

# COUNTY DURHAM FURNITURE HELP SCHEME

England & Wales · Charity number 1112344

## Details

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**Status** Registered

**Legal form** Charitable company

**Company number** [05559147](#)

**Registered** 2005-11-30

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Unit 20  
Ave 3  
Chilton Ind Est  
Chilton

**Phone** 07709088426

**Email** [info@cdfhs.org.uk](mailto:info@cdfhs.org.uk)

**Website** [www.cdfhs.org.uk](http://www.cdfhs.org.uk)

## Activities

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**Objects:** TO RELIEVE POVERTY IN PARTICULAR BY THE PROVISION OF A FURNITURE AND HOUSEHOLD GOODS RECYCLING SERVICE TO THOSE PEOPLE RESIDENT IN COUNTY DURHAM WHO ARE IN NECESSITOUS CIRCUMSTANCES.

**Activities:** Charity object to relieve poverty by the provision of a furniture and household goods recycling service of low cost to those people resident in County Durham who are in necessitous circumstances. We divert bulky waste that would otherwise go to landfill. We also offer volunteering opportunities, work experience and training for all age ranges. Also an employability and job prospect improvement arm

## Classification

- **How:** Provides Human Resources, Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** People With Disabilities, The General Public/mankind

## Geography

- **Area of benefit:** COUNTY DURHAM
- Durham

## Finances

| Period end | Income   | Expenditure | Assets  | Employees |
|------------|----------|-------------|---------|-----------|
| 2025-03-31 | £859,189 | £859,957    | £16,820 | 11        |
| 2024-03-31 | £765,460 | £694,150    | £17,588 | 10        |
| 2023-03-31 | £475,955 | £558,679    | -       | -         |
| 2022-03-31 | £579,432 | £545,918    | £29,002 | 10        |
| 2021-03-31 | £475,000 | £465,000    | -       | -         |

## Trustees

| Name           | Role | Appointed  |
|----------------|------|------------|
| David Carman   |      | 2025-04-01 |
| Simon Kemp     |      | 2025-10-23 |
| Tracy Thompson |      | 2025-01-16 |

COUNTY DURHAM FURNITURE HELP SCHEME

England & Wales - Charity number 1112344

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# Accounts

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0814 C6.

Company Registration Number: 05559147  
Charity Registration Number: 1112344

**County Durham Furniture Help Scheme**  
**Financial Statements**  
**For the year ending**  
**31 March 2025**

**JANE ASCROFT ACCOUNTANCY LIMITED**

Chartered Accountants  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XT

# County Durham Furniture Help Scheme

## Financial Statements

Year ended 31 March 2025

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# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2025

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2025.

### **Objectives**

The objectives of the charity are to relieve poverty in particular by the provision of a furniture and household goods recycling services to those people resident in County Durham who are necessitous circumstances.

### **Activities**

As Chief Executive of CDFHS since 2015, I present this report ahead of my planned retirement in the coming year. The financial year 2024-2025 has marked a significant phase of achievement, investment, and growth for the organisation.

### **Financial Performance**

CDFHS received donations totalling £859,189, reflecting a 12% increase from the previous year (£765,460). Reserves have slightly fallen to £16,820 due to the costs of major investments into a new website, business systems, e-commerce functionality, inventory controls and a customer relationship management platform.

### **Leadership & Operational Developments**

A business continuity plan is now in place to enable seamless leadership transition mid-year. Upcoming developments will include investment in staff welfare and professional development, health and safety management, vehicle fleet replacement and further digital improvements.

### **Charitable Impact**

- Over 1,000 beds delivered to those in need across County Durham
- 400 plus tonnes of waste diverted from landfill via reuse programmes
- 16 tonnes of student belongings recycled through Durham University's Green Move Out
- Countywide repair cafés reported 80% repair success for small appliances
- Delivered Portable Appliance Testing training to improve electrical reuse safety
- Supported local employment and volunteering, expanding staff team to 12

CDFHS continues to meet its charitable objectives of alleviating poverty through the provision of essential furniture and whitegoods, while expanding its environmental and economic value across County Durham.

My sincere gratitude to all stakeholders, partners, staff and volunteers whose commitment has enabled our continued service. As I step down, I am confident that CDFHS is well positioned for a sustainable and impactful future.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

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### Financial review

Income during the year totalled £859,189 (2024 - £765,460) and expenditure totalled £859,957 (2024 - £694,150) giving a deficit of £768 (2024 - surplus of £71,310).

At 31st March 2025 net assets were £16,820, all of which were held in reserves.

### **Reserves Policy**

County Durham Furniture Help Scheme will aim to hold 3 months of its key contingencies as a minimum. That is rental to the County Council matching our Break Clause. Staff salaries for redundancies and key utility suppliers.

This free reserve which can be used if necessary in trading if cashflow is depleted is to be aimed for and built up over the next two to three years. It would be too restrictive any earlier.

### Structure, governance and management

County Durham Furniture Help Scheme is a charitable company governed by its Memorandum and Articles of Association. It was incorporated on 9th September 2005 with company number 05559147 and was registered with the Charity Commission on 30th November 2005 with charity number 1112344.

The charity comprises 3 trustees as a minimum and is managed on a day to day basis by a small but dedicated management team who defer to this board.

The trustees have had regard to the Charity Commission's guidance on public benefit throughout the year when deciding on the activities of the charity.

### Reference and administrative details

**Registered charity name** County Durham Furniture Help Scheme

**Charity registration number** 1112344

**Company registration number** 05559147

**Principal office and registered office** Unit 20, Avenue 3  
Chilton Industrial Estate  
Ferryhill  
County Durham  
DL16 0PB

### **The trustees**

|                 |                             |
|-----------------|-----------------------------|
| Diane Brown     | (Resigned 5 September 2025) |
| Lester Plaskitt | (Appointed 28 January 2025) |
| Tracy Thompson  | (Appointed 28 January 2025) |

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2025

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**Company secretary**

Steve Mitton

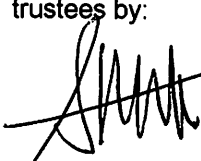
**Independent examiner**

Jane Ascroft FCA MA (Cantab)  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XT

### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on ...13/10/25... and signed on behalf of the board of trustees by:



Steve Mitton  
Charity Secretary

# County Durham Furniture Help Scheme

## Independent Examiner's Report to the Trustees of County Durham Furniture Help Scheme

Year ended 31 March 2025

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I report to the trustees on my examination of the financial statements of County Durham Furniture Help Scheme ('the charity') for the year ended 31 March 2025.

### Responsibilities and basis of report

As the trustees of the company (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 accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

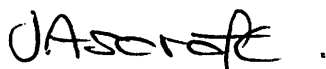
### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 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 in England and Wales (ICAEW), 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 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 accounts to be reached.



Jane Ascroft FCA MA (Cantab)  
Independent Examiner

Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XT

# County Durham Furniture Help Scheme

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2025

|                                                           |      | Unrestricted<br>funds<br>£ | 2025<br>Restricted<br>funds<br>£ | Total funds<br>£ | 2024<br>Total funds<br>£ |
|-----------------------------------------------------------|------|----------------------------|----------------------------------|------------------|--------------------------|
|                                                           | Note |                            |                                  |                  |                          |
| <b>Income and endowments</b>                              |      |                            |                                  |                  |                          |
| Donations and legacies                                    | 5    | 348                        | 189,326                          | 189,674          | 203,092                  |
| Charitable activities                                     | 6    | 669,509                    | —                                | 669,509          | 562,366                  |
| Investment income                                         | 7    | 6                          | —                                | 6                | 2                        |
| <b>Total income</b>                                       |      | <u>669,863</u>             | <u>189,326</u>                   | <u>859,189</u>   | <u>765,460</u>           |
| <b>Expenditure</b>                                        |      |                            |                                  |                  |                          |
| Expenditure on charitable activities                      | 8,9  | 670,631                    | 189,326                          | 859,957          | 694,150                  |
| <b>Total expenditure</b>                                  |      | <u>670,631</u>             | <u>189,326</u>                   | <u>859,957</u>   | <u>694,150</u>           |
| <b>Net (expenditure)/income and net movement in funds</b> |      | <u>(768)</u>               | <u>—</u>                         | <u>(768)</u>     | <u>71,310</u>            |
| <b>Reconciliation of funds</b>                            |      |                            |                                  |                  |                          |
| Total funds brought forward                               |      | 17,588                     | —                                | 17,588           | (53,722)                 |
| <b>Total funds carried forward</b>                        |      | <u>16,820</u>              | <u>—</u>                         | <u>16,820</u>    | <u>17,588</u>            |

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 8 to 17 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Financial Position

31 March 2025

|                                                                | Note | 2025<br>£      | 2024<br>£      |
|----------------------------------------------------------------|------|----------------|----------------|
| <b>Fixed assets</b>                                            |      |                |                |
| Tangible fixed assets                                          | 14   | 4,996          | 11,292         |
| <b>Current assets</b>                                          |      |                |                |
| Stocks                                                         | 15   | 18,733         | 28,242         |
| Debtors                                                        | 16   | 42,857         | 58,045         |
| Cash at bank and in hand                                       |      | 76,660         | 30,884         |
|                                                                |      | <u>138,250</u> | <u>117,171</u> |
| <b>Creditors: amounts falling due within one year</b>          | 17   | 67,879         | 40,679         |
| <b>Net current assets</b>                                      |      | <u>70,371</u>  | <u>76,492</u>  |
| <b>Total assets less current liabilities</b>                   |      | 75,367         | 87,784         |
| <b>Creditors: amounts falling due after more than one year</b> | 18   | 58,547         | 70,196         |
| <b>Net assets</b>                                              |      | <u>16,820</u>  | <u>17,588</u>  |
| <b>Funds of the charity</b>                                    |      |                |                |
| Unrestricted funds                                             |      | 16,820         | 17,588         |
| <b>Total charity funds</b>                                     | 20   | <u>16,820</u>  | <u>17,588</u>  |

For the year ending 31 March 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on 13/10/2025, and are signed on behalf of the board by:

Lester Plaskitt  
Trustee



The notes on pages 8 to 17 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Cash Flows

Year ended 31 March 2025

|                                                       | 2025<br>£      | 2024<br>£      |
|-------------------------------------------------------|----------------|----------------|
| <b>Cash flows from operating activities</b>           |                |                |
| Net (expenditure)/income                              | (768)          | 71,310         |
| <i>Adjustments for:</i>                               |                |                |
| Depreciation of tangible fixed assets                 | 1,666          | 4,109          |
| Other interest receivable and similar income          | (6)            | (2)            |
| Interest payable and similar charges                  | 3,038          | 3,881          |
| Loss on disposal of heritage assets                   | 4,630          | —              |
| Accrued expenses/(income)                             | 39,739         | (39,739)       |
| <i>Changes in:</i>                                    |                |                |
| Stocks                                                | 9,509          | 6,256          |
| Trade and other debtors                               | (24,551)       | 5,584          |
| Trade and other creditors                             | 20,945         | (20,021)       |
| Cash generated from operations                        | 54,202         | 31,378         |
| Interest paid                                         | (3,038)        | (3,881)        |
| Interest received                                     | 6              | 2              |
| Net cash from operating activities                    | <u>51,170</u>  | <u>27,499</u>  |
| <b>Cash flows from financing activities</b>           |                |                |
| Proceeds from borrowings                              | (5,394)        | (5,252)        |
| Net cash used in financing activities                 | <u>(5,394)</u> | <u>(5,252)</u> |
| <b>Net increase in cash and cash equivalents</b>      | 45,776         | 22,247         |
| <b>Cash and cash equivalents at beginning of year</b> | 30,884         | 8,637          |
| <b>Cash and cash equivalents at end of year</b>       | <u>76,660</u>  | <u>30,884</u>  |

The notes on pages 8 to 17 form part of these financial statements.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements

Year ended 31 March 2025

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### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 20, Avenue 3, Chilton Industrial Estate, Ferryhill, County Durham, DL16 0PB.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The accounts have been prepared on a going concern basis however attention is drawn to the comments made in the financial review section of the trustees' annual report.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

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### 3. Accounting policies *(continued)*

#### Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

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### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                     |                        |
|---------------------|------------------------|
| Plant and machinery | - 15% reducing balance |
| Motor vehicles      | - 25% reducing balance |
| IT Equipment        | - 25% reducing balance |

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Financial instruments

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

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

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### Debtors

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

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

### Cash at Bank and in Hand

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

### Creditors

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

### Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## 4. Limited by guarantee

The company is limited by guarantee. At 31st March 2025 there were 3 members each of whom had undertaken to contribute an amount not exceeding £1 in the event of a winding up.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

### 5. Donations and legacies

|                                                  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2025<br>£ |
|--------------------------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations</b>                                 |                            |                          |                          |
| Donations                                        | 348                        | –                        | 348                      |
| <b>Grants</b>                                    |                            |                          |                          |
| Point North (County Durham Community Foundation) | –                          | 163,326                  | 163,326                  |
| Ferryhill AAP                                    | –                          | 20,000                   | 20,000                   |
| DCC UKSPF                                        | –                          | 6,000                    | 6,000                    |
|                                                  | <u>348</u>                 | <u>189,326</u>           | <u>189,674</u>           |
|                                                  |                            |                          |                          |
|                                                  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2024<br>£ |
| <b>Donations</b>                                 |                            |                          |                          |
| Donations                                        | 1,117                      | –                        | 1,117                    |
| <b>Grants</b>                                    |                            |                          |                          |
| Point North (County Durham Community Foundation) | –                          | 171,975                  | 171,975                  |
| Sherburn House                                   | –                          | 30,000                   | 30,000                   |
|                                                  | <u>1,117</u>               | <u>201,975</u>           | <u>203,092</u>           |

### 6. Charitable activities

|                                       | Unrestricted<br>Funds<br>£ | Total Funds<br>2025<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2024<br>£ |
|---------------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| DCC Projects                          | 478,674                    | 478,674                  | 382,169                    | 382,169                  |
| Furniture scheme and related services | 135,579                    | 135,579                  | 151,447                    | 151,447                  |
| Housing support projects              | 55,256                     | 55,256                   | 28,750                     | 28,750                   |
|                                       | <u>669,509</u>             | <u>669,509</u>           | <u>562,366</u>             | <u>562,366</u>           |

### 7. Investment income

|                          | Unrestricted<br>Funds<br>£ | Total Funds<br>2025<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2024<br>£ |
|--------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Bank interest receivable | <u>6</u>                   | <u>6</u>                 | <u>2</u>                   | <u>2</u>                 |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

### 8. Expenditure on charitable activities by fund type

|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2025<br>£ |
|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Furniture scheme and related services | <u>670,631</u>             | <u>189,326</u>           | <u>859,957</u>           |

|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2024<br>£ |
|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Furniture scheme and related services | <u>492,175</u>             | <u>201,975</u>           | <u>694,150</u>           |

### 9. Expenditure on charitable activities by activity type

|                                       | Activities<br>undertaken<br>directly<br>£ | Total funds<br>2025<br>£ | Total fund<br>2024<br>£ |
|---------------------------------------|-------------------------------------------|--------------------------|-------------------------|
| Furniture scheme and related services | <u>859,957</u>                            | <u>859,957</u>           | <u>694,150</u>          |

### 10. Net (expenditure)/income

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

|                                       | 2025<br>£    | 2024<br>£ |
|---------------------------------------|--------------|-----------|
| Depreciation of tangible fixed assets | 1,666        | 4,109     |
| Loss on disposal of fixed assets      | <u>4,630</u> | <u>—</u>  |

### 11. Independent examination fees

|                                                     | 2025<br>£    | 2024<br>£    |
|-----------------------------------------------------|--------------|--------------|
| Fees payable to the independent examiner for:       |              |              |
| Independent examination of the financial statements | 600          | 500          |
| Other financial services                            | <u>4,689</u> | <u>4,479</u> |
|                                                     | <u>5,289</u> | <u>4,979</u> |

### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

|                                         | 2025<br>£      | 2024<br>£      |
|-----------------------------------------|----------------|----------------|
| Wages and salaries                      | 241,116        | 215,901        |
| Social security costs                   | 15,009         | 9,974          |
| Employer contributions to pension plans | <u>4,892</u>   | <u>3,043</u>   |
|                                         | <u>261,017</u> | <u>228,918</u> |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2025

### 12. Staff costs (continued)

The average head count of employees during the year was 11 (2024: 10). The average number of full-time equivalent employees during the year is analysed as follows:

|                            | 2025<br>No. | 2024<br>No. |
|----------------------------|-------------|-------------|
| Number of management staff | 2           | 2           |
| Number of project staff    | 9           | 8           |
|                            | <u>11</u>   | <u>10</u>   |

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

### 13. Trustee remuneration and expenses

No trustees received remuneration or expenses during the current or previous year.

### 14. Tangible fixed assets

|                         | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | IT Equipment<br>£ | Total<br>£    |
|-------------------------|-----------------------------|------------------------|-------------------|---------------|
| <b>Cost</b>             |                             |                        |                   |               |
| At 1 April 2024         | 21,369                      | 27,000                 | 9,152             | 57,521        |
| Disposals               | —                           | (27,000)               | (1,139)           | (28,139)      |
| <b>At 31 March 2025</b> | <u>21,369</u>               | <u>—</u>               | <u>8,013</u>      | <u>29,382</u> |
| <b>Depreciation</b>     |                             |                        |                   |               |
| At 1 April 2024         | 16,133                      | 22,195                 | 7,901             | 46,229        |
| Charge for the year     | 1,309                       | —                      | 357               | 1,666         |
| Disposals               | —                           | (22,195)               | (1,314)           | (23,509)      |
| <b>At 31 March 2025</b> | <u>17,442</u>               | <u>—</u>               | <u>6,944</u>      | <u>24,386</u> |
| <b>Carrying amount</b>  |                             |                        |                   |               |
| <b>At 31 March 2025</b> | <u>3,927</u>                | <u>—</u>               | <u>1,069</u>      | <u>4,996</u>  |
| At 31 March 2024        | <u>5,236</u>                | <u>4,805</u>           | <u>1,251</u>      | <u>11,292</u> |

### 15. Stocks

|                            | 2025<br>£     | 2024<br>£     |
|----------------------------|---------------|---------------|
| Furniture stock for resale | <u>18,733</u> | <u>28,242</u> |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

### 16. Debtors

|                                | 2025          | 2024          |
|--------------------------------|---------------|---------------|
|                                | £             | £             |
| Trade debtors                  | 40,432        | 9,686         |
| Prepayments and accrued income | –             | 39,739        |
| Directors loan account         | 2,425         | 2,388         |
| Other debtors                  | –             | 6,232         |
|                                | <u>42,857</u> | <u>58,045</u> |

### 17. Creditors: amounts falling due within one year

|                                 | 2025          | 2024          |
|---------------------------------|---------------|---------------|
|                                 | £             | £             |
| Trade creditors                 | 52,629        | 28,204        |
| Accruals and deferred income    | 900           | 900           |
| Social security and other taxes | 13,239        | 10,609        |
| Other creditors                 | 1,111         | 966           |
|                                 | <u>67,879</u> | <u>40,679</u> |

### 18. Creditors: amounts falling due after more than one year

|                           | 2025          | 2024          |
|---------------------------|---------------|---------------|
|                           | £             | £             |
| Bank loans and overdrafts | 32,726        | 38,120        |
| NE Social Fund loan       | 25,821        | 32,076        |
|                           | <u>58,547</u> | <u>70,196</u> |

### 19. Pensions and other post retirement benefits

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £4,892 (2024: £3,043).

### 20. Analysis of charitable funds

#### Unrestricted funds

|               | At<br>1 April 2024 | Income         | Expenditure      | At 31 March<br>2025 |
|---------------|--------------------|----------------|------------------|---------------------|
|               | £                  | £              | £                | £                   |
| General funds | <u>17,588</u>      | <u>669,863</u> | <u>(670,631)</u> | <u>16,820</u>       |

|               | At<br>1 April 2023 | Income         | Expenditure      | At 31 March<br>2024 |
|---------------|--------------------|----------------|------------------|---------------------|
|               | £                  | £              | £                | £                   |
| General funds | <u>(53,722)</u>    | <u>563,485</u> | <u>(492,175)</u> | <u>17,588</u>       |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2025

### 20. Analysis of charitable funds (continued)

#### Restricted funds

|                    | At<br>1 April 2024 | Income         | Expenditure      | At 31 March<br>2025 |
|--------------------|--------------------|----------------|------------------|---------------------|
|                    | £                  | £              | £                | £                   |
| Point North (CDCF) | —                  | 163,326        | (163,326)        | —                   |
| Ferryhill AAP      | —                  | 20,000         | (20,000)         | —                   |
| DCC UKSPF          | —                  | 6,000          | (6,000)          | —                   |
|                    | —                  | <u>189,326</u> | <u>(189,326)</u> | —                   |

|                    | At<br>1 April 2023 | Income         | Expenditure      | At 31 March<br>2024 |
|--------------------|--------------------|----------------|------------------|---------------------|
|                    | £                  | £              | £                | £                   |
| Point North (CDCF) | —                  | 171,975        | (171,975)        | —                   |
| Sherburn House     | —                  | 30,000         | (30,000)         | —                   |
|                    | —                  | <u>201,975</u> | <u>(201,975)</u> | —                   |

The restricted funds were for the following purposes:

Point North (County Durham Community Foundation) - Household Support Fund  
 Ferryhill AAP - Wages support  
 DCC UKSPF - Website Development

### 21. Analysis of net assets between funds

|                               | Unrestricted<br>Funds | Total Funds<br>2025 |
|-------------------------------|-----------------------|---------------------|
|                               | £                     | £                   |
| Tangible fixed assets         | 4,996                 | 4,996               |
| Current assets                | 138,250               | 138,250             |
| Creditors less than 1 year    | (67,879)              | (67,879)            |
| Creditors greater than 1 year | (58,547)              | (58,547)            |
| <b>Net assets</b>             | <u>16,820</u>         | <u>16,820</u>       |

|                               | Unrestricted<br>Funds | Total Funds<br>2024 |
|-------------------------------|-----------------------|---------------------|
|                               | £                     | £                   |
| Tangible fixed assets         | 11,292                | 11,292              |
| Current assets                | 117,171               | 117,171             |
| Creditors less than 1 year    | (40,679)              | (40,679)            |
| Creditors greater than 1 year | (70,196)              | (70,196)            |
| <b>Net assets</b>             | <u>17,588</u>         | <u>17,588</u>       |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

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### 22. Analysis of changes in net debt

|                          | At 1 Apr 2024  | Cash flows    | At<br>31 Mar 2025 |
|--------------------------|----------------|---------------|-------------------|
|                          | £              | £             | £                 |
| Cash at bank and in hand | 30,884         | 45,776        | 76,660            |
| Debt due after one year  | (38,120)       | 5,394         | (32,726)          |
|                          | <u>(7,236)</u> | <u>51,170</u> | <u>43,934</u>     |

# **County Durham Furniture Help Scheme**

**Management Information**

**Year ended 31 March 2025**

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**The following pages do not form part of the financial statements.**

# County Durham Furniture Help Scheme

## Detailed Statement of Financial Activities

Year ended 31 March 2025

|                                                  | 2025<br>£      | 2024<br>£      |
|--------------------------------------------------|----------------|----------------|
| <b>Income and endowments</b>                     |                |                |
| <b>Donations and legacies</b>                    |                |                |
| Donations                                        | 348            | 1,117          |
| Point North (County Durham Community Foundation) | 163,326        | 171,975        |
| Sherburn House                                   | —              | 30,000         |
| Ferryhill AAP                                    | 20,000         | —              |
| DCC UKSPF                                        | 6,000          | —              |
|                                                  | <u>189,674</u> | <u>203,092</u> |
| <b>Charitable activities</b>                     |                |                |
| DCC Projects                                     | 478,674        | 382,169        |
| Furniture scheme and related services            | 135,579        | 151,447        |
| Housing support projects                         | 55,256         | 28,750         |
|                                                  | <u>669,509</u> | <u>562,366</u> |
| <b>Investment income</b>                         |                |                |
| Bank interest receivable                         | 6              | 2              |
|                                                  | <u>—</u>       | <u>—</u>       |
| <b>Total income</b>                              | <u>859,189</u> | <u>765,460</u> |
| <b>Expenditure</b>                               |                |                |
| Furniture scheme purchases                       | 384,412        | 317,453        |
| Wages                                            | 241,116        | 215,901        |
| Employer's NIC                                   | 15,009         | 9,974          |
| Pension costs                                    | 4,892          | 3,043          |
| Rent and rates                                   | 53,474         | 53,464         |
| Light and heat                                   | 18,006         | 14,661         |
| Insurance                                        | 9,767          | 9,258          |
| Other premises costs                             | 3,416          | 3,529          |
| Motor vehicle costs                              | 34,215         | 28,377         |
| Professional fees                                | 20,942         | —              |
| Staff and volunteer expenses                     | 22,581         | 12,687         |
| Accountancy fees                                 | 7,223          | 6,929          |
| Telephone                                        | 3,685          | 3,843          |
| Office costs and IT                              | 6,799          | 1,195          |
| Depreciation                                     | 1,666          | 4,109          |
| Interest payable                                 | 3,038          | 3,881          |
| Loss on disposal of fixed assets                 | 4,630          | —              |
| Other expenses                                   | 8,066          | 5,846          |
| Marketing                                        | 17,020         | —              |
|                                                  | <u>859,957</u> | <u>694,150</u> |
| <b>Total expenditure</b>                         | <u>859,957</u> | <u>694,150</u> |
| <b>Net (expenditure)/income</b>                  | <u>(768)</u>   | <u>71,310</u>  |

COUNTY DURHAM FURNITURE HELP SCHEME

England & Wales - Charity number 1112344

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# Accounts

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**County Durham Furniture Help Scheme**  
**Financial Statements**  
**For the year ending**  
**31 March 2024**

**JANE ASCROFT ACCOUNTANCY LIMITED**

Chartered Accountants  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

# County Durham Furniture Help Scheme

## Financial Statements

Year ended 31 March 2024

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# County Durham Furniture Help Scheme

## Trustee's Annual Report (Incorporating the Director's Report)

Year ended 31 March 2024

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The trustee, who is also the director for the purposes of company law, presents her report and the unaudited financial statements of the charity for the year ended 31 March 2024.

