# FURNITURE RECYCLING PROJECT

England & Wales · Charity number 1057619

## Details

| | |
|---|---|
| **Status** | Registered |
| **Legal form** | Charitable company |
| **Company number** | 03236897 |
| **Registered** | 1996-09-25 |
| **Register** | View on the Charity Commission register |

## Contact

| | |
|---|---|
| **Address** | Furniture Recycling Project<br>Warehouse 5<br>West Quay<br>The Docks<br>Gloucester<br>GL1 2EH |
| **Phone** | 01452524333 |
| **Email** | admin@frpglos.org.uk |
| **Website** | www.frpglos.org.uk |

## Activities

**Objects:** TO RELIEVE EITHER GENERALLY OR INDIVIDUALLY PERSONS WHO ARE IN CONDITIONS OF NEED, HARDSHIP OR DISTRESS BY THE PROVISION OF FURNITURE AND OTHER HOUSEHOLD ACCESSORIES, CALCULATED TO REDUCE THE NEED, HARDSHIP OR DISTRESS OF SUCH PERSONS

**Activities:** 1. The prevention or relief of poverty and financial hardship by re-use, recycling and supplying of items of furniture, electrical appliances and other household items to persons in need2. The advancement of education by the provision of volunteering and learning opportunities3. The protection and perseveration of the environment for the public benefit via waste reduction, re-use and recycling

## Classification

- **How:** Other Charitable Activities
- **What:** The Prevention Or Relief Of Poverty
- **Who:** Children/young People, Elderly/old People, Other Defined Groups

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## Geography

- Gloucestershire

## Finances

| Period end | Income | Expenditure | Assets | Employees |
|---|---|---|---|---|
| 2025-03-31 | £532,454 | £519,480 | £262,681 | 12 |
| 2024-03-31 | £550,382 | £470,114 | £249,707 | 10 |
| 2023-03-31 | £476,626 | £430,334 | - | - |
| 2022-03-31 | £308,410 | £351,395 | - | - |
| 2021-03-31 | £382,857 | £309,257 | - | - |

## Trustees

| Name | Role | Appointed |
|---|---|---|
| **DAWN MELVIN BATH** | Chair | 2014-11-10 |
| Douglas John Rugg | | 2019-07-29 |
| Janine Ruth Stafford | | 2025-09-11 |

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**FURNITURE RECYCLING PROJECT**

England & Wales - Charity number 1057619

# Accounts

Company Registration Number: 3236897
Registered Charity Number: 1057619

# FURNITURE RECYCLING PROJECT
(a company limited by guarantee)

## REPORT OF THE TRUSTEES AND UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2025

BK Plus Limited
6 Manor Park Business Centre Mackenzie Way Cheltenham Glos GL51 9TX

**FURNITURE RECYCLING PROJECT**
**REPORTS AND FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED 31 MARCH 2025**

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**FURNITURE RECYCLING PROJECT**

**OFFICERS, BOARD MEMBERS AND ADVISERS**

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| | |
|---|---|
| **DIRECTORS/TRUSTEES** | Dawn Melvin (Chair)<br>Douglas John Rugg (Vice chair)<br>Jan Tappin |
| **CHIEF EXECUTIVE OFFICER** | Dereck Eley |
| **ADDRESS & REGISTERED OFFICE** | Warehouse 5<br>West Quay<br>The Docks<br>Gloucester<br>GL1 2EH |
| **INDEPENDENT EXAMINERS** | BK Plus Limited<br>6 Manor Park Business Centre<br>Mackenzie Way<br>Cheltenham<br>Glos GL51 9TX |
| **BANKERS** | Lloyds Banking Group<br>19 Eastgate Street<br>Gloucester<br>GL1 1NU |

We present our report and consolidated financial statements for the year ended 31 March 2025. 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 1 January 2019) – (Charities SORP (FRS102)), and the Companies Act 2006.

## (1) STRUCTURE, GOVERNANCE and MANAGEMENT

This is the twenty-eighth annual report since the Furniture Recycling Project ("FRP") was established in August 1996 as a company limited by guarantee and a charity registered in England with the Charity Commission.

Our governing document is our Memorandum and Articles of Association. In the event of FRP being wound up our liability as Trustees 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 interest form, together with the Charity Commissions 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 monitor performance. We delegate to the management team the task of day-to-day management of FRP, which they carry out to a high standard. Gloucestershire County Council is invited to send a representative to Board meetings. FRP has a wholly owned trading subsidiary called NFP Trading Limited ("NFP") and the profits of this company are transferred to FRP under covenant to support our key objectives.

The pay and benefits of the management team are benchmarked against the annual salary survey conducted by the Furniture Re-use Network. The management team's salary is below the median salary rates for their respective roles.

## (2) OBJECTIVES AND ACTIVITIES

FRP's core objective is "To relieve either generally or individually persons who are in conditions of need, hardship or distress by the provision of furniture and other household accessories, calculated to reduce the need, hardship or distress of such persons".

Our mission is to improve the lives of people most in need in Gloucestershire by offering for sale affordable furniture and electrical items. To assist us in our mission we provide training and personal development opportunities to the young and the unemployed.

During the year under review FRP continued with its main activities as follows:

- We collected second-hand furniture and electrical goods donated by households in Gloucestershire and sold these items at low cost from our shop in Gloucester.
- We repaired and tested donated electrical goods, and this enabled many electrical goods to be made re-usable and available at low cost to customers through our shops.
- NFP, the subsidiary of FRP, offered for sale new beds, mattresses, and electrical appliances (including the installation of cookers) at competitive prices to statutory bodies and charities. This supported the clients referred through their offices and others who wished to benefit from this service, providing a complementary service to FRP and helping to improve the lives of many.
- We loaned riser/recliner chairs to individuals in need (especially those requiring palliative care support) throughout Gloucestershire at low cost, offering an affordable alternative to the purchase of these expensive items.
- We provided structured work experience and training programmes in our workshop and retail outlets to people looking to gain experience and work-related qualifications, thus building their confidence and employability.

## (2) OBJECTIVES AND ACTIVITIES - CONTINUED

FRP has a small number of hard-working and enthusiastic staff and several willing volunteers. The volunteers comprise a wide range of people giving their time and experience to FRP. They include those who are actively looking for employment, refugees seeking asylum, and retired people. The total number of volunteer hours was 7,520. If we had to employ staff, instead, the payroll costs would be £95,492 higher.

## (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 independent examiners as stated in their report.

Charity and company law requires 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 then 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 for ensuring that the financial statements comply with relevant legislation. We are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## (4) FINANCIAL RESULT AND RESERVES

The consolidated statement of financial activities on page 7 shows the incoming resources and the application of those resources for the Furniture Recycling Project ("FRP") and its subsidiary company NFP Trading Limited ("NFP").

a) During the year ended 31 March 2025 FRP had two principal sources of unrestricted funding. The main source was from sales of donated second-hand furniture and household goods, which at £435,121 is 5% higher than the total of £415,921 achieved in the year to 31 March 2024. The other main income stream was from the covenanted profits from the sale of new household goods through the subsidiary company, NFP Trading Ltd. In the year to 31 March 2025 sales of new goods were £69,714, a 32% decrease on the £102,129 achieved in the year to March 2024. The gross profit margin on sales of new goods was 36.7%, a significant increase on 26% profit margin achieved in the prior year.

b) After considering the relevant expenditure of £519,430, the net movement in the unrestricted fund as at 31 March 2025 was an increase of £13,024 in the unrestricted reserves which stood at £262,181 by the year end.

c) The restricted reserve balance of £500 will be carried forward into 2025/26. The charity did not apply for any grant funding during the financial year.

It is the policy of FRP to maintain undesignated, unrestricted funds excluding fixed assets, which are free reserves, at a level that equates to between three and twelve months of the unrestricted resources expended. This would provide a cushion against fluctuations in income and would enable FRP to continue with its current activities. At 31 March 2025 the free reserves were £247,748, which is within the reserves policy of FRP.

## (5) RISK MANAGEMENT

As Trustees we review the major risks that FRP faces on a regular basis and carry out periodic reviews of the controls over key financial systems. We also consider other financial, operational, and business risks faced by FRP, especially the maintenance of adequate reserves, and have ensured that insurance cover has been reviewed and updated. As Trustees we confirm that systems have been established to mitigate, as far as possible, any significant risks.

FRP is facing increasing competition from other charities and commercial operators in the provision of our core product on the high street. We monitor the sales prices in our shops and aim to keep our prices, on average, below the market rate.

Our potential customers are finding it increasingly easy to purchase items via social media platforms. We are embracing the challenges this presents and now have a strong online presence. Pictures of new stock at our shops are posted regularly on our shop's Facebook pages as well as in local buy/sell Facebook groups. Re-use office furniture is offered for sale online via 'click and collect'. We are reviewing the option to expand this service to our core products; however, we recognise the additional operational costs would almost certainly outweigh the increased revenue.

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, FRP continues to invest and involve staff in developing plans, ensuring risks of any nature are formerly explained and understood by all. Training of staff continues to be a priority as does recruiting staff with the skills to cover roles and mitigate any risk to themselves, volunteers and customers/visitors to any FRP site.

We recognise the risk of operating from only one shop and we are looking at suitable large premises within the region for a second shop.

## (6) INVESTMENT POLICY

As there is a relatively low level of funds available for investment, we consider that bank deposits provide a satisfactory return to FRP. In the year to 31 March 2025 these have been short term deposits with FRP's banker and other UK regulated banks and Building Societies for periods not exceeding 12 months.

## (7) ACHIEVEMENTS AND PERFORMANCE

During the year to 31 March 2025 we used our fleet of vehicles to collect donated second-hand furniture and electrical items from 3,456 local households and, as a result, we were able to deliver 12,974 items at low cost through our shops to 2,666 households. This re-use of domestic items helped many people in need, hardship, or distress. It also assisted local council services by reducing the waste going to landfill and, therefore, helped to reduce the costs associated with their bulky item collection service. It improved the environment for the benefit of all.

The workshop in Gloucester is set up for the repair and testing of donated electrical items. In the year to 31 March 2025, 1,470 electrical items supplied to our customers through our shops. The workshop manager up-cycled 95 items of furniture which were subsequently sold under the 'Cotswold Collection' brand in our shops.

During the year 42 new customers used our low-cost hire of riser-recliner chairs. This service is considerably cheaper than purchasing a brand-new chair or hiring from a commercial operator.

As Trustees we are very grateful to all those who made donations and grants during the year, as without that help it would not have been possible for FRP to maintain and develop its operating activities and its training and volunteer programmes.

## (8) PERFORMANCE AND FUTURE PLANS

Our shop on Eastern Avenue, Gloucester is the biggest shop the charity has operated from, and the large floor space has enabled us to display a greater variety of re-use and new furniture than previous locations. Sales volumes continue to exceed expectations.

In June 2024 we signed a short-term licence to occupy part of the floor space of Cavendish House on the Promenade, Cheltenham. Sales have not been as strong as initially hoped, however, after moving to a more prominent ground floor location, trading performance has improved.

We will continue to explore new revenue streams including monitoring our suppliers to ensure they offer best value. We will ensure that our range of new furniture remains current and competitive. We continue to seek large retail premises as potential locations for new shops

## (9) PUBLIC BENEFIT

As Trustees we have 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

BK Plus Limited have indicated their willingness to continue in office 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 relating to small companies.

D Melvin

For and on behalf of the Trustees
D Melvin – Chair

Date: 1/12/2025.

## REPORT OF THE INDEPENDENT EXAMINERS TO THE TRUSTEES OF FURNITURE RECYCLING PROJECT

I report to the charity trustees on my examination of the consolidated financial statements of Furniture Recycling Project (FRP) for the year ended 31 March 2025 on pages 7 to 18.

**Responsibilities and basis of report**
As the charity's trustees of the company (and 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 financial statements 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 financial statements 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 report**
Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of 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 financial statements do not accord with those accounting records; or

(3) the financial statements 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 financial statements 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 financial statements to be reached.

**ROGER DOWNES FCA**
**For and on behalf of**
**BK Plus Limited**

08 December 2025

**6 Manor Park Business Centre**
**Mackenzie Way**
**Cheltenham**
**Glos**

## FURNITURE RECYCLING PROJECT
## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
## (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
## FOR THE YEAR ENDED 31 MARCH 2025

| | 31 MARCH 2025 | | | 2024 |
|---|---|---|---|---|
| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
| | £ | £ | £ | £ |
| **INCOME** | | | | |
| Income from charitable activities (note 2) | 445,626 | - | 445,626 | 426,919 |
| **Other activities** | | | | |
| Donations and legacies (note 3) | 12,620 | - | 12,620 | 19,384 |
| Other trading activities (note 3) | 69,714 | - | 69,714 | 102,129 |
| Income from investments | 4,494 | - | 4,494 | 1,565 |
| Other income (note 4) | - | - | - | 385 |
| | 86,828 | - | 86,828 | 123,463 |
| **Total Income** | 532,454 | - | 532,454 | 550,382 |
| **EXPENDITURE** | | | | |
| Raising funds (note 6) | 44,816 | - | 44,816 | 76,542 |
| Charitable activities (note 7) | 474,614 | 50 | 474,664 | 393,672 |
| **Total Expenditure** | 519,430 | 50 | 519,480 | 470,214 |
| **Net Income/(Expenditure)** | 13,024 | (50) | 12,974 | 80,168 |
| **Balances transferred between funds** | | | - | - |
| **Funds brought forward at 1 April 2024** | 249,157 | 550 | 249,707 | 169,539 |
| **Funds carried forward at 31 March 2025** | 262,181 | 500 | 262,681 | 249,707 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

*The notes on pages 11 to 18 form part of these financial statements.*

## FURNITURE RECYCLING PROJECT

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 31 MARCH 2025

| | Unrestricted Funds | Restricted Funds | 2025 Total Funds | 2024 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 14,703 | 500 | 15,203 | 19,701 |
| **CURRENT ASSETS** | | | | |
| Stock | 15,015 | - | 15,015 | 11,984 |
| Debtors (note 12) | 20,111 | - | 20,111 | 20,211 |
| Bank and cash in hand | 246,081 | - | 246,081 | 218,897 |
| | 281,207 | - | 281,207 | 251,092 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 14) | 33,729 | - | 33,729 | 21,086 |
| **NET CURRENT ASSETS** | 247,478 | - | 247,478 | 230,006 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 262,181 | 500 | 262,681 | 249,707 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds:** (note 8) | | | | |
| - General funds | 262,181 | - | 262,181 | 249,157 |
| **Restricted funds** (note 8) | - | 500 | 500 | 550 |
| | 262,181 | 500 | 262,681 | 249,707 |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2025. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2025 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 1/12/25 and were signed on its behalf by:

Dawn Melvin .....

Douglas John Rugg .....

*The notes on pages 11 to 18 form part of these financial statements.*

## FURNITURE RECYCLING PROJECT
## STATEMENT OF FINANCIAL POSITION
## 31 MARCH 2025

| | Unrestricted Funds £ | Restricted Funds £ | 2025 Total Funds £ | 2024 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 14,703 | 500 | 15,203 | 19,701 |
| Investments (note 11) | 2 | - | 2 | 2 |
| | 14,705 | 500 | 15,205 | 19,703 |
| **CURRENT ASSETS** | | | | |
| Debtors (note 13) | 55,739 | - | 55,739 | 45,624 |
| Bank and cash in hand | 224,941 | - | 224,941 | 202,330 |
| | 280,680 | - | 280,680 | 247,954 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 15) | 33,204 | - | 33,204 | 17,950 |
| **NET CURRENT ASSETS** | 247,476 | - | 247,476 | 230,004 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 262,181 | 500 | 262,681 | 249,707 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds** (note 8) | | | | |
| - General Funds | 262,181 | - | 262,181 | 249,157 |
| **Restricted funds** (note 8) | - | 500 | 500 | 550 |
| | 262,181 | 500 | 262,681 | 249,707 |

*The notes on pages 11 to 18 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2025

| | 2025<br>£ | 2024<br>£ |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Net movement in funds (as per the statement of financial activities)** | 12,974 | 80,168 |
| Adjustments for: | | |
| Depreciation charges | 8,498 | 5,313 |
| Loss/(Profit) on sale of fixed assets | - | (385) |
| (Increase)/decrease in stock | (3,031) | (2,371) |
| (Increase)/decrease in debtors | 100 | (1,398) |
| Increase /(decrease) in creditors | 12,643 | 5,613 |
| **Net cash used in operating activities** | 31,184 | 86,940 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from sale of plant and equipment | - | 3,333 |
| Purchases of plant and equipment | (4,000) | (8,980) |
| **Net cash used in investing activities** | (4,000) | (5,647) |
| Increase /(decrease) in cash in the year | 27,184 | 81,293 |
| **Cash balance at 1 April 2024** | 218,897 | 137,604 |
| **Cash balance at 31 March 2025** | 246,081 | 218,897 |

## 1. ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Furniture Recycling Project (FRP) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

### (b) Going Concern

In early summer 2025 the landlord of the Gloucester shop unexpectedly invoked the break clause in the lease agreement which resulted in a significant fall in sales revenue over the summer whilst the charity found new premises nearby. Since the re-opening, sales in the new shop are running at a similar level to the old one.

