

Charity registration number 1104867

Company registration number 05065046 (England and Wales)

ROUNDAABOUT (WEST MIDLANDS) LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

ROUNABOUT (WEST MIDLANDS) LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K Barnes B Darwood S Yates P Bennett P K Hung	(Appointed 19 July 2023) (Appointed 1 May 2024)
Secretary	S Yates	
Charity number	1104867	
Company number	05065046	
Registered office	7a Blackminster Business Park Blackminster Evesham Worcestershire United Kingdom WR11 7RE	

ROUNABOUT (WEST MIDLANDS) LIMITED

CONTENTS

	Page
Trustees' report	1 - 3
Independent examiner's report	4
Statement of financial activities	5
Balance sheet	6
Notes to the financial statements	7 - 15

ROUNABOUT (WEST MIDLANDS) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees 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).

Objectives and activities

1. The protection and preservation of the environment by reusing donated furniture and other household items that might otherwise go into landfill.
2. To relieve financial hardship by reusing and distributing the same to such persons who are in conditions of hardship or need within the areas of Worcestershire, Gloucestershire and Warwickshire.
3. To provide volunteering opportunities and to assist people with disabilities by the provision of vocational training in a work setting that develops work ethic, confidence and social skills.

Public benefit

In planning the activities for the year, the trustees kept in mind the Charities Commission's guidance on public benefit at the trustee meetings.

The focus of the activities remains the relief of poverty by recycling donated furniture, equipment and effects and distributing these to those in financial need. However, the Trustees are also increasingly aware of the public benefit of this work in reducing the amount of waste sent to landfill sites and reusing and recycling goods wherever possible.

Charitable activities

Throughout the year, the charity has continued to support individuals and families by providing access to affordable furniture and essential household items. Roundabout responded to 313 referrals from agencies across Worcestershire, Warwickshire and Gloucestershire in the year to 31st March 2024.

During the period under review, Roundabout collected 5,722 items of donated furniture in the form of 889 collections, diverting 136 tonnes of furniture items which may have been destined for landfill.

The charity also embarked on a programme of improvement in back office systems and business processes. The stock management software was replaced and a new digital phone system was installed. Roundabout was awarded Approved Recycling Centre (ARC) status by the Re-use Network following a thorough audit and assessment of the charity's quality management policies and procedures. ARC accreditation opens up access to new supply channels not available to non-ARC accredited organisations. It also provides assurance to customers, suppliers, referral agencies and partners that there are robust quality control systems and processes in place.

Investment was also made in the vehicle fleet with two vans being purchased and one van disposed of, to enable continuity of service for future years.

Opening hours of the charity's shop have been extended following engagement with customers, volunteers and staff to now include Fridays. This means customers have access five days a week and on two Saturdays each month.

ROUNABOUT (WEST MIDLANDS) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Volunteers

The charity gratefully acknowledges the outstanding efforts of its many volunteers, without whom it would not be possible to continue the work.

Financial review

Principal funding sources

During the period under review, the charity's principal funding came from voluntary donations from the public.

Reserves policy

Reserves are required in order to provide a buffer should there be a downturn in fundraising and to provide staff security of employment.

The Roundabout trustees have directed that a minimum of 4.5 month's operations costs (2023 - 6 months), which equates to £97,500, should be held in reserve. This is increased from £95,000 in the prior year to take account of upward inflationary effects on operating costs.

The trustees have directed that £20,000 is designated from the charity general reserves toward the replacement cost of a delivery vehicle.

The trustees have directed that an additional £50,000 is held in reserve for exceptional circumstances, such as any future dilapidations liability arising from Roundabout's occupancy of its current leasehold premises.

The reserves policy is updated annually.

Structure, governance and management

Governing document

The charity was originally formed as an unincorporated association. On 5 March 2004 Roundabout (West Midlands) Limited, a company limited by guarantee, was formed and the work of the charity was transferred to this new company on 1 October 2004. Its objectives and regulations are registered by the memorandum and articles of association of the company, as amended 2019 by special resolution.