### Objectives

The objectives of the charity are to relieve poverty in particular by the provision of a furniture and household goods recycling services to those people resident in County Durham who are necessitous circumstances.

### Activities and financial review

This year will be the County Durham Furniture Help Scheme, known as CDFHS for short....our 21st birthday. CDFHS was formed by Chris Palmer, Diane Hymas and Ray Brown and others. It was seen that there was a significant need to access cheap or even occasionally free household goods for people across Durham County. Back then it was more consigned to Sedgfield Borough and Newton Aycliffe from where Chris, Diane and Ray came from.

Initially the charity (with a link up to St Vincent De Paul) (SVP) operated from some "lock up" garages in Newton Aycliffe. Soon however the need arose for more substantial and secure premises as the volume of goods being donated and then needing delivery outstripped capacity of their cars and trailers. The charity upgraded the Unit 6 – 3,000 square feet to Unit 20 6,000 square feet in 2005. Ray Brown suggested a van and one was duly bought and also industrial premises on Chilton Industrial Estate were acquired.

We will be developing additional press and website information over the course of the coming financial year and the CDFHS tale will be expanded upon. However, we must now deal with the past financial year.

The County Durham Furniture Help Scheme Annual Report has now become a fairly lengthy document going through not just the financials of the past financial year but the activity and background of what happens here that needs to be understood.

The year before this.... 2022 to 2023 was a struggle for the organisation. It was with some worry that I wrote that up, however our year just gone April 1st 2023 to March 2024 has been significantly better and CDFHS is in a strikingly better position than ever before.

We turned over just short of £760K in the twelve months - April 1st 2023 to March 31st 2024, we reduced our debt further, we disposed of owings to HMRC and we tidied our books up further. We also have put in place a more robust reserves policy and have added to that also.

The cash flow still varies widely from a regular first few months of last year being an average of £42K month, this combination of Second hand, furniture scheme sales is about sufficient to cover our overheads. Overheads are our trickiest area. We know we have them, however a major concern is our wages costs, rental and vehicles. That to start costs £22k before any expenses. We know firmly if we can achieve a blend of furniture Scheme and general project work such as Welfare Assistance and Humanitarian that covers the basics.

We would want to see a steady £42K-£52K per month as absolute perfection in terms of turnover. This would enable a steadier cash flow and permits of a small surplus and some potential to build reserves\*. The cash flow is our number one concern and Steve has to stay on top of it. However we are in the gratifying position of seeing our turnover taking off with a new methodology of funding of Household Support Fund that had to be understood, pursued and won. Will come back to that.

# County Durham Furniture Help Scheme

## Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

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### Activities and financial review *(continued)*

In April 2023 we had to expend some of our reserves as well, because in the follow up period of the Old Style of Household Support Fund, we saw very little activity across the board. There being precious little central government financing or direction coming out to anyone local authority down over. Up and till the end of July we were living a virtually hand to mouth existence very reminiscent of our 2022-2023 performance. Steve managed to cover the overheads. Lee was also doing a much greater volume of beds and to some extent furniture scheme sales were slightly stronger.

However, Steve pursued Household Support Fund (HSF) this was put out to successful organisations by a bid process from the County Durham Community Foundation. Initially we were tried with two batches of £5,000.00 in July of 2023. We were allowed to make the decisions on behalf of applicants coming to us "Directly". We had to design an application process that was robust, but easy and simple enough for end using clients to use without shaming them into intrusive background checks. Luckily our strong rapport with social workers from the council and several other groups, housing associations such as Believe and Humankind - paid off

This meant that we were still GETTING household data and background, but coming from qualified workers this took the majority of the onus off CDFHS. Effectively we had via the worker, knowledge of the clients finances (lack of them) and strong corroborating evidence of need So having been supplied with EVIDENCE, we could concentrate on servicing the demand from effectively unimpeachable sources. This became a three-way situation as the Council still dialogued with Steve to assess the volume and numbers and in the background effectively give the Foundation holding the funds the confidence to send out more and larger volumes to us. Steve and the team building up a significant level of trust with all parties.

As an added factor we were also able to supply other organisations working within the HSF remit, who may not necessarily have used us before for whitegoods for example. However Shildon Alive and the Durham County Carers developed a rapport with front office. Sophie in particular fronting the work with DC Carers. This saw our turnover jump in July and October.

We started to see a significant turnaround in our fortunes across the last 6 months of last year - yes primarily down to HSF. However other areas Durham County Council started taking note of our preparedness to vary our offering and the way we would provide our service. Steve adopting and presenting to a range of budget holders, council staff and project managers this formula. Effectively this would keep front line workers away from shopping for and arranging deliveries of various items ranging from cots, moses baskets all the way down to baby gates and home safety packs.

Here follows a summary of the main strands of our "business" and where they fit into the scheme of things. Literally.

The Furniture Scheme itself is the original core of the charity. This is the pure recycle and re-use part of what we do. People in poverty or in the mood for a bargain / saving, can come along. There is no restriction, or obligation to prove poverty. We conduct an on-the-spot means test and determine what we can do to help the customer. We can also offer advice and guidance as to potential sources of support elsewhere if the person on our premises has cash issues, or other issues to be supported with. This is fairly an un-lauded part of our activity. Our Front Office team over the years building up experience and contacts can "signpost" people on to anything from Welfare Assistance to Citizens Advice.

We deliver in accordance what the customer wants or we have offered. This is paid for either by the customer by way of a negotiated donation. Or if there is a referral made or support is forthcoming we coordinate that funding with the clients. This could be the "bank of mum and dad" or friends. Or as stated the referrer who has sent the client to us - or the referrer we have involved.

# County Durham Furniture Help Scheme

## Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

---

### Activities and financial review *(continued)*

To keep the furniture scheme stocked we have the infrastructure to arrange to collect via appointment unwanted or surplus household goods. This can be from someone turning up and we make arrangements on the spot or we get contacted with a house to clear or part clear - we go out to these and often this involves a team to do the work and we often need to arrange basic costs of fuel and wages to be paid. This seems at odds with our charitable ethic. Over the years we find that what we are offered is often not what we get. We often are faced with being faced with a range of items from the odd to downright dreadful rubbish. We really need to recover some of this cost. If not we would be faced with just being an unpaid rubbish disposer. Yes contentious and really not what people would expect to hear.

Our very existence depends on our income exceeding our expenditure. We do not magic funds, wages, fuel, rent and all the standard costs of running what is turning out to be a fully professionally organised entity - with a charitable heart or core of helping people in need. We need to be sustainable and must be efficient and timely and cost effective at what we do and likewise to be recompensed for this. All collections are planned and carried out with the respect and dignity of the individual being maintained at all times.

All deliveries and collections are by appointment, we operate a rigid and rehearsed process to try and ensure the best service possible. We are always seeking to improve matters and later in this report are some ideas and plans coming to the fore to achieve this.

We have many council driven Strands of activity and income generation, some long standing and some fairly new. We still see 70 to 80 percent of our turnover coming from the County Council.

Primarily in 8 main project strands. Welfare Assistance, Stronger Families, Household Support Funds (Adult and Children focused), Housing Solutions the homeless/ rough sleeper supporting part of DCC. Finally, the strand is the Humanitarian project which also now is developing to see a heavy Ukrainian supporting ethos appearing

Strand 1: Welfare Assistance, issued in the form of grants for furniture and whitegoods. Awards to the maximum value of £1,000 for a family group, criteria are support worker must underwrite the request....and smaller values for single and couples. We are given awards to deliver on behalf of the tenant. This is a daily activity and we are given the week's total of funds paid weekly in arrears. This volume can vary when we are busy with Household Support Fund, as this is an easier pot to apply for, so to some extent we see decreases in volume here when HSF is in "full swing"

Strand 2: Housing Solutions. This is work Steve garnered in the early days of the pandemic, driven by central governments "ALL IN" policy of getting all homeless people / rough sleepers in to stable and manageable / sustainable accommodation. Some months this project strand has been reduced as the Council has had issues getting properties for clients. Outrageous really as there are 10,000 empty properties in the North of England. Towards the end of 2023-2024 we are bidding for an enhanced package which will mean this continues at a higher value for some part of next coming year.

Strand 3: Humanitarian Project. We work closely with the Local Authorities Policy & Executive Support Manager Partnerships and Community Engagement. Following government policy with resettling of refugees. This work contributes to us being able to provide other services and work streams of benefit to incoming residents and to our staff in terms of variation of work and thus is relatively confidential but adds and will going forward add to turnover - we hope significantly. This has meant occasional purchases for Ukrainian families dislodged from previously steady tenancies and Asylum seeking families where we get groups of houses (usually 6) to do. This work has been much reduced again due to acquisition of properties being an issue. We are hoping for better from this fund and apparently a drive to acquire properties - see CDLA Strand - should see volume appearing September 2024 and onwards.

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# County Durham Furniture Help Scheme

## Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

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### Activities and financial review *(continued)*

Strand 4: Stronger Families / Children and Young people and families are supported with this and we supply a range of family safety products and family oriented furniture and whitegoods. The turnover here continuing on from last year is much reduced compared to previous years and has been skewed by the presence of the "elephant in the room" one of our biggest and now ongoing via the Foundation successes of the last two years - HSF.

Strand 5 Stronger Families also New Strand we'll call 5B is Best Start for Life Fund looked after by the same team Lindsey and Tina. This has seen us stocking, beds (normal type but increasing our volumes, Cots, Moses Baskets and all associated bedding. We note that all the previous Stronger Family work of small value, baby gates, safety packs, cleats, thermometers and bed guards is being bought via this project and we are managing the stock purchasing for this project. This again being an idea to give us the sourcing work to do - keeping expensive qualified support workers in dealing with clients. This again gives us a cashflow implication - see later. Also that of inventory and management, another area which will have to be addressed. Volume here has been significant at times. Totally depending on the mix of referrals. This may well continue all through 2024-2025.

Strand 6: Household Support Fund, as referred to above is now in its third iteration of government level volume distributed to local authorities and then via the local Community Foundation in a bidding type scenario, lumps of funding referred to £5K to start, then £20K and final batches of £30K in December 2023. Supposed to last until March 31, 2024. We had to apply further and got £50,000 at the end of January, taking this funding to one of the most important we have ever had. With another £20K in mid-March taking the amount over £190,000.00. We were let in on the fact there was another round of this potentially coming out but as of this year end - intention but no hard cash.

This year it was apparent the Council needed their version of HSF, leading to Strand 6B, some funding purely from the Adult Side of the local authority - that is social services, carers support, the NHS and other support workers who can access this relatively easy to qualify for whitegoods and furniture to a value of £1,000.00. In previous years this had a children and young families element and this added an additional £50,000, hence Steves comment last year of the "elephant in the room". Good to have and helped our turnover briefly at year end.

Shades of last year. There are "firm" rumours that this may be part continued and that the council are "mulling" revamping their staffing resource and commencing using their channels and therefore our services - which are highly regarded to deliver the elements they see us relevant for. We have also got to know many more support workers from schools, the NHS, other charities, DCCarers and many more that tap into this fund also

As noted we are developing all the time the range of goods and services we offer to the council and many organisations and this year. I felt it was worth re- explaining what we do with these project strands. This shows how thoroughly we are integrated and needed by the local Authority, this in turn highlights some weaknesses associated with this near 90% of turnover from the local authority - though the way each strand is managed and operates is like a separate business and often transitory or fluctuates wildly.

We acknowledge this and are trying to vary things to reduce this dependence. Also at the same time emphasising our complete essential value to the County, and The County Council in particular.

We still do smaller regular amounts of paid work for Andrew Marshall Rental Properties, Red Supported Living, Believe Housing, Moving On, Cornerstone, Bernicia Housing is a new entrant despite an awful grant writing issue with a part of their group. Sedgfield Charities, Cornforth Partnership and Foundation local to us are always ordering and paying for small amounts.

Durham University Green Move Out (GMO) has happened again.

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# County Durham Furniture Help Scheme

## Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

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### Activities and financial review *(continued)*

This last financial year saw 10 tonnes of incoming abandoned or donated student belongings (depends on your viewpoint). This then feeds as a useful addition of volume to our newly expanding clothing selling area of our charity operation. An area of variation I refer to.

We are looking at finding contacts going forward as I would argue we can compete with their regular suppliers in bidding for work involved in supplying across the entire University of Durham "Estate". We need to capitalise on another successful year.

We work with the students and environmental team staff of Durham University in their annual GMO. This project is gaining in publicity with its seriously green credentials. It is a service that significantly makes a difference across Durham City in volume reduction of potential waste arising from June when Students depart to city residents seeing a demonstrable positive impact on waste reduction.

We not only sell the arising clothing, bedding and second hand small domestic appliances County wide but make significant volumes of bedding, clothing etc. available to street homeless, rough sleepers, and significantly other charities both animal and human.

We have seen some increase in volunteering by not just Students of the University but staff volunteer days happen also. This is uplifting to see and further strengthens our volunteering ethic and as stated our green credentials. We partner not just with Durham University but Durham County Council Strategic Waste Department.

Another (now regular) initiative driven by Durham County Council Strategic Waste continues our involvement in tackling the growing issue of unwanted small electrical items. To this end we are working with a small grant funded team that has been growing the volume of small electrical items being diverted from going to landfill or being sensitively recycled.

This will go from strength to strength. Something that adds to the CDFHS overall impact in the County is the cross-cutting nature of these events. The repair cafes are an opportunity for us to self-promote and put a very public face across the County.

What we also see is an added bonus that we are offering on the back of the Repair Cafes training opportunities. We have now offered Portable Appliance Testing to both individuals and other organisations. Also, we now possess 4 PAT Testing kits courtesy of Durham County Council Not just adding to training here as part of the CDFHS Training and Employment, but as loan items to enhance other organisations often onerous annual testing requirements for their in house electrical items.

We also cannot forget our work experience offering - this is harder to support as post COVID we are finding volunteers and work experience candidates harder to come by than ever. We are still seeing approaches being made from Jobcentre Plus and the Probation Service. We wasted quite a lot of time last year also on an abortive application for funding via a leading Housing Association. We feel on reflection we were subjected to a time-wasting, fishing expedition that had no intention of favouring us with funding. A hard pill to swallow our CEO's resources are not limitless.

We spend time looking after our staff as well not just our volunteers. It's still noticeably a hard thing for the public to accept, that we have to provide a staff resource. With this comes an overhead which is a concern, a wages bill of £15K Monthly for the charity. We have an establishment of 10, and this costs us in excess of £200,000 per year. We used to be able also to have a high proportion of volunteers within CDFHS that we could "Churn" towards employment with us and formed the basis for our work experience and various back in to work or work generating grant schemes. This as stated is not so much the case now.

# County Durham Furniture Help Scheme

## Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

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### Activities and financial review *(continued)*

Anyway, CDFHS has some candidates that have joined us, and one gentleman is particularly active as a volunteer with us and given support. He is looking at opening up our EBay trading again. He has proved also adept as a regular volunteer and Matthew is looking at developing his role with the CDFHS further once the new board get in to place and we can gain support of Ebay charitable costings to operate our account. This is taking longer than anticipated. However, the CDFHS is sitting on a physical reserve pile of goods that are eminently saleable. This will be an area that once the quoted new systems are put in place will support. Promising for the future.

County wide, we have an impact as stated earlier beyond our turnover, training and so on of our increasingly important "green contribution". We will look next year at developing our "green credentials". Our existence prevents pollution caused by reducing the need to harvest new raw materials. What we do saves energy, reduces greenhouse gas emissions that contribute to global climate change. We add to sustaining the environment for future generations, our overall contribution to waste reduction in Bulky Waste is now a major environmental impact and is in excess of 180...200 metric tonnes per year.

With agreement with the UK Repaint organisation the CDFHS has the branding of County Durham Repaint. We re-use and resell several thousand litres of paint per year. We are supported by the national Repaint organisation. We have had the good fortune to be able to receive significant amounts of donated paint for example from Dulux and Farrow and Ball. We hope that this relationship continues next year.

On the one stop shop front we brought in Best Start for Life via the Stronger families team headed up by Tina Shaw and Lindsey Davison. This project saw us bring "industrial quantities" of bedding in (along with growing work from Housing Solutions homelessness support team). This saw us add cots, moses baskets and other young family-oriented work in. At the same time we started seeing Household Support Fund (Adults) work come in to us also headed by Angela Craggs.

Becky Heightley coming into the Front Office has proved to be a total win for CDFHS. Sophie has steadily improved, but the team mentality in the office "clicked". Front Office team has got more confident with spreadsheets and reporting back to Steve/Lee and processing all the orders and doing some of the purchasing themselves we saw them take on board virtually running a full project apiece.

What was noticeable was as we increased our workload, we found we were offering overtime across the board to our staff, which is a first for the CDFHS. This involved weekend working and if necessary additional vehicle hire. This put our wages up (obviously) and that needs increased volume of activity to sustain, then increasing that needs more in turn. We were heading to 19K wages per month.

# County Durham Furniture Help Scheme

## Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

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### Activities and financial review *(continued)*

Steve saw the potential uplift in work coming along and applied for and got support from the CDCF for such overheads by applying in good time for Poverty Hurts which contributed to Vehicle costs, expenses, fuel and insurances. County Durham Community Foundation for £10,000.00 Being able and having had time freed up, managing and writing grant applications and so on demonstrates the difference staff development and increasing offboarding workloads have brought to the table. What was and is coming to the fore is we need also to have a look at our business management tools.

A lot of paperwork and how we originally had systems in place -has drifted away from the I.T system that Matthew Sutherland has developed for us, particularly our inventory and tracking. Matthew left us some time back. But, despite best attempts our system development work has come to a stop, our website has gotten increasingly underdeveloped. As we have gone through the year it has become increasingly obvious that this, purchasing, stock control, inventory, a sales system -is all currently done - the "hard way" by spreadsheet. Mainly by Steve as we grow and do more business - this is just insufficient for the task in hand. It is obvious that the organisation has started to creak at the seams as it were. Iain Kay and Steve have had several discussions and this thread in the CDFHS going forward is revisited in meetings had on and off over the year.

To note going forward, we need to strengthen our Governance and the non-contributing board members currently are being approached (or attempts made) to assess any future contribution. Only one of them Chris Trotter offered any support. We will concentrate on gaining ourselves more Trustees that can bring something with them to support Steve and remove the need for strategic direction from him and apply this themselves as a true board of Trustees should do.

We also propose to keep Jane Ascroft as our accountant and independent examiner. One immediate piece of advice from Jane is for CDFHS to build up an additional financial buffer and to look at not just steadily increasing the reserves at NE First. But, to develop if it is possible a working capital buffer. We thank Jane for her service here. Also we will need to get Julian more involved in Steve's workload. It is noted that systems are needed not just tweaking but actually creating or bringing into play.

We have spoken to Business Durham and their support continues and Stuart Anderson of Business Durham is increasingly being involved in our day to day activities. Iain Kay and Business Durhams input have recommended a consultant called Ian Murray. He has spent the last two months of this year adding his input to the work Steve and Iain do jointly. He feels he can work with Lee to develop systems (this is us going back to this thread now).

Ian Murray and Stuart are advising the CDFHS on Governance as well as Iain Kay. Stuart is also as of the year end looking at the feasibility of becoming an advisor / observer to the board. There is support he can give via UKSPF and UMI. It means some grant writing to see the direction of travel of the CDFHS and to develop systems to support the business / charity going forward and to advise the new board accordingly. This is at early stages and will continue the next financial year

This means CDFHS will strengthen the board, develop systems and try to further add to reserves going forward and to weather what potentially could be a bumpy financial year to come.

We again wish to thank all our partners, supporters, family and friends for either putting up with continuing growing pains. Long hours and hard work for our loyal and now long serving staff must also be mentioned, without them and our regular supporters and volunteers we would not be anywhere near the shape and size we have become. We may even hit the magic figure of turning over a million pounds of support to the people of County Durham.

# County Durham Furniture Help Scheme

Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

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## Financial review

Income during the year totalled £765,460 (2023 - £475,955) and expenditure totalled £694,150 (2023 - £558,679) giving a surplus of £71,310 (2023 - deficit of £82,724).

At 31st March 2024 net assets were £17,588, all of which were held in reserves.

## Reserves Policy

County Durham Furniture Help Scheme will aim to hold 3 months of its key contingencies as a minimum. That is rental to the County Council matching our Break Clause. Staff salaries for redundancies and key utility suppliers.

This free reserve which can be used if necessary in trading if cashflow is depleted is to be aimed for and built up over the next two to three years. It would be too restrictive any earlier.

