

**COMMUNITY FURNITURE STORE
(SELBY) LTD**

**TRUSTEES' REPORT AND FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**



COMMUNITY FURNITURE STORE (SELBY) LTD

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FOR THE YEAR ENDED 31 MARCH 2022

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COMMUNITY FURNITURE STORE (SELBY) LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also directors of the charitable company, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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) (effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS

Registered company number	05748655 (England and Wales)
Registered charity number	1114619
Registered office	Unit 29, The Raylor Centre James Street York YO10 3DW
Trustees/directors	Matthew W Knight (Chair; resigned 19 October 2021) Laura Walker (Treasurer; resigned 19 October 2021) D Graham Mitchell (Chair and Treasurer from 19 October 2021; resigned as Treasurer 10 May 2022) Rosalind M Batchelor Kelly Cunningham (appointed 10 May 2022) Nicholas T Dennison (appointed 14 December 2021) Sally Dillon (Vice Chair from 10 October 2021) Matthew Farrelly Thomas C Jenkins Michael Kirby (resigned 19 October 2021) Prakash Mistry (appointed 14 December 2021; Treasurer from 10 May 2022) Nicola A Mooney (resigned 16 February 2022) Kevin A Moss (appointed 10 May 2022; resigned 9 November 2022) David J Nash (appointed 14 December 2021) Susan E Pearson (resigned 19 October 2021) Emma C Taylor (resigned 19 October 2021)
Chief Officer	Andrew Waites (to 10 September 2021), Rebecca Blues (from 1 November 2021)

COMMUNITY FURNITURE STORE (SELBY) LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Store Manager	Shane Cooke (to 30 September 2021) Connor Dunbar (from 23 March 2022)
Operations Manager	Connor Dunbar
Independent Examiner	Peter D Hughes, F.C.A. P D Hughes Consultancy Services Ltd 11 Sails Drive York YO10 3LR

STRUCTURE, GOVERNANCE AND MANAGEMENT

(A) Governing Document

The Charity is controlled by its governing document, a deed of trust, and constitutes a Company limited by guarantee as defined by the Companies Act 2006. The Company has no share capital. Under the memorandum and articles of association, members of the governing board are directors of the Company and trustees of the Charity.

(B) STRUCTURE & HISTORY

The charity is part of a group of three separate charities, all with the same objectives and purpose. The other charities are Community Furniture Store (York) Ltd and Community Furniture Store (Ryedale) Ltd and they operate in the City of York area and Scarborough district.

York was first established operationally in 1988 and became a registered charity in 2000, Selby was founded in 2004 and Ryedale in 2014. From small beginnings they have each grown significantly to meet the ever increasing needs of the populations they serve. The existing structure of having three separate charities will be reviewed in 2022/23.

(C) Public Benefit Statement

The trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The company is a registered charity whose principal object is the relief of people in need through the provision of furniture and other household items. It does this by facilitating the donation of suitable items of furniture from members of the public and commercial enterprises, which are then made available for sale to people in need at a reasonable cost.

(D) Appointment of Trustees/Directors

Trustees are appointed to serve for three-year periods, one third retiring by rotation at each annual general meeting, but eligible for re-appointment. From 2019 trustee

COMMUNITY FURNITURE STORE (SELBY) LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

terms of office have been limited to a total of nine years to reflect Charity Commission good practice guidance. The trustees are empowered to extend that maximum term at their own discretion.

Trustees are recruited through an open and competitive process which includes consideration of skills and knowledge required to ensure the trustee board has as wide a range of skills and knowledge as possible. The charity maintains a trustee skills “heat map” to ensure that when recruiting we are seeking the correct skill sets. We are pleased that the range of skills demonstrated provides a good balance across the board.

(E) Objectives, Vision and Purpose

The objects of the charity applicable in 2021-2022 are as follows:

- To relieve generally or individually persons who are in conditions of need, hardship or distress by the provision by gift, sale, lease or otherwise of furniture or other facilities calculated to relieve such persons.
- To promote the advancement of education by providing education, support and work experience for people who are unemployed or otherwise in need of such training to equip them with the skills necessary to be able to find employment.
- To protect and safeguard the environment through the practice and promotion of more sustainable waste management activities and the education of the public about environmental matters related to reuse and recycling of household and industrial waste.
- To promote such other charitable purchases as the trustees/directors deem to be consistent with the object and ethos of the charity.