Despite undertaking cost cutting measures, the Cheltenham shop remained loss making, so the trustees took the decision to close the shop in September 2025. Further measures to reduce the operating costs of the charity are due to take place in the first half of 2026 and once these are implemented the cashflow is forecast to return to a positive position.

On this basis the Trustees believe the charity remains a going concern and the financial statements have been prepared on that basis.

### (c) Income

Income is recognised in the period to which it relates, once FRP has entitlement to the income and once the directors are certain that the income will be received and when the monetary value can be measured with sufficient reliability.

Income from grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Where FRP benefits from work carried out by volunteers, without charge, no value is placed on this work for accounting purposes.

No value is placed on a donated item until it is sold. The revenue for both donated goods and new stock is recognised on the dates the goods are purchased in store, or for credit sales, when they are physically delivered to the customer.

### (d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing FRP to the expenditure. Costs of raising funds are those costs incurred in providing services for which FRP received a direct income. Expenditure on charitable activities represents the cost of supporting FRP's objectives. Support costs are those costs incurred directly in support of expenditure on the objects of FRP.

### (e) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

## 1. ACCOUNTING POLICIES (CONTINUED)

**(f) Tangible Fixed Assets**

Individual fixed assets costing more than £1,000 are capitalised at cost. Where fixed assets are donated to the Charity, they are included at the Trustee's valuation. Impairment reviews are carried out only when there is an indication that the recoverable amount of an asset is below its net book value.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected economic useful life to its estimated realisable value, as follows:-

| | |
|---|---|
| Fixtures, fittings and equipment | - at varying rates |
| Motor vehicles | - 20% straight line |

**(g) Taxation**

As a recognised charity, the Charity is exempt from Corporation Tax so far as it relates to its charitable objects. It is not, however, exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates

**(h) Basis of Consolidation**

The consolidated financial statements comprise Furniture Recycling Project and its trading subsidiary, NFP Trading Limited.

## 2. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds | Restricted Funds | 2025 Total Funds | 2024 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Income from sales of Donated Furniture | 435,121 | - | 435,121 | 415,921 |
| Hire of Riser Recliner Chairs | 10,355 | - | 10,355 | 10,472 |
| Other grants and donations | 150 | - | 150 | 526 |
| | 445,626 | - | 445,626 | 426,919 |

## 3. INCOME FROM OTHER ACTIVITIES

| | Unrestricted Funds | Restricted Funds | 2025 Total Funds | 2024 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Gift aid | 12,620 | - | 12,620 | 19,384 |
| Income from sales of new furniture | 69,714 | - | 69,714 | 102,129 |

## 4. OTHER INCOME

| | 2025 £ | 2024 £ |
|---|---|---|
| Profit on disposal of plant & machinery | - | 385 |
| | - | 385 |

## 5. NET INCOME/(EXPENDITURE)

| Net income/(expenditure) is stated after charging:- | 2025 £ | 2024 £ |
|---|---|---|
| Depreciation of tangible fixed assets | | |
| - owned assets | 8,498 | 5,313 |
| Loss/(Profit) on disposal of plant & machinery | | (385) |
| Rent (operating lease) | 34,493 | 9,479 |
| Independent Examiners' remuneration | | |
| - charity | 1,900 | 1,750 |
| - group | 2,500 | 2,200 |

As permitted by Section 404 of the Companies Act 2006, the parent company's statement of financial activities has not been included in these financial statements. The net movement in funds in the parent company for the year to 31 March 2025 was a net surplus in funds of £12,974 (2024: £85,168 surplus).

**Staff costs:**
No remuneration was paid to the Trustees and no expenses were re-imbursed to them in either the year to 31 March 2025 or 2024. The staff costs were:-

| | Unrestricted Funds £ | Restricted Funds £ | 2025 Total Funds £ | 2024 Total Funds £ |
|---|---|---|---|---|
| Salaries and wages | 299,321 | - | 299,321 | 243,839 |
| Social security costs | 20,643 | - | 20,643 | 14,900 |
| Pension costs | 6,997 | - | 6,997 | 5,805 |
| | 326,961 | - | 326,961 | 264,544 |

FRP employed the following full time equivalent staff during the year

| | No. | No. |
|---|---|---|
| Administration and management | 1 | 1 |
| Volunteer support and workshops | 1 | 1 |
| Shops and distribution | 10 | 8 |
| | 12 | 10 |

No employee received remuneration of more than £60,000. All staff are entitled to a Death in Service benefit of twice their final salary. The cost to FRP is £1,742 (2024 - £1,654).

## 6. RAISING FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | 2025 Total Funds £ | 2024 Total Funds £ |
|---|---|---|---|---|
| ***Trading expenses:*** | | | | |
| Purchases for resale | 44,112 | - | 44,112 | 75,996 |
| Accountancy | 600 | - | 600 | 450 |
| Bank charges | 104 | - | 104 | 96 |
| | 44,816 | - | 44,816 | 76,542 |

## 7. CHARITABLE ACTIVITIES

| | | | | |
|---|---|---|---|---|
| Disposal of waste | 1,430 | - | 1,430 | 1,187 |
| Salaries | 326,961 | - | 326,961 | 264,544 |
| Volunteers' expenses | 9,815 | - | 9,815 | 10,464 |
| Training & travel | 2,741 | - | 2,741 | 2,008 |
| Sundry staff costs | 2,304 | - | 2,304 | 2,204 |
| Rent | 34,493 | - | 34,493 | 9,479 |
| Rates & water | 2,360 | - | 2,360 | 2,675 |
| Premises insurance | 2,634 | - | 2,634 | 2,704 |
| Light, heat & power | 25,582 | - | 25,582 | 33,319 |
| Premises, maintenance & cleaning | 4,476 | - | 4,476 | 2,948 |
| Depreciation | 8,448 | 50 | 8,498 | 5,313 |
| Van running costs | 16,093 | - | 16,093 | 17,211 |
| Riser-recliner hire expenditure | 362 | - | 362 | 387 |
| Workshop & office | 9,650 | - | 9,650 | 13,181 |
| **Support Costs** | | | | |
| Printing, postage & stationery | 3,136 | - | 3,136 | 2,502 |
| Telephone | 5,712 | - | 5,712 | 5,065 |
| Legal, accounting & other professional fees | 7,361 | - | 7,361 | 7,687 |
| General insurance | 7,070 | - | 7,070 | 7,115 |
| Bank charges | 320 | - | 320 | 645 |
| Subscriptions | 1,766 | - | 1,766 | 1,284 |
| Accountancy – Independent examination | 1,900 | - | 1,900 | 1,750 |
| | 474,614 | 50 | 474,664 | 393,672 |

## 8. CONSOLIDATED FUNDS MOVEMENT

| | Brought forward £ | Income £ | Expenditure £ | Transfers & Capital costs £ | Carried forward £ |
|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | |
| General Fund | 249,707 | 532,454 | 519,480 | - | 262,681 |
| | 249,707 | 532,454 | 519,480 | - | 262,681 |

The funds of the charity include all restricted funds comprising the following unexpended balances of grants to be applied to specific purposes, summarised by department:

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|---|---|---|---|---|---|
| **Restricted funds by Department:** | | | | | |
| Operations | 550 | - | 50 | - | 500 |
| Electrical | - | - | - | - | - |
| | 550 | - | 50 | - | 500 |

## 9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **INCOME** | | | | |
| Income from charitable activities (note 2) | 426,919 | - | 426,919 | 367,702 |
| **Other activities** | | | | |
| Donations and legacies (note 3) | 19,384 | - | 19,384 | 23,156 |
| Other trading activities (note 3) | 102,129 | - | 102,129 | 83,037 |
| Income from investments | 1,565 | - | 1,565 | 178 |
| Other income (note 4) | 385 | - | 385 | 2,553 |
| | 123,463 | - | 123,463 | 108,924 |
| **Total Income** | 550,382 | - | 550,382 | 476,626 |
| **EXPENDITURE** | | | | |
| Raising funds (note 6) | 76,542 | - | 76,542 | 59,376 |
| Charitable activities (note 7) | 393,672 | 100 | 393,672 | 370,958 |
| **Total Expenditure** | 470,114 | 100 | 470,214 | 430,334 |
| **Net Income/(Expenditure)** | 80,268 | (100) | 80,168 | 46,292 |
| **Balances transferred between funds** | - | - | - | - |
| **Funds brought forward at 1 April 2023** | 165,941 | 3,598 | 169,539 | 123,247 |
| **Funds carried forward at 31 March 2024** | 249,157 | 550 | 249,707 | 169,539 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

## 10. TANGIBLE FIXED ASSETS – PARENT COMPANY AND GROUP

| | Plant and Equipment | Motor Vehicles | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| As at 1 April 2024 | 114,256 | 16,181 | 130,437 |
| Additions in year | - | 4,000 | 4,000 |
| Disposals in year | - | - | - |
| Balance at 31 March 2025 | 114,256 | 20,181 | 134,437 |
| **Depreciation** | | | |
| As at 1 April 2024 | 106,061 | 4,675 | 110,736 |
| Charge for year | 4,462 | 4,036 | 8,498 |
| Eliminated on disposals | - | - | - |
| Balance at 31 March 2025 | 110,523 | 8,711 | 119,234 |
| **Net Book Value** | | | |
| At 31 March 2025 | 3,733 | 11,470 | 15,203 |
| At 31 March 2024 | 8,195 | 11,506 | 19,701 |

## 11. FIXED ASSET INVESTMENTS

| Investment in subsidiary | Shares | Total |
|---|---|---|
| | £ | £ |
| At 1 April 2024 and 31 March 2025 | 2 | 2 |

## 12. DEBTORS - GROUP

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Trade debtors | 3,225 | 9,362 |
| Other debtors & prepayments | 15,985 | 9,911 |
| VAT recoverable | 901 | 938 |
| | 20,111 | 20,211 |

## 13. DEBTORS – PARENT COMPANY

| | 2025 £ | 2024 £ |
|---|---|---|
| Trade debtors | 1,974 | 7,419 |
| Other debtors & prepayments | 51,261 | 35,460 |
| VAT recoverable | 2,504 | 2,745 |
| | 55,739 | 45,624 |

## 14. CREDITORS - GROUP

| | | |
|---|---|---|
| Trade creditors | 5,948 | 5,093 |
| Accruals and deferred income | 20,792 | 9,496 |
| Other creditors | 1,402 | 503 |
| Tax and social security | 5,587 | 5,994 |
| | 33,729 | 21,086 |

## 15. CREDITORS – PARENT COMPANY

| | | |
|---|---|---|
| Trade creditors | 5,948 | 2,381 |
| Accruals and deferred income | 20,267 | 9,072 |
| Other creditors | 1,402 | 503 |
| Tax and social security | 5,587 | 5,994 |
| | 33,204 | 17,950 |

## 16. OTHER FINANCIAL COMMITMENTS

FRP had the following commitments under operating leases, falling due as follows

| | | |
|---|---|---|
| **Land and buildings** | | |
| Within one year | 16,600 | 15,012 |
| Within two to five years | - | 15,000 |

## 17. STATUS

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being more than assets, the liability of a member is limited to £1.

## 18. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.

**FURNITURE RECYCLING PROJECT**

England & Wales - Charity number 1057619

# Accounts

Company Registration Number: 3236897
Registered Charity Number: 1057619

# FURNITURE RECYCLING PROJECT
(a company limited by guarantee)

## REPORT OF THE TRUSTEES AND UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2024

BK Plus Limited
6 Manor Park Business Centre Mackenzie Way Cheltenham Glos GL51 9TX

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**FURNITURE RECYCLING PROJECT**

**OFFICERS, BOARD MEMBERS AND ADVISERS**

---

| | |
|---|---|
| **DIRECTORS/TRUSTEES** | Dawn Melvin (Chair)<br>Douglas John Rugg (Vice chair)<br>James Melvin<br>Jan Tappin |
| **CHIEF EXECUTIVE OFFICER** | Dereck Eley |
| **ADDRESS & REGISTERED OFFICE** | Warehouse 5<br>West Quay<br>The Docks<br>Gloucester<br>GL1 2EH |
| **INDEPENDENT EXAMINERS** | BK Plus Limited<br>6 Manor Park Business Centre<br>Mackenzie Way<br>Cheltenham<br>Glos GL51 9TX |
| **BANKERS** | Lloyds Banking Group<br>19 Eastgate Street<br>Gloucester<br>GL1 1NU |

We present our report and consolidated financial statements for the year ended 31 March 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 1 January 2019) – (Charities SORP (FRS102)), and the Companies Act 2006.

## (1) STRUCTURE, GOVERNANCE and MANAGEMENT

This is the twenty-seventh annual report since the Furniture Recycling Project ("FRP") was established in August 1996 as a company limited by guarantee and a charity registered in England with the Charity Commission.

Our governing document is our Memorandum and Articles of Association. In the event of FRP being wound up our liability as Trustees 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 interest form, together with the Charity Commissions 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 monitor performance. We delegate to the management team the task of day-to-day management of FRP, which they carry out to a high standard. Gloucestershire County Council is invited to send a representative to Board meetings. FRP has a wholly owned trading subsidiary called NFP Trading Limited ("NFP") and the profits of this company are transferred to FRP under covenant to support our key objectives.

The pay and benefits of the management team are benchmarked against the annual salary survey conducted by the Furniture Re-use Network. The management team's salary is below the median salary rates for their respective roles.

## (2) OBJECTIVES AND ACTIVITIES

FRP's core objective is "To relieve either generally or individually persons who are in conditions of need, hardship or distress by the provision of furniture and other household accessories, calculated to reduce the need, hardship or distress of such persons".

Our mission is to improve the lives of people most in need in Gloucestershire by offering for sale affordable furniture and electrical items. To assist us in our mission we provide training and personal development opportunities to the young and the unemployed.

During the year under review FRP continued with its main activities as follows:

- We collected second-hand furniture and electrical goods donated by households in Gloucestershire and sold these items at low cost from our shop in Gloucester.
- We repaired and tested donated electrical goods, and this enabled many electrical goods to be made re-usable and available at low cost to customers through our shops.
- NFP, the subsidiary of FRP, offered for sale new beds, mattresses, and electrical appliances (including the installation of cookers) at competitive prices to statutory bodies and charities. This supported the clients referred through their offices and others who wished to benefit from this service, providing a complementary service to FRP and helping to improve the lives of many.
- We loaned riser/recliner chairs to individuals in need (especially those requiring palliative care support) throughout Gloucestershire at low cost, offering an affordable alternative to the purchase of these expensive items.
- We provided structured work experience and training programmes in our workshop and retail outlets to people looking to gain experience and work-related qualifications, thus building their confidence and employability.

## (2) OBJECTIVES AND ACTIVITIES - CONTINUED

FRP has a small number of hard-working and enthusiastic staff and several willing volunteers. The volunteers comprise a wide range of people giving their time and experience to FRP. They include those who are actively looking for employment, refugees seeking asylum, and retired people. The total number of volunteer hours was 10,642. If we had to employ staff, instead, the payroll costs would be £124,197 higher.

## (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 independent examiners as stated in their report.

Charity and company law requires 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 then 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 for ensuring that the financial statements comply with relevant legislation. We are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## (4) FINANCIAL RESULT AND RESERVES

The consolidated statement of financial activities on page 7 shows the incoming resources and the application of those resources for the Furniture Recycling Project ("FRP") and its subsidiary company NFP Trading Limited ("NFP").

a) During the year ended 31 March 2024 FRP had two principal sources of unrestricted funding. The main source was from sales of donated second-hand furniture and household goods, which at £415,921 is 15% higher than the total of £360,414 achieved in the year to 31 March 2023. The other main income stream was from the covenanted profits from the sale of new household goods through the subsidiary company, NFP Trading Ltd. In the year to 31 March 2024 sales of new goods were £102,129 which is a 23% increase on the £83,037 achieved in the year to March 2023.

b) After taking into account the relevant expenditure of £470,114 the net movement in the unrestricted fund as at 31 March 2024 was an increase of £80,268, leaving the amount of unrestricted reserves carried forward to 2024/25 at £249,157.

c) Restricted funds, which relate to funding received for capital expenditure and other specific purposes, decreased by £3,048, which includes a transfer of £2,948 to unrestricted reserves following the sale of a van part purchased from grant income. The restricted reserve balance of £550 will be carried forward into 2024/25. The charity did not apply for any grant funding during the financial year.

It is the policy of FRP to maintain undesignated, unrestricted funds excluding fixed assets, which are free reserves, at a level that equates to between three and twelve months of the unrestricted resources expended. This would provide a cushion against fluctuations in income and would enable FRP to continue with its current activities. At 31 March 2024 the free reserves were £230,006, which is within the reserves policy of FRP.

## (5) RISK MANAGEMENT

As Trustees we review the major risks that FRP faces on a regular basis and carry out periodic reviews of the controls over key financial systems. We also consider other financial, operational, and business risks faced by FRP, especially the maintenance of adequate reserves, and have ensured that insurance cover has been reviewed and updated. As Trustees we confirm that systems have been established to mitigate, as far as possible, any significant risks.

FRP is facing increasing competition from other charities and commercial operators in the provision of our core product on the high street. We monitor the sales prices in our shops and aim to keep our prices, on average, below the market rate.