## Structure, governance and management

County Durham Furniture Help Scheme is a charitable company governed by its Memorandum and Articles of Association. It was incorporated on 9th September 2005 with company number 05559147 and was registered with the Charity Commission on 30th November 2005 with charity number 1112344.

The charity comprises 3 trustees as a minimum and is managed on a day to day basis by a small but dedicated management team who defer to this board.

The trustees have had regard to the Charity Commission's guidance on public benefit throughout the year when deciding on the activities of the charity.

# County Durham Furniture Help Scheme

Trustee's Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2024

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## Reference and administrative details

**Registered charity name** County Durham Furniture Help Scheme

**Charity registration number** 1112344

**Company registration number** 05559147

**Principal office and registered office** Unit 20, Avenue 3  
Chilton Industrial Estate  
Ferryhill  
County Durham  
DL16 0PB

## The trustees

Diane Brown  
Lester Plaskitt (Appointed 30<sup>th</sup>  
October 2024)

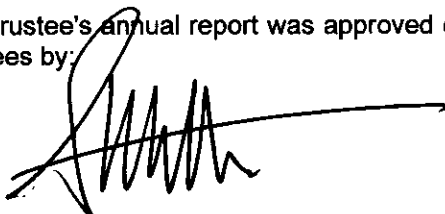
**Company secretary** Steve Mitton

**Independent examiner** Jane Ascroft FCA MA (Cantab)  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

## Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustee's annual report was approved on 11/11/2024 and signed on behalf of the board of trustees by:



Steve Mitton  
Charity Secretary

# County Durham Furniture Help Scheme

## Independent Examiner's Report to the Trustee of County Durham Furniture Help Scheme

Year ended 31 March 2024

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I report to the trustee on my examination of the financial statements of County Durham Furniture Help Scheme ('the charity') for the year ended 31 March 2024.

### Responsibilities and basis of report

As the trustee of the company (and also its director 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 accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 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 in England and Wales (ICAEW), 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 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).

# County Durham Furniture Help Scheme

## Independent Examiner's Report to the Trustee of County Durham Furniture Help Scheme (continued)

Year ended 31 March 2024

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

A handwritten signature in blue ink that reads "Jane Ascroft". The signature is written in a cursive style with a clear, legible font.

Jane Ascroft FCA MA (Cantab)  
Independent Examiner

Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

# County Durham Furniture Help Scheme

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2024

|                                                           |      | Unrestricted<br>funds | 2024<br>Restricted<br>funds | Total funds    | 2023<br>Total funds |
|-----------------------------------------------------------|------|-----------------------|-----------------------------|----------------|---------------------|
|                                                           | Note | £                     | £                           | £              | £                   |
| <b>Income and endowments</b>                              |      |                       |                             |                |                     |
| Donations and legacies                                    | 5    | 1,117                 | 201,975                     | 203,092        | 1,536               |
| Charitable activities                                     | 6    | 562,366               | –                           | 562,366        | 474,419             |
| Investment income                                         | 7    | 2                     | –                           | 2              | –                   |
| <b>Total income</b>                                       |      | <u>563,485</u>        | <u>201,975</u>              | <u>765,460</u> | <u>475,955</u>      |
| <b>Expenditure</b>                                        |      |                       |                             |                |                     |
| Expenditure on charitable activities                      | 8,9  | 492,175               | 201,975                     | 694,150        | 558,679             |
| <b>Total expenditure</b>                                  |      | <u>492,175</u>        | <u>201,975</u>              | <u>694,150</u> | <u>558,679</u>      |
| <b>Net income/(expenditure) and net movement in funds</b> |      | <u>71,310</u>         | <u>–</u>                    | <u>71,310</u>  | <u>(82,724)</u>     |
| <b>Reconciliation of funds</b>                            |      |                       |                             |                |                     |
| Total funds brought forward                               |      | (53,722)              | –                           | (53,722)       | 29,002              |
| <b>Total funds carried forward</b>                        |      | <u>17,588</u>         | <u>–</u>                    | <u>17,588</u>  | <u>(53,722)</u>     |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 15 to 24 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Financial Position

31 March 2024

|                                                                | Note | 2024<br>£      | 2023<br>£       |
|----------------------------------------------------------------|------|----------------|-----------------|
| <b>Fixed assets</b>                                            |      |                |                 |
| Tangible fixed assets                                          | 14   | 11,292         | 15,401          |
| <b>Current assets</b>                                          |      |                |                 |
| Stocks                                                         | 15   | 28,242         | 34,498          |
| Debtors                                                        | 16   | 58,045         | 23,890          |
| Cash at bank and in hand                                       |      | 30,884         | 8,637           |
|                                                                |      | <u>117,171</u> | <u>67,025</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 17   | <u>40,679</u>  | <u>50,472</u>   |
| <b>Net current assets</b>                                      |      | <u>76,492</u>  | <u>16,553</u>   |
| <b>Total assets less current liabilities</b>                   |      | <u>87,784</u>  | <u>31,954</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 18   | <u>70,196</u>  | <u>85,676</u>   |
| <b>Net assets</b>                                              |      | <u>17,588</u>  | <u>(53,722)</u> |
| <b>Funds of the charity</b>                                    |      |                |                 |
| Unrestricted funds                                             |      | <u>17,588</u>  | <u>(53,722)</u> |
| <b>Total charity funds</b>                                     | 20   | <u>17,588</u>  | <u>(53,722)</u> |

For the year ending 31 March 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- 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;
- The director acknowledges her responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 11/11/24, and are signed on behalf of the board by:



Diane Brown  
Trustee

The notes on pages 15 to 24 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Cash Flows

Year ended 31 March 2024

|                                                             | 2024<br>£      | 2023<br>£       |
|-------------------------------------------------------------|----------------|-----------------|
| <b>Cash flows from operating activities</b>                 |                |                 |
| Net income/(expenditure)                                    | 71,310         | (82,724)        |
| <i>Adjustments for:</i>                                     |                |                 |
| Depreciation of tangible fixed assets                       | 4,109          | 5,381           |
| Other interest receivable and similar income                | (2)            | –               |
| Interest payable and similar charges                        | 3,881          | 5,295           |
| Accrued income                                              | (39,739)       | –               |
| <i>Changes in:</i>                                          |                |                 |
| Stocks                                                      | 6,256          | 1,162           |
| Trade and other debtors                                     | 5,584          | 55,511          |
| Trade and other creditors                                   | (20,021)       | (11,778)        |
| Cash generated from operations                              | 31,378         | (27,153)        |
| Interest paid                                               | (3,881)        | (5,295)         |
| Interest received                                           | 2              | –               |
| Net cash from/(used in) operating activities                | <u>27,499</u>  | <u>(32,448)</u> |
| <b>Cash flows from financing activities</b>                 |                |                 |
| Proceeds from borrowings                                    | <u>(5,252)</u> | <u>(4,611)</u>  |
| Net cash used in financing activities                       | <u>(5,252)</u> | <u>(4,611)</u>  |
| <b>Net increase/(decrease) in cash and cash equivalents</b> | 22,247         | (37,059)        |
| <b>Cash and cash equivalents at beginning of year</b>       | <u>8,637</u>   | <u>45,696</u>   |
| <b>Cash and cash equivalents at end of year</b>             | <u>30,884</u>  | <u>8,637</u>    |

The notes on pages 15 to 24 form part of these financial statements.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements

Year ended 31 March 2024

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### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 20, Avenue 3, Chilton Industrial Estate, Ferryhill, County Durham, DL16 0PB.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The accounts have been prepared on a going concern basis however attention is drawn to the comments made in the financial review section of the trustees' annual report.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustee for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

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### 3. Accounting policies *(continued)*

#### Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

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### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                     |                        |
|---------------------|------------------------|
| Plant and machinery | - 15% reducing balance |
| Motor vehicles      | - 25% reducing balance |
| IT Equipment        | - 25% reducing balance |

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Financial instruments

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

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

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### Debtors

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

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

### Cash at Bank and in Hand

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

### Creditors

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

### Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## 4. Limited by guarantee

The company is limited by guarantee. At 31st March 2024 there was 1 member each of whom had undertaken to contribute an amount not exceeding £1 in the event of a winding up.

## 5. Donations and legacies

|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2024<br>£ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations</b>                   |                            |                          |                          |
| Donations                          | 1,117                      | –                        | 1,117                    |
| <b>Grants</b>                      |                            |                          |                          |
| County Durham Community Foundation | –                          | 171,975                  | 171,975                  |
| Sherburn House                     | –                          | 30,000                   | 30,000                   |
|                                    | <u>1,117</u>               | <u>201,975</u>           | <u>203,092</u>           |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2024

### 5. Donations and legacies (continued)

|                  | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations</b> |                            |                          |                          |
| Donations        | 1,536                      | –                        | 1,536                    |
|                  | <u>1,536</u>               | <u>–</u>                 | <u>1,536</u>             |

### 6. Charitable activities

|                                       | Unrestricted<br>Funds<br>£ | <b>Total Funds<br/>2024<br/>£</b> | Unrestricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|---------------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| DCC Projects                          | 382,169                    | 382,169                           | 312,353                    | 312,353                  |
| Furniture scheme and related services | 151,447                    | 151,447                           | 119,744                    | 119,744                  |
| Housing support projects              | 28,750                     | 28,750                            | 24,149                     | 24,149                   |
| Winter support fund                   | –                          | –                                 | 18,173                     | 18,173                   |
|                                       | <u>562,366</u>             | <u>562,366</u>                    | <u>474,419</u>             | <u>474,419</u>           |

### 7. Investment income

|                          | Unrestricted<br>Funds<br>£ | <b>Total Funds<br/>2024<br/>£</b> | Unrestricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|--------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Bank interest receivable | <u>2</u>                   | <u>2</u>                          | <u>–</u>                   | <u>–</u>                 |

### 8. Expenditure on charitable activities by fund type

|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | <b>Total Funds<br/>2024<br/>£</b> |
|---------------------------------------|----------------------------|--------------------------|-----------------------------------|
| Furniture scheme and related services | <u>492,175</u>             | <u>201,975</u>           | <u>694,150</u>                    |
|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£          |
| Furniture scheme and related services | <u>558,679</u>             | <u>–</u>                 | <u>558,679</u>                    |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2024

### 9. Expenditure on charitable activities by activity type

|                                       | Activities<br>undertaken<br>directly<br>£ | <b>Total funds<br/>2024<br/>£</b> | Total fund<br>2023<br>£ |
|---------------------------------------|-------------------------------------------|-----------------------------------|-------------------------|
| Furniture scheme and related services | 694,150                                   | 694,150                           | 558,679                 |

### 10. Net income/(expenditure)

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

|                                       | <b>2024<br/>£</b> | 2023<br>£ |
|---------------------------------------|-------------------|-----------|
| Depreciation of tangible fixed assets | 4,109             | 5,381     |

### 11. Independent examination fees

|                                                     | <b>2024<br/>£</b> | 2023<br>£    |
|-----------------------------------------------------|-------------------|--------------|
| Fees payable to the independent examiner for:       |                   |              |
| Independent examination of the financial statements | 500               | 500          |
| Other financial services                            | 4,479             | 4,676        |
|                                                     | <u>4,979</u>      | <u>5,176</u> |

### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

|                                         | <b>2024<br/>£</b> | 2023<br>£      |
|-----------------------------------------|-------------------|----------------|
| Wages and salaries                      | 215,901           | 175,726        |
| Social security costs                   | 9,974             | 7,441          |
| Employer contributions to pension plans | 3,043             | 648            |
|                                         | <u>228,918</u>    | <u>183,815</u> |

The average head count of employees during the year was 10 (2023: 11). The average number of full-time equivalent employees during the year is analysed as follows:

|                            | <b>2024<br/>No.</b> | 2023<br>No. |
|----------------------------|---------------------|-------------|
| Number of management staff | 2                   | 2           |
| Number of project staff    | 8                   | 9           |
|                            | <u>10</u>           | <u>11</u>   |

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

### 13. Trustee remuneration and expenses

No trustees received remuneration or expenses during the current or previous year.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2024

### 14. Tangible fixed assets

|                                          | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | IT Equipment<br>£ | Total<br>£    |
|------------------------------------------|-----------------------------|------------------------|-------------------|---------------|
| <b>Cost</b>                              |                             |                        |                   |               |
| <b>At 1 April 2023 and 31 March 2024</b> | <u>21,369</u>               | <u>27,000</u>          | <u>9,152</u>      | <u>57,521</u> |
| <b>Depreciation</b>                      |                             |                        |                   |               |
| At 1 April 2023                          | 14,387                      | 20,592                 | 7,141             | 42,120        |
| Charge for the year                      | <u>1,746</u>                | <u>1,603</u>           | <u>760</u>        | <u>4,109</u>  |
| <b>At 31 March 2024</b>                  | <u>16,133</u>               | <u>22,195</u>          | <u>7,901</u>      | <u>46,229</u> |
| <b>Carrying amount</b>                   |                             |                        |                   |               |
| <b>At 31 March 2024</b>                  | <u>5,236</u>                | <u>4,805</u>           | <u>1,251</u>      | <u>11,292</u> |
| At 31 March 2023                         | <u>6,982</u>                | <u>6,408</u>           | <u>2,011</u>      | <u>15,401</u> |

### 15. Stocks

|                            | <b>2024</b><br>£ | 2023<br>£     |
|----------------------------|------------------|---------------|
| Furniture stock for resale | <u>28,242</u>    | <u>34,498</u> |

### 16. Debtors

|                         | <b>2024</b><br>£ | 2023<br>£     |
|-------------------------|------------------|---------------|
| Trade debtors           | 9,686            | 17,307        |
| Accrued income          | 39,739           | –             |
| Director's loan account | 2,388            | 726           |
| Wages debtor            | –                | 5,857         |
| Other debtors           | <u>6,232</u>     | <u>–</u>      |
|                         | <u>58,045</u>    | <u>23,890</u> |

### 17. Creditors: amounts falling due within one year

|                                 | <b>2024</b><br>£ | 2023<br>£     |
|---------------------------------|------------------|---------------|
| Trade creditors                 | 28,204           | 23,452        |
| Accruals and deferred income    | 900              | 900           |
| Social security and other taxes | 10,609           | 26,041        |
| Other creditors                 | <u>966</u>       | <u>79</u>     |
|                                 | <u>40,679</u>    | <u>50,472</u> |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

### 18. Creditors: amounts falling due after more than one year

|                           | 2024          | 2023          |
|---------------------------|---------------|---------------|
|                           | £             | £             |
| Bank loans and overdrafts | 38,120        | 43,372        |
| NE Social Fund loan       | 32,076        | 37,877        |
| Key Fund loan             | —             | 4,427         |
|                           | <u>70,196</u> | <u>85,676</u> |

### 19. Pensions and other post retirement benefits

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £3,043 (2023: £648).

### 20. Analysis of charitable funds

#### Unrestricted funds

|               | At<br>1 April 2023 | Income         | Expenditure      | At 31 March<br>2024 |
|---------------|--------------------|----------------|------------------|---------------------|
|               | £                  | £              | £                | £                   |
| General funds | <u>(53,722)</u>    | <u>563,485</u> | <u>(492,175)</u> | <u>17,588</u>       |

|               | At<br>1 April 2022 | Income         | Expenditure      | At 31 March<br>2023 |
|---------------|--------------------|----------------|------------------|---------------------|
|               | £                  | £              | £                | £                   |
| General funds | <u>29,002</u>      | <u>475,955</u> | <u>(558,679)</u> | <u>(53,722)</u>     |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2024

### 20. Analysis of charitable funds (continued)

#### Restricted funds

|                                    | At<br>1 April 2023<br>£ | Income<br>£    | Expenditure<br>£ | At 31 March<br>2024<br>£ |
|------------------------------------|-------------------------|----------------|------------------|--------------------------|
| County Durham Community Foundation | —                       | 171,975        | (171,975)        | —                        |
| Sherburn House                     | —                       | 30,000         | (30,000)         | —                        |
|                                    | <u>—</u>                | <u>201,975</u> | <u>(201,975)</u> | <u>—</u>                 |

|                                    | At<br>1 April 2022<br>£ | Income<br>£ | Expenditure<br>£ | At 31 March<br>2023<br>£ |
|------------------------------------|-------------------------|-------------|------------------|--------------------------|
| County Durham Community Foundation | —                       | —           | —                | —                        |
| Sherburn House                     | —                       | —           | —                | —                        |
|                                    | <u>—</u>                | <u>—</u>    | <u>—</u>         | <u>—</u>                 |

### 21. Analysis of net assets between funds

|                               | Unrestricted<br>Funds<br>£ | Total Funds<br>2024<br>£ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets         | 11,292                     | 11,292                   |
| Current assets                | 117,171                    | 117,171                  |
| Creditors less than 1 year    | (40,679)                   | (40,679)                 |
| Creditors greater than 1 year | (70,196)                   | (70,196)                 |
| <b>Net assets</b>             | <u>17,588</u>              | <u>17,588</u>            |

|                               | Unrestricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|-------------------------------|----------------------------|--------------------------|
| Tangible fixed assets         | 15,401                     | 15,401                   |
| Current assets                | 67,025                     | 67,025                   |
| Creditors less than 1 year    | (50,472)                   | (50,472)                 |
| Creditors greater than 1 year | (85,676)                   | (85,676)                 |
| <b>Net assets</b>             | <u>(53,722)</u>            | <u>(53,722)</u>          |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2024

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### 22. Analysis of changes in net debt

|                          | At 1 Apr 2023   | Cash flows    | At<br>31 Mar 2024 |
|--------------------------|-----------------|---------------|-------------------|
|                          | £               | £             | £                 |
| Cash at bank and in hand | 8,637           | 22,247        | 30,884            |
| Debt due after one year  | (43,372)        | 5,252         | (38,120)          |
|                          | <u>(34,735)</u> | <u>27,499</u> | <u>(7,236)</u>    |

# **County Durham Furniture Help Scheme**

**Management Information**

**Year ended 31 March 2024**

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**The following pages do not form part of the financial statements.**

# County Durham Furniture Help Scheme

## Detailed Statement of Financial Activities

Year ended 31 March 2024

|                                       | 2024<br>£      | 2023<br>£       |
|---------------------------------------|----------------|-----------------|
| <b>Income and endowments</b>          |                |                 |
| <b>Donations and legacies</b>         |                |                 |
| Donations                             | 1,117          | 1,536           |
| County Durham Community Foundation    | 171,975        | –               |
| Sherburn House                        | 30,000         | –               |
|                                       | <u>203,092</u> | <u>1,536</u>    |
| <b>Charitable activities</b>          |                |                 |
| DCC Projects                          | 382,169        | 312,353         |
| Furniture scheme and related services | 151,447        | 119,744         |
| Housing support projects              | 28,750         | 24,149          |
| Winter support fund                   | –              | 18,173          |
|                                       | <u>562,366</u> | <u>474,419</u>  |
| <b>Investment income</b>              |                |                 |
| Bank interest receivable              | 2              | –               |
|                                       | <u>2</u>       | <u>–</u>        |
| <b>Total income</b>                   | <u>765,460</u> | <u>475,955</u>  |
| <b>Expenditure</b>                    |                |                 |
| Furniture scheme purchases            | 317,453        | 223,584         |
| Wages                                 | 215,901        | 175,726         |
| Employer's NIC                        | 9,974          | 7,441           |
| Pension costs                         | 3,043          | 648             |
| Rent and rates                        | 53,464         | 53,364          |
| Light and heat                        | 14,661         | 12,190          |
| Insurance                             | 9,258          | 8,530           |
| Other premises costs                  | 3,529          | 6,191           |
| Motor vehicle costs                   | 28,377         | 25,992          |
| Staff and volunteer expenses          | 12,687         | 17,307          |
| Accountancy fees                      | 6,929          | 6,526           |
| Telephone                             | 3,843          | 3,776           |
| Office costs                          | 1,195          | 1,336           |
| Depreciation                          | 4,109          | 5,381           |
| Interest payable                      | 3,881          | 5,295           |
| Other expenses                        | 5,846          | 5,392           |
|                                       | <u>694,150</u> | <u>558,679</u>  |
| <b>Total expenditure</b>              | <u>694,150</u> | <u>558,679</u>  |
| <b>Net income/(expenditure)</b>       | <u>71,310</u>  | <u>(82,724)</u> |

COUNTY DURHAM FURNITURE HELP SCHEME

England & Wales - Charity number 1112344

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# Accounts

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**County Durham Furniture Help Scheme**  
**Financial Statements**  
**For the year ending**  
**31 March 2023**

**JANE ASCROFT ACCOUNTANCY LIMITED**

Chartered Accountants  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

# County Durham Furniture Help Scheme

## Financial Statements

Year ended 31 March 2023

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# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2023

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2023.

### Objectives

The objectives of the charity are to relieve poverty in particular by the provision of a furniture and household goods recycling services to those people resident in County Durham who are necessitous circumstances.

### Activities and financial review

This year 2022 to 2023 was a struggle for the organisation. It was with some trepidation I set to, to write this one up.

We turned over just short of £500K in the twelve months - April 1st 2022 to March 31st 2023.

The cash flow still veers wildly from a reasonable volume of £60K in August and November 2022 then to crashing lows in May 22 and December 22 with less than half the amount of £22-£25K. This produced 2 loss making months, mainly down to cost of sales and new stock sitting untaken.

We would want to see a steady £40K-£42K per month as absolute perfection in terms of turnover. This would enable a steadier cash flow and permits of a small surplus and some potential to build reserves\* more later. The cash flow is our number one concern and Steve has to keep beyond rigid control over this. Our entire loss for the year was basically in the April 22 and December of 2022 months. December particularly which turned out to be a two and a half weeks with the same length of time laid off but with unchanged overheads. We had £22,500 worth of stock sat in the warehouse over the December / January and in the other loss making month April we had £30,000 stock. This does not include the value of our second hand items which is conservatively valued at £10K-£12k in any one trading month.

We also spent £2K on unforeseen warehouse door repairs and a safety net maintenance / service agreement is in place to mitigate this in years going forward.

We also spent £6K in additional repairs and maintenance of our ageing vehicle fleet. This being an area of concern to the operations team as our finances preclude finding the near £50K required to buy what we would want in the form of a fully equipped Luton. We need with current and perceived future volumes a minimum of 2 such vehicles including tail lifts.

No way to sugar coat the year end result - our loss for the financial year was £35,000, in defence this was due the two and a half week December and the early hit of April and May of 2022 and some unforeseen costs. We really had some serious worries early in 2023 and really any "fat on our bones" was totally taken out of the equation. Our reserves were less than an acceptable level and our accountant and financial advisors challenged Steve to address reserves and to get a policy in place to try and put us on a better footing and to cover downturns perhaps from reserves. This policy is in place and will be addressed 2023-2024.

Steve has also become aware of grants that are becoming available, tracking them, and will make extreme efforts to get some grant funding to core expenses - as opposed to specific projects. That is a hard task. However this would enable the reserve policy to be fulfilled and within the vehicle fleet enable deletion of the old and deteriorating Van 13 to be replaced.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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This can't be done via grant writing as NO grant funder subscribes to what effectively is paying depreciation which for our tailor requirement of vehicle would be in the order of £45K over 3 years. A newer vehicle would reduce the maintenance bill if the appropriate arrangements / agreement could be fulfilled.