During 2021/22, the board of trustees reviewed the charity’s objects, vision and mission. The use of Vision and Mission Statement wording has been simplified so to make it clear to all what our charitable purposes are and why we should be supported. The revised version, which is now in use is:

WHAT IS COMMUNITY FURNITURE STORE?

Community Furniture Store is a socially active, environmentally oriented organisation that helps local communities to improve homes, lives and lifestyles.

OUR PURPOSE

Our Purpose is to:

- Reuse & repurpose household items to improve homes and lives
- Realise people’s potential & improve their skills by offering high quality training, employment, work placements & volunteering opportunities
- Actively promote environmentally sustainable living.

COMMUNITY FURNITURE STORE (SELBY) LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

(F) Review of the Year HEADLINES

For Selby

- Enforced closures due to staffing issues that reduced potential income.
- 3,695 household items saved from incineration or landfill.
- 1,607 (43.5%) of donated household items were supplied to 1,041 families at discounted prices. The discount received totaled £24,711.
- Discount scheme extended to help refugees and migrants not able to claim benefits.
- 313 affordable new white goods and beds/mattresses supplied to 290 families.
- 1,040 litres of paint provided to individuals and charities.
- 116 tonnes of donated items were reused, saving 117 tonnes of carbon emissions.

For All Three Charities

- Significant structural changes in staffing.
- A number of new trustees, following vacancies arising.

1. Board & Chief Officer Changes - all three charities

In September 2021 our Chief Officer, Andrew Waites, resigned to pursue other opportunities, and we were delighted to appoint Rebecca Blues as a new Chief Officer, at the beginning of November 2021.

For various unrelated reasons the charity's then Chair, Vice Chair and Treasurer resigned at the 2021 Annual General Meeting on 19 October 2021. Other trustees have also resigned during the year due to external pressures preventing them from devoting time to the needs of the charity.

Since that date, under the new chairmanship of Graham Mitchell and together with Rebecca Blues as Chief Officer, new and remaining trustees have all been taking an active role in the work of the charities.

The current trustees collectively bring energy, commitment and a diverse skill set, of which the charity is taking full advantage. Detailed work on organisational structures, resilience, branding, messaging, financial procedures, specific operational projects and staffing are all in train, with different trustees in working groups with colleagues and staff to take the charities as a whole forward to a stronger, brighter future.

There is a real drive to meet the needs of the people we serve, improve efficiencies, and staff welfare. Each work programme has been given recognisable milestones and timetables for completion; all the current projects should be completed during calendar year 2023.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

2. Sustainability - Selby

The charity seeks to operate in as sustainable a way as its resources allow. Working practices have been reviewed to improve efficiency and minimise resource usage.

The amount of carbon saved by reusing goods is estimated to be 116 tonnes. However, in our operations we necessarily create carbon emissions. Diesel van usage is controlled by making sure that collections and deliveries are organised in the most efficacious way. Vehicles are regularly maintained and driving habits are monitored via online tracking systems that record driver behaviour. We will move to electric or hybrid vehicles as soon as possible.

Our premises are rented and it is not possible to make physical changes to them, unless the landlord so wishes, so utility usage is higher than we would like. Our warehouse is large and takes a great deal of heating to maintain staff and customer comfort. Our workshops are sited across three “portacabins” with independent electricity supplied to each. Consideration has been given to various usage reduction measures and we will continue to seek ways to reduce our climate impact. The property market in Selby is monitored for opportunities.

Financially, to be sustainable we rely on a high level of sales of goods and some grant funding for special projects. We would ideally like to purchase suitable freehold premises to improve financial sustainability by, reducing significant outgoings on rents, etc.

The charity has demonstrated great resilience, surviving financially and is starting 2022/23 operations with a reasonable financial outlook. Our reserves are low against the target we set ourselves, but through sustained focused efforts we have been successful in achieving significant grant income, maintaining and growing our trading activities. The charity is considered a “going concern” by the trustees.

3. Organisational changes – all three charities

The 2021/22 year has seen extremely significant changes in staffing and organisational structure, made against a background of operational difficulties arising from the recovery from the Covid pandemic, which restricted opening hours and capacity to work safely. It also affected trading income and activities in a way which represented an existential threat.

Our new Chief Officer, quickly identified ongoing issues that meant that the charity was not functioning as well as it could and the trustees agreed to a staffing restructure, which regrettably included some voluntary redundancies.