Our potential customers are finding it increasingly easy to purchase items via social media platforms. We are embracing the challenges this presents and now have a strong online presence. Pictures of new stock at our shops are posted regularly on our shop's Facebook pages as well as in local buy/sell Facebook groups. Re-use office furniture is offered for sale online via 'click and collect'. We are reviewing the option to expand this service to our core products; however, we recognise the additional operational costs would almost certainly outweigh the increased revenue.

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, FRP continues to invest and involve staff in developing plans, ensuring risks of any nature are formerly explained and understood by all. Training of staff continues to be a priority as does recruiting staff with the skills to cover roles and mitigate any risk to themselves, volunteers and customers/visitors to any FRP site.

We recognise the risk of operating from only one shop and we are looking at suitable large premises within the region for a second shop.

## (6) INVESTMENT POLICY

As there is a relatively low level of funds available for investment, we consider that bank deposits provide a satisfactory return to FRP. In the year to 31 March 2024 these have been short term deposits with FRP's banker and other UK regulated banks and Building Societies for periods not exceeding 12 months.

## (7) ACHIEVEMENTS AND PERFORMANCE

During the year to 31 March 2024 we used our fleet of vehicles to collect donated second-hand furniture and electrical items from 1,850 local households and, as a result, we were able to deliver 14,733 items at low cost through our shop in Gloucester to 2,394 households. This re-use of domestic items helped many people in need, hardship, or distress. It also assisted local council services by reducing the waste going to landfill and, therefore, helped to reduce the costs associated with their bulky item collection service. It improved the environment for the benefit of all.

The workshop in Gloucester is set up for the repair and testing of donated electrical items. In the year to 31 March 2024, 1,425 electrical items supplied to our customers through our shops. The workshop manager up-cycled 112 items of furniture which were subsequently sold under the 'Cotswold Collection' brand in our shops.

During the year 57 new customers used our low-cost hire of riser-recliner chairs. This service is considerably cheaper than purchasing a brand-new chair or hiring from a commercial operator.

As Trustees we are very grateful to all those who made donations and grants during the year, as without that help it would not have been possible for FRP to maintain and develop its operating activities and its training and volunteer programmes.

## (8) FUTURE PLANS

Our shop on Eastern Avenue, Gloucester is the largest shop the charity has operated from, and the large increase in floor space enabled us to display a greater variety of re-use and new furniture than in previous locations. Sales volumes continue to exceed expectations.

We are looking to open a second shop in the region, ideally with a shop floor space of similar size to our current Gloucester shop.

We will continue to explore new revenue streams including monitoring our suppliers to ensure they offer best value. We will ensure that our range of new furniture remains current and competitive.

## (9) PUBLIC BENEFIT

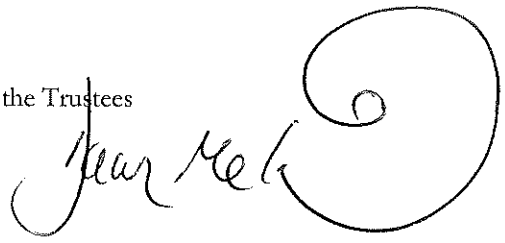
As Trustees we have kept in mind the Charity Commission's guidance on public benefit. The focus of our charitable activities during the year is set out above in our statements on "Objectives and Activities" and "Achievements and Performance", and these explain how as a charity we have delivered public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

## (10) INDEPENDENT EXAMINERS

BK Plus Limited have indicated their willingness to continue in office 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 relating to small companies.

For and on behalf of the Trustees
D Melvin – Chair



Date:
7 Nov 2024

## REPORT OF THE INDEPENDENT EXAMINERS
## TO THE TRUSTEES OF
## FURNITURE RECYCLING PROJECT

I report to the charity trustees on my examination of the consolidated financial statements of Furniture Recycling Project (FRP) for the year ended 31 March 2024 on pages 7 to 18.

**Responsibilities and basis of report**
As the charity's trustees of the company (and 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 financial statements 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 financial statements 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 report**
Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of 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 financial statements do not accord with those accounting records; or

(3) the financial statements 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 financial statements 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 financial statements to be reached.

**ROGER DOWNES FCA**
**For and on behalf of**
**BK Plus Limited**

12 November 2024

**6 Manor Park Business Centre**
**Mackenzie Way**
**Cheltenham**
**Glos**

## FURNITURE RECYCLING PROJECT
## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
## (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
## FOR THE YEAR ENDED 31 MARCH 2024

| | 31 MARCH 2024 | | | 2023 |
|---|---|---|---|---|
| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
| | £ | £ | £ | £ |
| **INCOME** | | | | |
| Income from charitable activities (note 2) | 426,919 | - | 426,919 | 367,702 |
| **Other activities** | | | | |
| Donations and legacies (note 3) | 19,384 | - | 19,384 | 23,156 |
| Other trading activities (note 3) | 102,129 | - | 102,129 | 83,037 |
| Income from investments | 1,565 | - | 1,565 | 178 |
| Other income (note 4) | 385 | - | 385 | 2,553 |
| | 123,463 | - | 123,463 | 108,924 |
| **Total Income** | 550,382 | - | 550,382 | 476,626 |
| **EXPENDITURE** | | | | |
| Raising funds (note 6) | 76,542 | - | 76,542 | 59,376 |
| Charitable activities (note 7) | 393,572 | 100 | 393,672 | 370,958 |
| **Total Expenditure** | 470,114 | 100 | 470,214 | 430,334 |
| **Net Income/(Expenditure)** | 80,268 | (100) | 80,168 | 46,292 |
| **Balances transferred between funds** | 2,948 | (2,948) | - | - |
| **Funds brought forward at 1 April 2023** | 165,941 | 3,598 | 169,539 | 123,247 |
| **Funds carried forward at 31 March 2024** | 249,157 | 550 | 249,707 | 169,539 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

*The notes on pages 11 to 18 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 MARCH 2024

| | Unrestricted Funds £ | Restricted Funds £ | 2024 Total Funds £ | 2023 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 19,151 | 550 | 19,701 | 18,982 |
| **CURRENT ASSETS** | | | | |
| Stock | 11,984 | - | 11,984 | 9,613 |
| Debtors (note 12) | 20,211 | - | 20,211 | 18,813 |
| Bank and cash in hand | 218,897 | - | 218,897 | 137,604 |
| | 251,092 | - | 251,092 | 166,030 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 14) | 21,086 | - | 21,086 | 15,473 |
| **NET CURRENT ASSETS** | 230,006 | - | 230,006 | 150,557 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 249,157 | 550 | 249,707 | 169,539 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds:** (note 8) | | | | |
| - General funds | 249,157 | - | 249,157 | 165,941 |
| **Restricted funds** (note 8) | - | 550 | 550 | 3,598 |
| | 249,157 | 550 | 249,707 | 169,539 |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 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 7/11/24 and were signed on its behalf by:

Dawn Melvin ..... 7/11/2024

Douglas John Rugg .....

*The notes on pages 11 to 18 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

STATEMENT OF FINANCIAL POSITION

31 MARCH 2024

| | Unrestricted Funds £ | Restricted Funds £ | 2024 Total Funds £ | 2023 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 19,151 | 550 | 19,701 | 18,982 |
| Investments (note 11) | 2 | - | 2 | 2 |
| | 19,153 | 550 | 19,703 | 18,984 |
| **CURRENT ASSETS** | | | | |
| Debtors (note 13) | 45,624 | - | 45,624 | 36,772 |
| Bank and cash in hand | 202,330 | - | 202,330 | 124,839 |
| | 247,954 | - | 247,954 | 161,611 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 15) | 17,950 | - | 17,950 | 11,056 |
| **NET CURRENT ASSETS** | 230,004 | - | 230,004 | 150,555 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 249,157 | 550 | 249,707 | 169,539 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds** (note 8) | | | | |
| - General Funds | 249,157 | - | 249,157 | 165,941 |
| **Restricted funds** (note 8) | - | 550 | 550 | 3,598 |
| | 249,157 | 550 | 249,707 | 169,539 |

*The notes on pages 11 to 18 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2024

| | 2024<br>£ | 2023<br>£ |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Net movement in funds (as per the statement of financial activities)** | 80,168 | 46,292 |
| Adjustments for: | | |
| Depreciation charges | 5,313 | 5,504 |
| Loss/(Profit) on sale of fixed assets | (385) | (2,553) |
| (Increase)/decrease in stock | (2,371) | (2,148) |
| (Increase)/decrease in debtors | (1,398) | 15,047 |
| Increase /(decrease) in creditors | 5,613 | (7,206) |
| **Net cash used in operating activities** | **86,940** | 54,936 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from sale of plant and equipment | 3,333 | 5,333 |
| Purchases of plant and equipment | (8,980) | (10,869) |
| **Net cash used in investing activities** | **(5,647)** | (5,536) |
| Increase /(decrease) in cash in the year | 81,293 | 49,400 |
| **Cash balance at 1 April 2023** | 137,604 | 88,204 |
| **Cash balance at 31 March 2024** | **218,897** | 137,604 |

## 1. ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Furniture Recycling Project (FRP) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

### (b) Going Concern

In the current financial year to 31 March 2025, sales of both re-use and new items have exceeded the trustee's forecasts. Cash balances and reserves are comfortably within the charity's reserves policy.

The management accounts to September 2024 show a surplus and cashflow forecasts are positive through to December 2025.

On this basis the Trustees believe the charity remains a going concern and the financial statements have been prepared on that basis.

### (c) Income

Income is recognised in the period to which it relates, once FRP has entitlement to the income and once the directors are certain that the income will be received and when the monetary value can be measured with sufficient reliability.

Income from grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Where FRP benefits from work carried out by volunteers, without charge, no value is placed on this work for accounting purposes.

No value is placed on a donated item until it is sold. The revenue for both donated goods and new stock is recognised on the dates the goods are purchased in store, or for credit sales, when they are physically delivered to the customer.

### (d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing FRP to the expenditure. Costs of raising funds are those costs incurred in providing services for which FRP received a direct income. Expenditure on charitable activities represents the cost of supporting FRP's objectives. Support costs are those costs incurred directly in support of expenditure on the objects of FRP.

### (e) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

## 1. ACCOUNTING POLICIES (CONTINUED)

**(f) Tangible Fixed Assets**

Individual fixed assets costing more than £1,000 are capitalised at cost. Where fixed assets are donated to the Charity, they are included at the Trustee's valuation. Impairment reviews are carried out only when there is an indication that the recoverable amount of an asset is below its net book value.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected economic useful life to its estimated realisable value, as follows:-

| | |
|---|---|
| Fixtures, fittings and equipment | - at varying rates |
| Motor vehicles | - 20% straight line |

**(g) Taxation**

As a recognised charity, the Charity is exempt from Corporation Tax so far as it relates to its charitable objects. It is not, however, exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates

**(h) Basis of Consolidation**

The consolidated financial statements comprise Furniture Recycling Project and its trading subsidiary, NFP Trading Limited.

## 2. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds | Restricted Funds | 2024 Total Funds | 2023 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Income from sales of Donated Furniture | 415,921 | - | 415,921 | 360,414 |
| Hire of Riser Recliner Chairs | 10,472 | - | 10,472 | 6,208 |
| Other grants and donations | 526 | - | 526 | 1,080 |
| | 426,919 | - | 426,919 | 367,702 |

## 3. INCOME FROM OTHER ACTIVITIES

| | Unrestricted Funds | Restricted Funds | 2024 Total Funds | 2023 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Gift aid | 19,384 | - | 19,384 | 23,156 |
| Income from sales of new furniture | 102,129 | - | 102,129 | 83,037 |

## 4. OTHER INCOME

| | 2024 £ | 2023 £ |
|---|---|---|
| Profit on disposal of plant & machinery | 385 | 2,553 |
| | 385 | 2,553 |

## 5. NET INCOME/(EXPENDITURE)

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

| | 2024 £ | 2023 £ |
|---|---|---|
| Depreciation of tangible fixed assets | | |
| - owned assets | 5,313 | 5,504 |
| Loss/(Profit) on disposal of plant & machinery | (385) | (2,553) |
| Rent (operating lease) | 4,479 | 17,818 |
| Independent Examiners' remuneration | | |
| - charity | 1,750 | 1,625 |
| - group | 2,200 | 2,035 |

As permitted by Section 404 of the Companies Act 2006, the parent company's statement of financial activities has not been included in these financial statements. The net movement in funds in the parent company for the year to 31 March 2024 was a net surplus in funds of £85,168 (2023: £46,292 surplus).

**Staff costs:**
No remuneration was paid to the Trustees and no expenses were re-imbursed to them in either the year to 31 March 2024 or 2023. The staff costs were:-

| | Unrestricted Funds £ | Restricted Funds £ | 2024 Total Funds £ | 2023 Total Funds £ |
|---|---|---|---|---|
| Salaries and wages | 243,839 | - | 243,839 | 224,475 |
| Social security costs | 14,900 | - | 14,900 | 12,180 |
| Pension costs | 5,805 | - | 5,805 | 5,432 |
| | 264,544 | - | 264,544 | 242,087 |

FRP employed the following full time equivalent staff during the year

| | No. | No. |
|---|---|---|
| Administration and management | 1 | 1 |
| Volunteer support and workshops | 1 | 1 |
| Shops and distribution | 8 | 8.5 |
| | 10 | 10.5 |

No employee received remuneration of more than £60,000. All staff are entitled to a Death in Service benefit of twice their final salary. The cost to FRP is £1,654 (2023 - £1,148).

## 6. RAISING FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | 2024 Total Funds £ | 2023 Total Funds £ |
|---|---|---|---|---|
| *Trading expenses:* | | | | |
| Purchases for resale | 75,996 | - | 75,996 | 58,872 |
| Accountancy | 450 | - | 450 | 410 |
| Bank charges | 96 | - | 96 | 94 |
| | 76,542 | - | 76,542 | 59,376 |

## 7. CHARITABLE ACTIVITIES

| | | | | |
|---|---|---|---|---|
| Disposal of waste | 1,187 | - | 1,187 | 485 |
| Salaries | 264,544 | - | 264,544 | 242,087 |
| Volunteers' expenses | 10,464 | - | 10,464 | 10,676 |
| Training & travel | 2,008 | - | 2,008 | 2,398 |
| Sundry staff costs | 2,204 | - | 2,204 | 2,293 |
| Rent | 9,479 | - | 9,479 | 17,818 |
| Rates & water | 2,675 | - | 2,675 | 3,185 |
| Premises insurance | 2,704 | - | 2,704 | 4,809 |
| Light, heat & power | 33,319 | - | 33,319 | 24,856 |
| Premises, maintenance & cleaning | 2,948 | - | 2,948 | 4,335 |
| Depreciation | 5,213 | 100 | 5,313 | 5,504 |
| Van running costs | 17,211 | - | 17,211 | 15,462 |
| Riser-recliner hire expenditure | 387 | - | 387 | 830 |
| Workshop & office | 13,181 | - | 13,181 | 11,122 |
| **Support Costs** | | | | |
| Printing, postage & stationery | 2,502 | - | 2,502 | 2,684 |
| Telephone | 5,065 | - | 5,065 | 5,979 |
| Legal, accounting & other professional fees | 7,687 | - | 7,687 | 6,378 |
| General insurance | 7,115 | - | 7,115 | 6,345 |
| Bank charges | 645 | - | 645 | 617 |
| Subscriptions | 1,284 | - | 1,284 | 1,470 |
| Accountancy – Independent examination | 1,750 | - | 1,750 | 1,625 |
| | 393,572 | 100 | 393,672 | 370,958 |

## 8. CONSOLIDATED FUNDS MOVEMENT

| | Brought forward £ | Income £ | Expenditure £ | Transfers & Capital costs £ | Carried forward £ |
|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | |
| General Fund | 165,941 | - | - | - | 165,941 |
| | 165,941 | - | - | - | 165,941 |

The funds of the charity include all restricted funds comprising the following unexpended balances of grants to be applied to specific purposes, summarised by department:

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|---|---|---|---|---|---|
| **Restricted funds by Department:** | | | | | |
| Operations | 3,498 | - | 100 | (2,848) | 550 |
| Electrical | 100 | - | - | (100) | - |
| | 3,598 | - | 100 | (2,948) | 550 |

In June 2023, the book value (£2,948) of a van was transferred from restricted to unrestricted reserves, prior to its disposal.