We had also lost our 21 plate newer van due to mechanical breakdown. This and sourcing the parts took from November till March to resolve. This then resulted in a dispute with a Major Car and Van rental organisation who had casually assumed we would be happy paying a daily rate for the van that was CONTRACTED out at a corporate rate and had a guaranteed replacement vehicle clause. Conveniently forgotten about by the organisation concerned. This dispute went on till resolution (in our favour) in May.

Over the course of 2022 to 2023 our visitor numbers have slowly recovered from that of the Pandemic. This has not been total catch-up. Our shopping visitor hours are still 9.00 to 2.45 Monday, Wednesday and Fridays and 9 to 1 45 on Tuesdays and Thursdays. There is still some pressure to revert to 4.00pm finish. This is not a guarantee to be matched in increased turnover. The furniture Scheme itself from local footfall turned over £117,525.00. This is primarily second hand and re-used furniture. Though latterly this year we are seeing a better take-up of our new beds and we hope that this will continue to add to our takings in card and cash in 2023-2024. Though this is reduced compared to previous we must comment as follows in respect of opening hours.

The counter to this is staff hours would need to be increased. Rightly so but would have to be paid for. Furlough and the Pandemic saw government support us, but previously in detailed ways have been declaring the hours and working and paying wages for the necessary hours - 22% additional wages on a weekly basis would have to be found (that are and have been previously very publicly documented). This increase would not be supported by the takings currently see sawing about like they do.

Volunteering had virtually been ceased as an activity the general public around us want to do. It is only slowly growing back as people start to reconstruct their lives and welfare to work and work experience schemes are regenerated. I saw Steve work extremely hard on employability growth and he had the most frustrating time getting people to fill paying waged positions let alone turn up to volunteer. Bernicia Housing have appeared to offer the most optimum option for a joint working scheme here and this is being pursued.

With furlough and previous comments we really need to keep our clearly determined policy - to separate out volunteering from waged earnings, no voluntary organisation can afford to make gain out of volunteers and wilfully ignoring opportunity to employ people putting in substantial volunteering hours is quite illegal. As a board of Trustees we need to be seen to be a valid and quality employer. Our Disability Confident Award from the Department of Work and Pensions illustrates our positive support and our focus on getting people with multiple barriers to work - both mental and physical in to employment.

We aim towards having more mechanical aids (tail lifts on all our operating vehicles for example) and supporting positively physically impaired individuals - that said virtually all of our employees would probably not have gained "normal" unsupported employment with the barriers they have currently to put up with health wise. What we achieve is credit to the workforce as well with this borne in mind

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

**Year ended 31 March 2023**

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The original business model of the County Durham Furniture Help Scheme - the CDFHS it is now known as. It's worth reminding that the: Original business model as established in 2004 was to sell goods by way of a negotiated donation to "those residents of County Durham in necessitous circumstances". In short we raise our funds in 3 main ways. FIRST..... Shopping here people pay by way of a negotiated donation. SECOND.... We sell by trading and then invoicing for our primary purpose - which is to supply those in necessitous circumstances. To clarify these people are identified by "referrers who propose our service or that of others, to those in that position and pay us to provide the physical goods. Thus jointly we are relieving those in their less than ideal situation by CDFHS delivering the goods often desperately needed.

SHOWING This in our accounts.....When we can raise money by selling by way of a negotiated donation via the line shown - FURNITURE SCHEME, by selling via referral partners such as the council - that is DCC Projects, Housing Support Projects and Household Support fund line items SHOWN in the accounts, then occasionally by public appeal Finally THIRD.... applying for external grant funding.

When we sell by way of an agreed donation, second hand reused furniture, we are seeing increasingly that we can sell new whitegoods, beds mattresses and soft furnishings and bedroom furniture. The turnover has been as low as £6,834.00 in May 22 and as high as £15,519.00 in November 2022.

It is worth clarifying for organisations that do not work in the third sector - credit agencies and companies that offer credit facilities or those to whom we owe or pay monies to such as companies and credit ratings agencies, sellers, wholesalers and so on our original founding ethic. This may help some to understand that we very much "punch well above our weight turnover wise.

We are finding though sadly as a net result of the Pandemic and the rapidly following cost of living crisis, people are hanging on and using what they have for longer and are replacing less rapidly by purchasing items from us. We are finding that the age and therefore quality of items being donated and that we collect from people's homes is not the quality or even volume that we need. This again depresses our stock volume and makes our offering to the passing trade / local footfall of lesser interest or actually critical of as they may see it goods not of satisfactory quality.

We are seeing the volume of people coming to see us stubbornly sitting at about 700-800 people per month coming through the doors. Our turnover seems to sit in respect of the Furniture project at £8k to £10k monthly. December being a particular issue due to the timing of the festive season and the local Authority activity that collapsed with us. We have also for some reason been heavily impacted by short holiday periods - for some reason Half term breaks in schooling have a very negative impact particularly on the volume of Welfare Assistance strand of turnover disappearing those weeks. Apparently those staff dealing with the Welfare Assistance packages stop doing this work and deal with short term household cash crises and provision of other forms of emergency support.

We still see 70 to 80 percent of our turnover coming from the County Council. Primarily in 5 main project strands. Welfare Assistance, Stronger Families, Household Support Funds (Adult and Children focused), Housing Solutions the homeless/ rough sleeper supporting part of DCC. Finally, 5th strand is the Humanitarian project which also now is developing to see a heavy Ukrainian supporting ethos appearing.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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Strand 1: Welfare Assistance, issued in the form of grants for furniture and whitegoods. Awards to the value of £1,000 for a family group, criteria are support worker must underwrite the request...and smaller values for single and couples. We are given awards to deliver on behalf of the tenant. This is a daily activity and we are given the weeks total of awards - this year £3,500 per week for a turnover of £181,000.00.

We are paid weekly as well and the revenue from this is self-financing the purchases we make and usually the volume covers our essential wages and part of our key overheads. Suffice to say this collapses so do we. The policy was won by Steve and replaced effectively grant writing and gave the CDFHS a baseline of turnover now near 38% of our takings, this enables volume purchasing and drives the pricing we pay for whitegoods by giving the CDFHS volume leverage with key suppliers. This then benefits customers who need to come to us that can't qualify for Welfare enabling the best most competitive price we can offer usually beating most standard websites daily rates.

Strand 2: Housing Solutions. This is work Steve garnered in the early days of the pandemic, driven by central governments "ALL IN" policy of getting all homeless people / rough sleepers in to stable and manageable / sustainable accommodation.

This started via getting a bed and a microwave same day to clients who were supported by a key worker from Housing Solutions. We use Dreamode of Heckmondwyke for this - the beds and Domestic Appliance Distributors as Welfare for the Microwaves and other small domestic appliances, second hand crockery and delivery is still 24 hour called for and carriage is paid on every occasion enabling us to cost and run a small van and an individual who is waged partly by this service.

This strand is carefully monitored by each individual support worker - there are 30 plus now known to us. This work is personal and was "up close" and over the course of the pandemic it was key to individual's survival and we are as close to frontline service as can be in this regards. An accolade if homelessness ever earns such things. As worthy an activity for us in our charitable ethic. There is a side benefit to this - this work is a barometer of additional Welfare awards as clients transiting this scheme often to get their accommodation in place and to enable settling - a settlement grant is often awarded by the local authority. We can often combine the deliveries if put through promptly by the worker concerned.

Housing Solutions seems fixed as an acquired additional contributor to our turnover and in most months adds up to over £6,000.00.

Our spend on beds as part of this service provision is now over £52,000 per year representing 1000 beds per year. We are proud to say since the pandemic that 3000 beds supplied would settle three full army battalions As a side note bed supply with Dreamode, Optimum Sleep and others now sees £100,000 of turnover ....a fifth of our overall volume is now beds.

Strand 3: Humanitarian Project. We work closely with the Local Authorities Policy & Executive Support Manager Partnerships and Community Engagement. Following government policy with resettling of refugees. This work contributes to us being able to provide other services and work streams of benefit to incoming residents and to our staff in terms of variation of work and thus is relatively confidential but adds and will going forward add to turnover - we hope significantly.

Strand 4: Stronger Families / Children and Young people and families are supported with this and we supply a range of family safety products and family oriented furniture and whitegoods. The turnover here is reduced much compared to previous years and has been skewed by the presence of the "elephant in the room" one of our biggest but most transitory successes of the last two years - HSF

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

**Year ended 31 March 2023**

---

Strand 5: Household Support Fund, as referred to above is now in its third iteration of government level volume distributed to local authorities. This is clearly available to see the details and some £9,000,000 was awarded to the Durham County Council our local authority in the latest tranche that this financial year sees passing (part) through our turnover.

This year it was barely £50,000 and purely from the Adult Side of the local authority - that is social services, carers support, the NHS and other support workers who can access this relatively easy to qualify very tangible solid support in fully free at point of delivery whitegoods and furniture up to a value of £1,000.00. In previous years this had a children and young families element and this added an additional £50,000 then to our turnover, hence Steves comment the elephant in the room - is very noticeable when it is NOT present.

Apparently Steve has to bid for the latest iteration via the local Community Foundation in £10,000 increments. There are early rumours that this may be part continued and that the council are "mulling" revamping their staffing resource and commencing using their channels and therefore our services - which are highly regarded to deliver the elements they see us relevant for. We have also got to know many more support workers from schools, the NHS, other charities, DCCarers and many more that tap in to this fund also

We are developing all the time the range of goods and services we offer to these organisations and this year I feel it was worth explaining what we do with these project strands. This shows how thoroughly we are integrated and needed by the local Authority, this in turn highlights some weaknesses associated with this near 90% of turnover from the local authority - though the way each strand is managed and operates is like a separate business and often transitory or fluctuates wildly.

We acknowledge this and are trying to vary things to reduce this dependence. Also at the same time emphasising our complete essential value to the County, and The County Council in particular.

We then do smaller but more regular amounts of paid work for Andrew Marshall Rental Properties, Red Supported Living, Believe Housing, Moving On, Cornerstone, Bernicia Housing Sedgefield Charities, Cornforth Partnership and Foundation. We are paid to deliver a range of items to these organisations Clients organisations clients

We operate from our 12,000 square foot warehouse store and our 6,000 square foot supporting workshop that can be configured or used for the projects and miscellaneous work that is brought in. For example, sorting operations for the Durham University Green Move Out.(GMO).

This financial year saw 17 tonnes of incoming abandoned or donated student belongings (depends your viewpoint). This then feeds as a useful addition of volume to our newly expanding clothing selling area of our charity operation. An area of variation I refer to.

We work with the students and environmental team staff of Durham University in their annual GMO. This project is gaining in publicity with its seriously green credentials. It is a service that significantly makes a difference across Durham City in volume reduction of potential waste arising from June when Students depart to city residents seeing a demonstrable positive impact on waste reduction.

We not only sell the arising clothing, bedding and second hand small domestic appliances County wide but make significant volumes of bedding, clothing etc. available to street homeless, rough sleepers, and significantly other charities both animal and human.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

**Year ended 31 March 2023**

---

We are seeing also an uptick in volunteering by not just Students of the University but staff volunteer days happen also. This is uplifting to see and further strengthens our volunteering ethic and as stated our green credentials. We partner not just with Durham University but Durham County Council Strategic Waste Department.

Another initiative driven by Durham County Council Strategic Waste is our involvement in tackling the growing issue of unwanted small electrical items. To this end we are working with a small grant funded team that has been growing the volume of small electrical items being diverted from going to landfill or being sensitively recycled.

We have carried out 3 or 4 per month "repair cafes" we have held these at multiple community venues across the county. This presents the local authority and the CDFHS as partnership working and contributing significantly to Small Electrical reuse or salvage...that's a commentary on our current "throwaway" culture. When however, we add 100 plus council collection centres and an ethical and safe recycling of over xx tonnes of small WEEE a significant and now award winning project that is firmly established is in action.

This will go from strength to strength. Something that adds to the CDFHS overall impact in the County is the cross cutting nature of these events. The repair cafes are an opportunity for us to self-promote and put a very public face across the County.

What we also see is an added bonus that we are offering on the back of the Repair Cafes training opportunities. We have now offered Portable Appliance Testing to both individuals and other organisations. Not just adding to training here as part of the CDFHS Training and Employment arm. Staff and volunteers from the L A and three local charities/ organisations have gained competence in PAT testing.

Whilst on with our report. We and our supporters tend to overlook or not emphasise sufficiently enough our organisations carbon footprint reduction and we would appreciate input and advice from likeminded or willing organisations to help us define for the modern era. Our "green" credentials.

Globally we have an impact as stated earlier beyond our turnover, training and so on - even to the planet our contribution to reducing waste going to landfill, transport efficiencies saving goods travelled miles - a truly green leaning contribution.

Our existence prevents pollution caused by reducing the need to harvest new raw materials. What we do saves energy, reduces greenhouse gas emissions that contribute to global climate change. We add to sustaining the environment for future generations

Our overall contribution to waste reduction in Bulky Waste is now a major environmental impact and is in excess of 140...150 metric tonnes per year.

The Durham University Green Move Out netted over 20 tonnes of re-usable bedding, clothing, small electrical items, shoes, bags and books. Scrap metal recycling and work carried out for Proctor and Gamble adds 10 tonnes per Annum. If we look carefully we are seeing well over 250 tonnes overall being re-used or being taken away from landfill disposal directly ourselves or with positive partner support - rubbing off both ways on to us and likewise positively for and on to our partners.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

**Year ended 31 March 2023**

---

With agreement with the UK Repaint organisation the CDFHS has the branding of County Durham Repaint. We re-use and resell several thousand litres of unwanted or potentially waste paint per year. We are supported by the national Repaint organisation. We have had the good fortune to be able to receive significant amounts of donated paint for example from Dulux and Farrow and Ball. We hope that this relationship continues next year. Again to the planets significant benefit.

CDFHS also has over the years complemented our furniture and whitegoods service with an employability and prospecting for work scheme This part of our activity actively tackles all ages and particularly youth unemployment THIS LEADS ME ON TO..... People AND FINDING THEM PER THE ENVIRONMENTAL LEANINGS OF THE CDFHS - Our EMPLOYMENT and work experience offering.

CDFHS is noted for its people and we also spend time looking after our staff and volunteers. It's a hard thing for the public to swallow that we provide a staff resource and a wages bill of £14K Monthly for the charity. We have done since I joined in 2009.

We have an establishment of 10, and this costs us in excess of £195,000 per year and is our biggest overhead. We used to be able also to have a high proportion of volunteers within CDFHS that we could "Churn" towards employment with us and formed the basis for our work experience and various back in to work or work generating grant schemes.

This number of volunteers was at rock bottom following the pandemic, this is now slowly growing and over the course of this year we have acquired various volunteers in many disciplines. I am happy to say we are back to double figures. We have all age brackets and competencies. We have some who are young with the usual barriers to work and they come to us from a variety of schemes and other organisations. We even have regular appearances from our staff's children as they grow older they come on board with us especially in school holidays or as they transition from school environment to work ones.

When the public see us with staff they sometimes do not understand that they have the same drivers in life as they do, personal lives, children, family issues, health personal matters, debt, and hobbies and pastimes. Often I feel we are classed as being kept in a box and work like unpaid robots going back in to a box after work. We spend time and effort on our staff and provide support where needed. Such as assistance with dealing with the cost of living, impacting all of us with increasing severity over the year, helping with difficult landlords and many other areas of pastoral support.

WE do similarly with our volunteers and last year working with Groundworks we employed a young individual ((funded by Groundworks) giving us our 11th staff member. We also had several who came to us but they were not prepared for the world of work and for various reasons the allure of unemployment was a bigger pull.

One of the major areas we have never had a member of staff in - is drivers. We set to with Job Centre Plus to cover this shortfall - last May. We were given a desk at SPENNYMOOR Job Centre and we interviewed near 20 individuals of all ages and demographics. I was stunned at the reluctance of over half in even bothering to come for an interview with us for a "real" job, particularly so when they had, had this set up by their advisor / work-coach.

The Job Centre filtered the CVs and people and the reduced listing took 9 weeks to go through, even once I had selected who was to be employed. I even struggled to fill a possible warehouse operative role. Again finding total reluctance and multiple excuses of not wishing to work. I would argue that work experience and employability training and development be given some legal compulsion - otherwise the stubborn percentage of those sitting on benefits and not contributing economically will never reduce. This is doubly baffling as the cost of living increases due to the war in Ukraine and other factors grew in severity from April last year over the course of this financial year.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

**Year ended 31 March 2023**

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After 2 false starts and difficulties with the selected candidates who even after being given a job and appearing to accept it happily just would not turn up and start. Happily, the final candidate a mature gentleman has joined us and is finding to his surprise our unique operation and overall camaraderie much to his liking and we appear finally after three months to have got a reliable, regular driver.

Our pool of volunteer drivers has also grown slightly and added to this our foreman charge hand Richy taking a van out more regularly we don't have the bumpy road with finding drivers on a daily basis as we often used to have.

Amongst our skills development is our preparedness even to show current staff, opportunities to work or volunteer outside of the CDFHS. Shannon in particular has had external postings with a small housing provider for people with drug and alcohol issues. Recently she was seconded to the NHS and has gained valuable experience in current and relevant employment and volunteer handling of the latest generation. Also this is combined working in a huge organization again in a territory she wishes to be involved within. This is on top of earlier learning in business administration, team leading and several other qualifications.

In a bittersweet situation Shannon who is in her tenth year with us (our staff retention rates in key areas is top notch) has got her "dream" job offered within the NHS and in the following month after this financial year end will be leaving us. We have seen her develop, mature, settle in to a good work/life balance, get married and live a life.

This section on people gives a flavor of the inherent depth of our scheme and a timely reminder that each one of us who started at the CDFHS came as a result of a work experience or grant funded training and experience job developing project. The core of which are hard impacts such as gaining meaningful and fully paid work, meaningfully and in depth volunteering, valid and quality training and areas of progression and personal development improving current job roles or even changing job.

Some of these individuals we are aware of have progressed further and across the county some are in managing positions or contributing to the area by being continually employed since the early activity days of County Durham Community Fund funding, ERF monies, Community Training funded by Bishop Auckland College, Commissions from DCC, Adult Learning and Skills. Of course Durham works and Groundworks, Shaw Trust, Profound Training and many others have provided us with candidates, support and finance

Groundworks still have people who can attest to our ability to even support those in the "Last Chance Saloon". We gotten through multiple governments and many schemes hare brained or good were pursued. We also dovetailed this in developing our organisation and match funding came from Lottery, Lloyds TSB amongst others

Our schemes ran right up to the Pandemic, after that we have informally still supported anyone needing support or even made direct employment outcomes with "Kick-start"/Durham works since and the 2 young individuals and me at one point were "the only ones standing and functioning April 2021" in the third lockdown.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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In closing....., As a summary and in this public "front facing document it is worth reminding everyone that over the last 19 years of the CDFHS existence - over 1000 individuals have transited our work experience and various job creating grant funded employability and training schemes. CDFHS has worked with multiple organisations statutory, voluntary and business who provided funds, guidance, benefits in kind, contracts, commissioned work solid encouragement.

We have directly employed via CDFHS over 25 people - some briefly, some still with us as far back as from 2012. That's a remarkable 6 out of our current thirteen headcount. CDFHS have guided or positively/actively helped 200 people more in to paid work that we have documented. This being the statutory "norm" of a minimum of 3 months of meaningful employment.

This alone over the years will have contributed in what will add up to be a major way of cost diversion from the central government with reductions in benefit, also it adds tax and council tax payers The economic impact of one working person is added up to being an incoming worth to the county of an estimated value per one job over £35,000 in revenue/income/ benefit to the local economy per year that each one of these winning work bring to bear. In "simple maths terms". Our input makes upwards of a £1.75million contribution annually if just half of the 200 stay in work.

Add to that landfill savings from our charities activity of 200 tonnes per year our overall economic input is as significant along with our green credentials that we must rate just as highly.

In closing may I thank all of our team, all of our customers and supporters - even our constructive critics who watch what we do and encourage us to be better and sharper going forward.

Finally looking forward - CDFHS will be twenty years old next year - a tribute to the founders beyond any measure - our very existence proof of our worth.

### **Financial review**

Income during the year totalled £475,955 (2022 - £579,432) and expenditure totalled £558,679 (2022 - £545,918) giving a deficit of £82,724 (2022 - surplus of £33,514).

At 31st March 2022 net liabilities were £53,722 all of which were held in reserves.

### **Reserves Policy**

County Durham Furniture Help Scheme will aim to hold 3 months of its key contingencies as a minimum. That is rental to the County Council matching our Break Clause. Staff salaries for redundancies and key utility suppliers.

This free reserve which can be used if necessary in trading if cashflow is depleted is to be aimed for and built up over the next two to three years. It would be too restrictive any earlier.

# County Durham Furniture Help Scheme

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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## **Structure, governance and management**

County Durham Furniture Help Scheme is a charitable company governed by its Memorandum and Articles of Association. It was incorporated on 9th September 2005 with company number 05559147 and was registered with the Charity Commission on 30th November 2005 with charity number 1112344.

The charity comprises 3 trustees as a minimum and is managed on a day to day basis by a small but dedicated management team who defer to this board.

The trustees have had regard to the Charity Commission's guidance on public benefit throughout the year when deciding on the activities of the charity.

## **Reference and administrative details**

**Registered charity name** County Durham Furniture Help Scheme

**Charity registration number** 1112344

**Company registration number** 05559147

**Principal office and registered office** Unit 20, Avenue 3  
Chilton Industrial Estate  
Ferryhill  
County Durham  
DL16 0PB

### **The trustees**

Diane Brown  
Glynn Hanratty  
Christopher Trotter

**Company secretary** Steve Mitton

**Independent examiner** Jane Ascroft FCA MA (Cantab)  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

## **Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2023

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The trustees' annual report was approved on .....23/11/2023..... and signed on behalf of the board of trustees by:



Steve Milton  
Charity Secretary

# **County Durham Furniture Help Scheme**

## **Independent Examiner's Report to the Trustees of County Durham Furniture Help Scheme**

**Year ended 31 March 2023**

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I report to the trustees on my examination of the financial statements of County Durham Furniture Help Scheme ('the charity') for the year ended 31 March 2023.

### **Responsibilities and basis of report**

As the trustees of the company (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 accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 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 in England and Wales (ICAEW), 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 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).

