds			-	-
Unrestricted funds -				
General fund			247,896	239,779
Contingency reserves	4b		131,400	129,000
			-----	-----
			379,296	368,779
			=====	=====

The directors are satisfied that the company is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476 of the Act.

The directors acknowledge their responsibilities for:

- i. ensuring that the company keeps proper accounting records which comply with section 386 of the Act; and
- ii. preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company. of the Companies Act 2006 relating to small companies.

BALANCE SHEET (Continued)

KENNET FURNITURE REFURBIZ LTD

AS AT 30 SEPTEMBER 2023

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

Approved by the trustees and authorised for issue on 15 March 2024 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

KENNET FURNITURE REFURBIZ LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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 2019) (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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

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.

KENNET FURNITURE REFURBIZ LTD
NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

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 (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

3 Incoming resources

	Restricted funds £	Unrestricted funds £	Total funds 2023 £	Total funds 2022 £
Voluntary income:-				
Donations	-	2,748	2,748	1,209
		=====	=====	=====
=====				
Activities for generating funds:-				
Sales and fees	-	648,897	648,897	426,141
Investment income:-				
Bank deposit interest	-	1,604	1,604	201
	-----	-----	-----	-----
	-	650,501	650,501	426,342
	=====	=====	=====	=====
Other income :-				
Wilts Community Foundation – Kickstarter	-	1,044	1,044	13,311
Profit on disposal of motor vehicle	-	6,250	6,250	-
	-----	-----	-----	-----
	-	7,294	7,294	13,311
	=====	=====	=====	=====
Incoming resources for charitable activities:-				
Grants:-				
RRMS Funding	-	16,066	16,066	32,361
Wilts Community Funding	-	-	-	3,000
Freemasons	-	-	-	1,000
	-----	-----	-----	-----
	-	16,066	16,066	36,361
		=====	=====	=====
=====				
Total incoming resources	-	676,609	676,609	477,223
		=====	=====	=====
=====				

KENNET FURNITURE REFURBIZ LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

4a Total resources expended

	Restricted funds	Unrestricted funds (Governance)	Unrestricted funds	Total funds 2023	Total funds 2022
	£	£	£	£	£
Cost Directly Allocated to Activities					
Purchases and testing of stock (Adjusted for stock)	-	-	127,722	127,722	54,516
Salaries and Wages	-	-	296,991	296,991	207,109
Staff Recognition	-	-	18,144	18,144	-
Rent of Warehouse	-	-	52,547	52,547	37,600
Workshop/Property expenses	-	-	7,461	7,461	5,721
Vehicles:-					
Fuel	-	-	10,320	10,320	9,074
Other costs including hire	-	-	33,357	33,357	17,284
Volunteers expenses:-					
Mileage	-	-	3,634	3,634	3,777
Allowances	-	-	2,986	2,986	2,855
Office Expenses	-	-	3,559	3,559	4,103
Lighting, Heating and Water			-	-	7,972
Telephone	4,870			-	-
Insurances	3,161	2,331			-
7,972	3,974	2,450			-
Advertising and Sundry Expenses	-	-	18,341	18,341	6,130
Professional Fees	-	14,820	4,778	19,598	12,505
Training Costs and Conferences	-	-	1,271	1,271	1,245
Equipment Repairs and Renewals	-	-	10,278	10,278	5,328
Protective Clothing	-	-	1,860	1,860	1,651
Bank and Credit Card Charges	-	-	3,478	3,478	2,146
Hire Purchase Interest	-	-	1,159	1,159	695
KFR Provision Funding	-	-	28,000	28,000	2,000
Depreciation:-					
Motor van	-	-	5,137	5,137	6,780
Office Equipment	-	-	863	863	637
Tenants Improvements	-	-	4,279	4,279	2,258
Total resources expended	-	14,820	651,272	666,092	393,065
		=====	=====	=====	=====
		=====			

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 (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

5 Net incoming resources are stated after charging

	2023	2022
	£	£
Depreciation	10,279	9,674
Independent Examiner's report	1,030	960
	=====	=====

6 Staff costs

	2023	2022
	£	£
Salaries and wages (including employer's national insurance)	291,500	203,165
	=====	=====

=====

There were no employees with emoluments in excess of £60,000 per annum.

7 Tangible fixed assets

	Tenants	Office	Motor	Total
	Improvements	equipment	vehicles	£
	£	£	£	£
Cost				
At 1 October 2022	22,577	10,878	51,365	84,820
Additions	24,921	8,044	7,200	40,165
Disposals	-	-	(24,200)	(24,200)
	-----	-----	-----	-----
At 30 September 2023	47,498	18,922	34,365	100,785
	-----	-----	-----	-----
Depreciation				
At 1 October 2022	2,258	8,706	46,845	57,809
Eliminated on Disposals	-	-	(24,200)	(24,200)
Change in the year	4,279	863	5,137	10,279
	-----	-----	-----	-----
At 30 September 2023	6,537	9,569	27,782	43,888
	-----	-----	-----	-----
Net book value				
At 30 September 2023	40,961	9,353	6,583	56,897
	=====	=====	=====	=====
At 30 September 2022	20,319	2,172	4,520	27,011
	=====	=====	=====	=====

KENNET FURNITURE REFURBIZ LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

8 Debtors and prepayments

	Restricted funds £	Unrestricted funds £	Total 2023 £	Total 2022 £
Trade debtors	-	14,017	14,017	4,574
Other debtors	-	44,696	44,696	26,441
	-----	-----	-----	-----
	-	58,713	58,713	31,015
	=====	=====	=====	=====

9 Creditors:- amounts falling due within one year

	Restricted funds £	Unrestricted funds £	Total 2023 £	Total 2022 £
Trade creditors	-	12,235	12,235	21,464
Accruals and Deferred Income	-	61,350	61,350	7,224
Social security and other taxes	-	8,368	8,368	2,490
Hire Purchase Account	-	-	-	4,890
	-----	-----	-----	-----
	-	81,953	81,953	36,068
	=====	=====	=====	=====

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

	Restricted funds £	Unrestricted funds £	Total 2023 £	Total 2022 £
Hire Purchase Account	-	-	-	3,260
	-----	-----	-----	-----
				3,260
	=====	=====	=====	=====

11 Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	56,897	56,897
Current assets	-	404,352	404,352
Current liabilities	-	(81,953)	(81,953)
	-----	-----	-----
Net assets as at 30 September 2023	-	379,296	379,296

=====

=====

=====

KENNET FURNITURE REFURBIZ LTD

NOTES TO THE FINANCIAL STATEMENTS (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2023

12 Movements in funds

	As at 01.10.2022	Incoming resources	Resources expended	Transfer	As at 30.09.23
	£	£	£	£	£
Contingency Reserve	129,000	-	-	2400	131,400
Unrestricted funds	239,779	676,609	(666,092)	(2,400)	247,896
	-----	-----	-----	-----	-----
Total funds	368,779	676,609	(666,092)	-	379,296
	=====	=====	=====	=====	=====