## 9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **INCOME** | | | | |
| Income from charitable activities (note 2) | 367,702 | - | 367,702 | 219,724 |
| **Other activities** | | | | |
| Donations and legacies (note 3) | 23,156 | - | 23,156 | 12,442 |
| Other trading activities (note 3) | 83,037 | - | 83,037 | 38,686 |
| Income from investments | 178 | - | 178 | 11 |
| Other income (note 4) | 2,553 | - | 2,553 | 37,547 |
| | 108,924 | - | 108,924 | 88,686 |
| **Total Income** | 476,626 | - | 476,626 | 308,410 |
| **EXPENDITURE** | | | | |
| Raising funds (note 6) | 59,376 | - | 59,376 | 31,247 |
| Charitable activities (note 7) | 369,389 | 1,569 | 370,958 | 320,148 |
| **Total Expenditure** | 428,765 | 1,569 | 430,334 | 351,395 |
| **Net Income/(Expenditure)** | 47,861 | (1,569) | 46,292 | (42,985) |
| **Balances transferred between funds** | - | - | - | - |
| **Funds brought forward at 1 April 2022** | 118,080 | 5,167 | 123,247 | 166,232 |
| **Funds carried forward at 31 March 2023** | 165,941 | 3,598 | 169,539 | 123,247 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

## 10. TANGIBLE FIXED ASSETS – PARENT COMPANY AND GROUP

| | Plant and Equipment £ | Motor Vehicles £ | Total £ |
|---|---|---|---|
| **Cost** | | | |
| As at 1 April 2023 | 114,256 | 30,866 | 145,122 |
| Additions in year | | 8,980 | 8,980 |
| Disposals in year | - | (23,665) | (23,665) |
| Balance at 31 March 2024 | 114,256 | 16,181 | 130,437 |
| **Depreciation** | | | |
| As at 1 April 2023 | 103,984 | 22,156 | 126,140 |
| Charge for year | 2,077 | 3,236 | 5,313 |
| Eliminated on disposals | - | (20,717) | (20,717) |
| Balance at 31 March 2024 | 106,061 | 4,675 | 110,736 |
| **Net Book Value** | | | |
| At 31 March 2024 | 8,195 | 11,506 | 19,701 |
| At 31 March 2023 | 10,272 | 8,710 | 18,982 |

## 11. FIXED ASSET INVESTMENTS

| Investment in subsidiary | Shares £ | Total £ |
|---|---|---|
| At 1 April 2023 and 31 March 2024 | 2 | 2 |

## 12. DEBTORS - GROUP

| | 2024 £ | 2023 £ |
|---|---|---|
| Trade debtors | 9,362 | 7,904 |
| Other debtors & prepayments | 9,911 | 10,331 |
| VAT recoverable | 938 | 578 |
| | 20,211 | 18,813 |

## 13. DEBTORS – PARENT COMPANY

| | 2024 £ | 2023 £ |
|---|---|---|
| Trade debtors | 7,419 | 6,922 |
| Other debtors & prepayments | 35,460 | 27,629 |
| VAT recoverable | 2,745 | 2,221 |
| | 45,624 | 36,772 |

## 14. CREDITORS - GROUP

| | | |
|---|---|---|
| Trade creditors | 5,093 | 5,732 |
| Accruals and deferred income | 9,496 | 3,609 |
| Other creditors | 503 | 1,083 |
| Tax and social security | 5,994 | 5,049 |
| | 21,086 | 15,473 |

## 15. CREDITORS – PARENT COMPANY

| | | |
|---|---|---|
| Trade creditors | 2,381 | 1,690 |
| Accruals and deferred income | 9,072 | 3,234 |
| Other creditors | 503 | 1,083 |
| Tax and social security | 5,994 | 5,049 |
| | 17,950 | 11,056 |

## 16. OTHER FINANCIAL COMMITMENTS

FRP had the following commitments under operating leases, falling due as follows

| | | |
|---|---|---|
| **Land and buildings** | | |
| Within one year | 15,012 | 10,012 |
| Within two to five years | 15,000 | 30,012 |

## 17. STATUS

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being more than assets, the liability of a member is limited to £1.

## 18. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.

**FURNITURE RECYCLING PROJECT**

England & Wales - Charity number 1057619

# Accounts

Company Registration Number: 3236897
Registered Charity Number: 1057619

# FURNITURE RECYCLING PROJECT
(a company limited by guarantee)

## REPORT OF THE TRUSTEES AND UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2023

ANDORRAN LIMITED
CHARTERED ACCOUNTANTS
6 Manor Park Business Centre Mackenzie Way Cheltenham Glos GL51 9TX

**FURNITURE RECYCLING PROJECT**
**REPORTS AND FINANCIAL STATEMENTS**
**FOR THE YEAR ENDED 31 MARCH 2023**

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## FURNITURE RECYCLING PROJECT
## OFFICERS, BOARD MEMBERS AND ADVISERS

| | |
|---|---|
| **DIRECTORS/TRUSTEES** | Dawn Melvin (Chair)<br>Douglas John Rugg (Vice chair)<br>James Melvin<br>Jan Tappin<br>R Andrew Setchell – resigned 23 August 2023 |
| **ADDRESS & REGISTERED OFFICE** | Warehouse 5<br>West Quay<br>The Docks<br>Gloucester<br>GL1 2EH |
| **INDEPENDENT EXAMINERS** | Andorran Limited<br>Chartered Accountants<br>6 Manor Park Business Centre<br>Mackenzie Way<br>Cheltenham<br>Glos GL51 9TX |
| **BANKERS** | Lloyds Banking Group<br>19 Eastgate Street<br>Gloucester<br>GL1 1NU |

We present our report and consolidated financial statements for the year ended 31 March 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 1 January 2019) – (Charities SORP (FRS102)), and the Companies Act 2006.

## (1) STRUCTURE, GOVERNANCE and MANAGEMENT

This is the twenty-sixth annual report since the Furniture Recycling Project ("FRP") was established in August 1996 as a company limited by guarantee and a charity registered in England with the Charity Commission.

Our governing document is our Memorandum and Articles of Association. In the event of FRP being wound up our liability as Trustees 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 interest form, together with the Charity Commissions 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 monitor performance. We delegate to the management team the task of day-to-day management of FRP, which they carry out to a high standard. Gloucestershire County Council is invited to send a representative to Board meetings. FRP has a wholly owned trading subsidiary called NFP Trading Limited ("NFP") and the profits of this company are transferred to FRP under covenant to support our key objectives.

The pay and benefits of the management team are benchmarked against the annual salary survey conducted by the Furniture Re-use Network. The management team's salary is below the median salary rates for their respective roles.

## (2) OBJECTIVES AND ACTIVITIES

FRP's core objective is "To relieve either generally or individually persons who are in conditions of need, hardship or distress by the provision of furniture and other household accessories, calculated to reduce the need, hardship or distress of such persons".

Our mission is to improve the lives of people most in need in Gloucestershire by offering for sale affordable furniture and electrical items. To assist us in our mission we provide training and personal development opportunities to the young and the unemployed.

During the year under review FRP continued with its main activities as follows:

- We collected second-hand furniture and electrical goods donated by households in Gloucestershire and sold these items at low cost from our shops in Gloucester and Lydney.
- We repaired and tested donated electrical goods, and this enabled many electrical goods to be made re-usable and available at low cost to customers through our shops.
- NFP, the subsidiary of FRP, offered for sale new beds, mattresses, and electrical appliances (including the installation of cookers) at competitive prices to statutory bodies and charities. This supported the clients referred through their offices and others who wished to benefit from this service, providing a complementary service to FRP and helping to improve the lives of many.
- We loaned riser/recliner chairs to individuals in need (especially those requiring palliative care support) throughout Gloucestershire at low cost, offering an affordable alternative to the purchase of these expensive items.
- We provided structured work experience and training programmes in our workshop and retail outlets to people looking to gain experience and work-related qualifications, thus building their confidence and employability.

## (2) OBJECTIVES AND ACTIVITIES - CONTINUED

FRP has a small number of hard-working and enthusiastic staff and several willing volunteers. The volunteers comprise a wide range of people giving their time and experience to FRP. They include those who are actively looking for employment, refugees seeking asylum, and retired people. The total number of volunteer hours was 12,780. If we had to employ staff, instead, the payroll costs would be £133,551 higher.

## (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 independent examiners as stated in their report.

Charity and company law requires 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 then 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 for ensuring that the financial statements comply with relevant legislation. We are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## (4) FINANCIAL RESULT AND RESERVES

The consolidated statement of financial activities on page 7 shows the incoming resources and the application of those resources for the Furniture Recycling Project ("FRP") and its subsidiary company NFP Trading Limited ("NFP").

a) During the year ended 31 March 2023 FRP had two principal sources of unrestricted funding. The main source was from sales of donated second-hand furniture and household goods, which at £360,414 is significantly higher than the total of £213,022 achieved in the year to 31 March 2022. The charity re-located the Gloucester shop from Kings Square to a substantially larger premises on Eastern Avenue. The other main income stream was from the covenanted profits from the sale of new household goods through the subsidiary company, NFP Trading Ltd. In the year to 31 March 2023 sales of new goods were £83,037 which is a substantial increase on the £38,686 achieved in the year to March 2022.

b) After taking into account the relevant expenditure of £428,765 the net movement in the unrestricted fund as at 31 March 2023 was an increase of £47,861, leaving the amount of unrestricted reserves carried forward to 2023/24 at £165,941.

c) Restricted funds, which relate to funding received for capital expenditure and other specific purposes, decreased by £1,569 with £3,598 carried forward into 2023/24. The charity did not apply for any grant funding during the financial year.

It is the policy of FRP to maintain undesignated, unrestricted funds excluding fixed assets, which are free reserves, at a level that equates to between three and twelve months of the unrestricted resources expended. This would provide a cushion against fluctuations in income and would enable FRP to continue with its current activities. At 31 March 2023 the free reserves were £150,557, which is within the reserves policy of FRP.

## (5) RISK MANAGEMENT

As Trustees we review the major risks that FRP faces on a regular basis and carry out periodic reviews of the controls over key financial systems. We also consider other financial, operational, and business risks faced by FRP, especially the maintenance of adequate reserves, and have ensured that insurance cover has been reviewed and updated. As Trustees we confirm that systems have been established to mitigate, as far as possible, any significant risks.

FRP is facing increasing competition from other charities and commercial operators in the provision of our core product on the high street. We monitor the sales prices in our shops and aim to keep our prices, on average, below the market rate.

Our potential customers are finding it increasingly easy to purchase items via social media platforms. We are embracing the challenges this presents and now have a strong online presence. Pictures of new stock at our shops are posted regularly on our shop's Facebook pages as well as in local buy/sell Facebook groups. Re-use office furniture is offered for sale online via 'click and collect'. We are reviewing the option to expand this service to our core products; however, we recognise the additional operational costs would almost certainly outweigh the increased revenue.

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, FRP continues to invest and involve staff in developing plans, ensuring risks of any nature are formerly explained and understood by all. Training of staff continues to be a priority as does recruiting staff with the skills to cover roles and mitigate any risk to themselves, volunteers and customers/visitors to any FRP site.

We recognise the risk of operating from only one shop and we are looking at suitable large premises within the region for a second shop.

## (6) INVESTMENT POLICY

As there is a relatively low level of funds available for investment, we consider that bank deposits provide a satisfactory return to FRP. In the year to 31 March 2023 these have been short term deposits with FRP's banker and other UK regulated banks and Building Societies for periods not exceeding 12 months.

## (7) ACHIEVEMENTS AND PERFORMANCE

During the year to 31 March 2023 we used our fleet of vehicles to collect donated second-hand furniture and electrical items from 1,715 local households and, as a result, we were able to deliver 9,902 items at low cost through our shops in Gloucester and Lydney to 1,242 households. This re-use of domestic items helped many people in need, hardship, or distress. It also assisted local council services by reducing the waste going to landfill and, therefore, helped to reduce the costs associated with their bulky item collection service. It improved the environment for the benefit of all.

The workshop in Gloucester is set up for the repair and testing of donated electrical items. In the year to 31 March 2023, 1,178 electrical items supplied to our customers through our shops. The workshop manager up-cycled 98 items of furniture which were subsequently sold under the 'Cotswold Collection' brand in our shops.

During the year 44 new customers used our low-cost hire of riser-recliner chairs. This service is considerably cheaper than purchasing a brand-new chair or hiring from a commercial operator.

As Trustees we are very grateful to all those who made donations and grants during the year, as without that help it would not have been possible for FRP to maintain and develop its operating activities and its training and volunteer programmes.

## (8) FUTURE PLANS

The shop on Eastern Avenue, Gloucester opened in May 2022. It is the largest shop the charity has operated from, and the large increase in floor space enabled us to display a greater variety of re-use and new furniture than in previous locations. Sales volumes have exceeded our expectations.

We are looking to open a second shop in the region, ideally with a shop floor space of similar size to our current Gloucester shop.

We will continue to explore new revenue streams including monitoring our suppliers to ensure they offer best value. We will ensure that our range of new furniture remains current and competitive.

## (9) PUBLIC BENEFIT

As Trustees we have 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

Andorran Limited have indicated their willingness to continue in office 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 relating to small companies.

For and on behalf of the Trustees
D Melvin – Chair

Date: 9/11/2023

## REPORT OF THE INDEPENDENT EXAMINERS
## TO THE TRUSTEES OF
## FURNITURE RECYCLING PROJECT

I report to the charity trustees on my examination of the consolidated financial statements of Furniture Recycling Project (FRP) for the year ended 31 March 2023 on pages 7 to 18.

**Responsibilities and basis of report**
As the charity's trustees of the company (and 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 financial statements 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 financial statements 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 report**
Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of 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 financial statements do not accord with those accounting records; or

(3) the financial statements 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 financial statements 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 financial statements to be reached.

**ROGER DOWNES FCA**
**For and on behalf of**
**ANDORRAN LIMITED**
**Chartered Accountants**
20 November 2023

**6 Manor Park Business Centre**
**Mackenzie Way**
**Cheltenham**
**Glos**

**FURNITURE RECYCLING PROJECT**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**

**FOR THE YEAR ENDED 31 MARCH 2023**

| | 31 MARCH 2023 | | | 2022 |
|---|---|---|---|---|
| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
| | £ | £ | £ | £ |
| **INCOME** | | | | |
| Income from charitable activities (note 2) | 367,702 | - | 367,702 | 219,724 |
| **Other activities** | | | | |
| Donations and legacies (note 3) | 23,156 | - | 23,156 | 12,442 |
| Other trading activities (note 3) | 83,037 | - | 83,037 | 38,686 |
| Income from investments | 178 | - | 178 | 11 |
| Other income (note 4) | 2,553 | - | 2,553 | 37,547 |
| | 108,924 | - | 108,924 | 88,686 |
| **Total Income** | 476,626 | - | 476,626 | 308,410 |
| **EXPENDITURE** | | | | |
| Raising funds (note 6) | 59,376 | - | 59,376 | 31,247 |
| Charitable activities (note 7) | 369,389 | 1,569 | 370,958 | 320,148 |
| **Total Expenditure** | 428,765 | 1,569 | 430,334 | 351,395 |
| **Net Income/(Expenditure)** | 47,861 | (1,569) | 46,292 | (42,985) |
| **Balances transferred between funds** | - | - | - | - |
| **Funds brought forward at 1 April 2022** | 118,080 | 5,167 | 123,247 | 166,232 |
| **Funds carried forward at 31 March 2023** | 165,941 | 3,598 | 169,539 | 123,247 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

*The notes on pages 11 to 18 form part of these financial statements.*

## FURNITURE RECYCLING PROJECT

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 31 MARCH 2023

| | Unrestricted Funds £ | Restricted Funds £ | 2023 Total Funds £ | 2022 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 15,384 | 3,598 | 18,982 | 16,397 |
| **CURRENT ASSETS** | | | | |
| Stock | 9,613 | - | 9,613 | 7,465 |
| Debtors (note 12) | 18,813 | - | 18,813 | 33,860 |
| Bank and cash in hand | 137,604 | - | 137,604 | 88,204 |
| | 166,030 | - | 166,030 | 129,529 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 14) | 15,473 | - | 15,473 | 22,679 |
| **NET CURRENT ASSETS** | 150,557 | - | 150,557 | 106,850 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 165,941 | 3,598 | 169,539 | 123,247 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds:** (note 8) | | | | |
| - General funds | 165,941 | - | 165,941 | 118,080 |
| **Restricted funds** (note 8) | - | 3,598 | 3,598 | 5,167 |
| | 165,941 | 3,598 | 169,539 | 123,247 |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 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 9/11/23 and were signed on its behalf by:

Dawn Melvin .....

James Melvin .....

*The notes on pages 11 to 18 form part of these financial statements.*

**FURNITURE RECYCLING PROJECT**

**STATEMENT OF FINANCIAL POSITION**

**31 MARCH 2023**

| | Unrestricted Funds £ | Restricted Funds £ | 2023 Total Funds £ | 2022 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 15,384 | 3,598 | 18,982 | 16,397 |
| Investments (note 11) | 2 | - | 2 | 2 |
| | 15,386 | 3,598 | 18,984 | 16,399 |
| **CURRENT ASSETS** | | | | |
| Debtors (note 13) | 36,772 | - | 36,772 | 41,079 |
| Bank and cash in hand | 124,839 | - | 124,839 | 83,153 |
| | 161,611 | - | 161,611 | 124,232 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 15) | 11,056 | - | 11,056 | 17,384 |
| **NET CURRENT ASSETS** | 150,555 | - | 150,555 | 106,848 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 165,941 | 3,598 | 169,539 | 123,247 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds** (note 8) | | | | |
| - General Funds | 165,941 | - | - | 118,080 |
| **Restricted funds** (note 8) | - | 3,598 | 3,598 | 5,167 |
| | 165,941 | 3,598 | 169,539 | 123,247 |

*The notes on pages 11 to 18 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2023

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Net movement in funds (as per the statement of financial activities)** | 46,292 | (42,985) |
| Adjustments for: | | |
| Depreciation charges | 5,504 | 5,993 |
| Loss/(Profit) on sale of fixed assets | (2,553) | - |
| (Increase)/decrease in stock | (2,148) | 468 |
| (Increase)/decrease in debtors | 15,047 | 627 |
| Increase /(decrease) in creditors | (7,206) | 1,086 |
| **Net cash used in operating activities** | **54,936** | (34,811) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from sale of plant and equipment | 5,333 | - |
| Purchases of plant and equipment | (10,869) | (2,944) |
| **Net cash used in investing activities** | **(5,536)** | (2,944) |
| Increase /(decrease) in cash in the year | 49,400 | (37,755) |
| **Cash balance at 1 April 2022** | 88,204 | 125,959 |
| **Cash balance at 31 March 2023** | **137,604** | 88,204 |

## 1. ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Furniture Recycling Project (FRP) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

### (b) Going Concern

In the current financial year to 31 March 2024, sales of both re-use and new items have exceeded the trustee's forecasts. Cash balances and reserves are comfortably within the charity's reserves policy.