Trustees

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:

G Falkiner (resigned 16.07.2024)
K F Barnes
B D Darwood
S P Yates
P D Bennett (appointed 19.07.2023)
P K Hung (appointed 01.05.2024)

Company Secretary

S P Yates

ROUNABOUT (WEST MIDLANDS) LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2024*

Recruitment and appointment of new trustees

Additional trustees may be appointed at the discretion of the Trustees.

Induction and training of new trustees

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes and the financial situation of the charity.

Related parties

There were no related parties during the period under review, other than those disclosed in the notes to these accounts.

Reference and Administrative Details

Registered Company number

05065046 (England and Wales)

Registered Charity number

1104867

Registered office

7a Blackminster Business Park
Blackminster
Evesham
Worcestershire
WR11 7RE

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

S Yates

Dated: 17 December 2024

ROUNABOUT (WEST MIDLANDS) LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF ROUNABOUT (WEST MIDLANDS) LIMITED

I report to the trustees on my examination of the financial statements of Roundabout (West Midlands) Limited (the charity) for the year ended 31 March 2024.

Responsibilities and basis of report

As the trustees of the charity (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 charity 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 charity'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 charity 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.

Stuart Christy FCA
Azets
Statutory Auditors and Accountants
Epsilon House
The Square
Gloucester Business Park
Gloucester
GL3 4AD

Dated: 17 December 2024

ROUNABOUT (WEST MIDLANDS) LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Unrestricted funds 2023 £
	Notes		
<u>Income and endowments from:</u>			
Donations and legacies	3	7,748	13,942
<u>Charitable activities</u>			
Charitable activities	4	32,388	23,816
Other trading activities	5	194,190	150,536
Investment income	6	2,188	2,494
Other income	7	3,284	2,500
Total income		239,798	193,288
<u>Expenditure on:</u>			
<u>Charitable activities</u>			
Bedding and furniture purchased		12,272	9,086
Other		47,543	39,799
Information technology		3,238	2,579
Governance		197,192	145,433
Total charitable expenditure		260,245	196,897
Other	10	-	250
Total expenditure		260,245	197,147
Net expenditure for the year/ Net movement in funds		(20,447)	(3,859)
Fund balances at 1 April 2023		260,234	264,093
Fund balances at 31 March 2024		239,787	260,234

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.

ROUNABOUT (WEST MIDLANDS) LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	12		38,643		37,897
Current assets					
Stocks	13	7,088		5,973	
Debtors	14	11,326		32,040	
Cash at bank and in hand		190,315		199,298	
		<u>208,729</u>		<u>237,311</u>	
Creditors: amounts falling due within one year	15	<u>(7,585)</u>		<u>(14,974)</u>	
Net current assets			201,144		222,337
Total assets less current liabilities			<u>239,787</u>		<u>260,234</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	16	167,500		166,000	
General unrestricted funds		<u>72,287</u>		<u>94,234</u>	
			239,787		260,234
			<u>239,787</u>		<u>260,234</u>

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 2024.

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 17 December 2024

S Yates
Trustee

Company registration number 05065046

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Roundabout (West Midlands) Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 7a Blackminster Business Park, Blackminster, Evesham, Worcestershire, WR11 7RE, United Kingdom.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. 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 charity 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 charity.

1.4 Income

Income is recognised when the charity 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 charity 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 charity 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.

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

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.

1.5 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:

Improvements to property	25% reducing balance
Plant and equipment	20% reducing balance
Fixtures and fittings	20% reducing balance
Computer equipment	20% reducing balance
Motor vehicles	25% reducing balance

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.

1.6 Impairment of fixed assets

At each reporting end date, the charity 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).

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

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.

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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.

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 charity'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 charity 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.