The Chief Officer, who leads the three Community Furniture Store charities in York, Selby and Scarborough is supported by a full time Group Operations Manager and part-

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

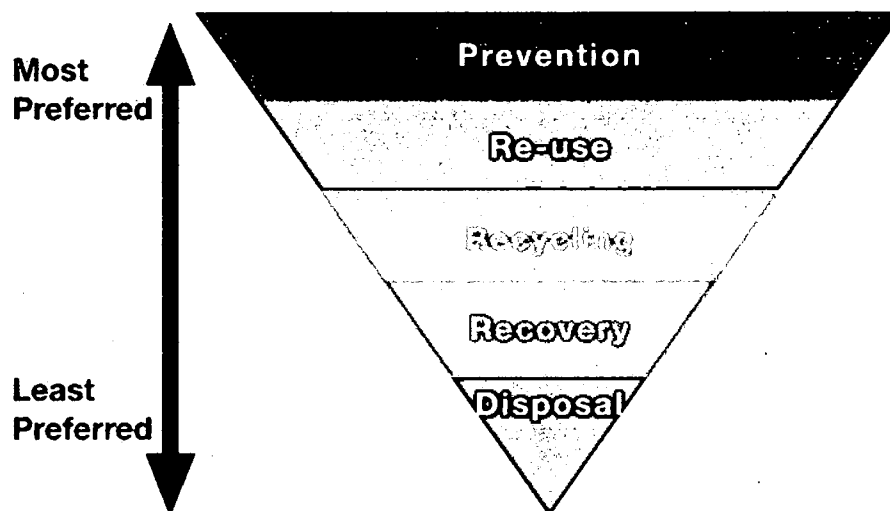
time Head of Projects, Marketing & Administration Assistant and a Group Finance Manager, all of whom work to support the three charities.

The Selby charity's staff is led by an Operations Manager managing the collection and delivery service as well as the warehouse and retail outlet. A Workshop Supervisor reports to the Operations Manager and oversees the workshop service.

4. Performance and Impact - Selby

➤ Re-use v Recycling

It is important to stress the position of reuse compared to recycling and other waste management systems when estimating the impact on the environment. The “waste hierarchy” ranks waste management options according to what is best for the environment. It gives top priority to preventing waste in the first place. When waste is created, it gives priority to preparing it for re-use, then recycling, then recovery, and last of all disposal



➤ People in Need – Selby

Customers with proof of low income have continued to qualify for a 30% reduction off the prices charged-to the general public for reused goods. We have extended the discount to recently arrived refugees and migrants referred to us by other agencies. During the year 1,607 items went to people that qualify for the 30% discount, out of a total of 3,638 reused items, 44% of all reused goods, saving the recipients £24,711 compared to the full price. We also recognized the needs of refugees and other migrants who do not qualify for means tested benefits straight away and included those referred to us by relevant agencies in the discount scheme.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

CASE STUDY

"S" stated the following way in which Community Furniture Store Selby assisted her:

"I just wanted to say a massive thank you. I really am in a bad place financially despite working two jobs. Things can seem pretty hopeless sometimes! My sofa was horrendous - it was nearly 20 years old - and there was no way I could afford a new one. Furniture can't ever be a priority. Basically, I had £100. I was so pleased to find somewhere that could help! I was a numpty on my first visit and got a sofa without measuring if it'd fit. The guys were really lovely about taking it back when it didn't, and about bringing the old sofa back into the house. I was mortified! The person who managed your Facebook page was lovely. The staff were also genuinely lovely when I went back to choose another one. (I had measurements this time!) And the great news is that I was able to get two sofas that I absolutely love."

➤ **Environmental Impact - Selby**

In total the estimated weight of all reused goods prevented from being declared waste and destroyed amounted to 116 tonnes. This equates to saving 117 tonnes of carbon emissions.

(G)Financial Review - Selby

Total income from charitable activities in 2021/22 was £161,117, an increase of over £60,000 on the previous Covid impacted year but this is £40,000 worse than pre-Covid trading which generated £203,982 in 2018/19, reflecting a decline in sales of new goods and staffing issues that lead to restricted opening hours. The forecast trading surplus on sale of goods in 2021/22 was set at £167,623 and the surplus achieved was £137,897. Other operational income totalled £8,772 and grants and donations totaling £28,705 were gratefully received. Total income from all sources amounted to £189,824. Total expenditure was £170,343 compared to £173,246 in 2020/21 and was well within the budget forecast of £218,972 largely due to a lower than expected level of sales of new goods meaning that stock purchases were significantly lower than intended. The charity has shown a small financial surplus during the year, primarily because of grant funding and a reduction in staff numbers.

