

Charity registration number 1090034

Company registration number 03731516 (England and Wales)

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Rev B Howell Mrs Eileen McMaster Mr L O'Hallerton
Charity number	1090034
Company number	03731516
Registered office	Units 1 & 2 Teams Craft Workshops Askew Road West Gateshead Tyne & Wear NE8 2PB
Independent examiner	Murray and Lamb Accountants A6 Kingfisher House Kingsway Team Valley Trading Estate Gateshead Tyne and Wear NE11 0JQ

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

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FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the 's [governing document], the Companies Act 2006 and "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).

Objectives and activities

The objects are to provide furniture to new tenants and families on low income

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the should undertake.

Achievements and performance

Our charity reopened to the public on 12th April 2021 when covid safety restrictions for non-essential retailers were eased. Prior to this, in March 2021, our team safely returned to provide support to people referred to our crisis recovery service, and to collect donations of essential furniture and appliances.

Our Foundation4work employment readiness programme resumed one month later with a reduced number of participants. Our pilot programme had been a success before the pandemic, and the outcomes evidence we had collected helped us to secure its future for the next three years thanks to funding support from The Henry Smith Charity.

Over the last 12 months we have supported 527 households in Gateshead, who collectively visited our charity a total of 682 times to access support.

1172 people in total lived in the 527 households we helped, of which 416 (35%) were children.

The circumstances for those who access our services changed in the past 12 months. We have supported more working households, households facing debt issues, people working zero hours contracts, and people fleeing from violence. 89 households have needed free support through our Crisis Recovery programme.

We made 995 collections from households from across Tyne and Wear, and collectively they donated 84,703kgs of furniture to our charity.

We supported 11 people to improve job readiness through our Foundation4Work programme, and supported two long term volunteers. Our Foundation4Work participants have went on to secure employment, moved on to further training, and some continue to volunteer with Foundations while they seek employment.

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

People have told us that they have experienced the following changes as a result of accessing support from our charity

- Improved confidence
- Greater feeling of independence
- Feeling more included within the community
- Learnt new life skills such as DIY, budgeting or maintaining a home
- Children attending school regularly, experiencing improved sleep, and/or benefitting from good routines
- Improved physical and/or mental health
- Improved communication skills, friendships and social life due to feeling able to welcome people into their homes
- Feeling supported and safe
- Moving closer to, or gaining employment

There have been many funders and organisations who have given us their time, assistance, reassurance and understanding. We would like to say a heartfelt thank you to:-

- Gateshead Council
- The Henry Smith Charity
- The National Lottery Community Fund
- Greggs Foundation
- Community Foundation Tyne and Wear and Northumberland
- Tracey Tait

Financial review

The financial statements show a surplus of £5,971. The charity retains a cash balance of £120,077 which will assist running costs in these difficult financial times.

The trustees consider that the ideal level of reserves as at 31 March 2021 would be £100,000. At this level of unrestricted reserves the charity could maintain operation for six months.

Current unrestricted reserves after adjusting for fixed assets amount to £118,923. The charity enjoys good liquidity and has no issue on meeting its liabilities when they are due. The trustees are confident for the next twelve months. Grant applications are being submitted and everyone is optimistic for their success in gaining funding.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 March 1999 and registered as a charity on 10 January 2002. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Rev B Howell

Mrs Eileen McMaster

Mr L O'Hallerton

Helen Hall

(Resigned 9 March 2022)

Jean Bush

(Resigned 14 January 2022)

The directors of the company are also charity trustees for the purpose of charity law. The trustees continually audit the available skills of the board and look to acquire new trustees with different skills and experiences which can assist in the growth of the organisation. Recruitment is by approach and word of mouth.

The charity has a management committee of up to 6 members who meet monthly. Face to face meetings were not possible during 2020/21 however regular trustee and management updates were delivered by telephone and virtually. A scheme of delegation is in place and day to day responsibility for the provision of services rests with Linda Wild and Eric Hall who are managers.

The trustees and management have carried out an assessment of the major risks facing the charity.

The trustees' report was approved by the Board of Trustees.



Rev B Howell

Trustee

21 October 2022

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

I report to the trustees on my examination of the financial statements of Foundations Furniture and Gardening Project Limited (the) for the year ended 31 March 2022.

Responsibilities and basis of report

As the trustees of the (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the 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 the 's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

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 that in any material respect:

- 1 accounting records were not kept in respect of the as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those 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.

Murray and Lamb Accountants

A6 Kingfisher House
Kingsway
Team Valley Trading Estate
Gateshead
Tyne and Wear
NE11 0JQ

Dated: 21 October 2022

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income and endowments from:							
Grants	3	-	108,685	108,685	-	62,809	62,809
Charitable activities	4	83,126	-	83,126	39,905	-	39,905
Other income	5	4,000	-	4,000	65,244	-	65,244
Total income		87,126	108,685	195,811	105,149	62,809	167,958
Expenditure on:							
Charitable activities	6	71,573	118,267	189,840	74,146	78,270	152,416
Net income/(expenditure) for the year/ Net movement in funds		15,553	(9,582)	5,971	31,003	(15,461)	15,542
Fund balances at 1 April 2021		103,676	16,382	120,058	72,673	31,843	104,516
Fund balances at 31 March 2022		119,229	6,800	126,029	103,676	16,382	120,058

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10		306		98
Current assets					
Debtors	11	6,978		575	
Cash at bank and in hand		120,077		120,508	
		127,055		121,083	
Creditors: amounts falling due within one year	12	(1,332)		(1,123)	
Net current assets			125,723		119,960
Total assets less current liabilities			126,029		120,058
Income funds					
Restricted funds			6,800		16,382
Unrestricted funds			119,229		103,676
			126,029		120,058

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 21 October 2022

Brian Howell

Rev B Howell
Trustee

Company registration number 03731516

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Charity information

Foundations Furniture and Gardening Project Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Units 1 & 2, Teams Craft Workshops, Askew Road West, Gateshead, Tyne & Wear, NE8 2PB.

