



KENNET FURNITURE REFURBIZ LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30th SEPTEMBER 2024



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KENNET FURNITURE REFURBIZ LTD

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2024**

Trustees/Directors	Pamela Collier Paul Crerand Daniel Dickinson Patrick English Kevin Harrison Sebastiano Longo – Appointed 19 July 2023 Ian Poulton (Chair/Treasurer) – Appointed Chair of Trustees 1 st February 2024 Yvonne Pearce Juliet Singer – Appointed July 17 th , 2024 Sam Selman Christopher Shears Victoria Saunders Jeffrey Sutherland-Kay - Resigned May 19 th , 2024
Company Secretary	Christopher Shears - Resigned March 19 th , 2025 Kevin Harrison – Appointed March 19 th , 2025
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	Monahans Statutory Auditors Hermes House Firefly Avenue Swindon Wiltshire SN2 2GA

KENNET FURNITURE REFURBIZ LTD

TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2024

We present our report and financial statements for the year ended 30 September 2024. 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 conducts 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 superior 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 14,928 pieces of second-hand furniture and electrical goods donated, in the main, by companies and households in the county of Wiltshire.
- KFR repaired and tested over 1,100 donated white goods which were made available for sale at low cost. In addition, we tested approximately 1,791 small electrical items.
- The weight of goods re-used and therefore not sent to landfill amounted to 325 tonnes, equivalent to the weight of two and a half times the weight of the statue of liberty. Carbon savings from re-use were 339 tonnes, equivalent to 24,408 train trips each traveling 300 miles.

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

KENNET FURNITURE REFURBIZ LTD

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

KFR has a small number of industrious and enthusiastic staff and many 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

KFR. The total number of volunteer hours exceeded 5,300. If we had had to employ staff instead, it would have cost over £63,000.

3. 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.

4. FINANCIAL PERFORMANCE AND RESERVES

The statement of financial activities on page 12 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. KFR continues to respond well to the challenges with a continuation of adding new services and products to customers.

- 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 £910,465 (an increase of 34% compared to the previous year) giving an operating surplus of £56,982. Capital Expenditure totalled £22,927.
- b) This puts pressure on the staff which warranted the addition of fresh staff, allowing the team to meet the increased activity levels, and continue providing excellent service to our customers. As part of our commitment to helping those in the community, in addition to paying at least the real national living wage, the trustees decided that the sixteen staff should share £16,000 of the operating surplus (£18,144 when employer's National Insurance and pension contributions are considered). The trustees would like to express their sincere thanks to all the staff and volunteers for their hard work through the year.
- c) The increasing demand for superior 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. During the year KFR took the opportunity to remodel their storage space by installing new racking, and purchasing an electric lift truck, to enable for product to be stored above the ground. This has allowed for more product to be stored and allowed for better product layout in the main showroom, which has all helped the record revenue 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 2024 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 £865,085 the value of the sales was 33% 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.

KENNET FURNITURE REFURBIZ LTD

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

KFR maintains a provision fund of £33,830 in accordance with our reserves policy. There is also £20,000 in reserves for property dilapidations, making total designated reserve of £53,830. Total funds, excluding designated reserves, are £382,448 of which £63,076 are held as fixed assets. Free reserves are £319,372. Our reserve policy is maintained at a level designed to protect the Charity's work against risks related to :

- Income reliability / consistency
- Expenditure flexibility, including capital investment.
- Specific known liabilities

Free reserves should cover 3-6 months of operating expenditures held and are within the required level.

5. INVESTMENT POLICY

As there is a low level of funds available for investment, we consider bank deposits provide a satisfactory return to KFR. In the year to 30th September 2024 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, as far as is possible, any significant risks. We conduct 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.

KENNET FURNITURE REFURBIZ LTD

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2024

7. 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 revenue this year up by 34% on last year, and up 90+% since 2022. Whilst we have continued to benefit from strong relationships with our supply partners, such as Furniture Box, 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 incredibly grateful to all our business partners for their continued support.



**The remodeled KFR Office
& Customer Service Area**

We expect the demand for superior 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. During the year we remodelled the customer office area to provide an improved staff working space, and customer service desk. We also expanded our fleet of vehicles and van crews. We now operate four vans servicing all of Wiltshire and Swindon.

Over the last year, we have seen an increase in the demand for our services from other organizations who find our ability to provide a range of household goods from one source highly effective. This is a segment of revenue that has grown in the past year, with it now representing over 15% of all revenue. Similarly, provision-based funding also is over 15% of our annual revenue.