Grant income was received from Garfield Weston, Selby District Council, Selby Town Council, and the Coalfields Regeneration Trust. We are grateful for their support during this difficult year of recovery and change. The workshop project is reliant on additional grant funding to cover operating costs and salaries.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The priority for the coming year will be to continue rebuilding trading. Other priorities will be to increase Gift Aid income, careful control of expenditure and the rebuilding of cash reserves.

(H) Reserves Policy - Selby

The governing board has developed a policy to hold unrestricted funds not invested in fixed assets of between three and six months of budgeted overhead expenditure excluding exceptional items.

In February 2021 the Board agreed a budget with overhead expenditure of £168,195 for the year ending 31 March 2022. Net current assets increased over the past year to £34,351 a significant improvement on previous years, but they are likely to reduce again, before further funding for the workshop project is received.

We look forward to continuing to develop the Store's services to assist local people. We greatly value all the support we receive from donors of reusable goods, customers and funders.

(I) Marketing and Social Media – all three charities

Even with the constraints imposed by the pandemic, concrete progress has been made to improve the Charity's social media presence, particularly through Facebook. Much remains to be done and this is a priority area for development, but we are particularly grateful to Laura Thackray, who undertook an internship and in March 2022 provided a report on a range of marketing issues that is receiving attention.

(J) Risk Register – all three charities

During the year the charities have again revised their Risk Registers in line with the group's updated Strategy. A colour coding methodology has been introduced to aid monitoring.

(K) Workshop - Selby

We continue to provide space to Bluebird Academy to run sessions in the workshop with their clients, receiving a small rental in exchange. The trustee board are reviewing activity at the workshop in order to seek a clear focus on how the workshop benefits our own attendees and that there are clear outcomes. Our own attendances during the year amounted to:

- 5 workshop participants
- 2 volunteers
- 1060 volunteer hours

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

(L) Staff Appreciation

We congratulate Rebecca Blues on stepping in so effectively to her predecessor's shoes and steering the charity through the final months of an extremely disrupted year and we thank all the Selby staff for their work and flexibility during a year dominated by recovery from the effects of the pandemic and the major restructure which involved many changes in staff roles, in personnel and in working practices.

(M) Group Risks and Opportunities – all three charities

There are risks and opportunities awaiting all three charities. The following are among the main issues being actively addressed:

1. The creation of North Yorkshire Council and removal of District Councils and the putative creation of a combined York & North Yorkshire Authority means great changes in the way we are able to interact with some services (e.g. social services, housing departments).
2. The ability of the charity to properly reward our staff, without further increasing prices charged to people in need.
3. Managing costly resources effectively and improving sustainable use of staff, vehicles and premises.
4. Collecting sufficient donated items of furniture etc., to allow us to meet the growing and urgent needs of people in furniture poverty.
5. Reviewing the structure of our three charities to seek efficiencies of scale that would strengthen our abilities to reach more people and communities.
6. Seeking opportunities to work with others to extend our IT Project geographical spread.
7. Develop a programme to capitalise on The Reuse Network's "Fit for Reuse" project by repairing white goods etc., and placing them back into use.
8. The expansion of access to an affordable supply of household goods across all locations, but especially in Scarborough where we have already identified a great need up and down the Yorkshire Coast.
9. Developing an online sales channel to expand our reach, and improve charity income.
10. Expanding and improving our workshop training services and volunteering opportunities that deliver identifiable outcomes for the service users.
11. Improving our financial strength so as to continue to provide essential services to people in need.

(N) CONCLUSION & OUTLOOK – all three charities

Between them, the three Community Furniture Store charities help thousands of local people each year and in 2021/22 together facilitated the reuse of 13,698 household items, weighing an estimated 464 tonnes. They also provided 6,825 affordable new household appliances or other items of furniture.

The trustees of the three charities are confident that, across the group, the recent staffing restructure and the various projects aiming to meet the challenges ahead will enable us

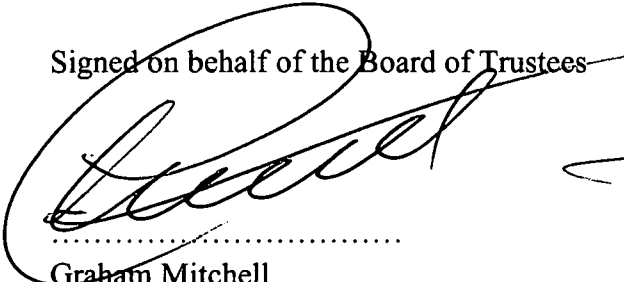
COMMUNITY FURNITURE STORE (SELBY) LTD

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

to not only meet the challenges we face, but also improve the three charities' reach and visibility thereby enabling them to collect more reusable items and serve more people.

