

LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)
UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)

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LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JANUARY 2024

Trustees

M Briggs
S Farrow
J Gell
J Hartland (resigned 31 December 2023)

Company registered number

05249004

Charity registered number

1120398

Registered office

Unit 27
Tallon Road
Hutton
Essex
CM13 1TE

Company secretary

J Gell

Accountants

Venthams
Chartered Accountants
Millhouse
32 - 38 East Street
Rochford
Essex
SS4 1DB

LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JANUARY 2024

The Trustees present their annual report together with the financial statements of the company for the 1 February 2023 to 31 January 2024. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the Strategic Report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The objectives of the charity are:

The relief of poverty, particularly of homeless persons and those in other aspects of housing crisis through providing or assisting in the provision of practical support, regardless of faith, gender, age, race, lifestyle, disability or marital status, primarily in the South Essex area.

Advance public education about the circumstances of homeless people and others in housing crisis.

To bring awareness of the furniture project to all levels of the community throughout the whole of the districts served.

To encourage re-use as a way of life.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

LIGHTHOUSE FURNITURE PROJECT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

Objectives and activities (continued)

b. Activities undertaken to achieve objectives

The activities adopted in furtherance of these objects are:

To collect useable second hand furniture, white goods and other items for free to be able to divert them from landfill.

Make saleable either through refurbishment, repair, cleaning and/or testing the collected second hand goods.

To sell at an affordable price the second hand goods to the general public, to be able to cover the majority of the operating costs to make the project self sustaining.

Pricing is designed to drive volume ahead of profitability to prioritize recycling.

To wherever possible donate directly or through referral from government agencies or other charities the second hand goods to those in need or being rehoused.

To employ staff who empathise with the charities objectives and are committed to the environmental and social objectives.

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

More information on the charity can be found on our website www.lighthousefurniture.org

c. Volunteers

LFP recognises and continues to massively appreciate the hours/day and hard work generously given throughout the last year. The Trustees and Management are extremely grateful to our staff and volunteers who gave over and above to ensure we could continue to help as many people as possible. Last year volunteers gave LFP 5,946 hours of their time making a saving of nearly £65,000. This has increased slightly from 2022-23 (5,643 hours). Volunteers still remain a vital aspect of our work both in the saving they provide and in the value they add in expertise, time and enthusiasm. Over the last year we have seen a number of individuals and groups of volunteers use their corporate volunteering days with LFP. Strategically for the sustainable future of the charity in the next year we will be looking at how we can continue to develop our volunteering, further providing others with the opportunity to gain experience within the different aspects of the charity and enable it to continue its success.

d. Main activities undertaken to further the company's purposes for the public benefit

The trustees are mindful of their duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. The objectives and activities of the charity are undertaken to further our charitable purposes for the public benefit.

LIGHTHOUSE FURNITURE PROJECT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

Achievements and performance

a. Key performance indicators

A key measure of environmental performance is the diversion of goods from landfill and during the past year of operating LFP enabled the reuse of 345 tonnes (2022-23: 338 tonnes) of furniture and white goods. This equates to a carbon saving of 384 tonnes (2022-23: 376 tonnes) using the most recent basis from Reuse.

Over the year we have made 2,976 collections (2022-23: 2,840), 2,020 deliveries (2022-23: 2390) and collecting in total 17,466 items (2022-23: 14,789). With these items we have helped approximately 11,567 individuals (10,438 in 2022-23) saving them a total of £1,079,984 (£1,299,935 in 2022-23).

The membership of the Reuse Network allows us to take part in collecting manufacturer and retailer clearance lines, from hotels and other businesses and these continued during 2023. Partnerships with Hopeworx in Rayleigh and Cambridge Community Outreach Resource Network (CCORN) have also evolved further to assist in the volume of goods recycled.

b. Review of activities

LFP's financial performance for the year stabilised with the assistance of substantial grants, notably from the National Lottery Community Fund and other grant providers. The underlying activities are still not as sustainable as we would like, although we have made progress.

We continued to fulfil the needs of the Essential Living Fund (ELF) referrals, serving families with essential furniture items for their homes. This was not quite as high as the previous year, due to the ELF budget constraints.

Volunteering hours increased again in 2023-24 by 5% from 5,643 to 5,946 hours. This still remains around half the pre-covid level. We are extremely grateful to our volunteers as they are essential to our operation.