1.1 Accounting convention

The financial statements have been prepared in accordance with the 's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The is a Public Benefit Entity as defined by FRS 102.

The has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the . Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the .

1.4 Income

Income is recognised when the is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	33% - straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the 's balance sheet when the becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the 's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the 's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Grants

	Restricted funds	Restricted funds
	2022	2021
	£	£
Grants	108,685	62,809

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

3 Grants

(Continued)

Grants receivable for core activities

Community Foundation	15,000	4,000
Gateshead Housing Company	-	5,000
Gateshead MBC	46,510	48,277
Greggs Foundation	10,000	-
Hadrian Trust	-	2,000
Parochial Charity	375	250
Pattinson Estate Agents	-	500
Screwfix	-	2,782
J & B Sadler	1,000	-
Reeds Grassroots Funding	2,000	-
Henry Smith Fund	33,800	-
	<u>108,685</u>	<u>62,809</u>

4 Charitable activities

	Showroom sales and other income 2022 £	Showroom sales and other income 2021 £
Furniture and white goods	71,450	36,391
Delivery charges	7,602	3,451
Other income	4,074	63
	<u>83,126</u>	<u>39,905</u>

5 Other income

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Job Retention Scheme Grant	-	41,244
Other Covid funding	-	20,000
Employment allowance	4,000	4,000
	<u>4,000</u>	<u>65,244</u>

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6	Charitable activities	Operating costs 2022 £	People costs 2022 £	Project costs 2022 £	Total 2022 £	Operating costs 2021 £	People costs 2021 £	Project costs 2021 £	Total 2021 £
	Staff costs	-	104,614	7,248	111,862	-	105,507	7,248	112,755
	Direct costs	30,141	-	-	30,141	4,043	-	-	4,043
	Establishment	18,716	-	-	18,716	8,441	-	-	8,441
	Motor and travel	160	-	-	160	1,061	-	-	1,061
	Office costs	1,024	-	-	1,024	430	-	-	430
	Telephone	905	-	-	905	1,175	-	-	1,175
	Accountancy	900	-	-	900	900	-	-	900
	Software and IT	1,544	-	2,308	3,852	1,560	-	2,257	3,817
	Cleaning and disposal costs	397	-	-	397	362	-	-	362
	Repairs and renewals	1,448	-	-	1,448	2,183	-	-	2,183
	Bank and credit card	2,440	-	-	2,440	1,610	-	-	1,610
	Depreciation	102	-	-	102	346	-	-	346
	Subscriptions	461	-	-	461	216	-	-	216
	Insurances	1,236	-	-	1,236	433	-	-	433
	Contribution to core	-	16,196	-	16,196	-	14,644	-	14,644
		<u>59,474</u>	<u>120,810</u>	<u>9,556</u>	<u>189,840</u>	<u>22,760</u>	<u>120,151</u>	<u>9,505</u>	<u>152,416</u>
	Unrestricted funds	33,295	31,030	7,248	71,573	21,025	45,873	7,248	74,146
	Restricted funds	26,179	89,780	2,308	118,267	1,735	74,278	2,257	78,270
		<u>59,474</u>	<u>120,810</u>	<u>9,556</u>	<u>189,840</u>	<u>22,760</u>	<u>120,151</u>	<u>9,505</u>	<u>152,416</u>

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Description of charitable activities

Operating costs

Operating costs are the costs incurred in running the organisation including premises, office and other associated costs.

People costs

People costs are the costs related with employing the staff. They include salaries and contributions to pension schemes and HM Government.

Project costs

Project costs are direct costs relating to meeting funders requirements. The trustees allocate funds to development costs which are included within this heading.

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the during the year.

9 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	8	9
	<hr/>	<hr/>
Employment costs	2022 £	2021 £
Wages and salaries	110,792	111,505
Other pension costs	1,070	1,250
	<hr/>	<hr/>
	111,862	112,755
	<hr/>	<hr/>

There were no employees whose annual remuneration was more than £60,000.

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Tangible fixed assets

	Computers £
Cost	
At 1 April 2021	2,014
Additions	310
At 31 March 2022	2,324
Depreciation and impairment	
At 1 April 2021	1,916
Depreciation charged in the year	102
At 31 March 2022	2,018
Carrying amount	
At 31 March 2022	306
At 31 March 2021	98

11 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	-	105
Other debtors	6,286	-
Prepayments and accrued income	692	470
	6,978	575

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	432	145
Accruals and deferred income	900	978
	1,332	1,123

FOUNDATIONS FURNITURE AND GARDENING PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	306	-	306	98	-	98
Current assets/(liabilities)	118,923	6,800	125,723	103,578	16,382	119,960
	<u>119,229</u>	<u>6,800</u>	<u>126,029</u>	<u>103,676</u>	<u>16,382</u>	<u>120,058</u>

14 Related party transactions

Mr B Howell and Mrs E McMaster are directors of Teamwork Development Trust CIC. Teamwork Development Trust CIC provides management services to the company. During the year the cost of these services amounted to £13,608. Certain expenses are recharged from Teamwork Development Trust CIC for software and legal support. The recharged amount was £10,200.