The management accounts to September 2023 show a surplus and cashflow forecasts are positive through to December 2024.

On this basis the Trustees believe the charity remains a going concern and the financial statements have been prepared on that basis.

### (c) Income

Income is recognised in the period to which it relates, once FRP has entitlement to the income and once the directors are certain that the income will be received and when the monetary value can be measured with sufficient reliability.

Income from grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received, and the amount can be measured reliably and is not deferred. Where FRP benefits from work carried out by volunteers, without charge, no value is placed on this work for accounting purposes.

No value is placed on a donated item until it is sold. The revenue for both donated goods and new stock is recognised on the dates the goods are purchased in store, or for credit sales, when they are physically delivered to the customer.

### (d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing FRP to the expenditure. Costs of raising funds are those costs incurred in providing services for which FRP received a direct income. Expenditure on charitable activities represents the cost of supporting FRP's objectives. Support costs are those costs incurred directly in support of expenditure on the objects of FRP.

### (e) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

## 1. ACCOUNTING POLICIES (CONTINUED)

**(f) Tangible Fixed Assets**

Individual fixed assets costing more than £1,000 are capitalised at cost. Where fixed assets are donated to the Charity, they are included at the Trustee's valuation. Impairment reviews are carried out only when there is an indication that the recoverable amount of an asset is below its net book value.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected economic useful life to its estimated realisable value, as follows:-

| | |
|---|---|
| Fixtures, fittings and equipment | - at varying rates |
| Motor vehicles | - 20% straight line |

**(g) Taxation**

As a recognised charity, the Charity is exempt from Corporation Tax so far as it relates to its charitable objects. It is not, however, exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates

**(h) Basis of Consolidation**

The consolidated financial statements comprise Furniture Recycling Project and its trading subsidiary, NFP Trading Limited.

## 2. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds | Restricted Funds | 2023 Total Funds | 2022 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Income from sales of Donated Furniture | 360,414 | - | 360,414 | 213,022 |
| Hire of Riser Recliner Chairs | 6,208 | - | 6,208 | 6,226 |
| Other grants and donations | 1,080 | - | 1,080 | 476 |
| | 367,702 | - | 367,702 | 219,724 |

## 3. INCOME FROM OTHER ACTIVITIES

| | Unrestricted Funds | Restricted Funds | 2023 Total Funds | 2022 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Gift aid | 23,156 | - | 23,156 | 12,442 |
| Income from sales of new furniture | 83,037 | - | 83,037 | 38,686 |

## 4. OTHER INCOME

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Coronavirus Job Retention Scheme | - | 18,213 |
| Coronavirus Retail Support Grants | - | 19,334 |
| Profit on disposal of plant & machinery | 2,553 | - |
| | 2,553 | 37,547 |

## 5. NET INCOME/(EXPENDITURE)

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Net income/(expenditure) is stated after charging:- | | |
| Depreciation of tangible fixed assets | | |
| - owned assets | 5,504 | 5,993 |
| Loss/(Profit) on disposal of plant & machinery | (2,553) | - |
| Rent (operating lease) | 17,818 | 42,965 |
| Independent Examiners' remuneration | | |
| - charity | 1,625 | 1,425 |
| - group | 2,035 | 1,765 |

As permitted by Section 404 of the Companies Act 2006, the parent company's statement of financial activities has not been included in these financial statements. The net movement in funds in the parent company for the year to 31 March 2023 was a net surplus in funds of £46,292 (2022: £42,985 deficit).

**Staff costs:**
No remuneration was paid to the Trustees and no expenses were re-imbursed to them in either the year to 31 March 2023 or 2022. The staff costs were:-

| | Unrestricted Funds | Restricted Funds | 2023 Total Funds | 2022 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Salaries and wages | 224,475 | - | 224,475 | 173,991 |
| Social security costs | 12,180 | - | 12,180 | 8,545 |
| Pension costs | 5,432 | - | 5,432 | 3,687 |
| | 242,087 | - | 242,087 | 186,223 |

FRP employed the following full time equivalent staff during the year

| | No. | No. |
|---|---|---|
| Administration and management | 1 | 1 |
| Volunteer support and workshops | 1 | 1 |
| Shops and distribution | 8.5 | 7 |
| | 10.5 | 9 |

No employee received remuneration of more than £60,000. All staff are entitled to a Death in Service benefit of twice their final salary. The cost to FRP is £1,148 (2022 - £1,207).

## 6. RAISING FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | 2023 Total Funds £ | 2022 Total Funds £ |
|---|---|---|---|---|
| *Fundraising expenses:* | | | | |
| Salaries | - | - | - | 730 |
| *Trading expenses:* | | | | |
| Purchases for resale | 58,872 | - | 58,872 | 30,084 |
| Accountancy | 410 | - | 410 | 340 |
| Bank charges | 94 | - | 94 | 93 |
| | 59,376 | - | 59,376 | 31,247 |

## 7. CHARITABLE ACTIVITIES

| | | | | |
|---|---|---|---|---|
| Disposal of waste | 485 | - | 485 | 418 |
| Salaries | 242,087 | - | 242,087 | 185,493 |
| Volunteers' expenses | 10,676 | - | 10,676 | 7,925 |
| Training & travel | 2,398 | - | 2,398 | 793 |
| Sundry staff costs | 2,293 | - | 2,293 | 1,378 |
| Rent | 17,818 | - | 17,818 | 42,965 |
| Rates & water | 3,185 | - | 3,185 | 7,901 |
| Premises insurance | 4,809 | - | 4,809 | 2,131 |
| Light, heat & power | 24,856 | - | 24,856 | 18,473 |
| Premises, maintenance & cleaning | 4,335 | - | 4,335 | 11,905 |
| Depreciation | 3,935 | 1,569 | 5,504 | 5,993 |
| Van running costs | 15,462 | - | 15,462 | 11,912 |
| Riser-recliner hire expenditure | 830 | - | 830 | 332 |
| Workshop & office | 11,122 | - | 11,122 | 674 |
| **Support Costs** | | | | |
| Printing, postage & stationery | 2,684 | - | 2,684 | 1,711 |
| Telephone | 5,979 | - | 5,979 | 3,281 |
| Legal, accounting & other professional fees | 6,378 | - | 6,378 | 7,642 |
| General insurance | 6,345 | - | 6,345 | 6,037 |
| Bank charges | 617 | - | 617 | 593 |
| Subscriptions | 1,470 | - | 1,470 | 1,166 |
| Accountancy – Independent examination | 1,625 | - | 1,625 | 1,425 |
| | 369,389 | 1,569 | 370,958 | 320,148 |

## 8. CONSOLIDATED FUNDS MOVEMENT

| | Brought forward £ | Income £ | Expenditure £ | Transfers & Capital costs £ | Carried forward £ |
|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | |
| General Fund | 118,080 | 476,626 | 428,765 | - | 165,941 |
| | 118,080 | 476,626 | 428,765 | - | 165,941 |

The funds of the charity include all restricted funds comprising the following unexpended balances of grants to be applied to specific purposes, summarised by department:

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|---|---|---|---|---|---|
| **Restricted funds by Department:** | | | | | |
| Operations | 4,917 | - | 1,469 | - | 3,448 |
| Electrical | 250 | - | 100 | - | 100 |
| | 5,167 | - | 1,569 | - | 3,548 |

## 9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **INCOME** | | | | |
| Income from charitable activities (note 2) | 219,724 | - | 219,724 | 106,364 |
| **Other activities** | | | | |
| Donations and legacies (note 3) | 12,442 | - | 12,442 | 4,483 |
| Other trading activities (note 3) | 38,686 | - | 38,686 | 22,307 |
| Income from investments | 11 | - | 11 | 28 |
| Other income (note 4) | 37,547 | - | 37,547 | 249,675 |
| | 88,686 | - | 88,686 | 276,493 |
| **Total Income** | 308,410 | - | 308,410 | 382,857 |
| **EXPENDITURE** | | | | |
| Raising funds (note 6) | 31,247 | - | 31,247 | 17,457 |
| Charitable activities (note 7) | 315,841 | 4,307 | 320,148 | 291,800 |
| **Total Expenditure** | 347,088 | 4,307 | 351,395 | 309,257 |
| **Net Income/(Expenditure)** | (38,678) | (4,307) | (42,985) | 73,600 |
| **Balances transferred between funds** | - | - | - | - |
| **Funds brought forward at 1 April 2021** | 156,758 | 9,474 | 166,232 | 92,632 |
| **Funds carried forward at 31 March 2022** | 118,080 | 5,167 | 123,247 | 166,232 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

## 10. TANGIBLE FIXED ASSETS – PARENT COMPANY AND GROUP

| | Plant and Equipment £ | Motor Vehicles £ | Total £ |
|---|---|---|---|
| **Cost** | | | |
| As at 1 April 2022 | 110,587 | 76,962 | 187,549 |
| Additions in year | 3,669 | 7,200 | 10,869 |
| Disposals in year | - | (53,296) | (53,296) |
| Balance at 31 March 2023 | 114,256 | 30,866 | 145,122 |
| **Depreciation** | | | |
| As at 1 April 2022 | 99,920 | 71,232 | 171,152 |
| Charge for year | 4,064 | 1,440 | 5,504 |
| Eliminated on disposals | - | (50,516) | (50,516) |
| Balance at 31 March 2023 | 103,984 | 22,156 | 126,140 |
| **Net Book Value** | | | |
| At 31 March 2023 | 10,272 | 8,710 | 18,982 |
| At 31 March 2022 | 10,667 | 5,730 | 16,397 |

## 11. FIXED ASSET INVESTMENTS

| Investment in subsidiary | Shares £ | Total £ |
|---|---|---|
| At 1 April 2022 and 31 March 2023 | 2 | 2 |

## 12. DEBTORS - GROUP

| | 2023 £ | 2022 £ |
|---|---|---|
| Trade debtors | 7,904 | 8,171 |
| Other debtors & prepayments | 10,331 | 19,131 |
| VAT recoverable | 578 | 6,558 |
| | 18,813 | 33,860 |

## 13. DEBTORS – PARENT COMPANY

| | 2023 £ | 2022 £ |
|---|---|---|
| Trade debtors | 6,922 | 6,492 |
| Other debtors & prepayments | 27,629 | 28,373 |
| VAT recoverable | 2,221 | 6,214 |
| | 36,772 | 41,079 |

## 14. CREDITORS - GROUP

| | | |
|---|---|---|
| Trade creditors | 5,732 | 16,239 |
| Accruals and deferred income | 3,609 | 2,905 |
| Other creditors | 1,083 | 802 |
| Tax and social security | 5,049 | 2,733 |
| | 15,473 | 22,679 |

## 15. CREDITORS – PARENT COMPANY

| | | |
|---|---|---|
| Trade creditors | 1,690 | 11,260 |
| Accruals and deferred income | 3,234 | 2,590 |
| Other creditors | 1,083 | 802 |
| Tax and social security | 5,049 | 2,732 |
| | 11,056 | 17,384 |

## 16. OTHER FINANCIAL COMMITMENTS

FRP had the following commitments under operating leases, falling due as follows

| | | |
|---|---|---|
| **Land and buildings** | | |
| Within one year | 10,012 | 20,012 |
| Within two to five years | 30,012 | 40,024 |

## 17. STATUS

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being more than assets, the liability of a member is limited to £1.

## 18. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.

**FURNITURE RECYCLING PROJECT**

England & Wales - Charity number 1057619

# Accounts

Company Registration Number: 3236897
Registered Charity Number: 1057619

# FURNITURE RECYCLING PROJECT
(a company limited by guarantee)

## REPORT OF THE TRUSTEES AND UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2022

ANDORRAN LIMITED
CHARTERED ACCOUNTANTS
6 Manor Park Business Centre Mackenzie Way Cheltenham Glos GL51 9TX

FURNITURE RECYCLING PROJECT

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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FURNITURE RECYCLING PROJECT

## OFFICERS, BOARD MEMBERS AND ADVISERS

| | |
|---|---|
| **DIRECTORS/TRUSTEES** | Dawn Melvin (Chair)<br>Richard Andrew Setchell - Resigned 23 August 2022<br>Douglas John Rugg (Vice chair)<br>James Melvin<br>Jan Tappin<br>Malcolm Watson - Resigned 29 June 2021 |
| **ADDRESS & REGISTERED OFFICE** | Warehouse 5<br>West Quay<br>The Docks<br>Gloucester<br>GL1 2EH |
| **INDEPENDENT EXAMINERS** | Andorran Limited<br>Chartered Accountants<br>6 Manor Park Business Centre<br>Mackenzie Way<br>Cheltenham<br>Glos GL51 9TX |
| **BANKERS** | Lloyds Banking Group<br>19 Eastgate Street<br>Gloucester<br>GL1 1NU |
| **SOLICITORS** | Tayntons Solicitors<br>8-12 Clarence Street<br>Gloucester<br>GL1 1DZ |

We present our report and consolidated financial statements for the year ended 31 March 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 1 January 2019) – (Charities SORP (FRS102)), and the Companies Act 2006.

## (1) STRUCTURE, GOVERNANCE and MANAGEMENT

This is the twenty-fifth annual report since the Furniture Recycling Project ("FRP") was established in August 1996 as a company limited by guarantee and a charity registered in England with the Charity Commission.

Our governing document is our Memorandum and Articles of Association. In the event of FRP being wound up our liability as Trustees 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, together with the Charity Commissions 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 monitor performance. We delegate to the management team the task of day-to-day management of FRP, which they carry out to a high standard. Gloucestershire County Council is invited to send a representative to Board meetings. FRP has a wholly owned trading subsidiary called NFP Trading Limited ("NFP") and the profits of this company are transferred to FRP under covenant to support our key objectives.

The pay and benefits of the management team are benchmarked against the annual salary survey conducted by the Furniture Re-use Network. The management team's salary are below the median salary rates for their respective roles.

## (2) OBJECTIVES AND ACTIVITIES

FRP's core objective is "To relieve either generally or individually persons who are in conditions of need, hardship or distress by the provision of furniture and other household accessories, calculated to reduce the need, hardship or distress of such persons".

Our mission is to improve the lives of people most in need in Gloucestershire by offering for sale affordable furniture and electrical items. To assist us in our mission we provide training and personal development opportunities to the young and the unemployed.

During the year under review FRP continued with its main activities as follows:

- We collected second-hand furniture and electrical goods donated by households in Gloucestershire, and sold these items at low cost from our shops in Gloucester and Lydney.
- We repaired and tested donated electrical goods and this enabled a number of electrical goods to be made re-usable and available at low cost to customers through our shops
- NFP, the subsidiary of FRP, offered for sale new beds, mattresses and electrical appliances (including the installation of cookers) at competitive prices to statutory bodies and charities. This supported the clients referred through their offices and others who wished to benefit from this service, providing a complementary service to FRP and helping to improve the lives of many.
- We loaned riser/recliner chairs to individuals in need (especially those requiring palliative care support) throughout Gloucestershire at low cost, offering an affordable alternative to the purchase of these expensive items.
- We provided structured work experience and training programmes in our workshop and retail outlets to people looking to gain experience and work related qualifications, thus building their confidence and employability.

## (2) OBJECTIVES AND ACTIVITIES - CONTINUED

FRP has a small number of hard-working and enthusiastic staff and a number of willing volunteers. The volunteers comprise a wide range of people, including some who are actively looking for employment, some on Government training schemes, and retired people giving their time and experience to FRP. The total number of volunteer hours was 5,364 hours. If we had to employ staff, instead, the payroll costs would be £47,793.

## (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 independent examiners as stated in their report.

Charity and company law requires 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 then 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

## (4) FINANCIAL RESULT AND RESERVES

The consolidated statement of financial activities on page 7 shows the incoming resources and the application of those resources for the Furniture Recycling Project ("FRP") and its subsidiary company NFP Trading Limited ("NFP"). The charity was forced to cease operations throughout each of the three national lockdowns which had a significant impact on the trading performance as follows:

a) During the year ended 31 March 2022 FRP had three principal sources of unrestricted funding. The main source was from sales of donated second-hand furniture and household goods, which at £213,022 is significantly higher than the total of £77,670 achieved in the Covid-19 affected year to 31 March 2021. To support the re-opening of the project following the Winter 20/21 lockdown, the Charity claimed Government Coronavirus Reopening Grants of £19,334 and £18,213 of Coronavirus Job Retention Scheme Grants. The third income stream was from the covenanted profits of sale of new household goods through the subsidiary company, NFP Trading Ltd. In the year to 31 March 2022 sales of new goods were £38,686.

b) After taking into account the relevant expenditure of £347,088 the net movement in the unrestricted fund as at 31 March 2022 was a decrease of £38,678, leaving the amount of unrestricted reserves carried forward to 2022/23 at £118,080.

c) Restricted funds, which relate to funding received for capital expenditure and other specific purposes, decreased by £4,307 with £5,167 carried forward into 2022/23. The charity did not apply for any grant funding during the financial year apart from the Government Coronavirus Grants.