# County Durham Furniture Help Scheme

## Independent Examiner's Report to the Trustees of County Durham Furniture Help Scheme (continued)

Year ended 31 March 2023

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



Jane Ascroft FCA MA (Cantab)  
Independent Examiner

Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

# County Durham Furniture Help Scheme

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2023

|                                                           |      | 2023               | 2022           |
|-----------------------------------------------------------|------|--------------------|----------------|
|                                                           |      | Unrestricted funds | Total funds    |
|                                                           | Note | £                  | £              |
| <b>Income and endowments</b>                              |      |                    |                |
| Donations and legacies                                    | 5    | 1,536              | 1,536          |
| Charitable activities                                     | 6    | 474,419            | 474,419        |
| Other income                                              | 7    | —                  | —              |
| <b>Total income</b>                                       |      | <u>475,955</u>     | <u>475,955</u> |
| <b>Expenditure</b>                                        |      |                    |                |
| Expenditure on charitable activities                      | 8,9  | 558,679            | 558,679        |
| <b>Total expenditure</b>                                  |      | <u>558,679</u>     | <u>558,679</u> |
| <b>Net (expenditure)/income and net movement in funds</b> |      | <u>(82,724)</u>    | <u>33,514</u>  |
| <b>Reconciliation of funds</b>                            |      |                    |                |
| Total funds brought forward                               |      | 29,002             | 29,002         |
| <b>Total funds carried forward</b>                        |      | <u>(53,722)</u>    | <u>(4,512)</u> |
|                                                           |      |                    | <u>29,002</u>  |

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 17 to 25 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Financial Position

31 March 2023

|                                                                | Note | 2023<br>£       | 2022<br>£      |
|----------------------------------------------------------------|------|-----------------|----------------|
| <b>Fixed assets</b>                                            |      |                 |                |
| Tangible fixed assets                                          | 14   | 15,401          | 20,782         |
| <b>Current assets</b>                                          |      |                 |                |
| Stocks                                                         | 15   | 34,498          | 35,660         |
| Debtors                                                        | 16   | 23,890          | 79,401         |
| Cash at bank and in hand                                       |      | 8,637           | 45,696         |
|                                                                |      | <u>67,025</u>   | <u>160,757</u> |
| <b>Creditors: amounts falling due within one year</b>          | 17   | 50,472          | 50,684         |
| <b>Net current assets</b>                                      |      | <u>16,553</u>   | <u>110,073</u> |
| <b>Total assets less current liabilities</b>                   |      | 31,954          | 130,855        |
| <b>Creditors: amounts falling due after more than one year</b> | 18   | 85,676          | 101,853        |
| <b>Net liabilities</b>                                         |      | <u>(53,722)</u> | <u>29,002</u>  |
| <b>Funds of the charity</b>                                    |      |                 |                |
| Unrestricted funds                                             |      | (53,722)        | 29,002         |
| <b>Total charity funds</b>                                     | 20   | <u>(53,722)</u> | <u>29,002</u>  |

For the year ending 31 March 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:



Diane Brown  
Trustee

23/11/2023

The notes on pages 17 to 25 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Cash Flows

Year ended 31 March 2023

|                                                             | 2023<br>£       | 2022<br>£     |
|-------------------------------------------------------------|-----------------|---------------|
| <b>Cash flows from operating activities</b>                 |                 |               |
| Net (expenditure)/income                                    | (82,724)        | 33,514        |
| <i>Adjustments for:</i>                                     |                 |               |
| Depreciation of tangible fixed assets                       | 5,381           | 7,384         |
| Interest payable and similar charges                        | 5,295           | 4,414         |
| <i>Changes in:</i>                                          |                 |               |
| Stocks                                                      | 1,162           | 84            |
| Trade and other debtors                                     | 55,511          | (43,352)      |
| Trade and other creditors                                   | (11,778)        | 7,705         |
| Cash generated from operations                              | (27,153)        | 9,749         |
| Interest paid                                               | (5,295)         | (4,414)       |
| Net cash (used in)/from operating activities                | <u>(32,448)</u> | <u>5,335</u>  |
| <b>Cash flows from financing activities</b>                 |                 |               |
| Proceeds from borrowings                                    | (4,611)         | 483           |
| Net cash (used in)/from financing activities                | <u>(4,611)</u>  | <u>483</u>    |
| <b>Net (decrease)/increase in cash and cash equivalents</b> | (37,059)        | 5,818         |
| <b>Cash and cash equivalents at beginning of year</b>       | 45,696          | 39,878        |
| <b>Cash and cash equivalents at end of year</b>             | <u>8,637</u>    | <u>45,696</u> |

The notes on pages 17 to 25 form part of these financial statements.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements

Year ended 31 March 2023

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### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 20, Avenue 3, Chilton Industrial Estate, Ferryhill, County Durham, DL16 0PB.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The accounts have been prepared on a going concern basis however attention is drawn to the comments made in the financial review section of the trustees' annual report.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

---

### 3. Accounting policies *(continued)*

#### Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

---

### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                     |                        |
|---------------------|------------------------|
| Plant and machinery | - 15% reducing balance |
| Motor vehicles      | - 25% reducing balance |
| IT Equipment        | - 25% reducing balance |

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Financial instruments

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

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

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### Debtors

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

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

### Cash at Bank and in Hand

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

### Creditors

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

### Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 4. Limited by guarantee

The company is limited by guarantee. At 31st March 2023 there were 3 members each of whom had undertaken to contribute an amount not exceeding £1 in the event of a winding up.

#### 5. Donations and legacies

|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations</b>                   |                            |                          |                          |
| Donations                          | 1,536                      | —                        | 1,536                    |
| <b>Grants</b>                      |                            |                          |                          |
| County Durham Community Foundation | —                          | —                        | —                        |
|                                    | <u>1,536</u>               | <u>—</u>                 | <u>1,536</u>             |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2023

### 5. Donations and legacies (continued)

|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations</b>                   |                            |                          |                          |
| Donations                          | 1,011                      | –                        | 1,011                    |
| <b>Grants</b>                      |                            |                          |                          |
| County Durham Community Foundation | –                          | 6,000                    | 6,000                    |
|                                    | <u>1,011</u>               | <u>6,000</u>             | <u>7,011</u>             |

### 6. Charitable activities

|                                       | Unrestricted<br>Funds<br>£ | Total Funds<br>2023<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|---------------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| DCC Projects                          | 312,353                    | 312,353                  | 207,907                    | 207,907                  |
| Furniture scheme and related services | 119,744                    | 119,744                  | 90,770                     | 90,770                   |
| Housing support projects              | 24,149                     | 24,149                   | 24,013                     | 24,013                   |
| Winter support fund                   | 18,173                     | 18,173                   | 164,556                    | 164,556                  |
|                                       | <u>474,419</u>             | <u>474,419</u>           | <u>487,246</u>             | <u>487,246</u>           |

### 7. Other income

|                      | Unrestricted<br>Funds<br>£ | Total Funds<br>2023<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|----------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Covid support grants | –                          | –                        | 4,000                      | 4,000                    |
| Job Retention Scheme | –                          | –                        | 31,499                     | 31,499                   |
| Kickstart grant      | –                          | –                        | 14,276                     | 14,276                   |
| Insurance claim      | –                          | –                        | 35,400                     | 35,400                   |
|                      | <u>–</u>                   | <u>–</u>                 | <u>85,175</u>              | <u>85,175</u>            |

### 8. Expenditure on charitable activities by fund type

|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2023<br>£ |
|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Furniture scheme and related services | <u>558,679</u>             | <u>–</u>                 | <u>558,679</u>           |
|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
| Furniture scheme and related services | <u>536,918</u>             | <u>9,000</u>             | <u>545,918</u>           |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2023

### 9. Expenditure on charitable activities by activity type

|                                       | Activities<br>undertaken<br>directly<br>£ | Total funds<br>2023<br>£ | Total fund<br>2022<br>£ |
|---------------------------------------|-------------------------------------------|--------------------------|-------------------------|
| Furniture scheme and related services | 558,679                                   | 558,679                  | 545,918                 |

### 10. Net (expenditure)/income

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

|                                       | 2023<br>£ | 2022<br>£ |
|---------------------------------------|-----------|-----------|
| Depreciation of tangible fixed assets | 5,381     | 7,384     |

### 11. Independent examination fees

|                                                     | 2023<br>£ | 2022<br>£ |
|-----------------------------------------------------|-----------|-----------|
| Fees payable to the independent examiner for:       |           |           |
| Independent examination of the financial statements | 500       | 400       |
| Other financial services                            | 4,676     | 5,539     |
|                                                     | 5,176     | 5,939     |

### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

|                                         | 2023<br>£ | 2022<br>£ |
|-----------------------------------------|-----------|-----------|
| Wages and salaries                      | 175,726   | 157,581   |
| Social security costs                   | 7,441     | 6,673     |
| Employer contributions to pension plans | 648       | 551       |
|                                         | 183,815   | 164,805   |

The average head count of employees during the year was 11 (2022: 10). The average number of full-time equivalent employees during the year is analysed as follows:

|                            | 2023<br>No. | 2022<br>No. |
|----------------------------|-------------|-------------|
| Number of management staff | 2           | 2           |
| Number of project staff    | 9           | 8           |
|                            | 11          | 10          |

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

### 13. Trustee remuneration and expenses

No trustees received remuneration or expenses during the current or previous year.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

### 14. Tangible fixed assets

|                                   | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | IT Equipment<br>£ | Total<br>£    |
|-----------------------------------|-----------------------------|------------------------|-------------------|---------------|
| <b>Cost</b>                       |                             |                        |                   |               |
| At 1 April 2022 and 31 March 2023 | <u>21,369</u>               | <u>27,000</u>          | <u>9,152</u>      | <u>57,521</u> |
| <b>Depreciation</b>               |                             |                        |                   |               |
| At 1 April 2022                   | 12,060                      | 18,457                 | 6,222             | 36,739        |
| Charge for the year               | <u>2,327</u>                | <u>2,135</u>           | <u>919</u>        | <u>5,381</u>  |
| At 31 March 2023                  | <u>14,387</u>               | <u>20,592</u>          | <u>7,141</u>      | <u>42,120</u> |
| <b>Carrying amount</b>            |                             |                        |                   |               |
| At 31 March 2023                  | <u>6,982</u>                | <u>6,408</u>           | <u>2,011</u>      | <u>15,401</u> |
| At 31 March 2022                  | <u>9,309</u>                | <u>8,543</u>           | <u>2,930</u>      | <u>20,782</u> |

### 15. Stocks

|                            | 2023<br>£     | 2022<br>£     |
|----------------------------|---------------|---------------|
| Furniture stock for resale | <u>34,498</u> | <u>35,660</u> |

### 16. Debtors

|                        | 2023<br>£     | 2022<br>£     |
|------------------------|---------------|---------------|
| Trade debtors          | 17,307        | 77,425        |
| Directors loan account | 726           | 686           |
| Wages debtor           | 5,857         | –             |
| Other debtors          | –             | 1,290         |
|                        | <u>23,890</u> | <u>79,401</u> |

### 17. Creditors: amounts falling due within one year

|                                 | 2023<br>£     | 2022<br>£     |
|---------------------------------|---------------|---------------|
| Trade creditors                 | 23,452        | 22,037        |
| Accruals and deferred income    | 900           | 900           |
| Social security and other taxes | 26,041        | 27,288        |
| Other creditors                 | 79            | 459           |
|                                 | <u>50,472</u> | <u>50,684</u> |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

### 18. Creditors: amounts falling due after more than one year

|                           | 2023          | 2022           |
|---------------------------|---------------|----------------|
|                           | £             | £              |
| Bank loans and overdrafts | 43,372        | 47,983         |
| NE Social Fund loan       | 37,877        | 40,788         |
| Key Fund loan             | 4,427         | 13,082         |
|                           | <u>85,676</u> | <u>101,853</u> |

### 19. Pensions and other post retirement benefits

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £648 (2022: £551).

### 20. Analysis of charitable funds

#### Unrestricted funds

|               | At<br>1 April 2022 | Income         | Expenditure      | At 31 March<br>2023 |
|---------------|--------------------|----------------|------------------|---------------------|
|               | £                  | £              | £                | £                   |
| General funds | <u>29,002</u>      | <u>475,955</u> | <u>(558,679)</u> | <u>(53,722)</u>     |

|               | At<br>1 April 2021 | Income         | Expenditure      | At 31 March<br>2022 |
|---------------|--------------------|----------------|------------------|---------------------|
|               | £                  | £              | £                | £                   |
| General funds | <u>(7,512)</u>     | <u>573,432</u> | <u>(536,918)</u> | <u>29,002</u>       |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

### 21. Analysis of net assets between funds

|                               | Unrestricted Funds | Total Funds     |
|-------------------------------|--------------------|-----------------|
|                               | 2023               | 2023            |
|                               | £                  | £               |
| Tangible fixed assets         | 15,401             | 15,401          |
| Current assets                | 67,025             | 67,025          |
| Creditors less than 1 year    | (50,472)           | (50,472)        |
| Creditors greater than 1 year | (85,676)           | (85,676)        |
| <b>Net liabilities</b>        | <b>(53,722)</b>    | <b>(53,722)</b> |

|                               | Unrestricted Funds | Total Funds   |
|-------------------------------|--------------------|---------------|
|                               | 2022               | 2022          |
|                               | £                  | £             |
| Tangible fixed assets         | 20,782             | 20,782        |
| Current assets                | 160,757            | 160,757       |
| Creditors less than 1 year    | (50,684)           | (50,684)      |
| Creditors greater than 1 year | (101,853)          | (101,853)     |
| <b>Net liabilities</b>        | <b>29,002</b>      | <b>29,002</b> |

### 22. Analysis of changes in net debt

|                          | At 1 Apr 2022  | Cash flows      | At 31 Mar 2023  |
|--------------------------|----------------|-----------------|-----------------|
|                          | £              | £               | £               |
| Cash at bank and in hand | 45,696         | (37,059)        | 8,637           |
| Debt due after one year  | (47,983)       | 4,611           | (43,372)        |
|                          | <u>(2,287)</u> | <u>(32,448)</u> | <u>(34,735)</u> |

# **County Durham Furniture Help Scheme**

**Management Information**

**Year ended 31 March 2023**

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**The following pages do not form part of the financial statements.**

# County Durham Furniture Help Scheme

## Detailed Statement of Financial Activities

Year ended 31 March 2023

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|                                       | 2023<br>£      | 2022<br>£      |
|---------------------------------------|----------------|----------------|
| <b>Income and endowments</b>          |                |                |
| <b>Donations and legacies</b>         |                |                |
| Donations                             | 1,536          | 1,011          |
| County Durham Community Foundation    | –              | 6,000          |
|                                       | <u>1,536</u>   | <u>7,011</u>   |
| <br><b>Charitable activities</b>      |                |                |
| DCC Projects                          | 312,353        | 207,907        |
| Furniture scheme and related services | 119,744        | 90,770         |
| Housing support projects              | 24,149         | 24,013         |
| Winter support fund                   | 18,173         | 164,556        |
|                                       | <u>474,419</u> | <u>487,246</u> |
| <br><b>Other income</b>               |                |                |
| Covid support grants                  | –              | 4,000          |
| Job Retention Scheme                  | –              | 31,499         |
| Kickstart grant                       | –              | 14,276         |
| Insurance claim                       | –              | 35,400         |
|                                       | <u>–</u>       | <u>85,175</u>  |
| <br><b>Total income</b>               | <u>475,955</u> | <u>579,432</u> |

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# County Durham Furniture Help Scheme

## Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2023

|                                     | 2023<br>£           | 2022<br>£         |
|-------------------------------------|---------------------|-------------------|
| <b>Expenditure</b>                  |                     |                   |
| Furniture scheme purchases          | 223,584             | 231,605           |
| Wages                               | 175,726             | 157,581           |
| Employer's NIC                      | 7,441               | 6,673             |
| Pension costs                       | 648                 | 551               |
| Rent and rates                      | 53,364              | 56,246            |
| Light and heat                      | 12,190              | 9,545             |
| Insurance                           | 8,530               | 7,996             |
| Other premises costs                | 6,191               | 6,491             |
| Motor vehicle costs                 | 25,992              | 23,863            |
| Staff and volunteer expenses        | 17,307              | 19,039            |
| Accountancy fees                    | 6,526               | 5,939             |
| Telephone                           | 3,776               | 2,999             |
| Office costs                        | 1,336               | 1,425             |
| Depreciation                        | 5,381               | 7,384             |
| Interest payable                    | 5,295               | 4,414             |
| Other expenses                      | 5,392               | 4,167             |
| <b>Total expenditure</b>            | <b>558,679</b>      | <b>545,918</b>    |
| <br><b>Net (expenditure)/income</b> | <br><b>(82,724)</b> | <br><b>33,514</b> |

COUNTY DURHAM FURNITURE HELP SCHEME

England & Wales - Charity number 1112344

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# Accounts

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**County Durham Furniture Help Scheme**  
**Financial Statements**  
**For the year ending**  
**31 March 2022**

**JANE ASCROFT ACCOUNTANCY LIMITED**

Chartered Accountants  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

# County Durham Furniture Help Scheme

## Financial Statements

Year ended 31 March 2022

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# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2022

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2022.

### Objectives

The objectives of the charity are to relieve poverty in particular by the provision of a furniture and household goods recycling services to those people resident in County Durham who are necessitous circumstances.

### Activities and financial review

I find this a difficult report to write.....

We started April 2021 with £39,000 in the bank and despite dire predictions - surviving the countries COVID disaster as an organisation and as individuals. Though some inevitable scarring has occurred. We know more about COVID as an organisation and lingering effects will be with us for some time - being in the midst of the third lockdown it remains to be seen how matters will proceed this forthcoming year. This period of time ran to June 2021 and the majority of restrictions for us all not loosening till well in to July 2021. All business support tapering down towards particularly the Furlough scheme by October 2021. We went through some cash expenditure and reduced our bank balance significantly.

However our turnover exceeded half a million eventually and made a surplus to carry in to this year.

We had clear expenditures totalling £537,000, this amazes some members of the general public who firmly believe we run for free and have everything given to us. We are discriminated against and treated as disgracefully as anyone else in business - often worse. I have taken the view though to further tighten our accounting procedures as we are and always will be fully accountable for every penny of spend.

Of note are the two salaries Steve and Lee. They are exceptionally hard workers and took more than their fair share of risk in the pandemic - to deliver our increasingly valued and much more recognised service. They are and have been rewarded accordingly. It is not yet enough.

Our main stream of the furniture business never turned more than £10,000 in any one month and the quality of goods coming to us from clients reflected peoples reluctance to part company in exchange for purchasing say a new sofa or bedroom set. This has meant that we are seeing similar numbers of sales but value wise the average has declined. As the year has progressed we have noted some significant card generated sales and occasional days of £1000 often 2 or 3 times in a week. Reflecting when we have had better stock arising and proving the assertion above. From previous reporting and the numbers generated it should be understood that the CDFHS main client is the Local Authority (LA) Durham County Council (DCC).

As DCC are remaining our main client and their support has been absolute in many departments and individual support workers have turned out to sometimes be clearly very community focussed. Some have assisted considerable numbers of clients and their names and contact have made regular appearances - much more faces to names as opposed to contractual negotiations. A simple thing - trust.

Personally I had to still figure out revenue streams, from sometimes snap government information arising in the TV or newspapers and then to figure out the cascade of funding and how it arose "at the coalface" I.E with those individual support workers as mentioned. I often had what seemed a race between what I knew appearing eventually as a formed revenue stream for us to tap in to.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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### Activities and financial review *(continued)*

For example, Winter Support Fund and the "ALL IN" or Humanitarian work. Often these appearing would cause a drop in Welfare Assistance as accessing these funds - support workers found for example Winter Support fund more generous and easier to work to a clients benefit. We saw easily £200 k of sales December to April this year making a significant impact in our year end results. Following some dire months trading and effectively living off the previous "fat" built up or the COVID Business interruption monies we received from our ever diligent, professional and supportive Insurance Brokers who figure in multiple year end reports over my tenure of 13 years at the CDFHS.

The main cost of Lockdown being increased home delivery demanded by the general public and those needing to shield has skewed the home vehicle delivery market and for the cost of vehicles themselves - white vans are in demand, we had started to charge for our collection services due our increased maintenance costs, loss of revenue and now following the desperately sad and dangerous war in Ukraine fuel costs going up and likely to continue to do so along with cost of living issues for every single person in the UK can clearly be seen. This will have multiple effects upon us, the CDFHS and all areas of support that are available. This could make the year to come 22-23 extremely difficult - so being in the possession of a reasonable bank balance of cash to the tune of £38,000 with quite an amount of monies owed to us from our March 2022 transactions we will have a cushion in place to support us as things may get very bumpy indeed

As stated in the early stages of this report and the various lockdowns referred to we note quantity, quality and distance travelled therefore the cost to collect our re-usable stock over the year to December we had only partially replaced items. We previously wrote the value of our second hand stock down in line with its then current physical condition - certainly another factor that is not allowing us to recover enough revenue by the virtue as referred to of being kept and used for longer - a by-product of lengthy lockdowns. We reckon on a stock value at year end below £8K that is half that of last year.

We continued a fairly large lean on our stock with the Humanitarian project for the resettlement of Syrian Refugees. This was involving us in painting and decorating further batches of houses. Again this was a manual intervention of just lifting and delivering urgently. The Humanitarian project looks like being paused and seems stopped as of March 2022. We await the impact of the Ukrainian crisis as I can imagine many coming to the UK due to the massive people displacement starting to manifest itself. It is uncertain how the Ukraine issue and cost of living matters impact - though we anticipate nothing good on our behalf

We still have a dread of someone turning up at our door with nothing but the clothes that they stand up in. The Police being of a regular nature turning up with someone, often they have a station collection and what is collected may be added to what little the client has. This leaves us looking to explain to people where to go and who to see/apply to. Or as we found with County Durham Community Foundation - Donor Directed Grant funding was awarded to us. This was a £3K package to use for cases that have fallen through the cracks of statutory provision or for whatever reason have no access to any public funds whatsoever. We operated this small grant with similar strict criteria of spend allowed (narrow range of goods, max value £300.00, exceptional circumstances). This was awarded by Sherburn House Trust, for relief of poverty by the CDFHS carrying out its articles of supplying those residents of County Durham in necessitous circumstances. Our thanks to the County Durham Community Foundation for this.

This support was a tiny drop in the ocean and as referred to at the end of our first paragraph by the holiday break of 2021 our bank balance had reduced to below £10,000. Monetary situation to say the least appeared dire. Steve had the utmost confidence matters would improve. He had significant information to hand following some concerted levels of dialog across many areas of Local Government that the situation would improve. A further round of Winter Support Fund, which came from the Central Government to all Local Authorities was being promoted. The aiming point to launch was January 2022 - really a last opportunity to improve the year end and put cash back in to the bank.

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# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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### Activities and financial review *(continued)*

CDFHS was sitting on a large amount of stock (£30K+ in December 2021) with as much again on order, so on closer examination our supporters could see something was being catered for and that some anticipation of future business potential was well in hand.

Our people were all affected by the pandemic with ongoing, personal and family threat and worries over their employment, health, risks growing from COVID and continuing uncertainty of health and employment. Steve continued to spend time keeping in touch with the staff and reassuring them, that the ongoing effort to keep CDFHS going would continue. Encouraging and persuading. It also turned out that this assurance had to be made to other organisations and supporters to confirm our ongoing viability and clear solvency. Increasingly looked to develop firm and close links with key suppliers and to concentrate effort on a few rather than shopping around extensively wasting time and effort trying to generate other suppliers - they in the main not being interested. However, for supply of goods we have performed well broadening our range, keeping supplies at all times in and keeping our customers satisfied in all respects on - traded goods. Lee looked after the general day to day stock and re-use items again working extremely hard to get what was available on to the shop floor.

There were some initial areas of support in 2020 such as Units Rental deferral of 3 months, saving us £15K expenditure April to June 2020 and various PAYE and VAT Deferrals. These being £4.5K for the VAT owed from last Quarter of 19-20. All these have now been settled in the day to day month to month trading - a gratifying result of reducing what was added indebtedness of CDFHS. We have also made inroads in to what we owe Northstar and Keyfund and plans / agreements are in place between us going forward to mutual benefit. Yes, we have debt - it is manageable.

Our business and accountancy practices are being continually developed to cope with the constantly evolving situation, Julian Haynes and Jane Ascroft working particularly hard with us to keep financial position true and accurate. Lisa Hutchinson has also kept our PAYE and payroll in good shape and Steve reports that at the year-end our account with HMRC for PAYE and VAT is totally up to date. In the coming year Steve and Julian have agreed some further changes to the way we work on our accountancy to ensure continuing and improving accuracy and quicker reporting. This continued on from the major changes Steve implemented in our first year trading in the Pandemic.