The Trustees and staff are working hard to improve all of the charities' abilities to respond to ever increasing needs and help end furniture poverty in the communities we serve.

Signed on behalf of the Board of Trustees



.....
Graham Mitchell
Chair



.....
Prakash Mistry
Treasurer

15 November, 2022

COMMUNITY FURNITURE STORE (SELBY) LTD

REPORT OF THE INDEPENDENT EXAMINER FOR THE YEAR ENDED 31 MARCH 2022

I report to the charity trustees on the accounts of the Company for the year ended 31 March 2022, which are set out on pages 13 to 24.

Respective responsibilities of trustees and examiner

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

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

Independent examiner's statement

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

- accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with relevant 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
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (FRS102).

COMMUNITY FURNITURE STORE (SELBY) LTD

REPORT OF THE INDEPENDENT EXAMINER
FOR THE YEAR ENDED 31 MARCH 2022

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 black ink, appearing to read 'P D Hughes', with a stylized flourish at the end.

P D Hughes F.C.A.
P D Hughes Consultancy Services Ltd
11 Sails Drive
Heslington
York
YO10 3LR

15 November, 2022

COMMUNITY FURNITURE STORE (SELBY) LTD

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	Total funds 2021
		£	£	£	£
Income					
Donations	2	25,388	3,317	28,705	95,144
Income from charitable activities	3	161,117	-	161,117	98,872
Investment income	4	<u>2</u>	<u>-</u>	<u>2</u>	<u>17</u>
Total income		<u>186,507</u>	<u>3,317</u>	<u>189,824</u>	<u>194,033</u>
Expenditure					
Expenditure on charitable activities	5	<u>167,026</u>	<u>3,317</u>	<u>170,343</u>	<u>173,246</u>
Total expenditure		<u>167,026</u>	<u>3,317</u>	<u>170,343</u>	<u>173,246</u>
Net income and net movement in funds for the year	6	19,481	-	19,481	20,787
Reconciliation of funds					
Total funds brought forward		<u>22,308</u>	<u>-</u>	<u>22,308</u>	<u>1,521</u>
Total funds carried forward		<u>41,789</u>	<u>-</u>	<u>41,789</u>	<u>22,308</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

COMMUNITY FURNITURE STORE (SELBY) LTD
COMPANY NUMBER 05748655

BALANCE SHEET AT 31 MARCH 2022

	Note	2022	2021
		£	£
Fixed assets			
Tangible assets	9	<u>12,213</u>	<u>15,397</u>
Current assets			
Stocks	10	3,201	2,746
Debtors	11	16,218	17,020
Cash at bank and in hand		<u>22,910</u>	<u>29,790</u>
		42,329	49,556
Liabilities			
Creditors: amounts falling due within one year	12	<u>(7,978)</u>	<u>(33,883)</u>
Net current assets		<u>34,351</u>	<u>15,673</u>
Total assets less current liabilities		46,564	31,070
Liabilities			
Creditors: amounts falling due after more than one year		<u>(4,775)</u>	<u>(8,762)</u>
Net assets		<u>41,789</u>	<u>22,308</u>
The funds of the charity			
Unrestricted income funds	14	41,789	22,308
Restricted income funds	14	—	—
Total charity funds		<u>41,789</u>	<u>22,308</u>

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with 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) (effective 1 January 2019).

For the financial year ended 31 March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006; and no notice has been deposited under section 476.

COMMUNITY FURNITURE STORE (SELBY) LTD
COMPANY NUMBER 05748655

BALANCE SHEET AT 31 MARCH 2022

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The financial statements were approved by the Board of Trustees on 15 November 2022 and were signed on its behalf by:



.....
Graham Mitchell



.....
Prakash Mistry

COMMUNITY FURNITURE STORE (SELBY) LTD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
Cash generated from operating activities		
Net income for the year	19,481	20,787
Reconciliation to net cash outflow from operations:		
Increase in stocks	(455)	(507)
Decrease/(increase) in debtors	802	(4,165)
Decrease in creditors falling due within one year	(25,905)	(16,260)
Decrease in creditors falling due after more than one year	-	(10,000)
Interest on hire purchase agreements	503	736
Depreciation of tangible fixed assets	<u>3,184</u>	<u>5,613</u>
Net cash outflow from operating activities	(2,390)	(3,796)
Investing activities		
Purchase of tangible fixed assets	-	(653)
Financing activities		
Hire purchase payments	<u>(4,490)</u>	<u>(4,490)</u>
Net decrease in cash	(6,880)	(8,939)
Cash at bank and in hand at the beginning of the year	<u>29,790</u>	<u>38,729</u>
Cash at bank and in hand at the end of the year	<u>22,910</u>	<u>29,790</u>

COMMUNITY FURNITURE STORE (SELBY) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and with 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) effective 1 January 2019 ("the SORP").