Free provisioning is in KFR's DNA. In addition to funds managed by external organisations, KFR received grants of £144,581, including £117,581 from the Household Support Fund via Wiltshire Community Foundation. KFR's own provision funding, formed by setting aside 4% of our KFR generated monthly income, totalled £31,420. We allocated over £140,000 from our provisioning funds to the free provision of household items, with over £55,000 carried forward to the new fiscal 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 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 £189,000, benefiting over 6,870 customers.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

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 added a fourth van on 5-year leases, along with a new van crew. Unfortunately, the weight of goods transported in our vans along with the distances travelled meant that electric vehicles remain not viable. The activity levels, and frequency of deliveries, has led to the full fleet of vans being fully utilised. Currently we do not expect to add an additional van, but if certain segments of business

expand in the coming years, then an additional van may be warranted. Our delivery policy remains unchanged, we charge £20 (incl. VAT) for a delivery in total, and collection of donated goods is free.

As part of our aim to put management and delivery of the charity's objectives in the most effective manner, we made some staffing changes, with the addition of a part time finance professional, additional van crews, and increased operational staff to give KFR the maximum flexibility and resource to facilitate the current service and activity levels. We also recognized that as KFR has grown, so have the demands on the general managers time, so some activities like health & safety management have been outsourced to a professional health and safety service, who have streamlined our health and safety process, training, and compliance.

At board level, we have appointed one new trustee, Paul Crerand, an experienced businessperson who brings a wealth of global business management experience including people development expertise. In February 2024, a new chair of the trustee's (Ian Poulton) was elected, he had been a member of the board for a couple of years



Dan being interviewed by Shirley from local radio Swindon 105.5

prior acting as the board treasurer. He is now fulfilling that role, and board chair, and has helped facilitate several new initiatives in conjunction with the board, and KFR team, to increase the impact of KFR in the community, and make a difference. This has included a more intensive marketing program, including the now famous Facebook Wednesday walkabouts, and Reuse Revolution branding. Advertising on local radio has also been started, and KFR is seeing a significant increase in activity from customers visiting the showroom.

Jeff Sutherland-Kay decided to resign from the board of trustees in 2024, after helping shape KFR into a more robust charity, through the introduction of a series of robust management controls and systems, that KFR is now reaping the benefits of as it continues to make a difference. KFR appreciates the contribution Jeff made during his tenure and extends their thanks for all his efforts.

TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

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. KFR undertakes a 3-year planning process each year. This includes developing a detailed plan for the new fiscal year, with the sale of both refurbished and purchased white goods forecast to rise in the 2024/2025 fiscal year, although more modestly than in previous years. We plan to add a new range of white goods (Willow) to help provide some feedstock for our in house engineered

white goods, but also to provide customers with high quality low-cost new white good options. Some of this growth will come from the continued growth of our business partners in Swindon, where we believe there will be a strong demand for our services. We also continue to develop our house clearance services and will be partnering with Age UK Wiltshire's shops to ensure the maximum reuse opportunities are attained from house clearances. We expect the partnership with FCC Environmental will also grow with the addition of a reuse shop inside of KFR to further the reuse revolution.



Growth in revenue also comes with increased costs, and in the forth coming budget, KFR expects to increase all staff wages by the same percentage as the real living wage growth. We will continue to pay at a minimum the real living wage, to our staff and contractors. In addition, we will continue the staff surplus share program. Plans are underway to also increase the KFR pension contribution for staff. Marketing has been identified as an area that yields a great return, so through a series of marketing programs, targeting the various generational media outlets we are increasing our investment. While we are maximizing our staff productivity, we also recognize that the volume increases also require staffing additions, so positions are being added with caution, when those threshold levels are reached. Our capital investment plans for the coming year include the construction of the Reuse shop, and associated storage space, along with a remodel of the employee break area, and some minor exterior building upgrades. The only owned van will be sold, and will be replaced by a new leased van, in line with the KFR van strategy.



TRUSTEES' REPORT (Continued)
FOR THE YEAR ENDED 30 SEPTEMBER 2024

9. INDEPENDENT EXAMINERS

Monahans have indicated their willingness to act in this capacity for year ending September 30th, 2025, and will be proposed for appointment at the Annual General Meeting.

A handwritten signature in black ink, appearing to read 'Ian J. Poulton', with a long horizontal stroke extending to the right.

For and on behalf of the Trustees
Ian J. Poulton
Director and Chair of Trustees

April 16th, 2025

Independent Examiner's Report to the Trustees of
Kennet Furniture Refurbiz Ltd

Independent examiner's report to the trustees of Kennet Furniture Refurbiz Ltd ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's 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.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 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 2006 Act 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.