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

2 Critical accounting estimates and judgements

In the application of the charity'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 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Gift Aid	7,193	13,521
Donations and gifts	555	421
	<u>7,748</u>	<u>13,942</u>

4 Charitable activities

	Charitable activities	Charitable activities
	2024	2023
	£	£
Referrals	24,947	13,071
Recycling credit scheme	7,441	10,745
	<u>32,388</u>	<u>23,816</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Sales	194,190	150,536
	<u>194,190</u>	<u>150,536</u>

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

6 Investment income

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Interest receivable	2,188	2,494

7 Other income

	Unrestricted funds	Unrestricted funds
	2024	2023
	£	£
Net gain on disposal of tangible fixed assets	1,179	-
Other income	2,105	2,500
	3,284	2,500

8 Trustees

Other than as disclosed at Note 17 Related Party Transactions, none of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year (2023 - none).

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	10	8
Employment costs	2024	2023
	£	£
Wages and salaries	137,025	93,628
Social security costs	2,400	-
Other pension costs	2,294	1,348
	141,719	94,976

The total amount of employee remuneration received by key management personnel in the year was £21,383 (2023 - £21,340).

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Employees

(Continued)

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

10 Other

Total Unrestricted funds

2024	2023
£	£

Staff loans written off	-	250
	-	250

	=====	=====
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11 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

12 Tangible fixed assets

	Improvements to property £	Plant and equipment £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2023	2,894	5,940	19,114	31,326	76,196	135,470
Additions	-	-	-	2,368	8,500	10,868
Disposals	-	-	-	-	(21,320)	(21,320)
At 31 March 2024	2,894	5,940	19,114	33,694	63,376	125,018
Depreciation and impairment						
At 1 April 2023	2,472	4,718	16,069	20,209	54,105	97,573
Depreciation charged in the year	105	245	608	2,366	6,584	9,908
Eliminated in respect of disposals	-	-	-	-	(21,106)	(21,106)
At 31 March 2024	2,577	4,963	16,677	22,575	39,583	86,375
Carrying amount						
At 31 March 2024	317	977	2,437	11,119	23,793	38,643
At 31 March 2023	422	1,222	3,045	11,117	22,091	37,897

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

13 Stocks

	2024 £	2023 £
Finished goods and goods for resale	7,088	5,973

14 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	3,768	9,727
Other debtors	5,646	19,977
Prepayments and accrued income	1,912	2,336
	11,326	32,040

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	2,122	2,431
Trade creditors	2,096	7,435
Other creditors	-	801
Accruals and deferred income	3,367	4,307
	7,585	14,974

ROUNABOUT (WEST MIDLANDS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

16 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2022	Incoming resources	Resources expended	Balance at 1 April 2023	Incoming resources	Resources expended	Balance at 31 March 2024
	£	£	£	£	£	£	£
4.5 months' operating costs	85,000	10,000	-	95,000	2,500	-	97,500
Replacement cost of delivery vehicle	30,000	-	(10,000)	20,000	-	-	20,000
Referral client discretionary payment fund	1,000	-	-	1,000	-	(1,000)	-
Exceptional circumstances reserve	50,000	-	-	50,000	-	-	50,000
	<u>166,000</u>	<u>10,000</u>	<u>(10,000)</u>	<u>166,000</u>	<u>2,500</u>	<u>(1,000)</u>	<u>167,500</u>

17 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	11,276	-
Between two and five years	-	37,949
	<u>11,276</u>	<u>37,949</u>

18 Related party transactions

During the year the charity employed the daughter of a Trustee as an administration manager. The amount of salary paid during the year amounted to £12,561 (2023 - £11,595). All decisions taken in connection with the employee's employment as an administration manager were made and approved by the Board of Trustees, with the Trustee connected to the employee absenting himself from related discussions and decisions.

During the year the charity engaged the wife of a Trustee to provide bookkeeping support following internal personnel changes. The amount of fees incurred during the year amounted to £6,355 (2023 - £2,045). All decisions taken in connection with the engagement of these services were made and approved by the Board of Trustees, with the Trustee connected to the service provider absenting himself from related discussions and decisions.

There were no other disclosable related party transactions during the year (2023 - none).