Income recognition policies

Items of income are recognised and included in the financial statements when all of the following criteria are met:

- the charity has entitlement to the funds;
- any performance conditions attached to the item(s) of income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt of the income is considered probable; and
- the amount can be measured reliably.

In particular, where the terms of grant income are that it can only be utilised against expenditure in years following the balance sheet date, the grant is not recognised as income in the year but is instead treated as deferred income within creditors.

Donated goods

The charity operates a retail Gift Aid scheme whereby it administers the sale of furniture on behalf of members of the public, who then donate the proceeds to the charity, enabling it to claim a tax credit. While this is legally considered to be a cash donation, in economic substance it is similar to a trading activity, and therefore both the sale proceeds and the tax credit are included within "income from charitable activities".

The SORP requires that other donated goods should be measured at fair value. The charity has taken advantage of the exemption in the SORP which allows this treatment not to be adopted if it is impractical to measure the fair value of goods donated for resale or if the costs of valuation outweigh the benefit to users of the accounts and the charity of this information. Donated goods are therefore recognised when they are sold.

COMMUNITY FURNITURE STORE (SELBY) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred.

Charitable expenditure comprises the costs of operating the store.

Governance costs are included within expenditure on charitable activities and are analysed separately in the notes to the financial statements. They include those costs associated with meeting the constitutional and statutory requirements of the charity, such as accountancy and other costs linked to the strategic management of the charity.

Fixed assets

Depreciation is provided at the following rates in order to write each asset down to its expected residual value over its useful life:

Fixtures and fittings	20% reducing balance
Computer equipment	33% reducing balance
Motor vehicles	20% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value after making allowance for obsolete and slow moving items.

Hire purchase agreements

Where an asset is purchased under a hire purchase agreement, the asset is capitalised and depreciated over its estimated useful life. The cash price is treated as an obligation under a hire purchase agreement and recognised as a liability. The liability is reduced as payments are made, and interest is recognised as an expense and an increase in the liability.

Taxation

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

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Restricted funds are subjected to restrictions on their expenditure. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

COMMUNITY FURNITURE STORE (SELBY) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

Cash flow statement

The SORP does not require the provision of a cash flow statement for charities which have a gross income falling below £500,000. The trustees believe that a cash flow statement is necessary for a full understanding of the financial statements and have therefore included a cash flow statement.

2 Donations and grants

	2022	2021
	£	£
Donations	275	-
Grants	<u>28,430</u>	<u>95,144</u>
	<u>28,705</u>	<u>95,144</u>

The total income from donations and grants consisted of restricted fund income of £3,317 (2021: £6,635) and unrestricted fund income of £25,388 (2021: £88,509).

The restricted fund income consisted of £3,317 which was received in 2020/21 but with recognition deferred to 2021/22. This grant was from Coalfields Regeneration Fund towards salaries and workshop costs.

Unrestricted income included £916 under the Government's Coronavirus Job Retention Scheme, and also a loan of £7,280 from Community Furniture Store (York) Ltd which was written off in February 2022 and therefore converted to a grant (see note 16).

3 Income from charitable activities

Shop income	152,345	92,234
Workshop hire	1,000	-
Other income	6	-
Gift Aid tax credit	<u>7,766</u>	<u>6,638</u>
	<u>161,117</u>	<u>98,872</u>

Shop income includes £32,024 (2021: £27,373) representing donations from members of the public on which Gift Aid has been claimed from sale of their goods through the retail Gift Aid scheme.

4 Investment income

All of the charity's investment income arises from money held in interest bearing deposit accounts.