James Gare

Monahans
Chartered Accountants
Hermes House
Fire Fly Avenue
Swindon
Wiltshire
SN2 2GA

Date: .25th April 2025...

Kennet Furniture Refurbiz Ltd

Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 30 September 2024

		2024 Unrestricted funds £	2023 Total funds £
	Notes		
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3	23,670	2,748
Charitable activities	5		
Provision of recycled furniture		884,611	664,963
Investment income	4	2,184	1,604
Other income	6	-	7,294
Total		<u>910,465</u>	<u>676,609</u>
 EXPENDITURE ON			
Raising funds	7	2,295	-
Charitable activities	8		
Provision of recycled furniture		<u>851,188</u>	<u>666,092</u>
Total		<u>853,483</u>	<u>666,092</u>
 NET INCOME		56,982	10,517
 RECONCILIATION OF FUNDS			
Total funds brought forward		<u>379,296</u>	<u>368,779</u>
 TOTAL FUNDS CARRIED FORWARD		<u><u>436,278</u></u>	<u><u>379,296</u></u>

The notes form part of these financial statements

Balance Sheet
30 September 2024

	Notes	2024 Unrestricted funds £	2023 Total funds £
FIXED ASSETS			
Tangible assets	15	63,076	56,888
CURRENT ASSETS			
Stocks	16	21,298	9,732
Debtors	17	76,437	58,713
Cash at bank and in hand		<u>328,687</u>	<u>335,916</u>
		426,422	404,361
CREDITORS			
Amounts falling due within one year	18	(53,220)	(81,953)
		<u>373,202</u>	<u>322,408</u>
NET CURRENT ASSETS			
		<u>373,202</u>	<u>322,408</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		436,278	379,296
NET ASSETS		<u>436,278</u>	<u>379,296</u>
FUNDS	20		
Unrestricted funds		<u>436,278</u>	<u>379,296</u>
TOTAL FUNDS		<u>436,278</u>	<u>379,296</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on April 22nd 2025. and were signed on its behalf by:



Ian J. Poulton ACMA CGMA
Chair of Board of Trustees

The notes form part of these financial statements

Kennet Furniture Refurbiz Ltd

Cash Flow Statement
for the Year Ended 30 September 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	13,514	32,423
Interest element of hire purchase or finance lease rental payments paid		<u>-</u>	<u>(1,159)</u>
Net cash provided by operating activities		<u>13,514</u>	<u>31,264</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(22,927)	(40,156)
Sale of tangible fixed assets		-	6,250
Interest received		<u>2,184</u>	<u>1,604</u>
Net cash used in investing activities		<u>(20,743)</u>	<u>(32,302)</u>
Cash flows from financing activities			
Capital repayments in year		<u>-</u>	<u>(8,150)</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(8,150)</u>
		<u>-</u>	<u>-</u>
Change in cash and cash equivalents in the reporting period		(7,229)	(9,188)
Cash and cash equivalents at the beginning of the reporting period		<u>335,916</u>	<u>345,104</u>
Cash and cash equivalents at the end of the reporting period		<u><u>328,687</u></u>	<u><u>335,916</u></u>

The notes form part of these financial statements

Kennet Furniture Refurbiz Ltd

Notes to the Cash Flow Statement
for the Year Ended 30 September 2024

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income for the reporting period (as per the Statement of Financial Activities)	56,982	10,517
Adjustments for:		
Depreciation charges	16,739	10,279
Profit on disposal of fixed assets	-	(6,250)
Interest received	(2,184)	(1,604)
Interest element of hire purchase and finance lease rental payments	-	1,159
Increase in stocks	(11,566)	(4,755)
Increase in debtors	(17,724)	(27,698)
(Decrease)/increase in creditors	<u>(28,733)</u>	<u>50,775</u>
Net cash provided by operations	<u><u>13,514</u></u>	<u><u>32,423</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.23 £	Cash flow £	At 30.9.24 £
Net cash			
Cash at bank and in hand	<u>335,916</u>	<u>(7,229)</u>	<u>328,687</u>
	<u>335,916</u>	<u>(7,229)</u>	<u>328,687</u>
Total	<u><u>335,916</u></u>	<u><u>(7,229)</u></u>	<u><u>328,687</u></u>

The notes form part of these financial statements

Kennet Furniture Refurbiz Ltd

Notes to the Financial Statements
for the Year Ended 30 September 2024

1. STATUTORY INFORMATION

Kennett Furniture Refurbiz Ltd is a charitable company limited by guarantee, without share capital, incorporated in England and Wales. The registered office address, nature of the charity's operations and principal activities can be found in the Trustees' Report.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

There are no significant areas of judgements or key sources of estimation uncertainty.