We continued to pay some volunteer allowances ongoing being intent as an entity of supporting volunteers whilst keeping our workforce intact with the ongoing government Job Retention Scheme (JRS). We have claimed and have seen regular amounts coming in. These have been accurate and genuine reflections of the workforce and as Furlough evolved the variable support obtained in to late 2021 was very useful.

Organisations like Believe Housing, Red Supported Living, and Richmond Fellowship all came looking for goods in addition to the Local Authority. One Government policy that continued to add to our turnover was "ALL IN". "All in" the homeless agenda of getting all homeless people off the streets, living and sleeping rough and those fleeing the increasing level of domestic violence or indeed coming out of hospital following illness or breakdown. There is a case study available as an example of how refined the working method and policy became.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

---

### Activities and financial review *(continued)*

Steve and Lee continued to work up a stock range, of beds, microwave, bedding and essential items and food boxes as stored with us by Housing Solutions and Humanitarian Project and thoroughly professionalised the purchasing methods and accountancy. Referrals for goods for named individuals grew in individual value to approx £275.00 to £315.00 each depending on family make-up. We would act on an instruction, in conjunction the client, his worker, the renter/tenancy provider on multiple occasions - embedding the process and work firmly in to CDFHS baseline. This process started originally adding £2K-£4K per month to our turnover and vastly improving our standing and perception within the LA, workers and other parties. This has grown now in to £6 or or £7k per month with some spinoff work from other areas as a result - again most impressive. We also are receiving plaudits for our service and efficiency with this project. Development work is ongoing and we may have further work to come - at least the same volume but potentially additional spinoff work also.

We have been very ably supported by Martin Smith and Phil Smith of Mayfield insurance. Particularly keeping us regularly updated on the position of our various business interruption cover. Initially we were advised our Business Interruption Cover would not be actionable. Because the law changed and the method by which the Local Authority told us to close was exactly in accordance the policy wording, was a point driven home by Phil Smith of Mayfield. Various national court cases took place also, subsequently our case strengthened as the year wore on. We got paid the full £25,000 a most spectacular result. Full praise to Mayfield Insurance Brokers - Martin and Phil. This illustrates in no uncertain terms properly insuring a business may not be as cost effective as minimal cover via internet sources. The support work from physical Brokers personally using their multiple years of experience will be of significant help.

The vehicle fleet insurance was conducted again and nets out at £1,000 per vehicle per policy year and a £1000 for the policy so over £4K to insure our small fleet - something the general public do not grasp - we do not have a "magic money tree". WE have to work to return or generate funds to cover not just vehicular insurance but our Employer Liability Insurance and Charity Insurance Cover - this adds another £4K on top of the vehicle cover. As of 1.4.21 we had of a 15 plate and a 13 plate van one at at least would in normal circumstances see project or grant funding, supporting replacements, no such funding has arisen. After much discussion when we realised the maintenance costs we had some funding for were getting to an excruciating level we decided to look at long term leasing as opposed to finding It virtually impossible to find funding.

Unfortunately, we had a major traffic accident at the start of the new financial year as Van 15 was written off. The residue generated by this incident and our insurers enabled us to pay deposits on our insurances, reducing our monthly outgoings for the year to come and also pay a major finance lease deposit for a brand new van worth near £50K. This has a tail lift to further improve our speed and safety of handling bulky items. It appears losing the older van has paid off as our maintenance of vehicle costs have collapsed and are at a much reduced level currently. At this stage (March 2022,) we have no plans in place to acquire a further vehicle, but will look to purchasing another one as soon as we have the sufficient funds available.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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### Activities and financial review *(continued)*

Winter Support Fund was a major factor in increasing our turnover as by the holiday break at the end of December our sales volume was dreadfully adrift of the targets I had set. I.E just below a quarter of a million (£242K). Our bank balance had reduced dramatically despite the income from the successful COVID Business Interruption income. However, this was a situation where the disruption caused to CDFHS in the first year of the pandemic endured in to the second year - 2021 / 2022 business year. This actually being just where we needed the funds to cover us.

Steve had constantly chased and progressed the path of government funding that cascaded to the Local Authority and with some confidence he set about securing stock and placing forward orders with our main suppliers towards the end of calendar year 2021. This is clearly reflected in the following January to March we had £38-£40K constantly on hand to sustain us as the work arrived from the two Family Support Fund teams. This netted us over £250K in sales for the last three months of the year and recovered all the funds expended keeping CDFHS on the correct side of solvency.

Lee had an immense job to manage this work, but as he said the methodology and supply scope was shipping "boxes" and generally consistent product. The usual issues were the customer availability to get their items delivered. Often multiple telephone calls to establish a delivery slot and no one being there after all that to take in the delivery. Galling that hard fought for public funds and effort by our teams met this almost indifference. Though to maintain an upbeat note and not to dwell, the vast majority of our clients and people getting this support were surprised and grateful when the deliveries were made. There were a few tears shed as well. The Family Support Fund is a significant piece of support for people often in desperate circumstances. This adding to our core ethic and constitutional aim of supporting those in need across County Durham.

We achieved our charitable aim totally, we have achieved the required income volume courtesy of ability to "trade" the items concerned. The full team kept effort up despite some big obstacles in costs starting to uplift and the sheer volume of work to plough through. In December 2021 Steve noted: the government is getting and allowing businesses to trade while telling consumers to reduce social contact that is very distinctly manifested in the matching drop in footfall - regulars still appear and we need to look at a way to get some thanks back to them. It can be said this means that businesses like us, most of which still have a level of pre pandemic debts, were facing reduced income, coupled with reduced volume second hand stock, bumpy supply chain, virtually no credit access from suppliers (Pay cash) very few grants and rising costs to boot.

This was in addition to our lenders wanting larger payments against their loans. I have gotten agreement from Northstar to do £250.00 per month. We sent Keyfund £5,000 and its halved our interest payments and again we agreed to send them £250 month and another £5K when we can. Note with both of them this gives us an opportunity to reduce the core loan capital a little before the year end. This may be the position for most of first half next year.

We took a decision to push back the Bounceback Loan to April 2022 for a breathing space and negotiated a smaller monthly payment of £523.00 from May 2022. That loan is being heavily used as cashflow and is manifested in the £30K pile of stock across in Unit 22 we had showing on our books end December 2021.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

---

### Activities and financial review *(continued)*

On checking with HMRC, our VAT outstanding on our accounts from Q1 2020 is being reduced because of the last two quarters, mainly due to higher purchasing than normal (building for Winter Support Fund stock up) means some VAT coming back - its set off against our old owings. This will be higher at the end of the quarter to April 2022 and may be a sting in the tale as sales will take off now.

If the current jolt of Winter Support Fund business keeps coming, we may get turnover to some better position than what the current numbers suggest we will reach. This would potentially enable more choices to be made 31.3.2021 or just after.

Looking at work coming in as opposed to the furniture Scheme sales issue we can note, more business from Rebecca's Housing Solutions team. Invoicing near-14 K shortly for last and this month together. There will be at least £6K of Council VAT to come back to us as Welfare has gone up in volume slightly by 15% This is reflective of the increasing number of homeless people our mutual work with Rebecca's team is bringing us.

We also acquired work from the new County Council County Durham Lettings Agency. With 3 flats and up to 4 houses planned to be filled with furniture up to end March 2022.

This and the Winter Support Fund work was quite important for our continued business over the winter. As its quite obvious the furniture business has collapsed as far as clients coming in to see us.

Steve went on to say in his winter 2021 review.

ANY professional in either a child/young family/young adult support focussed role, or in Adult Social care and supporting those such as homeless, domestic violence sufferers etc will be going through the application process.

We received two Purchase order numbers and to be clear there is a differential in the two as to potential pricing and how the invoices need preparing and sending the values stacked up towards the year end at near £200K - stunning addition to our turnover and margin. . Julian is made aware verbally and is getting a copy of this note also to help.

Steve also re-engaged Iain Kay to a limited extent as again it is essential he has some recourse to impartial/external advice and there is some guidance on grant funding I feel could be forthcoming as well.

To brush up our green credentials BEEP (energy efficiency and innovative ideas re power) grant process will see us discuss electric vehicles as the council are wanting to encourage their use and we have pushed the circular economy model hard to these people. Made introductions and have been promised demonstrator electric vans to trial end this financial year early next.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

---

### Activities and financial review *(continued)*

I have alluded to pricing issues earlier this year but happily we dealt with other projects within Durham County Council and we used volume we had that we supplied to keep prices at a standstill or on an ad-hoc basis varied or occasionally we did supply alternative items. This had the net effect of Welfare Assistance being left alone. What we have to address is the permanency of the price impacts and possibly a temporary hike that part of the price may come back down end 2021 in to 2022 and some shaving of shipping rates could see some goods prices falling back.

The tone of the report is work, hard work, a preparedness to adapt, an ability to be patient and in the face of real life endangering, not alone the business destroying climate I can express total pride right the way through all levels of the organisation.

In fairness where credit and praise is due to those who help our cause it is actually too much to enumerate. Key Fund and Northstar are worthy of mention in particular as Steve being open and honest with them about our situation (not predicament) - because managing the issues is Steve's forte, plus Steve willingly has and does seek support, advice and guidance. Likewise, he has been called upon similarly from and by others and feedback here has been plenty and positive - especially as there have been so many unknowns for everyone. A big nod to Durham County Council likewise for some real organisational shifts in position and culture. I could go on but in fairness any omission could be viewed negatively and certain expressions are not applicable in this kind of report.

This MD report is longer than common due to the nature of the last year's events and reflects truthfully the decisions and decision making taken at all turns was dictated (particularly) by events then. Hindsight is a difficult judge so is certainly not appropriate. However simply put, CDFHS is still here, yes it has debt, now much reduced in cost, positively though unlike on many occasions it has choices which IT can make which is different to the preceding situations where events led us and we had to bow to pressure of these events.

After all the work to keep COVID out of CDFHS all but myself caught it in the last week of the financial year - a salutary warning that that "elephant in the room" lurks ready to strike and upend the most careful of planning and impact on our people.

Thanks to all.

### Financial Review

Income during the year totalled £579,432 (2021 - £466,736) and expenditure totalled £545,918 (2021 - £439,580) giving a surplus of £33,514 (2021 - £27,156).

At 31st March 2022 net assets were £29,002, all of which were held in reserves.

### Reserves Policy

County Durham Furniture Help Scheme will aim to hold 3 months of its key contingencies as a minimum. That is rental to the County Council matching our Break Clause. Staff salaries for redundancies and key utility suppliers.

This free reserve which can be used if necessary in trading if cashflow is depleted is to be aimed for and built up over the next two to three years. It would be too restrictive any earlier.

# County Durham Furniture Help Scheme

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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## Structure, governance and management

County Durham Furniture Help Scheme is a charitable company governed by its Memorandum and Articles of Association. It was incorporated on 9th September 2005 with company number 05559147 and was registered with the Charity Commission on 30th November 2005 with charity number 1112344.

The charity comprises 3 trustees as a minimum and is managed on a day to day basis by a small but dedicated management team who defer to this board.

The trustees have had regard to the Charity Commission's guidance on public benefit throughout the year when deciding on the activities of the charity.

## Reference and administrative details

**Registered charity name** County Durham Furniture Help Scheme

**Charity registration number** 1112344

**Company registration number** 05559147

**Principal office and registered office** Unit 20, Avenue 3  
Chilton Industrial Estate  
Ferryhill  
County Durham  
DL16 0PB

## The trustees

Diane Brown  
Glynn Hanratty  
Christopher Trotter

**Company secretary** Steve Mitton

**Independent examiner** Jane Ascroft FCA MA (Cantab)  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

## Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# County Durham Furniture Help Scheme

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2022

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The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

Steve Mitton  
Charity Secretary

# County Durham Furniture Help Scheme

## Independent Examiner's Report to the Trustees of County Durham Furniture Help Scheme

Year ended 31 March 2022

---

I report to the trustees on my examination of the financial statements of County Durham Furniture Help Scheme ('the charity') for the year ended 31 March 2022.

### Responsibilities and basis of report

As the trustees of the company (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 accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 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 in England and Wales (ICAEW), 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 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 accounts to be reached.

Jane Ascroft FCA MA (Cantab)  
Independent Examiner

Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

# County Durham Furniture Help Scheme

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2022

|                                             |      | Unrestricted<br>funds | 2022<br>Restricted<br>funds | Total funds    | 2021<br>Total funds |
|---------------------------------------------|------|-----------------------|-----------------------------|----------------|---------------------|
|                                             | Note | £                     | £                           | £              | £                   |
| <b>Income and endowments</b>                |      |                       |                             |                |                     |
| Donations and legacies                      | 5    | 1,011                 | 6,000                       | 7,011          | 31,184              |
| Charitable activities                       | 6    | 487,246               | –                           | 487,246        | 330,905             |
| Other income                                | 7    | 85,175                | –                           | 85,175         | 104,647             |
| <b>Total income</b>                         |      | <u>573,432</u>        | <u>6,000</u>                | <u>579,432</u> | <u>466,736</u>      |
| <b>Expenditure</b>                          |      |                       |                             |                |                     |
| Expenditure on charitable activities        | 8,9  | 536,918               | 9,000                       | 545,918        | 439,580             |
| <b>Total expenditure</b>                    |      | <u>536,918</u>        | <u>9,000</u>                | <u>545,918</u> | <u>439,580</u>      |
| <b>Net income and net movement in funds</b> |      | <u>36,514</u>         | <u>(3,000)</u>              | <u>33,514</u>  | <u>27,156</u>       |
| <b>Reconciliation of funds</b>              |      |                       |                             |                |                     |
| Total funds brought forward                 |      | (7,512)               | 3,000                       | (4,512)        | (31,668)            |
| <b>Total funds carried forward</b>          |      | <u>29,002</u>         | <u>–</u>                    | <u>29,002</u>  | <u>(4,512)</u>      |

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Financial Position

31 March 2022

|                                                                | Note | 2022<br>£ | 2021<br>£ |
|----------------------------------------------------------------|------|-----------|-----------|
| <b>Fixed assets</b>                                            |      |           |           |
| Tangible fixed assets                                          | 14   | 20,782    | 28,166    |
| <b>Current assets</b>                                          |      |           |           |
| Stocks                                                         | 15   | 35,660    | 35,744    |
| Debtors                                                        | 16   | 79,401    | 36,049    |
| Cash at bank and in hand                                       |      | 45,696    | 39,878    |
|                                                                |      | 160,757   | 111,671   |
| <b>Creditors: amounts falling due within one year</b>          | 17   | 50,684    | 28,806    |
| <b>Net current assets</b>                                      |      | 110,073   | 82,865    |
| <b>Total assets less current liabilities</b>                   |      | 130,855   | 111,031   |
| <b>Creditors: amounts falling due after more than one year</b> | 18   | 101,853   | 115,543   |
| <b>Net assets</b>                                              |      | 29,002    | (4,512)   |
| <b>Funds of the charity</b>                                    |      |           |           |
| Restricted funds                                               |      | —         | 3,000     |
| Unrestricted funds                                             |      | 29,002    | (7,512)   |
| <b>Total charity funds</b>                                     | 20   | 29,002    | (4,512)   |

For the year ending 31 March 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:

Diane Brown  
Trustee

The notes on pages 14 to 22 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Cash Flows

Year ended 31 March 2022

|                                                       | 2022<br>£     | 2021<br>£      |
|-------------------------------------------------------|---------------|----------------|
| <b>Cash flows from operating activities</b>           |               |                |
| Net income                                            | 33,514        | 27,156         |
| <i>Adjustments for:</i>                               |               |                |
| Depreciation of tangible fixed assets                 | 7,384         | 7,931          |
| Interest payable and similar charges                  | 4,414         | 2,826          |
| <i>Changes in:</i>                                    |               |                |
| Stocks                                                | 84            | (7,290)        |
| Trade and other debtors                               | (43,352)      | (19,017)       |
| Trade and other creditors                             | 7,705         | (14,145)       |
| Cash generated from operations                        | 9,749         | (2,539)        |
| Interest paid                                         | (4,414)       | (2,826)        |
| Net cash from/(used in) operating activities          | <u>5,335</u>  | <u>(5,365)</u> |
| <b>Cash flows from investing activities</b>           |               |                |
| Purchase of tangible assets                           | —             | (439)          |
| Net cash used in investing activities                 | <u>—</u>      | <u>(439)</u>   |
| <b>Cash flows from financing activities</b>           |               |                |
| Proceeds from borrowings                              | 483           | 45,000         |
| Net cash from financing activities                    | <u>483</u>    | <u>45,000</u>  |
| <b>Net increase in cash and cash equivalents</b>      | 5,818         | 39,196         |
| <b>Cash and cash equivalents at beginning of year</b> | 39,878        | 682            |
| <b>Cash and cash equivalents at end of year</b>       | <u>45,696</u> | <u>39,878</u>  |

The notes on pages 14 to 22 form part of these financial statements.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements

Year ended 31 March 2022

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### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 20, Avenue 3, Chilton Industrial Estate, Ferryhill, County Durham, DL16 0PB.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The accounts have been prepared on a going concern basis however attention is drawn to the comments made in the financial review section of the trustees' annual report.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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### 3. Accounting policies *(continued)*

#### Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                     |                        |
|---------------------|------------------------|
| Plant and machinery | - 15% reducing balance |
| Motor vehicles      | - 25% reducing balance |
| IT Equipment        | - 25% reducing balance |

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Financial instruments

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

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

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### **Debtors**

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

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

### **Cash at Bank and in Hand**

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

### **Creditors**

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

### **Taxation**

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## **4. Limited by guarantee**

The company is limited by guarantee. At 31st March 2022 there were 3 members each of whom had undertaken to contribute an amount not exceeding £1 in the event of a winding up.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2022

### 5. Donations and legacies

|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations</b>                   |                            |                          |                          |
| Donations                          | 1,011                      | –                        | 1,011                    |
| <b>Grants</b>                      |                            |                          |                          |
| County Durham Community Foundation | –                          | 6,000                    | 6,000                    |
|                                    | <u>1,011</u>               | <u>6,000</u>             | <u>7,011</u>             |

|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Donations</b>                   |                            |                          |                          |
| Donations                          | 3,182                      | –                        | 3,182                    |
| <b>Grants</b>                      |                            |                          |                          |
| National Lottery                   | –                          | 10,000                   | 10,000                   |
| County Durham Community Foundation | –                          | 8,000                    | 8,000                    |
| 4Together AAP                      | 2,500                      | –                        | 2,500                    |
| Spennymoor AAP                     | 7,002                      | –                        | 7,002                    |
| Co-operative Society               | 500                        | –                        | 500                      |
|                                    | <u>13,184</u>              | <u>18,000</u>            | <u>31,184</u>            |

### 6. Charitable activities

|                                       | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|---------------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| DCC Projects                          | 207,907                    | 207,907                  | 168,848                    | 168,848                  |
| Furniture scheme and related services | 90,770                     | 90,770                   | 99,949                     | 99,949                   |
| Housing support projects              | 24,013                     | 24,013                   | 15,788                     | 15,788                   |
| Winter support fund                   | 164,556                    | 164,556                  | 46,320                     | 46,320                   |
|                                       | <u>487,246</u>             | <u>487,246</u>           | <u>330,905</u>             | <u>330,905</u>           |

### 7. Other income

|                      | Unrestricted<br>Funds<br>£ | Total Funds<br>2022<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|----------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Covid support grants | 4,000                      | 4,000                    | 39,500                     | 39,500                   |
| Job Retention Scheme | 31,499                     | 31,499                   | 65,147                     | 65,147                   |
| Kickstart grant      | 14,276                     | 14,276                   | –                          | –                        |
| Insurance claim      | 35,400                     | 35,400                   | –                          | –                        |
|                      | <u>85,175</u>              | <u>85,175</u>            | <u>104,647</u>             | <u>104,647</u>           |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

### 8. Expenditure on charitable activities by fund type

|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Furniture scheme and related services | <u>536,918</u>             | <u>9,000</u>             | <u>545,918</u>           |

|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Furniture scheme and related services | <u>424,580</u>             | <u>15,000</u>            | <u>439,580</u>           |

### 9. Expenditure on charitable activities by activity type

|                                       | Activities<br>undertaken<br>directly<br>£ | Total funds<br>2022<br>£ | Total fund<br>2021<br>£ |
|---------------------------------------|-------------------------------------------|--------------------------|-------------------------|
| Furniture scheme and related services | <u>545,918</u>                            | <u>545,918</u>           | <u>439,580</u>          |

### 10. Net income

Net income is stated after charging/(crediting):

|                                       | 2022<br>£    | 2021<br>£    |
|---------------------------------------|--------------|--------------|
| Depreciation of tangible fixed assets | <u>7,384</u> | <u>7,931</u> |

### 11. Independent examination fees

|                                                     | 2022<br>£    | 2021<br>£    |
|-----------------------------------------------------|--------------|--------------|
| Fees payable to the independent examiner for:       |              |              |
| Independent examination of the financial statements | 400          | 400          |
| Other financial services                            | <u>5,539</u> | <u>5,329</u> |
|                                                     | <u>5,939</u> | <u>5,729</u> |

### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

|                                         | 2022<br>£      | 2021<br>£      |
|-----------------------------------------|----------------|----------------|
| Wages and salaries                      | 164,254        | 145,342        |
| Employer contributions to pension plans | <u>551</u>     | <u>1,976</u>   |
|                                         | <u>164,805</u> | <u>147,318</u> |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2022

### 12. Staff costs (continued)

The average head count of employees during the year was 10 (2021: 9). The average number of full-time equivalent employees during the year is analysed as follows:

|                            | 2022<br>No. | 2021<br>No. |
|----------------------------|-------------|-------------|
| Number of management staff | 2           | 2           |
| Number of project staff    | 8           | 7           |
|                            | <u>10</u>   | <u>9</u>    |

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

### 13. Trustee remuneration and expenses

No trustees received remuneration or expenses during the current or previous year.

### 14. Tangible fixed assets

|                                          | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | IT Equipment<br>£ | Total<br>£    |
|------------------------------------------|-----------------------------|------------------------|-------------------|---------------|
| <b>Cost</b>                              |                             |                        |                   |               |
| <b>At 1 April 2021 and 31 March 2022</b> | <u>21,369</u>               | <u>27,000</u>          | <u>9,152</u>      | <u>57,521</u> |
| <b>Depreciation</b>                      |                             |                        |                   |               |
| At 1 April 2021                          | 8,654                       | 15,609                 | 5,092             | 29,355        |
| Charge for the year                      | <u>3,406</u>                | <u>2,848</u>           | <u>1,130</u>      | <u>7,384</u>  |
| <b>At 31 March 2022</b>                  | <u>12,060</u>               | <u>18,457</u>          | <u>6,222</u>      | <u>36,739</u> |
| <b>Carrying amount</b>                   |                             |                        |                   |               |
| <b>At 31 March 2022</b>                  | <u>9,309</u>                | <u>8,543</u>           | <u>2,930</u>      | <u>20,782</u> |
| At 31 March 2021                         | <u>12,715</u>               | <u>11,391</u>          | <u>4,060</u>      | <u>28,166</u> |

### 15. Stocks

|                            | 2022<br>£     | 2021<br>£     |
|----------------------------|---------------|---------------|
| Furniture stock for resale | <u>35,660</u> | <u>35,744</u> |

### 16. Debtors

|                        | 2022<br>£     | 2021<br>£     |
|------------------------|---------------|---------------|
| Trade debtors          | 77,425        | 36,049        |
| Directors loan account | 686           | —             |
| Other debtors          | <u>1,290</u>  | <u>—</u>      |
|                        | <u>79,401</u> | <u>36,049</u> |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

### 17. Creditors: amounts falling due within one year

|                                 | 2022          | 2021          |
|---------------------------------|---------------|---------------|
|                                 | £             | £             |
| Trade creditors                 | 22,037        | 11,898        |
| Accruals and deferred income    | 900           | 900           |
| Social security and other taxes | 27,288        | 15,398        |
| Other creditors                 | 459           | 610           |
|                                 | <u>50,684</u> | <u>28,806</u> |

### 18. Creditors: amounts falling due after more than one year

|                     | 2022           | 2021           |
|---------------------|----------------|----------------|
|                     | £              | £              |
| Bounce Backloan     | 47,983         | 47,500         |
| NE Social Fund loan | 40,788         | 41,399         |
| Key Fund loan       | 13,082         | 19,132         |
| Other creditors     | —              | 7,512          |
|                     | <u>101,853</u> | <u>115,543</u> |

### 19. Pensions and other post retirement benefits

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £551 (2021: £1,976).