COMMUNITY FURNITURE STORE (SELBY) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

5 Analysis of expenditure on charitable activities

	2022	2021 (restated)
	£	£
Direct costs:		
Cost of goods sold	<u>14,448</u>	<u>20,396</u>
Support costs:		
Wages and salaries	82,730	87,075
Management charges	13,969	10,079
General office costs	54,385	49,346
Accountancy	1,500	1,500
Legal and professional	455	1,761
Hire purchase interest	<u>503</u>	<u>736</u>
	<u>153,542</u>	<u>150,497</u>
Governance costs:		
Management charges	653	653
Accountancy and independent examination	<u>1,700</u>	<u>1,700</u>
	<u>2,353</u>	<u>2,353</u>
	<u>170,343</u>	<u>173,246</u>

The management charge is apportioned between support and governance costs on the assumption that, of the amount of the chief officer's and finance officer's salary costs treated as governance costs in the financial statements of Community Furniture Store (York) Ltd, one third is included within the management charge levied on the charity. Accountancy costs are allocated to governance costs where they relate to information prepared for trustees' meetings.

6 Net income for the year

Net income for the year is stated after charging:

Depreciation – owned assets	3,184	5,613
Fees paid to independent examiner:		
Independent examination	600	600
Other accountancy, VAT and consultancy services	2,600	2,600

COMMUNITY FURNITURE STORE (SELBY) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7 Trustees' remuneration and expenses

No trustees were reimbursed any sums in respect of travel expenses during the year or the previous year in relation to their trustee duties.

8 Staff costs

	2022	2021
	£	£
Wages and salaries	76,199	82,250
Social security costs	5,092	3,511
Payments to defined contribution pension schemes	<u>1,439</u>	<u>1,314</u>
	<u>82,730</u>	<u>87,075</u>

The average number of staff during the year was five (2021: five) and the average number of full-time equivalent staff during the year was 4.6 (2021: 4.6).

No employees had employee benefits in excess of £60,000 (2021: nil).

9 Tangible fixed assets

	Fixtures & fittings	Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost:				
At 1 April 2021	30,304	3,118	19,160	52,582
Additions	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 31 March 2022	<u>30,304</u>	<u>3,118</u>	<u>19,160</u>	<u>52,582</u>
Depreciation:				
At 1 April 2021	28,193	2,605	6,387	37,185
Charge for the year	<u>421</u>	<u>208</u>	<u>2,555</u>	<u>3,184</u>
At 31 March 2022	<u>28,614</u>	<u>2,813</u>	<u>8,942</u>	<u>40,369</u>
Net book value:				
At 31 March 2022	<u>1,690</u>	<u>305</u>	<u>10,218</u>	<u>12,213</u>
At 31 March 2021	<u>2,111</u>	<u>513</u>	<u>12,773</u>	<u>15,397</u>

The carrying value of assets held under hire purchase agreements was £10,219 (2021: £12,773).

COMMUNITY FURNITURE STORE (SELBY) LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

10 Stocks

All the amounts shown as stocks are in respect of goods for resale. See note 1 for the treatment of donated stock.

11 Debtors

	2022	2021
	£	£
Trade debtors	1,435	-
Other debtors:		
VAT repayment	992	1,203
Gift Aid tax credit	7,766	6,638
Grants due	-	3,635
Prepayments and accrued income	<u>6,025</u>	<u>5,544</u>
	<u>16,218</u>	<u>17,020</u>

12 Creditors: amounts falling due within one year

Trade creditors	312	5,998
Amounts due to associated undertakings (note 16)	-	7,280
Hire purchase agreements	4,490	4,490
Accruals and deferred income	<u>3,176</u>	<u>16,115</u>
	<u>7,978</u>	<u>33,883</u>

13 Creditors: amounts falling due after more than one year

Hire purchase agreements	<u>4,775</u>	<u>8,762</u>
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COMMUNITY FURNITURE STORE (SELBY) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

14 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	12,213	-	12,213
Current assets	42,329	-	42,329
Creditors: amounts falling due within one year	(7,978)	-	(7,978)
Creditors: amounts falling due after more than one year	(4,775)	-	(4,775)
Net assets at 31 March 2022	<u>41,789</u>	<u>-</u>	<u>41,789</u>

15 Movement in funds

	1 April 2021	Income	Expenditure	Transfers	31 March 2022
	£	£	£	£	£
Unrestricted income funds:					
General fund	<u>22,308</u>	<u>186,507</u>	<u>(167,026)</u>	<u>-</u>	<u>41,789</u>
Restricted income funds:					
Workshop/salaries	<u>-</u>	<u>3,317</u>	<u>(3,317)</u>	<u>-</u>	<u>-</u>
Total funds	<u>22,308</u>	<u>189,824</u>	<u>(170,343)</u>	<u>-</u>	<u>41,789</u>

The sources and purposes of the restricted funds are explained at note 2.