It is the policy of FRP to maintain undesignated, unrestricted funds excluding fixed assets, which are free reserves, at a level that equates to between three and twelve months of the unrestricted resources expended. This would provide a cushion against fluctuations in income and would enable FRP to continue with its current activities. At 31 March 2022 the free reserves were £106,850, which is within the reserves policy of FRP.

## (5) RISK MANAGEMENT

As Trustees we review the major risks that FRP faces on a regular basis and carry out periodic reviews of the controls over key financial systems. We also consider other financial, operational and business risks faced by FRP, especially the maintenance of adequate reserves, and have ensured that insurance cover has been reviewed and updated. As Trustees we confirm that systems have been established to mitigate, as far as possible, any significant risks.

FRP is facing increasing competition from other charities and commercial operators in the provision of our core product on the high street. We monitor the sales prices in our shops and aim to keep our prices, on average, below the market rate.

Our potential customers are finding it increasingly easy to purchase items via social media platforms. We are embracing the challenges this presents and now have a strong online presence. Pictures of new stock at our shops are posted regularly on our shop's Facebook pages as well as in local buy/sell Facebook groups. Re-use office furniture is offered for sale online via 'click and collect'. We are reviewing the option to expand this service to our core products, however, we recognise the additional operational costs would almost certainly outweigh the increased revenue.

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, FRP continues to invest and involve staff in developing future plans, ensuring risks of any nature are formerly explained and understood by all. Training of staff continues to be a priority as does recruiting staff with the skills to cover roles and mitigate any risk to themselves, volunteers and customers/visitors to any FRP site.

## (6) INVESTMENT POLICY

As there is a relatively low level of funds available for investment, we consider that bank deposits provide a satisfactory return to FRP. In the year to 31 March 2022 these have been short term deposits with FRP's banker and other UK regulated banks and Building Societies for periods not exceeding 12 months.

## (7) ACHIEVEMENTS AND PERFORMANCE

The charity re-opened both shops on April 13 2021 following the move to Step 2 of the Coronavirus road-map out of the 20/21 winter lockdown. The workshop re-opened to volunteers on 19th July 2021 when the remaining legal social distancing restrictions were abolished and the charity finally returned to close normal working conditions.

During the year to 31 March 2022 we used our fleet of three vehicles to collect donated second-hand furniture and electrical items from 2,850 local households and, as a result, we were able to deliver 6,551 items at low cost through our shops in Gloucester and Lydney to 2,338 households. This re-use of domestic items helped many people in need, hardship or distress. It also assisted local council services by reducing the waste going to landfill and, therefore, helped to reduce the costs associated with their bulky item collection service. It improved the environment for the benefit of all.

The workshop in Gloucester is set up for the repair and testing of donated electrical items. In the eight months of operation, 464 electrical items supplied to our customers through our shops. The workshop manager up-cycled 86 items of furniture which were subsequently sold under the 'Cotswold Collection' brand in our shops.

During the year 25 new customers used our low cost hire of riser-recliner chairs. This service is considerably cheaper than purchasing a brand new chair or hiring from a commercial operator.

As Trustees we are very grateful to all those who made donations and grants during the year, as without that help it would not have been possible for FRP to maintain and develop its operating activities and its training and volunteer programmes.

## (8) FUTURE PLANS

FRP has signed a lease for a shop on Eastern Avenue, Gloucester. It has four times the floor space of the existing shop on Kings Square which we plan to close when the new shop opens in May 2022.

The increase in floor space will enable us to display a greater range of re-use and new furniture which will generate a significant increase in sales.

Sales in the Lydney shop did not increase as much as hoped for following the opening of the Aldi supermarket directly behind our store. In July 22 we decided to permanently close the store on the last trading day before the Christmas break. Further details on the anticipated financial impact and accounting treatment are detailed in the post balance sheet events note on page 19.

We will continue to explore new revenue streams including monitoring our suppliers to ensure they offer best value. We will ensure that our range of new furniture remains current and competitive.

We are looking to open a second shop within the region.

## (9) PUBLIC BENEFIT

As Trustees we have 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

Andorran Limited have indicated their willingness to continue in office 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 relating to small companies.

For and on behalf of the Trustees
D Melvin – Chair

Date: 5/12/22.

## REPORT OF THE INDEPENDENT EXAMINERS
## TO THE TRUSTEES OF
## FURNITURE RECYCLING PROJECT

I report to the charity trustees on my examination of the consolidated financial statements of Furniture Recycling Project (FRP) for the year ended 31 March 2022 on pages 7 to 19.

**Responsibilities and basis of report**
As the charity's trustees of the company (and 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 financial statements 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 financial statements 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 report**
Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants of 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 financial statements do not accord with those accounting records; or

(3) the financial statements 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 financial statements 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 financial statements to be reached

**ROGER DOWNES FCA**
**For and on behalf of**
**ANDORRAN LIMITED**
**Chartered Accountants**

**6 Manor Park Business Centre**
**Mackenzie Way**
**Cheltenham**
**Glos**

07 December 2022

FURNITURE RECYCLING PROJECT

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
## (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
## FOR THE YEAR ENDED 31 MARCH 2022

| | 31 MARCH 2022 | | | 2021 |
|---|---|---|---|---|
| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
| | £ | £ | £ | £ |
| **INCOME** | | | | |
| Income from charitable activities (note 2) | 219,724 | - | 219,724 | 106,364 |
| **Other activities** | | | | |
| Donations and legacies (note 3) | 12,442 | - | 12,442 | 4,483 |
| Other trading activities (note 3) | 38,686 | - | 38,686 | 22,307 |
| Income from investments | 11 | - | 11 | 28 |
| Other income (note 4) | 37,547 | - | 37,547 | 249,675 |
| | 88,686 | - | 88,686 | 276,493 |
| **Total Income** | 308,410 | - | 308,410 | 382,857 |
| **EXPENDITURE** | | | | |
| Raising funds (note 6) | 31,247 | - | 31,247 | 17,457 |
| Charitable activities (note 7) | 315,841 | 4,307 | 320,148 | 291,800 |
| **Total Expenditure** | 347,088 | 4,307 | 351,395 | 309,257 |
| **Net Income/(Expenditure)** | (38,678) | (4,307) | (42,985) | 73,600 |
| **Balances transferred between funds** | - | - | - | - |
| **Funds brought forward at 1 April 2021** | 156,758 | 9,474 | 166,232 | 92,632 |
| **Funds carried forward at 31 March 2022** | 118,080 | 5,167 | 123,247 | 166,232 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

*The notes on pages 11 to 19 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 MARCH 2022

| | Unrestricted Funds £ | Restricted Funds £ | 2022 Total Funds £ | 2021 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 11,230 | 5,167 | 16,397 | 19,446 |
| **CURRENT ASSETS** | | | | |
| Stock | 7,465 | - | 7,465 | 7,933 |
| Debtors (note 12) | 33,860 | - | 33,860 | 34,487 |
| Bank and cash in hand | 88,204 | - | 88,204 | 125,959 |
| | 129,529 | - | 129,529 | 168,379 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 14) | 22,679 | - | 22,679 | 21,593 |
| **NET CURRENT ASSETS** | 106,850 | - | 106,850 | 146,604 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 118,080 | 5,167 | 123,247 | 166,232 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds:** (note 8) | | | | |
| - General funds | 118,080 | - | 118,080 | 156,758 |
| **Restricted funds** (note 8) | - | 5,167 | 5,167 | 9,474 |
| | 118,080 | 5,167 | 123,247 | 166,232 |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 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 5/12/22 and were signed on its behalf by:

Dawn Melvin .....

James Melvin .....

*The notes on pages 11 to 19 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

STATEMENT OF FINANCIAL POSITION

31 MARCH 2022

| | Unrestricted Funds £ | Restricted Funds £ | 2022 Total Funds £ | 2021 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 11,230 | 5,167 | 16,397 | 19,446 |
| Investments (note 11) | 2 | - | 2 | 2 |
| | 11,232 | 5,167 | 16,399 | 19,448 |
| **CURRENT ASSETS** | | | | |
| Debtors (note 13) | 41,079 | - | 41,079 | 51,842 |
| Bank and cash in hand | 83,153 | - | 83,153 | 115,296 |
| | 124,232 | - | 124,232 | 167,138 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 15) | 17,384 | - | 17,384 | 20,354 |
| **NET CURRENT ASSETS** | 106,848 | - | 106,848 | 146,604 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 118,080 | 5,167 | 123,247 | 166,232 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds** (note 8) | | | | |
| - General Funds | 118,080 | - | 118,080 | 156,758 |
| **Restricted funds** (note 8) | - | 5,167 | 5,167 | 9,474 |
| | 118,080 | 5,167 | 123,247 | 166,232 |

*The notes on pages 11 to 19 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2022

| | 2022<br>£ | 2021<br>£ |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Net movement in funds (as per the statement of financial activities)** | (42,985) | 73,600 |
| Adjustments for: | | |
| Depreciation charges | 5,993 | 10,457 |
| Loss/(Profit) on sale of fixed assets | - | (330) |
| (Increase)/decrease in stock | 468 | 1 |
| (Increase)/decrease in debtors | 627 | (5,622) |
| Increase /(decrease) in creditors | 1,086 | (910) |
| **Net cash used in operating activities** | **(34,811)** | 77,196 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from sale of plant and equipment | - | 417 |
| Purchases of plant and equipment | (2,944) | - |
| **Net cash used in investing activities** | **(2,944)** | 417 |
| Increase /(decrease) in cash in the year | (37,755) | 77,613 |
| **Cash balance at 1 April 2021** | 125,959 | 48,346 |
| **Cash balance at 31 March 2022** | **88,204** | 125,959 |

## 1. ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Furniture Recycling Project (FRP) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

### (b) Going Concern

Once the lease on the new Gloucester shop was signed, the Trustees forecasted a surplus of £16,000 for the year to 31 March 2023. Since opening, sales of both re-use and new goods in the new Gloucester shop have comfortably exceeded expectations and the management accounts for the six months to 30 September 2022 show this budgeted surplus has already been reached halfway through the financial year.

For the year to December 2023, the charity has budgeted for a 10% rise in the living wage plus a fall in the value of the energy support scheme for business from April 2023. In spite of these cost increases the Trustees forecast the charity's cash balances will be maintained and reserves will remain above the minimum threshold of the reserves policy of three months unrestricted expenditure.

On this basis the Trustees believe the charity remains a going concern and the financial statements have been prepared on that basis.

### (c) Income

Income is recognised in the period to which it relates, once FRP has entitlement to the income and once the directors are certain that the income will be received and when the monetary value can be measured with sufficient reliability.

Income from grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where FRP benefits from work carried out by volunteers, without charge, no value is placed on this work for accounting purposes.

No value is placed on a donated item until it is sold. The revenue for both donated goods and new stock is recognised on the dates the goods are purchased in store, or for credit sales, when the physically delivered to the customer.

### (d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing FRP to the expenditure. Costs of raising funds are those costs incurred in providing services for which FRP received a direct income. Expenditure on charitable activities represents the cost of supporting FRP's objectives. Support costs are those costs incurred directly in support of expenditure on the objects of FRP.

### (e) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

## 1. ACCOUNTING POLICIES (CONTINUED)

**(f) Tangible Fixed Assets**

Individual fixed assets costing more than £1,000 are capitalised at cost. Where fixed assets are donated to the Charity, they are included at the Trustee's valuation. Impairment reviews are carried out only when there is an indication that the recoverable amount of an asset is below its net book value.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected economic useful life to its estimated realisable value, as follows:-

| | |
|---|---|
| Fixtures, fittings and equipment | - at varying rates |
| Motor vehicles | - 20% straight line |

**(g) Taxation**

As a recognised charity, the Charity is exempt from Corporation Tax so far as it relates to its charitable objects. It is not, however, exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates

**(h) Basis of Consolidation**

The consolidated financial statements comprise Furniture Recycling Project and its trading subsidiary, NFP Trading Limited.

## 2. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds | Restricted Funds | 2022 Total Funds | 2021 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Income from sales of Donated Furniture | 213,022 | - | 213,022 | 77,670 |
| Gloucester Brewery | - | - | - | 10,000 |
| Big Lottery – Awards For All | - | - | - | 10,000 |
| Hire of Riser Recliner Chairs | 6,226 | - | 6,226 | 7,984 |
| Marsh Trust | - | - | - | 300 |
| Other grants and donations | 476 | - | 476 | 410 |
| | 219,724 | - | 219,724 | 106,364 |

## 3. INCOME FROM OTHER ACTIVITIES

| | Unrestricted Funds | Restricted Funds | 2022 Total Funds | 2021 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Gift aid | 12,442 | - | 12,442 | 4,483 |
| Income from sales of new furniture | 38,686 | - | 38,686 | 22,307 |

## 4. OTHER INCOME

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Coronavirus Job Retention Scheme | 18,213 | 97,955 |
| Coronavirus Retail Support Grants | 19,334 | 151,390 |
| Profit on disposal of plant & machinery | - | 330 |
| | 37,547 | 249,675 |

## 5. NET INCOME/(EXPENDITURE)

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

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Depreciation of tangible fixed assets | | |
| - owned assets | 5,993 | 10,457 |
| Rent (operating lease) | 42,965 | 48,062 |
| Independent Examiners' remuneration | | |
| - charity | 1,425 | 1,550 |
| - group | 1,765 | 1,860 |

As permitted by Section 404 of the Companies Act 2006, the parent company's statement of financial activities has not been included in these financial statements. The net movement in funds in the parent company for the year to 31 March 2022 was a net deficit in funds of £42,985 (2021: £73,600 surplus).

**Staff costs:**
No remuneration was paid to the Trustees and no expenses were re-imbursed to them in either the year to 31 March 2022 or 2021. The staff costs were:-

| | Unrestricted Funds | Restricted Funds | 2022 Total Funds | 2021 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Salaries and wages | 173,991 | - | 173,991 | 169,284 |
| Social security costs | 8,545 | - | 8,545 | 7,796 |
| Pension costs | 3,687 | - | 3,687 | 3,236 |
| | 186,223 | - | 186,223 | 180,316 |

FRP employed the following full time equivalent staff during the year

| | No. | No. |
|---|---|---|
| Administration and management | 1 | 1 |
| Volunteer support and workshops | 1 | 1 |
| Shops and distribution | 7 | 7 |
| | 9 | 9 |

No employee received remuneration of more than £60,000. All staff are entitled to a Death in Service benefit of twice their final salary. The cost to FRP is £1,207 (2021 - £1,400).