### 20. Analysis of charitable funds

#### Unrestricted funds

|               | At<br>1 April 2021 | Income         | Expenditure      | At 31 March<br>2022 |
|---------------|--------------------|----------------|------------------|---------------------|
|               | £                  | £              | £                | £                   |
| General funds | <u>(7,512)</u>     | <u>573,432</u> | <u>(536,918)</u> | <u>29,002</u>       |

|               | At<br>1 April 2020 | Income         | Expenditure      | At 31 March<br>2021 |
|---------------|--------------------|----------------|------------------|---------------------|
|               | £                  | £              | £                | £                   |
| General funds | <u>(31,668)</u>    | <u>448,736</u> | <u>(424,580)</u> | <u>(7,512)</u>      |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2022

### 20. Analysis of charitable funds (continued)

#### Restricted funds

|                                    | At<br>1 April 2021<br>£ | Income<br>£  | Expenditure<br>£ | At 31 March<br>2022<br>£ |
|------------------------------------|-------------------------|--------------|------------------|--------------------------|
| County Durham Community Foundation | 3,000                   | 6,000        | (9,000)          | —                        |
|                                    | <u>3,000</u>            | <u>6,000</u> | <u>(9,000)</u>   | <u>—</u>                 |

|                                    | At<br>1 April 2020<br>£ | Income<br>£   | Expenditure<br>£ | At 31 March<br>2021<br>£ |
|------------------------------------|-------------------------|---------------|------------------|--------------------------|
| National Lottery                   | —                       | 10,000        | (10,000)         | —                        |
| County Durham Community Foundation | —                       | 8,000         | (5,000)          | 3,000                    |
|                                    | <u>—</u>                | <u>18,000</u> | <u>(15,000)</u>  | <u>3,000</u>             |

### 21. Analysis of net assets between funds

|                               | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2022<br>£ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets         | 20,782                     | —                        | 20,782                   |
| Current assets                | 160,757                    | —                        | 160,757                  |
| Creditors less than 1 year    | (50,684)                   | —                        | (50,684)                 |
| Creditors greater than 1 year | (101,853)                  | —                        | (101,853)                |
| <b>Net assets</b>             | <u>29,002</u>              | <u>—</u>                 | <u>29,002</u>            |

|                               | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets         | 28,166                     | —                        | 28,166                   |
| Current assets                | 108,671                    | 3,000                    | 111,671                  |
| Creditors less than 1 year    | (28,806)                   | —                        | (28,806)                 |
| Creditors greater than 1 year | (115,543)                  | —                        | (115,543)                |
| <b>Net assets</b>             | <u>(7,512)</u>             | <u>3,000</u>             | <u>(4,512)</u>           |

### 22. Analysis of changes in net debt

|                          | At<br>1 Apr 2021<br>£ | Cash flows<br>£ | At<br>31 Mar 2022<br>£ |
|--------------------------|-----------------------|-----------------|------------------------|
| Cash at bank and in hand | 39,878                | 5,818           | 45,696                 |
| Debt due after one year  | (47,500)              | (483)           | (47,983)               |
|                          | <u>(7,622)</u>        | <u>5,335</u>    | <u>(2,287)</u>         |

# **County Durham Furniture Help Scheme**

**Management Information**

**Year ended 31 March 2022**

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**The following pages do not form part of the financial statements.**

# County Durham Furniture Help Scheme

## Detailed Statement of Financial Activities

Year ended 31 March 2022

|                                       | 2022<br>£      | 2021<br>£      |
|---------------------------------------|----------------|----------------|
| <b>Income and endowments</b>          |                |                |
| <b>Donations and legacies</b>         |                |                |
| Donations                             | 1,011          | 3,182          |
| National Lottery                      | –              | 10,000         |
| County Durham Community Foundation    | 6,000          | 8,000          |
| 4Together AAP                         | –              | 2,500          |
| Spennymoor AAP                        | –              | 7,002          |
| Co-operative Society                  | –              | 500            |
|                                       | <u>7,011</u>   | <u>31,184</u>  |
| <b>Charitable activities</b>          |                |                |
| DCC Projects                          | 207,907        | 168,848        |
| Furniture scheme and related services | 90,770         | 99,949         |
| Housing support projects              | 24,013         | 15,788         |
| Winter support fund                   | 164,556        | 46,320         |
|                                       | <u>487,246</u> | <u>330,905</u> |
| <b>Other income</b>                   |                |                |
| Covid support grants                  | 4,000          | 39,500         |
| Job Retention Scheme                  | 31,499         | 65,147         |
| Kickstart grant                       | 14,276         | –              |
| Insurance claim                       | 35,400         | –              |
|                                       | <u>85,175</u>  | <u>104,647</u> |
| <b>Total income</b>                   | <u>579,432</u> | <u>466,736</u> |

# County Durham Furniture Help Scheme

## Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2022

|                              | 2022<br>£         | 2021<br>£         |
|------------------------------|-------------------|-------------------|
| <b>Expenditure</b>           |                   |                   |
| Furniture scheme purchases   | 231,605           | 169,859           |
| Wages                        | 164,254           | 145,342           |
| Pension costs                | 551               | 1,976             |
| Rent and rates               | 56,246            | 50,348            |
| Light and heat               | 9,545             | 8,464             |
| Insurance                    | 7,996             | 9,549             |
| Other premises costs         | 6,491             | 7,686             |
| Motor vehicle costs          | 23,863            | 16,088            |
| Staff and volunteer expenses | 19,039            | 8,031             |
| Accountancy fees             | 5,939             | 5,729             |
| Telephone                    | 2,999             | 2,892             |
| Office costs                 | 1,425             | 1,768             |
| Depreciation                 | 7,384             | 7,931             |
| Interest payable             | 4,414             | 2,826             |
| Other expenses               | 4,167             | 1,091             |
| <b>Total expenditure</b>     | <u>545,918</u>    | <u>439,580</u>    |
| <br><b>Net income</b>        | <br><u>33,514</u> | <br><u>27,156</u> |

COUNTY DURHAM FURNITURE HELP SCHEME

England & Wales - Charity number 1112344

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# Accounts

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**County Durham Furniture Help Scheme**  
**Financial Statements**  
**For the year ending**  
**31 March 2021**

**JANE ASCROFT ACCOUNTANCY LIMITED**

Chartered Accountants  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

# County Durham Furniture Help Scheme

## Financial Statements

Year ended 31 March 2021

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# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2021

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The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2021.

### Objectives

The objectives of the charity are to relieve poverty in particular by the provision of a furniture and household goods recycling services to those people resident in County Durham who are necessitous circumstances.

### Activities and financial review

CDFHS entered the financial year 2020-2021 within a country in the early grip of the COVID 19 Pandemic, all normal behaviours had stopped following the Government decision to enact a draconian level of enforced lockdown and an increasing amount of new legislation that had direct bearing on our operations, people and charitable ethic.

By the middle of April 2020 we saw Government confusion and Durham County Council initial slowness leaving us perilously exposed as we effectively could not generate income. Any expected revenue streams appeared to be collapsing. That is our income comes in from 2 main streams. Cash sales (by way of negotiated donation) and Service Level Agreements with DCC in Welfare Assistance and Stronger Family work. 50/50 in split approximately and up to £30K per month turnover sometimes with Humanitarian work from DCC and other "regular" clients occasionally taking us over £40K monthly.

However, for the financial year we are very pleased to be able to report a better financial performance than we could ever have expected. We turned over in trading of goods from stock and our core re-used items over £380K with support from other grants and the government furlough scheme adding £80K, bringing a respectable £460K. Which in the circumstances prevailing is an absolutely tremendous performance. For reference our original budget set prior to any knowledge of COVID and the year to come was for a total of £550K. The overall surplus funds generated has left us with a respectable bank balance. Also taking in to account a predicted insurance claim that has been signed off and approved for Business Interruption we have provided a further £25,000 surplus funds being made available from the insurers to our bank account.

Therefore our retained funds/surplus position will leave CDFHS with its bank balance in the best position it has ever achieved. This then leaves us able to make choices with such as dealing with our outstanding loans, to replace vehicles that now need replacing or equipment that we would need to purchase for future operations or improvements to our service. Directors loans will be dealt with in separate conversations but amounts outstanding are actually reduced significantly. This year also saw us dispose by obtaining national press attention a spurious £15K of HMRC Liability that had not been accepted as such by HMRC. This last year was a debt we owed. This has been resolved and we are now totally up to date with PAYE. CDFHS will be supporting the agenda that the national finances have been damaged and that we need to be part of the national recovery by keeping PAYE and VAT up to date. VAT has a deferment of £4.5K that will be settled in the next financial year by agreement with HMRC.

From previous reporting and the numbers generated it should be understood that the CDFHS main client is the Local Authority (LA) Durham County Council (DCC). We pay £5K per month rent to the LA and are a "strategic tenant" and a trusted and now much better valued service provider. Note we had offered to us a temporary payment holiday via a repayable deferment of three months put to us very quickly at the start of the pandemic, this supported us significantly at the difficult time of the start of the pandemic to the tune of deferring £15K of rental costs. We have repaid the majority of this within the current year trading.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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### Activities and financial review *(continued)*

Our previously acquired loans outstanding to Keyfund, Northstar and Bounceback Facility are listed within a separate portion of our accounts for separate viewing. Again as stated the current financial position of the CDFHS enables us to make future decisions in respect of these and our position to act can and has been enabled by the Bounceback facility and the cheapness of its interest rate compared to the two previously undertaken loans.

For our information requirements and understanding of where we were placed in terms of gaining support and emergency help, we found that the main DCC outlets of information were by their website and the government by Gov.UK. We learned from DCC business officers such as Joanne Urquhart-Arnold, how matters actually were proceeding and what the meanings of the slowly appearing information meant for the CDFHS. Being a Registered Charity we were virtually the last in the "Queue" of information and particularly so in respect of support being made available. CEO time was devoted to networking (virtually) and getting to understand policy, anticipate matters and manage a collapsing sales order book. Then there had to be effort made to defer debt and negotiate HMRC abeyance, rental issues as stated and so on. Not least suppliers becoming very nervous in respect of offering credit - basically a national meltdown was looming.

Importantly our people were all affected by this Pandemic situation, personal and an individual or family threat in respect of health not least worries over their employment, risks growing from COVID and an overall sense of dread and uncertainty. Steve spent some time I believe keeping in touch with the staff and reassuring them, that all it would take to keep CDFHS going would be done. It also turned out that this assurance had to be extended to staff in other organisations trading with or working with us. Credit ratings with suppliers collapsed and life was generally made business intolerable. Other organisations increasingly looked to CDFHS for supply of goods (when not being open was the law). Lee and Steve worked hard together to form a "behind closed doors operation from the very start. Our stock levels actually being quite buoyant.

There were some initial areas of support handed down and being made open to us such as Units Rental deferral of 3 months, saving us £15K expenditure April to June and various PAYE and VAT Deferrals. These being £4.5K for the VAT owed from last Quarter of 19-20 and some various PAYE Incentives and an increase in the PAYE grant to £4.0K. These whilst welcome and keeping us afloat were increasing amounts of debt added to what we owed to Key Fund and to Northstar Ventures.

Despite our organisation in the past not wanting to declare itself as a retail operation (for fear of attracting a ratings liability). In fact, was not the case at all - we needed to extend the evidence of our retail credentials quite obviously, cash handling, tills, credit card machines, price lists and all the typical retail accoutrements to the LA. We acquired the full £25K Retail Grant quite rapidly. We also noted that Welfare Assistance continued at a lower level than previous but it was there and kept turnover in new electrical items, beds and furniture up and added to the work starting to be needed to be done behind closed doors.

Our business and accountancy practices were amended quite rapidly to cope with the evolving situation, more council officers and individuals from business and voluntary bodies came out looking for ways of getting our low cost goods, to people needing them despite all the restrictions. Steve saw to it that fairly early on we were written to by the LA and formally given permissions to move about legitimately in the lockdown and to with certain restrictions carry out "doorstep deliveries" often this involved the referrer or support worker getting the family involved or neighbours/friends to the point of delivery and our people leaving the goods in a safe (Covid secure) manner.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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### Activities and financial review *(continued)*

This situation meant we had work to do but reduced in scope and physical volume - not necessarily in cash invoice terms as higher values of a more compact nature were being shipped. This was by virtue of being boxed or bagged new goods, emergency furniture packs, Welfare Assistance whitegoods and furniture/bed packs. We utilised volunteers who were willing to support this work. What we perceived from the initial impact of the pandemic, the deferments and concerns such as potential income stream collapse meant we furloughed all our "Back office" function, Steve took on billing, buying stock and accounting (In conjunction with Jane Ascroft and Julian Haynes. Lee took on making appointments, arranging and carrying out deliveries, taking in goods, coordinating with Steve and so on - major workloads.

We paid some volunteer allowance thus supporting volunteers whilst keeping our workforce intact with the newly emerging government Job Retention Scheme (JRS). We have claimed and have seen regular amounts coming in. These have been accurate and genuine reflections of the workforce /volunteer split. Lee was furloughed a little more, then less due to his workload, Steve initially not really by much but when flexible furlough came in this was very useful and the variable support was used.

Organisations like Believe Housing, Red Supported Living, Salvation Army all came looking for goods in addition to the LA. One Government policy that added to our turnover that had started to appear. "All in" the homeless agenda of getting all homeless people off the streets, living and sleeping rough and those fleeing the increasing level of domestic violence or indeed coming out of hospital following illness or breakdown. There is a case study available as an example of how refined the working method and policy became.

Basically Rebecca Angus from the LA contacted Lee and Steve from previously being helped by Lee and his "can do" attitude. Steve and Lee worked up a stock range, beds, microwave, bedding and essential items and food boxes as stored with us by Housing Solutions and Humanitarian Project.

Referrals for goods for named individuals would be issued to approx. £250.00 each and we would act on this instruction, in conjunction the client, his worker, the renter/tenancy provider and we often had people awaiting at the property or on occasion set the bed up, made the bed put the food in the cupboards and so on. Really just helping our fellow man. This process started adding £2K-£4K per month to our turnover and vastly improved our standing and perception with the LA, workers and other parties. We had to encourage suppliers to join up with this activity. In particular, getting Dreamode Beds of Heckmondwike involved was key in getting this project running effectively, along with a simple arrangement made with the local TESCO stores for which we thank very much all their staff involved in getting goods ready and available and when double numbers of microwaves or beds being needed - depleting their stores to help.

Tesco also made a big donation of bedding, miscellaneous items, washing powders, pillows, duvets and various pot noodle/crisp/snack and such goods. Essential provisions for some people and sadly in 2020 UK hot meals by way of a kettle and "Pot Noodle" being a regular occurrence.

As the "All in" effort was getting underway it became more urgent and expensive to obtain PPE, sanitiser, masks, gloves and so on. We did not understand the COVID illness and are not by nature infection control specialists. We took increasing advice, spent increasing sums of money on making the business as Covid secure as we could. Amidst a plethora of often conflicting instructions and guidance we got through the spring in to the summer unaffected. We also worked a system involving the newly appeared HMRC Job Retention scheme (Furlough) and split the staff up and if we were affected by Covid it would not stop operations. We have not ever had individuals been affected by COVID.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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### Activities and financial review *(continued)*

As referred to we were deferring debt, both Northstar and Key fund being supportive in this regard, more importantly as stated Third Sector was well down funding "pecking order". However, something had to happen. The LA via the local Area Action Partnerships (AAPs) of Spennymoor AAP and 4Together AAP of Ferryhill area worked through a mechanism of supporting and dialoguing with the local charity groups tailored support. This being in part to help offset PPE costs, extra vehicle costs and overheads involved in staying open behind closed doors. This netted grants from Spennymoor AAP and Ferryhill AAP - 4Together. That supported us directly at times when we needed every £ for cash flow and buying goods via the various suppliers who virtually needed paying virtually net cash.

Steve worked with his contacts and managed to get £10K from The National Lottery, this would involve prepaying the coming Mini Fleet insurance (Royal Victoria and QBE/BD Elite) and Charity Care cover with Victor due in the Autumn - more on that later in relation to Business Interruption).

We have been very ably supported by Martin Smith and Phil Smith of Mayfield insurance. Particularly keeping us regularly updated on the position of our various insurances, the negative side such as a fraudulent/spurious claim against us or an accident where all costs were initially not going to be met - but it being another party fault it has been agreed costs will be recovered in the coming policy year. Initially we also were advised our Business Interruption Cover would not be actionable. Because the law changed and the method by which the LA told us to close was exactly in accordance the policy wording and agreed and accepted by the insurers our case strengthened as the year wore on. We got to a position where as March came about in 2021 we could look to taking a viewpoint and financial provision in our accounts.

The vehicle fleet we had of a 15 plate and a 13 plate would in normal circumstances see project or grant funding supporting replacements. No such funding was ever going to appear but still working the vans saw repair costs increasing and regular bills of £1000 were coming in. Happily, some grants allowed repairs and maintenance and this could be general as say roller shutter doors needed fixing so general repairs were in effect covered by grants. Latter part of the year for example the County Durham Community Foundation sent us £5,000 and that being restricted to repairs, fuel costs (which will be £10K for the year.

The main cost of Lockdown being white vans are in demand, we started to charge for our collection services due our increased maintenance costs and loss of revenue. In some cases, we were reimbursed by some full house collections, by and large people paying happily enough when in lockdown. We may well review this going forward in to 21-22 as we detect resistance to this "ask".

The cost of PPE and producing appropriate risk assessments and the various levels of alert left us on three occasions revising/changing our assessments and briefing our workforce on several occasions as to the latest risks (at the time). The availability of PPE eased somewhat and all staff became used to adaptation and change. WE can see things never being the same again. CDFHS has signage up, policy in place and once lockdown ends in 2021 we will see what business remains.

As I said in the early stages of this report and the various lockdowns referred to we note the usage of our re-usable stock over the year was cleaning us out of items and towards December we had only partially replaced our reused stock items. Our purchasing of beds hitting over 1000, whitegoods from Domestic Appliance Distributors over the financial year to 31.3.2021 of £130,000. Then there is somewhat of an accounting challenge. Due to not using our inventory and tracking system continuously, because of staff time/availability of the system, the lockdowns and various stock conditions/vermin and weather generated breakdowns. Decided that we will write our second hand stock down in line with the physical reduction, and the fact that over the winter some of it was contaminated/vermin infested. We reckon on a stock value at year end below £16K. We note though difficulties in the supply of new goods. We have had to opportunity buy often in batches of a size bigger than we would have liked and at year end we will post a valuation on that at over £20,000. In the year to come it will be similarly "bumpy" we have been advised to keep a close eye on our purchasing.

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# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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### Activities and financial review *(continued)*

We had a fairly large lean on our stock with the Humanitarian project for the resettlement of Syrian Refugees. This was involving us in painting and decorating 6 houses. Again this was a manual intervention of just lifting and delivering urgently. The Humanitarian project was stopped in February 2020 and restarted at the end of December 2020. This saw the houses reduced to 4. We were fully reimbursed for abortive time on one property that was cancelled. We had to revisit two and improve them due to the passage of time and changes in Council requirements. We fully supplied four complete full houses worth and the revenue for this came to over £20K mainly received December to end February 2021 again helping our figures. We completed full house fit out, blinds, curtains, all cleaning. We also worked closely with LA staff to add all home embellishments, curtains, towels, cleaning items, food and decorative items such as mirrors, mats and children's toys and clothes. Full and complete home set up and supply. On time and within budget working closely with the LA at all levels - enhancing our profile further.

Over the course of the year we supplied many small orders for a multitude of smaller charities and statutory bodies, this was adding via a drip feed type situation to our turnover and some spends have been quite significant. We supported many organisations via telephone calls pointing them in direction of funding. What was a struggle in common for all of these was accessing funding and they may have had to use increasing amounts of their own funds? If we did similarly I would expect if we gave furniture away, we would be very popular. As long as the stock lasted, then we would be out of business. We still have a dread of someone turning up at our door with nothing but the clothes that they stand up in. The Police being of a regular nature turning up with someone, often they have a station collection and what is collected may be added to what little the client has. This leaves us looking to explain to people where to go and who to see/apply to. Regular calls from Citizens advice for people declined by Welfare Assistance as qualifying for Welfare does not involve having a broken domestic appliance - that is hard luck. In the current Pandemic this is not good enough.

Or as we found with County Durham Community Foundation - Donor Directed Grant funding was awarded to us. This was £3,000 to use for cases that have fallen through the cracks of statutory provision or for whatever reason have no access to any funds whatsoever. This was sent to us with strict criteria of spend allowed (narrow range of goods, max value £300.00, exceptional circumstances). This was awarded basically by Sherburn House Trust, for relief of poverty by the CDFHS carrying out its articles of supplying those residents of County Durham in necessitous circumstances. There is a level of administration like all grants but some very difficult cases were helped. We have expended this and are going to reapply in the next coming year. Our thanks to the County Durham Community Foundation for this.

Because of a case in the above grant we came to the attention of the Adult Social Care Service and reminded to Tina Shaw of Stronger Families, the LA operation that supplies families with vulnerabilities and mainly have small/young children.

As stated previously we were classed as essential workers by the LA, this extended via the Welfare Assistance team, Housing Solutions and others to get us to take some risk on in carrying out their physical delivery requirements. After some pressure applied by Steve the Service lead arranged for our frontline people to be vaccinated in January/February, easing our concerns somewhat. However, as the Third Lockdown has proved to be longer, tougher and something to be endured we were always still short of a confident funds level, see the financial review separately referred to by CEO.

Government money gets to the LA and the initial mechanism to deliver government support was via grant directly, or to transit monies via existing systems such as Welfare Assistance.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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### Activities and financial review *(continued)*

Winter Support Fund was of this ILK and upon being alerted to this we had to revise our stock purchasing and Steve worked with the suppliers such as DAD and GFW to keep the stock level of new goods up, in flow and available to Lee to deliver. This manifested in creating a system, and agreeing rapidly to a pricing regime, invoicing parameters, payment, a stock range of goods that could be bought. This was a direct result of work with some of the services adults and vulnerable families over the course of the Pandemic. This fund is listed in our financial analysis and again thanks go out to those who set this up with us.