16 Related parties

The trustees of the charity are also the trustees of Community Furniture Store (York) Ltd. During the year, the charity received invoices totalling £19,035 plus VAT (2021: £23,858) from Community Furniture Store (York) Ltd. A total of £1,413 plus VAT (2021: £12,802) related to the recharge of stock, £14,622 plus VAT (2021: £10,732) related to management recharges, and the remainder consisted of the recharge of office equipment and professional fees. At the end of the previous year, there was an outstanding balance of £7,280 on a loan from Community Furniture Store (York) Ltd to assist with cash flow. This was repaid in February 2022, and therefore the loan was written off. The loan is included as a creditor in the comparative figures at note 12.

COMMUNITY FURNITURE STORE (SELBY) LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

17 Operating lease commitments

The charity had the following future minimum lease payments under non-cancellable operating leases for the following periods:

	2022	2021
	£	£
In the next year	23,000	22,125
Between one and five years	<u>20,125</u>	<u>43,125</u>
	<u>43,125</u>	<u>65,250</u>

COMMUNITY FURNITURE STORE (SELBY) LTD

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Unrestricted funds 2022	Restricted funds 2022	Total funds 2022	Total funds 2021
	£	£	£	£
INCOME				
Donations and grants				
Donations	275	-	275	-
Grants	<u>25,113</u>	<u>3,317</u>	<u>28,430</u>	<u>95,144</u>
	<u>25,388</u>	<u>3,317</u>	<u>28,705</u>	<u>95,144</u>
Income from charitable activities				
Shop income	152,345	-	152,345	92,234
Workshop hire	1,000	-	1,000	-
Other income	6	-	6	-
Gift Aid tax credit	<u>7,766</u>	<u>-</u>	<u>7,766</u>	<u>6,638</u>
	<u>161,117</u>	<u>-</u>	<u>161,117</u>	<u>98,872</u>
Investment income				
Deposit account interest	<u>2</u>	<u>-</u>	<u>2</u>	<u>17</u>
Total income	<u>186,507</u>	<u>3,317</u>	<u>189,824</u>	<u>194,033</u>
EXPENDITURE (see page 26)	<u>167,026</u>	<u>3,317</u>	<u>170,343</u>	<u>173,246</u>
NET INCOME	<u>19,481</u>	<u>-</u>	<u>19,481</u>	<u>20,787</u>

This page does not form part of the statutory financial statements.

COMMUNITY FURNITURE STORE (SELBY) LTD

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
EXPENDITURE				
Expenditure on charitable activities				
Cost of sales:				
Cost of goods sold	<u>14,448</u>	<u>-</u>	<u>14,448</u>	<u>20,396</u>
Support costs:				
Wages and salaries	79,413	3,317	82,730	87,075
Management charges	13,969	-	13,969	10,079
Rent and rates	23,186	-	23,186	23,024
Insurance	2,750	-	2,750	2,995
Light and heat	6,506	-	6,506	2,270
Telephone	1,212	-	1,212	839
Postage and stationery	994	-	994	2,156
Advertising	1,688	-	1,688	-
Uniforms and personal protective equipment	847	-	847	529
Training	103	-	103	98
Staff entertainment and gifts	174	-	174	294
Software support	1,954	-	1,954	2,209
Stock control and till maintenance	3,000	-	3,000	2,250
Motor and travel expenses	6,418	-	6,418	4,831
Repairs and maintenance	90	-	90	150
Legal and professional	455	-	455	1,761
Accountancy	1,500	-	1,500	1,500
Membership fees	250	-	250	-
Sundry expenditure	-	-	-	34
Depreciation of tangible fixed assets	3,184	-	3,184	5,613
Collection of scrap	105	-	105	180
Workshop project	415	-	415	828
Bank charges and interest	1,509	-	1,509	1,046
Hire purchase interest	<u>503</u>	<u>-</u>	<u>503</u>	<u>736</u>
	<u>150,225</u>	<u>3,317</u>	<u>153,542</u>	<u>150,497</u>
Governance costs				
Management charges	653	-	653	653
Accountancy	<u>1,700</u>	<u>-</u>	<u>1,700</u>	<u>1,700</u>
	<u>2,353</u>	<u>-</u>	<u>2,353</u>	<u>2,353</u>
Total expenditure	<u>167,026</u>	<u>3,317</u>	<u>170,343</u>	<u>173,246</u>

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