## 6. RAISING FUNDS

| | Unrestricted Funds | Restricted Funds | 2022 Total Funds | 2021 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| *Fundraising expenses:* | | | | |
| Salaries | 730 | - | 730 | 1,825 |
| Printing, postage & stationery | - | - | - | 85 |
| Telephone | - | - | - | 125 |
| *Trading expenses:* | | | | |
| Purchases for resale | 30,084 | - | 30,084 | 15,023 |
| Accountancy | 340 | - | 340 | 310 |
| Bank charges | 93 | - | 93 | 89 |
| | 31,247 | - | 31,247 | 17,457 |

## 7. CHARITABLE ACTIVITIES

| | | | | |
|---|---|---|---|---|
| Disposal of waste | - | 418 | 418 | 575 |
| Salaries | - | 185,493 | 185,493 | 178,491 |
| Volunteers expenses | - | 7,925 | 7,925 | 3,097 |
| Training & travel | - | 793 | 793 | 323 |
| Sundry staff costs | - | 1,378 | 1,378 | 1,193 |
| Rent | - | 42,965 | 42,965 | 48,062 |
| Rates & water | - | 7,901 | 7,901 | 1,405 |
| Premises insurance | - | 2,131 | 2,131 | 2,608 |
| Light, heat & power | - | 18,473 | 18,473 | 12,687 |
| Premises, maintenance & cleaning | - | 11,905 | 11,905 | 2,714 |
| Depreciation | 4,307 | 1,686 | 5,993 | 10,457 |
| Van running costs | - | 11,912 | 11,912 | 7,244 |
| Riser-recliner hire expenditure | - | 332 | 332 | 429 |
| Workshop & office | - | 674 | 674 | 5,066 |
| **Support Costs** | | | | |
| Printing, postage & stationery | - | 1,711 | 1,711 | 1,295 |
| Telephone | - | 3,281 | 3,281 | 3,103 |
| Legal, accounting & other professional fees | - | 7,642 | 7,642 | 5,864 |
| General insurance | - | 6,037 | 6,037 | 4,832 |
| Bank charges | - | 593 | 593 | 547 |
| Subscriptions | - | 1,166 | 1,166 | 258 |
| Accountancy – Independent examination | - | 1,425 | 1,425 | 1,550 |
| | 4,307 | 315,841 | 320,148 | 291,800 |

## 8. CONSOLIDATED FUNDS MOVEMENT

| | Brought forward £ | Income £ | Expenditure £ | Transfers & Capital costs £ | Carried forward £ |
|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | |
| General Fund | 156,758 | 308,410 | 347,088 | - | 118,080 |
| | 156,758 | 308,410 | 347,088 | - | 118,080 |

The funds of the charity include all restricted funds comprising the following unexpended balances of grants to be applied to specific purposes, summarised by department:

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|---|---|---|---|---|---|
| **Restricted funds by Department:** | | | | | |
| Operations | 9,224 | - | 4,307 | - | 4,917 |
| Electrical | 250 | - | - | - | 250 |
| | 9,474 | - | 4,307 | - | 5,167 |

## 9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds |
|---|---|---|---|
| | £ | £ | £ |
| **INCOME** | | | |
| Income from charitable activities (note 2) | 96,364 | 10,000 | 106,364 |
| **Other activities (note 3)** | | | |
| Donations and legacies | 4,483 | - | 4,483 |
| Other trading activities | 22,307 | - | 22,307 |
| Income from investments | 28 | - | 28 |
| Other income | 249,675 | - | 249,675 |
| | 276,493 | 10,000 | 276,493 |
| **Total Income** | 372,857 | 10,000 | 382,857 |
| **EXPENDITURE** | | | |
| Raising funds (note 6) | 17,457 | - | 17,457 |
| Charitable activities (note 7) | 271,790 | 20,010 | 291,800 |
| **Total Expenditure** | 289,247 | 20,010 | 309,257 |
| **Net Income/(Expenditure)** | 83,610 | (10,010) | 73,600 |
| **Balances transferred between funds** | - | - | - |
| **Funds brought forward at 1 April 2020** | 73,148 | 19,484 | 92,632 |
| **Funds carried forward at 31 March 2021** | 156,758 | 9,474 | 166,232 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

## 10. TANGIBLE FIXED ASSETS – PARENT COMPANY AND GROUP

| | Plant and Equipment | Motor Vehicles | Total |
|---|---|---|---|
| | £ | £ | £ |
| **Cost** | | | |
| As at 1 April 2021 | 107,643 | 76,962 | 184,605 |
| Additions in year | 2,944 | - | 2,944 |
| Disposals in year | - | - | - |
| Balance at 31 March 2022 | 110,587 | 76,962 | 187,549 |
| **Depreciation** | | | |
| As at 1 April 2021 | 94,924 | 70,235 | 165,159 |
| Charge for year | 4,996 | 997 | 5,993 |
| Eliminated on disposals | - | - | - |
| Balance at 31 March 2022 | 99,920 | 71,232 | 171,152 |
| **Net Book Value** | | | |
| At 31 March 2022 | 10,667 | 5,730 | 16,397 |
| At 31 March 2021 | 12,719 | 6,727 | 19,446 |

## 11. FIXED ASSET INVESTMENTS

| Investment in subsidiary | Shares | Loan | Total |
|---|---|---|---|
| | £ | £ | £ |
| At 1 April 2021 and 31 March 2022 | 2 | - | 2 |

## 12. DEBTORS - GROUP

| | 2022 | 2021 |
|---|---|---|
| | £ | £ |
| Trade debtors | 8,171 | 2,235 |
| Other debtors & prepayments | 19,131 | 22,448 |
| VAT recoverable | 6,558 | 9,804 |
| | 33,860 | 34,487 |

## 13. DEBTORS – PARENT COMPANY

| | 2022 £ | 2021 £ |
|---|---|---|
| Trade debtors | 6,492 | 2,057 |
| Other debtors & prepayments | 28,373 | 41,109 |
| VAT recoverable | 6,214 | 8,676 |
| | 41,079 | 51,842 |

## 14. CREDITORS - GROUP

| | | |
|---|---|---|
| Trade creditors | 16,239 | 15,662 |
| Accruals and deferred income | 2,905 | 1,950 |
| Other creditors | 802 | 725 |
| Tax and social security | 2,733 | 3,256 |
| | 22,679 | 21,593 |

## 15. CREDITORS – PARENT COMPANY

| | | |
|---|---|---|
| Trade creditors | 11,260 | 14,722 |
| Accruals and deferred income | 2,590 | 1,650 |
| Other creditors | 802 | 725 |
| Tax and social security | 2,732 | 3,257 |
| | 17,384 | 20,354 |

## 16. OTHER FINANCIAL COMMITMENTS

FRP had the following commitments under operating leases, falling due as follows

| | | |
|---|---|---|
| **Land and buildings** | | |
| Within one year | 20,012 | 22,709 |
| Within two to five years | 40,024 | 41,671 |

## 17. STATUS

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being in excess of assets, the liability of a member is limited to £1.

## 18. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.

## 19. POST BALANCE SHEET EVENTS

The trustees agreed to permanently close the Lydney shop at the end of the trading day on 23 December 2022 and terminate the lease.

The trustees consider this to be a 'non adjusting' post balance sheet event under FRS 102 SORP, section 32, as the decision to close the shop, was taken on 11 July 22 and no condition existed at the balance sheet date on that basis.

The trustees estimate the financial effect of the closure to be under £1,000.

**FURNITURE RECYCLING PROJECT**

England & Wales - Charity number 1057619

# Accounts

Company Registration Number: 3236897
Registered Charity Number: 1057619

# FURNITURE RECYCLING PROJECT
(a company limited by guarantee)

## REPORT OF THE TRUSTEES AND UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 MARCH 2021

ANDORRAN LIMITED
CHARTERED ACCOUNTANTS
6 Manor Park Business Centre Mackenzie Way Cheltenham Glos GL51 9TX

FURNITURE RECYCLING PROJECT

REPORTS AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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## FURNITURE RECYCLING PROJECT

## OFFICERS, BOARD MEMBERS AND ADVISERS

| | |
|---|---|
| **DIRECTORS/TRUSTEES** | Dawn Melvin (Chair)<br>R Andrew Setchell<br>Malcolm Watson – resigned 29 June 2021<br>Douglas John Rugg (Vice chair)<br>James Melvin<br>Jan Tappin |
| **ADDRESS & REGISTERED OFFICE** | Warehouse 5<br>West Quay<br>The Docks<br>Gloucester<br>GL1 2EH |
| **INDEPENDENT EXAMINERS** | Andorran Limited<br>Chartered Accountants<br>6 Manor Park Business Centre<br>Mackenzie Way<br>Cheltenham<br>Glos GL51 9TX |
| **BANKERS** | Lloyds Banking Group<br>19 Eastgate Street<br>Gloucester<br>GL1 1NU |
| **SOLICITORS** | Tayntons Solicitors<br>8-12 Clarence Street<br>Gloucester<br>GL1 1DZ |

We present our report and consolidated financial statements for the year ended 31 March 2021. 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 1 January 2015) – (Charities SORP (FRS102)), and the Companies Act 2006.

## (1) STRUCTURE, GOVERNANCE and MANAGEMENT

This is the twenty-fourth annual report since the Furniture Recycling Project ("FRP") was established in August 1996 as a company limited by guarantee and a charity registered in England with the Charity Commission.

Our governing document is our Memorandum and Articles of Association. In the event of FRP being wound up our liability as Trustees 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, together with the Charity Commissions 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 monitor performance. We delegate to the management team the task of day-to-day management of FRP, which they carry out to a high standard. Gloucestershire County Council is invited to send a representative to Board meetings. FRP has a wholly owned trading subsidiary called NFP Trading Limited ("NFP") and the profits of this company are transferred to FRP under covenant to support our key objectives.

The pay and benefits of the management team are benchmarked against the annual salary survey conducted by the Furniture Re-use Network. The management team's salary are below the median salary rates for their respective roles.

## (2) OBJECTIVES AND ACTIVITIES

FRP's core objective is "To relieve either generally or individually persons who are in conditions of need, hardship or distress by the provision of furniture and other household accessories, calculated to reduce the need, hardship or distress of such persons".

Our mission is to improve the lives of people most in need in Gloucestershire by offering for sale affordable furniture and electrical items. To assist us in our mission we provide training and personal development opportunities to the young and the unemployed.

During the year under review FRP continued with its main activities as follows:

- We collected second-hand furniture and electrical goods donated by households in Gloucestershire, and sold these items at low cost from our shops in Gloucester and Lydney.
- We repaired and tested donated electrical goods and this enabled a number of electrical goods to be made re-usable and available at low cost to customers through our shops
- NFP, the subsidiary of FRP, offered for sale new beds, mattresses and electrical appliances (including the installation of cookers) at competitive prices to statutory bodies and charities. This supported the clients referred through their offices and others who wished to benefit from this service, providing a complementary service to FRP and helping to improve the lives of many.
- We loaned riser/recliner chairs to individuals in need (especially those requiring palliative care support) throughout Gloucestershire at low cost, offering an affordable alternative to the purchase of these expensive items.
- We provided structured work experience and training programmes in our workshop and retail outlets to people looking to gain experience and work related qualifications, thus building their confidence and employability.

## (2) OBJECTIVES AND ACTIVITIES - CONTINUED

FRP has a small number of hard-working and enthusiastic staff and a number of willing volunteers. The volunteers comprise a wide range of people, including some who are actively looking for employment, some on Government training schemes, and retired people giving their time and experience to FRP. The total number of volunteer hours was 2,113 hours. If we had to employ staff, instead, the payroll costs would be £18,425.

## (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 independent examiners as stated in their report.

Charity and company law requires 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 then 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

## (4) FINANCIAL RESULT AND RESERVES

The consolidated statement of financial activities on page 7 shows the incoming resources and the application of those resources for the Furniture Recycling Project ("FRP") and its subsidiary company NFP Trading Limited ("NFP"). The charity was forced to cease operations throughout each of the three national lockdowns which had a significant impact on the trading performance as follows:

a) During the year ended 31 March 2021 FRP had three principal sources of unrestricted funding. In this exceptional year, the charity claimed £97,955 from the Coronavirus Job Retention Scheme to assist with paying the staff salaries and £151,390 in Government Retail Support Grants. Both are recorded in Other Income. In a normal year retail sales is the prime source of income, but due to the enforced closure of the shops during lockdown, this fell significantly compared to earlier years. Sales of donated second-hand furniture and household goods totalled £77,670 which was 73% lower than the value of sales in the previous year and the sale of new goods, via the trading subsidiary NFP Trading Ltd, fell by 67% to £22,307. The Charity also received a total of £10,710 of unrestricted grant funding, which is also significantly lower than earlier years.

b) After taking into account the relevant expenditure of £289,247 the net movement in the unrestricted fund as at 31 March 2021 was an increase of £83,610, leaving the amount of unrestricted reserves carried forward to 2021/22 at £156,758.

b) Restricted funds, which relate to funding received for capital expenditure and other specific purposes, received income during the year of £10,000. After taking into account the relevant expenditure of £20,010 the restricted fund decreased by £10,010 with £9,474 carried forward into 2021/22.

It is the policy of FRP to maintain undesignated, unrestricted funds excluding fixed assets, which are free reserves, at a level that equates to between three and twelve months of the unrestricted resources expended. This would provide a cushion against fluctuations in income and would enable FRP to continue with its current activities. At 31 March 2021 the free reserves were £146,786, which is within the reserves policy of FRP.

## (5) RISK MANAGEMENT

As Trustees we review the major risks that FRP faces on a regular basis and carry out periodic reviews of the controls over key financial systems. We also consider other financial, operational and business risks faced by FRP, especially the maintenance of adequate reserves, and have ensured that insurance cover has been reviewed and updated. As Trustees we confirm that systems have been established to mitigate, as far as possible, any significant risks.

FRP is facing increasing competition from other charities and commercial operators in the provision of our core product on the high street. We monitor the sales prices in our shops and aim to keep our prices, on average, below the market rate.

Our potential customers are finding it increasingly easy to purchase items via social media platforms. We are embracing the challenges this presents and now have a strong online presence. Pictures of new stock at our shops are posted regularly on our shop's Facebook pages as well as in local buy/sell Facebook groups. Our vibrant new website went live in 2018. Re-use office furniture is offered for sale online via 'click and collect'. We are reviewing the option to expand this service to our core products, however, we recognise the additional operational costs would almost certainly outweigh the increased revenue.

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, FRP continues to invest and involve staff in developing future plans, ensuring risks of any nature are formerly explained and understood by all. Training of staff continues to be a priority as does recruiting staff with the skills to cover roles and mitigate any risk to themselves, volunteers and customers/visitors to any FRP site.

## (6) INVESTMENT POLICY

As there is a relatively low level of funds available for investment, we consider that bank deposits provide a satisfactory return to FRP. In the year to 31 March 2021 these have been short term deposits with FRP's banker and other UK regulated banks and Building Societies for periods not exceeding 12 months.

## (7) ACHIEVEMENTS AND PERFORMANCE

The charity ceased all operations for seven months of the financial year during the three national lockdowns imposed by the Government to mitigate the spread of covid-19. For the remaining five months of the year our shops were open and a full collection and delivery service was offered. Social distancing regulations meant it was impractical to re-open the workshop to volunteers or offer any training programmes. In addition opportunities for people to volunteer their services in other areas was much more limited than normal.

During the year to 31 March 2021 we used our fleet of three vehicles to collect donated second-hand furniture and electrical items from 1,311 local households and, as a result, we were able to deliver close to 1,611 items at low cost through our shops in Gloucester and Lydney to 1,432 households. This re-use of domestic items helped many people in need, hardship or distress. It also assisted local council services by reducing the waste going to landfill and, therefore, helped to reduce the costs associated with their bulky item collection service. It improved the environment for the benefit of all.

The workshop in Gloucester is set up for the repair and testing of donated electrical items. In the five months of operation, 143 electrical items supplied to our customers through our shops. The workshop manager up-cycled 28 items of furniture which were subsequently sold under the 'Cotswold Collection' brand in our shops.

During the year 26 new customers used our low cost hire of riser-recliner chairs. This service is considerably cheaper than purchasing a brand new chair or hiring from a commercial operator.

As Trustees we are very grateful to all those who made donations and grants during the year, as without that help it would not have been possible for FRP to maintain and develop its operating activities and its training and volunteer programmes.

## (8) FUTURE PLANS

FRP will endeavour to take advantage of the influx of retail space which has become available and will continue to increase in the aftermath of the Covid 19 pandemic and will look to expand the retail part of the Charities activities in to the wider area of Gloucestershire. We look forward to the ongoing regeneration of Gloucester town centre coming to fruition in the latter part of the year with the predicted increase in foot fall hopefully bringing sales back to the levels of 2017/18.

We also look forward to the Lydney shop sales increasing now that the approval has been given and works commenced to build the new supermarket directly behind our store. This will be completed by late 2021 and is expected to increase footfall by some 70% on the high street.

We will continue to build on the cost saving measures put in place during 2019/20 to ensure we are as efficient as we can be.

We will continue to explore new revenue streams including monitoring our suppliers to ensure they offer best value. We will ensure that our range of new furniture remains current and competitive.

We are looking to open a third shop within the county.

## (9) PUBLIC BENEFIT

As Trustees we have 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

Andorran Limited have indicated their willingness to continue in office 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 relating to small companies.

For and on behalf of the Trustees
D Melvin – Chair

Date: 29/11/21

## REPORT OF THE INDEPENDENT EXAMINERS
## TO THE TRUSTEES OF
## FURNITURE RECYCLING PROJECT

I report on the consolidated financial statements of Furniture Recycling Project (FRP) for the year ended 31 March 2021 on pages 7 to 19.