Pricing for any new goods stocked by the CDFHS has been subject to variations in supply issues mainly pertaining to manufacturing delays and shipping issues. Manufacturing delays have been down to slow start up from previously "Furloughed" workforce affected factories ramping up production and associated delays due to not getting all personnel back in to work. The world supply of "Semi-Conductors" has also impacted supply of the working brains of domestic appliances, automobiles and other electronic goods. This has had some debate raising effects on price. However, at times this impacted availability as our regular items did actually dry up and become difficult to source. This was end 2020 in to early 2021.

International shipping is priced by a "cube", which translates to a price each on every single item or boxed good, once some complicated maths is done, component price increases feed through as unit price each increases. On aggregate terms we can be assured the price each increases are accurate. We at CDFHS worked with our suppliers and pleasingly not really had an issue in supplying the council, welfare clients and others apart from some short time scare. CDFHS has had to be committing higher amounts of working capital and buying larger lots of goods than we would normally buy.

There have been nominal supply pricing issues. On occasion we have deliberately bought items at sometimes higher pricing to maintain supply. This would not have been permitted to continue but we were assured of matters going back to normal by mid this year. The situation therefore eased somewhat in March. We have asked for some level of retrospective refunds in this area.

As above shipping prices had risen, but were starting to fall. The Suez Canal incident in March has upturned this and shipping prices have risen significantly. Our suppliers wording is "an utter bloodbath" this has also incorporated the new bedroom wardrobe / drawer sets we supply and suppliers are facing some massive price hikes. These are being passed on and inflating goods pricing somewhat again. Something we cannot resist without damaging our business, we must have some dialog in this area and requested this with the LA.

I have alluded to pricing issues earlier this year but happily we dealt with other projects within Durham County Council and we used volume we had that we supplied to keep prices at a standstill or on an ad-hoc basis varied or occasionally we did supply alternative items. This had the net effect of Welfare Assistance being left alone. What we have to address is the permanency of the price impacts and possibly a temporary hike that part of the price may come back down end 2020 and some shaving of shipping rates could see some goods prices falling back.

The tone of the report is work, hard work, a preparedness to adapt, an ability to be patient and in the face of real life endangering, not alone the business destroying climate I can express total pride right the way through all levels the organisation.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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### Activities and financial review *(continued)*

In fairness where credit and praise is due to those who help our cause it is actually too much to enumerate. Key Fund and Northstar are worthy of mention in particular as Steve being open and honest with them about our situation (not predicament - because managing the issues is Steve's forte,) plus Steve willingly has and does seek support, advice and guidance. Likewise, he has been called upon similarly from and by others and feedback here has been plenty and positive - especially as there have been so many unknowns for everyone. A big nod to Durham County Council likewise for some real organisational shifts in position and culture. I could go on but in fairness any omission could be viewed negatively and certain expressions are not applicable in this kind of report.

Our website will give due credit connected with the issuance of our formal accounts, this MD report is longer than common due to the nature of the last year's events and reflects truthfully the decision making taken at all turns was dictated (particularly) by events then. Hindsight is a difficult judge so is certainly not appropriate. However simply put, CDFHS is still here, yes it has debt, positively though unlike on many occasions it has choices which IT can make which is different to the preceding situations where events led us and we had to bow to pressure or these events.

Our way forward after Covid is still potentially fraught but this overall commentary should give a flavour to what we have done, some of the decisions and decision making processes, circumstances and responses. Then changes that have been driven or willingly undertaken. A financial and number crunching review is also within this general review unapologetically as the numbers drive us (or do not if they are not right). This report has also been blended with appropriate commentary from Lee from the operational side of CDFHS.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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Further to comments regarding people. There is still our employability and training side that dovetails work experience and general skills training in our large warehouses to our employability efforts. Last year was a very poor year for engaging with volunteers and we spent the full year on some fruitless and unproductive grant applications. To be honest the enthusiasm for hard work and enterprise seems to be lacking around the area. The CDFHS will re-examine this scheme to assess the very attractiveness of our work experience offering and to see what is potentially the way forward, partnership working again perhaps.

We feel now that as our workforce has been with us some time that a culture of maybe expectation and reduced enthusiasm is settling in and that some efficiencies and incentives need to be introduced. Perhaps examining accountability, discipline and formalising certain time and attendance matters may be desirable. Bonuses can be useful but only if deserved and worked for. This section sounds negative but we must make sure the people who work for us get the best treatment out of the CDFHS possible. We can, therefore, see better staff and worker input coming through.

We had however some very gratifying achievements in what employability work we did particularly with a trio of young people, all Autistic. They all found their stay with us to be exceptionally rewarding and the feedback from their sponsor organisation - Project Choice was phenomenal.

The year saw 70 candidates come through however and over 30% we are aware of were either employed by us or went out to be employed, undertaking long term training or volunteering that can be identified. A grant win and a new but semi-formal and defined employability project or scheme may be a better draw to candidates as referrals may be pointed to us.

Health and Safety is a key indicator and our Duty of Care is absolute, this being re-emphasised and with work done to up our policy commitments and to re-run risk assessments afresh. This combined with a drive to achieve a living wage as opposed to all things minimal may well be desirable and achievable.

CDFHS has had no "near miss" in Health and Safety over this year. Again with Coronavirus, we see a root and branch review of Health and Safety as more than possible - it will be appropriate or demanded.

I wish to thank all our staff, my volunteer colleagues, Lee my Operational Manager for his input and support, to Steve for his enduring hard work support. We note with pride the partners that we did not let down, the continuing commercial rapport and mutually supporting network Steve has developed. Then to our suppliers who must note these positive results in the forthcoming hard year that is facing us all, that we can trust to their support.

Finally, those organisations and people who work with us and know us by coming in to meet with us. Or, who in a priceless way make those referrals of people in necessitous circumstances directly and with faith to us.

# County Durham Furniture Help Scheme

## Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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### Structure, governance and management

County Durham Furniture Help Scheme is a charitable company governed by its Memorandum and Articles of Association. It was incorporated on 9th September 2005 with company number 05559147 and was registered with the Charity Commission on 30th November 2005 with charity number 1112344.

The charity comprises 3 trustees as a minimum and is managed on a day to day basis by a small but dedicated management team who defer to this board.

The trustees have had regard to the Charity Commission's guidance on public benefit throughout the year when deciding on the activities of the charity.

### Reference and administrative details

**Registered charity name** County Durham Furniture Help Scheme

**Charity registration number** 1112344

**Company registration number** 05559147

**Principal office and registered office** Unit 20, Avenue 3  
Chilton Industrial Estate  
Ferryhill  
County Durham  
DL16 0PB

### The trustees

Diane Brown  
Glynn Hanratty  
Christopher Trotter

**Company secretary** Steve Mitton

**Independent examiner** Jane Ascroft FCA MA (Cantab)  
Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

### Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

# County Durham Furniture Help Scheme

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2021

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The trustees' annual report was approved on ..... and signed on behalf of the board of trustees by:

Steve Mitton  
Charity Secretary

# County Durham Furniture Help Scheme

## Independent Examiner's Report to the Trustees of County Durham Furniture Help Scheme

Year ended 31 March 2021

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I report to the trustees on my examination of the financial statements of County Durham Furniture Help Scheme ('the charity') for the year ended 31 March 2021.

### Responsibilities and basis of report

As the trustees of the company (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 accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 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 in England and Wales (ICAEW), 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 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 accounts to be reached.

Jane Ascroft FCA MA (Cantab)  
Independent Examiner

Enterprise House  
Harmire Enterprise Park  
Barnard Castle  
County Durham  
DL12 8XP

# County Durham Furniture Help Scheme

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2021

|                                             |      |                         | 2021                  |                  | 2020             |
|---------------------------------------------|------|-------------------------|-----------------------|------------------|------------------|
|                                             | Note | Unrestricted funds<br>£ | Restricted funds<br>£ | Total funds<br>£ | Total funds<br>£ |
| <b>Income and endowments</b>                |      |                         |                       |                  |                  |
| Donations and legacies                      | 5    | 13,184                  | 18,000                | 31,184           | 8,628            |
| Charitable activities                       | 6    | 330,905                 | –                     | 330,905          | 450,384          |
| Other income                                | 7    | 104,647                 | –                     | 104,647          | –                |
| <b>Total income</b>                         |      | <u>448,736</u>          | <u>18,000</u>         | <u>466,736</u>   | <u>459,012</u>   |
| <b>Expenditure</b>                          |      |                         |                       |                  |                  |
| Expenditure on charitable activities        | 8,9  | 424,580                 | 15,000                | 439,580          | 453,205          |
| <b>Total expenditure</b>                    |      | <u>424,580</u>          | <u>15,000</u>         | <u>439,580</u>   | <u>453,205</u>   |
| <b>Net income and net movement in funds</b> |      | <u>24,156</u>           | <u>3,000</u>          | <u>27,156</u>    | <u>5,807</u>     |
| <b>Reconciliation of funds</b>              |      |                         |                       |                  |                  |
| Total funds brought forward                 |      | (31,668)                | –                     | (31,668)         | (37,475)         |
| <b>Total funds carried forward</b>          |      | <u>(7,512)</u>          | <u>3,000</u>          | <u>(4,512)</u>   | <u>(31,668)</u>  |

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

# County Durham Furniture Help Scheme

## Statement of Financial Position

31 March 2021

|                                                                | Note | 2021<br>£      | 2020<br>£       |
|----------------------------------------------------------------|------|----------------|-----------------|
| <b>Fixed assets</b>                                            |      |                |                 |
| Tangible fixed assets                                          | 14   | 28,166         | 35,658          |
| <b>Current assets</b>                                          |      |                |                 |
| Stocks                                                         | 15   | 35,744         | 28,454          |
| Debtors                                                        | 16   | 36,049         | 17,032          |
| Cash at bank and in hand                                       |      | 39,878         | 2,534           |
|                                                                |      | <u>111,671</u> | <u>48,020</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 17   | 28,806         | 35,118          |
| <b>Net current assets</b>                                      |      | <u>82,865</u>  | <u>12,902</u>   |
| <b>Total assets less current liabilities</b>                   |      | 111,031        | 48,560          |
| <b>Creditors: amounts falling due after more than one year</b> | 18   | 115,543        | 80,228          |
| <b>Net liabilities</b>                                         |      | <u>(4,512)</u> | <u>(31,668)</u> |
| <b>Funds of the charity</b>                                    |      |                |                 |
| Restricted funds                                               |      | 3,000          | —               |
| Unrestricted funds                                             |      | (7,512)        | (31,668)        |
| <b>Total charity funds</b>                                     | 20   | <u>(4,512)</u> | <u>(31,668)</u> |

For the year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on ....., and are signed on behalf of the board by:

Diane Brown  
Trustee

The notes on pages 14 to 22 form part of these financial statements.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements

Year ended 31 March 2021

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### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Unit 20, Avenue 3, Chilton Industrial Estate, Ferryhill, County Durham, DL16 0PB.

### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

### 3. Accounting policies

#### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### Going concern

The accounts have been prepared on a going concern basis however attention is drawn to the comments made in the financial review section of the trustees' annual report.

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The trustees consider that there are no significant estimates or judgements affecting these financial statements.

#### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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### 3. Accounting policies *(continued)*

#### Income

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

#### Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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### 3. Accounting policies *(continued)*

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                     |                        |
|---------------------|------------------------|
| Plant and machinery | - 15% reducing balance |
| Motor vehicles      | - 25% reducing balance |
| IT Equipment        | - 25% reducing balance |

#### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

#### Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### Financial instruments

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

#### Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

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### Debtors

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

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

### Cash at Bank and in Hand

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

### Creditors

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

### Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

## 4. Limited by guarantee

The company is limited by guarantee. At 31st March 2021 there were 3 members each of whom had undertaken to contribute an amount not exceeding £1 in the event of a winding up.

## 5. Donations and legacies

|           | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|-----------|----------------------------|--------------------------|--------------------------|
| Donations | 3,182                      | –                        | 3,182                    |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2021

### 5. Donations and legacies (continued)

|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|------------------------------------|----------------------------|--------------------------|--------------------------|
| <b>Grants</b>                      |                            |                          |                          |
| National Lottery                   | –                          | 10,000                   | 10,000                   |
| County Durham Community Foundation | –                          | 8,000                    | 8,000                    |
| 4Together AAP                      | 2,500                      | –                        | 2,500                    |
| Spennymoor AAP                     | 7,002                      | –                        | 7,002                    |
| Co-operative Society               | 500                        | –                        | 500                      |
|                                    | <u>13,184</u>              | <u>18,000</u>            | <u>31,184</u>            |
|                                    |                            |                          |                          |
|                                    | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2020<br>£ |
| <b>Donations</b>                   |                            |                          |                          |
| Donations                          | 3,514                      | –                        | 3,514                    |
| Gift aid recovered                 | 2,544                      | –                        | 2,544                    |
| <b>Grants</b>                      |                            |                          |                          |
| Grants receivable                  | 2,570                      | –                        | 2,570                    |
|                                    | <u>8,628</u>               | <u>–</u>                 | <u>8,628</u>             |

### 6. Charitable activities

|                                       | Unrestricted<br>Funds<br>£ | Total Funds<br>2021<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2020<br>£ |
|---------------------------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Furniture scheme and related services | <u>330,905</u>             | <u>330,905</u>           | <u>450,384</u>             | <u>450,384</u>           |

### 7. Other income

|                      | Unrestricted<br>Funds<br>£ | Total Funds<br>2021<br>£ | Unrestricted<br>Funds<br>£ | Total Funds<br>2020<br>£ |
|----------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Covid support grants | 39,500                     | 39,500                   | –                          | –                        |
| Job Retention Scheme | 65,147                     | 65,147                   | –                          | –                        |
|                      | <u>104,647</u>             | <u>104,647</u>           | <u>–</u>                   | <u>–</u>                 |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 8. Expenditure on charitable activities by fund type

|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Furniture scheme and related services | <u>424,580</u>             | <u>15,000</u>            | <u>439,580</u>           |
|                                       | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2020<br>£ |
| Furniture scheme and related services | <u>453,205</u>             | <u>—</u>                 | <u>453,205</u>           |

### 9. Expenditure on charitable activities by activity type

|                                       | Activities<br>undertaken<br>directly<br>£ | Total funds<br>2021<br>£ | Total fund<br>2020<br>£ |
|---------------------------------------|-------------------------------------------|--------------------------|-------------------------|
| Furniture scheme and related services | <u>439,580</u>                            | <u>439,580</u>           | <u>453,205</u>          |

### 10. Net income

Net income is stated after charging/(crediting):

|                                       | 2021<br>£    | 2020<br>£    |
|---------------------------------------|--------------|--------------|
| Depreciation of tangible fixed assets | <u>7,931</u> | <u>9,466</u> |

### 11. Independent examination fees

|                                                     | 2021<br>£    | 2020<br>£    |
|-----------------------------------------------------|--------------|--------------|
| Fees payable to the independent examiner for:       |              |              |
| Independent examination of the financial statements | 400          | 400          |
| Other financial services                            | <u>5,329</u> | <u>4,954</u> |
|                                                     | <u>5,729</u> | <u>5,354</u> |

### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

|                                         | 2021<br>£      | 2020<br>£      |
|-----------------------------------------|----------------|----------------|
| Wages and salaries                      | 145,342        | 152,622        |
| Employer contributions to pension plans | <u>1,976</u>   | <u>987</u>     |
|                                         | <u>147,318</u> | <u>153,609</u> |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements (continued)

Year ended 31 March 2021

### 12. Staff costs (continued)

The average head count of employees during the year was 9 (2020: 9). The average number of full-time equivalent employees during the year is analysed as follows:

|                            | 2021<br>No. | 2020<br>No. |
|----------------------------|-------------|-------------|
| Number of management staff | 2           | 2           |
| Number of project staff    | 7           | 7           |
|                            | <u>9</u>    | <u>9</u>    |

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

### 13. Trustee remuneration and expenses

No trustees received remuneration or expenses during the current or previous year.

### 14. Tangible fixed assets

|                         | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | IT Equipment<br>£ | Total<br>£    |
|-------------------------|-----------------------------|------------------------|-------------------|---------------|
| <b>Cost</b>             |                             |                        |                   |               |
| At 1 April 2020         | 21,369                      | 27,000                 | 8,713             | 57,082        |
| Additions               | —                           | —                      | 439               | 439           |
| <b>At 31 March 2021</b> | <u>21,369</u>               | <u>27,000</u>          | <u>9,152</u>      | <u>57,521</u> |
| <b>Depreciation</b>     |                             |                        |                   |               |
| At 1 April 2020         | 5,930                       | 11,813                 | 3,681             | 21,424        |
| Charge for the year     | 2,724                       | 3,796                  | 1,411             | 7,931         |
| <b>At 31 March 2021</b> | <u>8,654</u>                | <u>15,609</u>          | <u>5,092</u>      | <u>29,355</u> |
| <b>Carrying amount</b>  |                             |                        |                   |               |
| <b>At 31 March 2021</b> | <u>12,715</u>               | <u>11,391</u>          | <u>4,060</u>      | <u>28,166</u> |
| At 31 March 2020        | <u>15,439</u>               | <u>15,187</u>          | <u>5,032</u>      | <u>35,658</u> |

### 15. Stocks

|                            | 2021<br>£     | 2020<br>£     |
|----------------------------|---------------|---------------|
| Furniture stock for resale | <u>35,744</u> | <u>28,454</u> |

### 16. Debtors

|               | 2021<br>£     | 2020<br>£     |
|---------------|---------------|---------------|
| Trade debtors | <u>36,049</u> | <u>17,032</u> |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 17. Creditors: amounts falling due within one year

|                                 | 2021<br>£     | 2020<br>£     |
|---------------------------------|---------------|---------------|
| Bank loans and overdrafts       | –             | 1,852         |
| Trade creditors                 | 11,898        | 19,849        |
| Accruals and deferred income    | 900           | 900           |
| Social security and other taxes | 15,398        | 12,254        |
| Other creditors                 | 610           | 263           |
|                                 | <u>28,806</u> | <u>35,118</u> |

### 18. Creditors: amounts falling due after more than one year

|                        | 2021<br>£      | 2020<br>£     |
|------------------------|----------------|---------------|
| Bounce Back Loan       | 47,500         | –             |
| Director loan accounts | –              | 2,500         |
| NE Social Fund loan    | 41,399         | 40,859        |
| Key Fund loan          | 19,132         | 20,810        |
| Other creditors        | 7,512          | 16,059        |
|                        | <u>115,543</u> | <u>80,228</u> |

### 19. Pensions and other post retirement benefits

#### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,976 (2020: £987).

### 20. Analysis of charitable funds

#### Unrestricted funds

|               | At<br>1 April 2020<br>£ | Income<br>£    | Expenditure<br>£ | At 31 March<br>2021<br>£ |
|---------------|-------------------------|----------------|------------------|--------------------------|
| General funds | <u>(31,668)</u>         | <u>448,736</u> | <u>(424,580)</u> | <u>(7,512)</u>           |

|               | At<br>1 April 2019<br>£ | Income<br>£    | Expenditure<br>£ | At 31 March<br>2020<br>£ |
|---------------|-------------------------|----------------|------------------|--------------------------|
| General funds | <u>(37,475)</u>         | <u>459,012</u> | <u>(453,205)</u> | <u>(31,668)</u>          |

# County Durham Furniture Help Scheme

## Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

### 20. Analysis of charitable funds *(continued)*

#### Restricted funds

|                                       | At<br>1 April 2020<br>£ | Income<br>£ | Expenditure<br>£ | At 31 March<br>2021<br>£ |
|---------------------------------------|-------------------------|-------------|------------------|--------------------------|
| National Lottery                      | –                       | 10,000      | (10,000)         | –                        |
| County Durham Community<br>Foundation | –                       | 8,000       | (5,000)          | 3,000                    |
|                                       | –                       | 18,000      | (15,000)         | 3,000                    |

### 21. Analysis of net assets between funds

|                               | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2021<br>£ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets         | 28,166                     | –                        | 28,166                   |
| Current assets                | 108,671                    | 3,000                    | 111,671                  |
| Creditors less than 1 year    | (28,806)                   | –                        | (28,806)                 |
| Creditors greater than 1 year | (115,543)                  | –                        | (115,543)                |
| <b>Net liabilities</b>        | <b>(7,512)</b>             | <b>3,000</b>             | <b>(4,512)</b>           |

|                               | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2020<br>£ |
|-------------------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets         | 35,658                     | –                        | 35,658                   |
| Current assets                | 48,020                     | –                        | 48,020                   |
| Creditors less than 1 year    | (35,118)                   | –                        | (35,118)                 |
| Creditors greater than 1 year | (80,228)                   | –                        | (80,228)                 |
| <b>Net liabilities</b>        | <b>(31,668)</b>            | <b>–</b>                 | <b>(31,668)</b>          |

# **County Durham Furniture Help Scheme**

**Management Information**

**Year ended 31 March 2021**

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**The following pages do not form part of the financial statements.**

# County Durham Furniture Help Scheme

## Detailed Statement of Financial Activities

Year ended 31 March 2021

|                                       | 2021<br>£             | 2020<br>£             |
|---------------------------------------|-----------------------|-----------------------|
| <b>Income and endowments</b>          |                       |                       |
| <b>Donations and legacies</b>         |                       |                       |
| Donations                             | 3,182                 | 3,514                 |
| Gift aid recovered                    | –                     | 2,544                 |
| Grants receivable                     | –                     | 2,570                 |
| National Lottery                      | 10,000                | –                     |
| County Durham Community Foundation    | 8,000                 | –                     |
| 4Together AAP                         | 2,500                 | –                     |
| Spennymoor AAP                        | 7,002                 | –                     |
| Co-operative Society                  | 500                   | –                     |
|                                       | <u>31,184</u>         | <u>8,628</u>          |
| <b>Charitable activities</b>          |                       |                       |
| Furniture scheme and related services | <u>330,905</u>        | <u>450,384</u>        |
| <b>Other income</b>                   |                       |                       |
| Covid support grants                  | 39,500                | –                     |
| Job Retention Scheme                  | <u>65,147</u>         | <u>–</u>              |
|                                       | <u>104,647</u>        | <u>–</u>              |
| <b>Total income</b>                   | <u><u>466,736</u></u> | <u><u>459,012</u></u> |
| <b>Expenditure</b>                    |                       |                       |
| Furniture scheme purchases            | 169,859               | 156,072               |
| Wages                                 | 145,342               | 152,622               |
| Pension costs                         | 1,976                 | 987                   |
| Rent and rates                        | 50,348                | 52,583                |
| Light and heat                        | 8,464                 | 12,282                |
| Insurance                             | 9,549                 | 11,874                |
| Other premises costs                  | 7,686                 | 1,982                 |
| Motor vehicle costs                   | 16,088                | 18,330                |
| Staff and volunteer expenses          | 8,031                 | 21,717                |
| Accountancy fees                      | 5,729                 | 5,354                 |
| Telephone                             | 2,892                 | 3,082                 |
| Office costs                          | 1,768                 | 520                   |
| Depreciation                          | 7,931                 | 9,466                 |
| Interest payable                      | 2,826                 | 3,123                 |
| Other expenses                        | <u>1,091</u>          | <u>3,211</u>          |
| <b>Total expenditure</b>              | <u><u>439,580</u></u> | <u><u>453,205</u></u> |
| <b>Net income</b>                     | <u><u>27,156</u></u>  | <u><u>5,807</u></u>   |