Going concern

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

Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Income

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

Donations are recognised when the charity has been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

The sale of donated and new goods, whether to the general public or provided under agreements with local authorities, is recognised on point of sale.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- over period of lease
Fixtures and fittings	- Straight line basis over 3-5 years

Notes to the Financial Statements - continued
for the Year Ended 30 September 2024

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Motor vehicles - Straight line over 3 years

Tangible fixed assets are recorded at cost and depreciation is calculated to write off the cost, less estimated residual value over their expected useful lives. Fixed assets costing more than £500 are capitalised.

Stocks

Stocks are valued at the lower of cost and net realisable value.

The charitable company does not value donated second hand goods where it is impractical to do so.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods

Donated goods, services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated goods, services and facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Estimating the fair value of donated goods for resale is impractical. Therefore donated goods for resale are not recognised on receipt. Instead, the value to the charity of the donated goods sold is recognised as income when sold.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Kennet Furniture Refurbiz Ltd

Notes to the Financial Statements - continued
for the Year Ended 30 September 2024

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations and grants	<u>23,670</u>	<u>2,748</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Interest	<u>2,184</u>	<u>1,604</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
Grants	Provision of recycled furniture	19,526	16,066
Sales and fees	Provision of recycled furniture	<u>865,085</u>	<u>648,897</u>
		<u>884,611</u>	<u>664,963</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Refugee Resettlement and Migration Service	<u>19,526</u>	<u>16,066</u>

6. OTHER INCOME

	2024	2023
	£	£
Gain on sale of tangible fixed assets	-	6,250
Kickstarter funding	<u>-</u>	<u>1,044</u>
	<u>-</u>	<u>7,294</u>

7. RAISING FUNDS

Raising donations and legacies

	2024	2023
	£	£
Grant writing fee	<u>2,295</u>	<u>-</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9)	Support costs (see note 10)	Totals
	£	£	£
Provision of recycled furniture	<u>817,425</u>	<u>33,763</u>	<u>851,188</u>

Kennet Furniture Refurbiz Ltd

Notes to the Financial Statements - continued
for the Year Ended 30 September 2024

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs	409,791	315,135
Operating lease - rent	55,600	52,547
Purchases	221,250	139,211
Insurance	5,955	3,974
Light and heat	4,395	7,972
Telephone	3,677	3,161
Advertising and sundry	19,655	12,150
Workshop/property expenses	18,797	12,441
Fuel	12,087	10,320
Vehicles costs including hire	39,577	33,357
Volunteer mileage	3,994	3,634
Volunteer allowances	3,274	2,986
Training costs and conferences	1,814	1,271
Protective clothing	2,510	1,860
Provision funding	-	28,000
Staff recognition	1,515	-
Depreciation	13,534	9,416
Interest payable and similar charges	-	1,159
	<u>817,425</u>	<u>638,594</u>

10. SUPPORT COSTS

	Management £
Provision of recycled furniture	<u>33,763</u>

Support costs, included in the above, are as follows:

Management

	2024	2023
	Provision of recycled furniture £	Total activities £
Office expenses	9,334	3,559
Bank charges	3,887	3,478
Professional fees	17,337	19,598
Depreciation of office equipment	<u>3,205</u>	<u>863</u>
	<u>33,763</u>	<u>27,498</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024	2023
	£	£
Depreciation - owned assets	16,739	10,279
Other operating leases	55,600	52,547
Surplus on disposal of fixed assets	-	(6,250)
Independent examination	2,500	1,030
Operating leases - other	<u>19,259</u>	<u>11,979</u>

Kennet Furniture Refurbiz Ltd

Notes to the Financial Statements - continued
for the Year Ended 30 September 2024

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2024 nor for the year ended 30 September 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 September 2024 nor for the year ended 30 September 2023.

13. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	374,125	291,971
Social security costs	25,746	16,323
Other pension costs	9,920	6,841
	<u>409,791</u>	<u>315,135</u>

The average monthly number of employees during the year was as follows:

	2024	2023
Employees	<u>17</u>	<u>16</u>

No employees received emoluments in excess of £60,000.