**Respective Responsibilities of Trustees and Examiner**
As described on page 3 the Trustees are responsible for the preparation of FRP's financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view. 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. FRP's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

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 financial statements under section 145 of the 2011 Act
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act
- 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 financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from Trustees concerning these 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 financial statements present a 'true and fair view' and 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 sections 386 and 387 of the Companies Act 2006; and
- to prepare financial statements which accord with the accounting records, comply with the accounting requirements of sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) have not been met; or

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

**ROGER DOWNES FCA**
**For and on behalf of**
**ANDORRAN LIMITED**
**Chartered Accountants**

**6 Manor Park Business Centre**
**Mackenzie Way**
**Cheltenham**
**Glos**

06 December 2021

FURNITURE RECYCLING PROJECT

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
## (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
## FOR THE YEAR ENDED 31 MARCH 2021

| | 31 MARCH 2021 | | | 2020 |
|---|---|---|---|---|
| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
| | £ | £ | £ | £ |
| **INCOME** | | | | |
| Income from charitable activities (note 2) | 96,364 | 10,000 | 106,364 | 348,360 |
| **Other activities** | | | | |
| Donations and legacies (note 3) | 4,483 | - | 4,483 | 18,977 |
| Other trading activities (note 3) | 22,307 | - | 22,307 | 67,938 |
| Income from investments | 28 | - | 28 | 617 |
| Other income (note 4) | 249,675 | - | 249,675 | 2,927 |
| | 276,493 | 10,000 | 275,493 | 90,459 |
| **Total Income** | 372,857 | 10,000 | 382,857 | 438,819 |
| **EXPENDITURE** | | | | |
| Raising funds (note 6) | 17,457 | - | 17,457 | 58,009 |
| Charitable activities (note 7) | 271,790 | 20,010 | 291,800 | 448,181 |
| **Total Expenditure** | 289,247 | 20,010 | 309,257 | 506,190 |
| **Net Income/(Expenditure)** | 83,610 | (10,010) | 73,600 | (67,371) |
| **Balances transferred between funds** | - | - | - | - |
| **Funds brought forward at 1 April 2020** | 73,148 | 19,484 | 92,632 | 160,003 |
| **Funds carried forward at 31 March 2021** | 156,758 | 9,474 | 166,232 | 92,632 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

*The notes on pages 11 to 19 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### 31 MARCH 2021

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total Funds £ | 2020 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 9,972 | 9,474 | 19,446 | 29,990 |
| **CURRENT ASSETS** | | | | |
| Stock | 7,933 | - | 7,933 | 7,934 |
| Debtors (note 12) | 34,487 | - | 34,487 | 28,865 |
| Bank and cash in hand | 125,959 | - | 125,959 | 48,346 |
| | 168,379 | - | 168,379 | 85,145 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 14) | 21,593 | - | 21,593 | 22,503 |
| **NET CURRENT ASSETS** | 146,604 | - | 146,604 | 62,642 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 156,758 | 9,474 | 166,232 | 92,632 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds:** (note 8) | | | | |
| - General funds | 156,758 | - | 156,758 | 73,148 |
| **Restricted funds** (note 8) | - | 9,474 | 9,474 | 19,484 |
| | 156,758 | 9,474 | 166,232 | 92,632 |

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021
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 special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Trustees on 29/11/21 and were signed on its behalf by:

Dawn Melvin .....

J Melvin .....

*The notes on pages 11 to 19 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

STATEMENT OF FINANCIAL POSITION

31 MARCH 2021

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total Funds £ | 2020 Total Funds £ |
|---|---|---|---|---|
| **FIXED ASSETS** | | | | |
| Tangible assets (note 10) | 9,972 | 9,474 | 19,446 | 29,990 |
| Investments (note 11) | 2 | - | 2 | 2 |
| | 9,974 | 9,474 | 19,448 | 29,992 |
| **CURRENT ASSETS** | | | | |
| Debtors (note 13) | 51,842 | - | 51,842 | 44,629 |
| Bank and cash in hand | 115,296 | - | 115,296 | 39,845 |
| | 167,138 | - | 167,138 | 84,474 |
| **CREDITORS: amounts falling due within one year** | | | | |
| Creditors (note 15) | 20,534 | - | 20,354 | 21,834 |
| **NET CURRENT ASSETS** | 146,604 | - | 146,604 | 62,640 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | 156,758 | 9,474 | 166,232 | 92,632 |
| **FUNDS OF THE CHARITY** | | | | |
| **Unrestricted funds** (note 8) | | | | |
| - General Funds | 156,758 | - | 156,758 | 73,148 |
| **Restricted funds** (note 8) | - | 9,474 | 9,474 | 19,484 |
| | 156,758 | 9,474 | 166,232 | 92,632 |

*The notes on pages 11 to 19 form part of these financial statements.*

FURNITURE RECYCLING PROJECT

CONSOLIDATED STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2021

| | 2021<br>£ | 2020<br>£ |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Net movement in funds (as per the statement of financial activities)** | 73,600 | (67,371) |
| Adjustments for: | | |
| Depreciation charges | 10,457 | 15,622 |
| Loss/(Profit) on sale of fixed assets | (330) | 336 |
| (Increase)/decrease in stock | 1 | (2,696) |
| (Increase)/decrease in debtors | (5,622) | (2,260) |
| Increase /(decrease) in creditors | (910) | 5,785 |
| **Net cash used in operating activities** | 77,196 | (50,584) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Proceeds from sale of plant and equipment | 417 | 1,700 |
| Purchases of plant and equipment | - | (2,318) |
| **Net cash used in investing activities** | 417 | (618) |
| Increase /(decrease) in cash in the year | 77,613 | (51,202) |
| **Cash balance at 1 April 2020** | 48,346 | 99,548 |
| **Cash balance at 31 March 2021** | 125,959 | 48,346 |

## 1. ACCOUNTING POLICIES

### (a) Basis of Accounting

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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 (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Furniture Recycling Project (FRP) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

### (b) Going Concern

The government imposed lockdowns in response to Covid-19 forced the closure of entire operation of the charity during each of the three national lockdowns. The Charity claimed all available emergency Government grants, such as the Coronavirus Job Retention Scheme and at the balance sheet date the free reserves are above the minimum level of three months unrestricted expenditure outlined within the reserves policy.

Both shops re-opened on 12 April 2021 and the Trustees anticipate sales will revert to pre-pandemic levels by early Winter. Cash flow forecasts based on this assumption indicate the charity's reserves will remain above the minimum threshold of the reserves policy of three months unrestricted expenditure.

On this basis the Trustees believe the charity remains a going concern and the financial statements have been prepared on that basis.

### (c) Income

Income is recognised in the period to which it relates, once FRP has entitlement to the income and once the directors are certain that the income will be received and when the monetary value can be measured with sufficient reliability.

Income from grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where FRP benefits from work carried out by volunteers, without charge, no value is placed on this work for accounting purposes.

No value is placed on a donated item until it is sold, then the income is recognised.

### (d) Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing FRP to the expenditure. Costs of raising funds are those costs incurred in providing services for which FRP received a direct income. Expenditure on charitable activities represents the cost of supporting FRP's objectives. Support costs are those costs incurred directly in support of expenditure on the objects of FRP.

### (e) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

### (f) Tangible Fixed Assets

Individual fixed assets costing more than £1,000 are capitalised at cost. Where fixed assets are donated to the Charity, they are included at the Trustee's valuation. Impairment reviews are carried out only when there is an indication that the recoverable amount of an asset is below its net book value.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected economic useful life to its estimated realisable value, as follows:-

| | |
|---|---|
| Fixtures, fittings and equipment | - at varying rates |
| Motor vehicles | - 20% straight line |

## 1. ACCOUNTING POLICIES (CONTINUED)

**(g) Taxation**

As a recognised charity, the Charity is exempt from Corporation Tax so far as it relates to its charitable objects. It is not, however, exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates

**(h) Basis of Consolidation**

The consolidated financial statements comprise Furniture Recycling Project and its trading subsidiary, NFP Trading Limited.

## 2. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total Funds £ | 2020 Total Funds £ |
|---|---|---|---|---|
| Income from sales of Donated Furniture | 77,670 | - | 77,670 | 289,907 |
| Gloucester Brewery | 10,000 | - | 10,000 | - |
| Big Lottery – Awards For All | - | 10,000 | 10,000 | - |
| Hire of Riser Recliner Chairs | 7,984 | - | 7,984 | 9,317 |
| Marsh Trust | 300 | - | 300 | - |
| Other grants and donations | 410 | - | 410 | 16,902 |
| Police Commissioner | - | - | - | 1,210 |
| Barnwood Trust | - | - | - | 1,000 |
| GEM Project | - | - | - | 13,593 |
| Souter Charitable Trust | - | - | - | 1,000 |
| Nature save | - | - | - | 650 |
| Zurich | - | - | - | 2,750 |
| Notgrove Trust | - | - | - | 2,000 |
| Langtree | - | - | - | 525 |
| Hasluck Trust | - | - | - | 2,000 |
| Gloucestershire County Council | - | - | - | 5,650 |
| Jack Lane | - | - | - | 1,000 |
| Training Income | - | - | - | 856 |
| | 96,364 | 10,000 | 106,364 | 348,360 |

## 3. INCOME FROM OTHER ACTIVITIES

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total Funds £ | 2020 Total Funds £ |
|---|---|---|---|---|
| Gift aid | 4,483 | - | 4,483 | 18,977 |
| Income from sales of new furniture | 22,307 | - | 22,307 | 67,938 |

## 4. OTHER INCOME

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Coronavirus Job Retention Scheme | 97,955 | 2,927 |
| Coronavirus Retail Support Grants | 151,390 | - |
| Profit on disposal of plant & machinery | 330 | - |
| | 249,675 | 2,927 |

## 5. NET INCOME/(EXPENDITURE)

| | 2021 | 2020 |
|---|---|---|
| | £ | £ |
| Net income/(expenditure) is stated after charging:- | | |
| Depreciation of tangible fixed assets | | |
| - owned assets | 10,457 | 15,622 |
| Rent (operating lease) | 48,062 | 23,988 |
| Independent Examiners' remuneration | | |
| - charity | 1,550 | 1,400 |
| - group | 1,860 | 1,705 |

As permitted by Section 404 of the Companies Act 2006, the parent company's statement of financial activities has not been included in these financial statements. The net movement in funds in the parent company for the year to 31 March 2021 was a net surplus in funds of £73,600 (2020: £67,371 deficit).

**Staff costs:**
No remuneration was paid to the Trustees and no expenses were re-imbursed to them in either the year to 31 March 2021 or 2020. The staff costs were:-

| | Unrestricted Funds | Restricted Funds | 2021 Total Funds | 2020 Total Funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| Salaries and wages | 158,380 | 10,904 | 169,284 | 258,759 |
| Social security costs | 7,332 | 464 | 7,796 | 14,487 |
| Pension costs | 3,004 | 232 | 3,236 | 5,782 |
| | 168,716 | 11,600 | 180,316 | 279,028 |

FRP employed the following full time equivalent staff during the year

| | No. | No. |
|---|---|---|
| Fundraising | 0 | 0.5 |
| Administration and management | 1 | 2 |
| Volunteer support and workshops | 1 | 3 |
| Shops and distribution | 7 | 8.5 |
| | 9 | 14 |

No employee received remuneration of more than £60,000. All staff are entitled to a Death in Service benefit of twice their final salary. The cost to FRP is £1,400 (2020 - £1,091).

## 6. RAISING FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | 2021 Total Funds £ | 2020 Total Funds £ |
|---|---|---|---|---|
| *Fundraising expenses:* | | | | |
| Salaries | 1,825 | - | 1,825 | 9,509 |
| Printing, postage & stationery | 85 | - | 85 | 333 |
| Telephone | 125 | - | 125 | 439 |
| *Trading expenses:* | | | | |
| Purchases for resale | 15,023 | - | 15,023 | 47,322 |
| Accountancy | 310 | - | 310 | 305 |
| Bank charges | 89 | - | 89 | 101 |
| | 17,457 | - | 17,457 | 58,009 |

## 7. CHARITABLE ACTIVITIES

| | | | | |
|---|---|---|---|---|
| Disposal of waste | 575 | - | 575 | 881 |
| Salaries | 166,881 | 11,610 | 178,491 | 269,519 |
| Recruitment expenses | | | - | - |
| Volunteers expenses | 3,097 | - | 3,097 | 9,554 |
| Training & travel | 323 | - | 323 | 1,687 |
| Sundry staff costs | 1,193 | - | 1,193 | 2,389 |
| Rent | 48,062 | - | 48,062 | 23,988 |
| Rates & water | 1,405 | - | 1,405 | 33,374 |
| Premises insurance | 2,608 | - | 2,608 | 2,569 |
| Light, heat & power | 12,687 | - | 12,687 | 22,217 |
| Premises, maintenance & cleaning | 2,714 | - | 2,714 | 14,622 |
| Depreciation | 2,057 | 8,400 | 10,457 | 15,622 |
| Loss on disposal of asset | - | - | - | 336 |
| Van running costs | 7,244 | - | 7,244 | 13,662 |
| Riser-recliner hire expenditure | 429 | - | 429 | 424 |
| Workshop & office | 5,066 | - | 5,066 | 10,279 |
| **Support Costs** | | | | |
| Printing, postage & stationery | 1,295 | - | 1,295 | 2,438 |
| Telephone | 3,103 | - | 3,103 | 4,831 |
| Legal, accounting & other professional fees | 5,864 | - | 5,864 | 10,627 |
| General insurance | 4,832 | - | 4,832 | 5,843 |
| Bank charges | 547 | - | 547 | 595 |
| Subscriptions | 258 | - | 258 | 1,324 |
| Accountancy – Independent examination | 1,550 | - | 1,550 | 1,400 |
| | 271,790 | 20,010 | 291,800 | 460,877 |

## 8. CONSOLIDATED FUNDS MOVEMENT

| | Brought forward £ | Income £ | Expenditure £ | Transfers & Capital costs £ | Carried forward £ |
|---|---|---|---|---|---|
| **Unrestricted funds:** | | | | | |
| General Fund | 73,148 | 372,857 | 289,247 | - | 156,758 |
| | 73,148 | 372,857 | 289,247 | - | 156,758 |

The funds of the charity include all restricted funds comprising the following unexpended balances of grants to be applied to specific purposes, summarised by department:

| | Brought forward £ | Income £ | Expenditure £ | Transfers £ | Carried forward £ |
|---|---|---|---|---|---|
| **Restricted funds by Department:** | | | | | |
| Operations | 18,984 | 10,000 | 19,760 | - | 9,224 |
| Electrical | 500 | - | 250 | - | 250 |
| | 19,484 | 10,000 | 20,010 | - | 9,474 |

## 9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds |
|---|---|---|---|
| | £ | £ | £ |
| **INCOME** | | | |
| Income from charitable activities (note 2) | 317,982 | 30,378 | 348,360 |
| **Other activities (note 3)** | | | |
| Donations and legacies | 18,977 | - | 18,977 |
| Other trading activities | 67,938 | - | 67,938 |
| Income from investments | 617 | - | 617 |
| Other income | 2,927 | - | 2,927 |
| | 90,459 | - | 90,459 |
| **Total Income** | 408,441 | 30,378 | 438,819 |
| **EXPENDITURE** | | | |
| Raising funds (note 5) | 58,009 | - | 58,009 |
| Charitable activities (note 6) | 407,687 | 40,494 | 448,181 |
| **Total Expenditure** | 465,696 | 40,494 | 506,190 |
| **Net Income/(Expenditure)** | (57,255) | (10,116) | (67,371) |
| **Balances transferred between funds** | - | - | - |
| **Funds brought forward at 1 April 2019** | 130,403 | 29,600 | 160,003 |
| **Funds carried forward at 31 March 2020** | 73,148 | 19,484 | 92,632 |

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

## 10. TANGIBLE FIXED ASSETS – PARENT COMPANY AND GROUP

| | Plant and Equipment £ | Motor Vehicles £ | Total £ |
|---|---|---|---|
| **Cost** | | | |
| As at 1 April 2020 | 110,247 | 76,962 | 187,209 |
| Additions in year | - | - | - |
| Disposals in year | (2,604) | - | (2,604) |
| Balance at 31 March 2021 | 107,643 | 76,962 | 184,605 |
| **Depreciation** | | | |
| As at 1 April 2020 | 91,717 | 65,502 | 157,219 |
| Charge for year | 5,724 | 4,733 | 10,457 |
| Eliminated on disposals | (2,517) | - | (2,517) |
| Balance at 31 March 2021 | 94,924 | 70,235 | 165,159 |
| **Net Book Value** | | | |
| At 31 March 2021 | 12,719 | 6,727 | 19,446 |
| At 31 March 2020 | 18,530 | 11,460 | 29,990 |

## 11. FIXED ASSET INVESTMENTS

| Investment in subsidiary | Shares £ | Loan £ | Total £ |
|---|---|---|---|
| At 1 April 2020 and 31 March 2021 | 2 | - | 2 |

## 12. DEBTORS - GROUP

| | 2021 £ | 2020 £ |
|---|---|---|
| Trade debtors | 2,235 | 4,530 |
| Other debtors & prepayments | 22,448 | 23,729 |
| VAT recoverable | 9,804 | 606 |
| | 34,487 | 28,865 |

## 13. DEBTORS – PARENT COMPANY

| | 2021 £ | 2020 £ |
|---|---|---|
| Trade debtors | 2,057 | 2,570 |
| Other debtors & prepayments | 41,109 | 40,226 |
| VAT recoverable | 8,676 | 1,833 |
| | 51,842 | 44,629 |

## 14. CREDITORS - GROUP

| | | |
|---|---|---|
| Trade creditors | 15,662 | 6,131 |
| Accruals and deferred income | 1,950 | 12,705 |
| Other creditors | 725 | 101 |
| Tax and social security | 3,256 | 3,566 |
| | 21,593 | 22,503 |

## 15. CREDITORS – PARENT COMPANY

| | | |
|---|---|---|
| Trade creditors | 14,722 | 5,762 |
| Accruals and deferred income | 1,650 | 12,405 |
| Other creditors | 725 | 101 |
| Tax and social security | 3,257 | 3,566 |
| | 20,354 | 21,834 |

## 16. OTHER FINANCIAL COMMITMENTS

FRP had the following commitments under operating leases, falling due as follows

| | | |
|---|---|---|
| **Land and buildings** | | |
| Within one year | 22,709 | 26,500 |
| Within two to five years | 41,671 | 3,833 |

## 17. STATUS

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being in excess of assets, the liability of a member is limited to £1.

## 18. RELATED PARTY TRANSACTIONS

There were no related party transactions in the year.