Key management personnel for the charity comprises the Trustees and the general manager. The total employee benefits for key management personnel of the charity were £52,783 (2023 - £46,265).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	2,748
Charitable activities	
Provision of recycled furniture	664,963
Investment income	1,604
Other income	<u>7,294</u>
Total	<u>676,609</u>
EXPENDITURE ON	
Charitable activities	
Provision of recycled furniture	<u>666,092</u>
NET INCOME	10,517
RECONCILIATION OF FUNDS	
Total funds brought forward	<u>368,779</u>
TOTAL FUNDS CARRIED FORWARD	<u>379,296</u>

Kennet Furniture Refurbiz Ltd

Notes to the Financial Statements - continued
for the Year Ended 30 September 2024

15. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
COST					
At 1 October 2023	47,489	-	34,365	18,922	100,776
Additions	<u>12,290</u>	<u>10,637</u>	<u>-</u>	<u>-</u>	<u>22,927</u>
At 30 September 2024	<u>59,779</u>	<u>10,637</u>	<u>34,365</u>	<u>18,922</u>	<u>123,703</u>
DEPRECIATION					
At 1 October 2023	6,537	-	27,782	9,569	43,888
Charge for year	<u>10,143</u>	<u>925</u>	<u>2,467</u>	<u>3,204</u>	<u>16,739</u>
At 30 September 2024	<u>16,680</u>	<u>925</u>	<u>30,249</u>	<u>12,773</u>	<u>60,627</u>
NET BOOK VALUE					
At 30 September 2024	<u>43,099</u>	<u>9,712</u>	<u>4,116</u>	<u>6,149</u>	<u>63,076</u>
At 30 September 2023	<u>40,952</u>	<u>-</u>	<u>6,583</u>	<u>9,353</u>	<u>56,888</u>

16. STOCKS

	2024 £	2023 £
Stocks	<u>21,298</u>	<u>9,732</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	15,205	14,017
Prepayments and accrued income	<u>61,232</u>	<u>44,696</u>
	<u>76,437</u>	<u>58,713</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade creditors	11,268	12,235
Social security and other taxes	10,985	7,018
VAT	2,884	-
Other creditors	4,522	1,350
Accruals and deferred income	<u>23,561</u>	<u>61,350</u>
	<u>53,220</u>	<u>81,953</u>

Deferred income

	£
Deferred Income at 1 October 2023	36,974
Resources deferred in the year	5,953
Amounts released from previous years	<u>(36,974)</u>
Deferred Income at 30 September 2024	<u>5,953</u>

Deferred income relates to funding received in advance of the provision of furniture.

Kennet Furniture Refurbiz Ltd

Notes to the Financial Statements - continued
for the Year Ended 30 September 2024

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024 £	2023 £
Within one year	82,782	55,600
Between one and five years	210,596	180,700
In more than five years	3,602	-
	<u>296,980</u>	<u>236,300</u>

20. MOVEMENT IN FUNDS

	At 1.10.23 £	Net movement in funds £	Transfers between funds £	At 30.9.24 £
Unrestricted funds				
General fund	247,896	56,982	77,570	382,448
Contingency fund	131,400	-	(111,400)	20,000
Provision funding	-	-	33,830	33,830
	<u>379,296</u>	<u>56,982</u>	<u>-</u>	<u>436,278</u>
TOTAL FUNDS	<u>379,296</u>	<u>56,982</u>	<u>-</u>	<u>436,278</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	910,465	(853,483)	56,982
	<u>910,465</u>	<u>(853,483)</u>	<u>56,982</u>
TOTAL FUNDS	<u>910,465</u>	<u>(853,483)</u>	<u>56,982</u>

Comparatives for movement in funds

	At 1.10.22 £	Net movement in funds £	Transfers between funds £	At 30.9.23 £
Unrestricted funds				
General fund	239,779	10,517	(2,400)	247,896
Contingency fund	129,000	-	2,400	131,400
	<u>368,779</u>	<u>10,517</u>	<u>-</u>	<u>379,296</u>
TOTAL FUNDS	<u>368,779</u>	<u>10,517</u>	<u>-</u>	<u>379,296</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	676,609	(666,092)	10,517
	<u>676,609</u>	<u>(666,092)</u>	<u>10,517</u>
TOTAL FUNDS	<u>676,609</u>	<u>(666,092)</u>	<u>10,517</u>

Kennet Furniture Refurbiz Ltd

Notes to the Financial Statements - continued
for the Year Ended 30 September 2024

20. MOVEMENT IN FUNDS - continued

Contingency fund

The contingency fund has been reduced to £20,000 which relates to a reserve fund for dilapidation.

Provision fund

Surplus charity funds are allocated to the provision fund which is used to provide free goods to those in crisis.

21. EMPLOYEE BENEFIT OBLIGATIONS

The pension cost charge represents contributions payable by Kennet Furniture Refurbiz to the fund and amounted to £9,920 (2023: £6,841). At 31 March 2024 £4,522 (2023: £1,350) of contributions were payable.

22. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2024.