We continued to use the workshop facility in Chelmsford to repair, refurbish and reuse both donated white goods, and those that we collected from the Household Waste and Recycling Centres (HWRCs) in Partnership with Plan B Management Solutions. There were challenges with both the quality and quantity of appliances collected from the HWRCs, which left the workshop under utilised.

The partnership with Basildon Council involving the collection of small appliances from Barleylands Recycling Centre continued to enable LFP to access small electricals. We also used the Chelmsford workshop to repair those, ready for resale, and this area of the operation continues to be very successful. Reused lamps and vacuum cleaners continue to be in very high demand in our store.

We have continued to develop a sustainable operational structure, which will meet the challenges we face, caused by the recent high inflation, in particular in wages and utilities.

c. Investment policy and performance

Reserves invested for one to twelve months will be placed in accounts or in a bond(s) yielding the market rate of return or better but also have sound ethical values.

LIGHTHOUSE FURNITURE PROJECT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

Financial review

a. Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Reserves policy

The trustees consider that it is appropriate to maintain reserves at between three and six months of resources expended which equates to a range of between £100,000 and £200,000 in general funds.

At this level, the trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding, allowing a period of time for funding to be replaced. At the balance sheet date, the unrestricted funds total was £101,460 (2023: £110,116) which represents approximately 1.6 (2023: 1.3) months of unrestricted expenditure.

We aim to maintain:

£20,000 in cash or immediate access accounts

£60,000 in accounts accessible within 1 month

The remainder accessible within a year

Lighthouse Furniture Project Limited also notes the need to hold an amount in reserve in line with legislation to enable the minimum required payment of redundancy money, should the charity need to close its operations.

c. Financial risk management objectives and policies

It is the policy of the charity to protect the organisation as far as possible as is reasonably practical from fraud by staff, service users and members of the general public.

In order to minimise its exposure to risk, the charity has specific risk policies in respect of the following areas:

Protection of credit card details

Daily takings & petty cash

Fraudulent use of internet banking

Fraudulent use of company commercial cards

Cash donations

Theft of tools

Client fraud

LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

Structure, governance and management

a. Constitution

Lighthouse Furniture Project Limited is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 4th October 2004, amended to allow for charitable status on 1st August 2007.

b. Methods of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. There is no limit on the composition of the board of directors who are invited to join the board by the recommendation of the existing board members through their extensive local church and business contacts.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

c. Organisational structure and decision-making policies

The board meets monthly with a break in the summer with a chair appointed by rotation. The chief executive attends all meetings to update the board on activities and help discuss challenges facing the operations. The directors delegate the majority of the day to day activities and management to the chief executive whilst retaining overall financial control and responsibility for setting policy and maintaining accounting records.

d. Financial risk management

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The trustees have a risk management strategy which comprises:

- a regular review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The review keeps a close eye on health and safety as it applies to both employees and customers. The mix of skills and competencies amongst staff of the charity are a key resource that must be continually developed and are considered periodically in the process. The rapid growth in the charity's operations has meant that the financial resources are key to being able to support the growth. A quarterly review of the performance and financial position of the company helps the directors to manage the position.

Plans for future periods

Exploring new partnerships that create value and opportunities for both parties with both charitable and commercial partners are a focus for the foreseeable future.

LIGHTHOUSE FURNITURE PROJECT LIMITED
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the members of the board of Trustees and signed on their behalf by:

J Gell

Date: 13 November 2024

LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 JANUARY 2024

Independent examiner's report to the Trustees of Lighthouse Furniture Project Limited ('the company')

I report to the charity Trustees on my examination of the accounts of the company for the year ended 31 January 2024.

Responsibilities and basis of report

As the Trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the 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 company's accounts 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 company'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 Institute of Chartered Accountants in England & Wales, which is one of the listed bodies.

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

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

Dated: 13 November 2024

Stuart Harrison

FCA

Venthams

Chartered Accountants
Millhouse
32 - 38 East Street
Rochford
Essex
SS4 1DB

LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JANUARY 2024**

| | Note | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|------------------------------------|------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | | |
| Donations and legacies | 3 | 60,658 | 43,250 | 103,908 | 68,278 |
| Charitable activities | 4 | 704,152 | - | 704,152 | 846,743 |
| Investments | 5 | 118 | - | 118 | 56 |
| Other income | 6 | - | - | - | 405 |
| Total income | | 764,928 | 43,250 | 808,178 | 915,482 |
| Expenditure on: | | | | | |
| Raising funds | 7 | 11,695 | - | 11,695 | 11,886 |
| Charitable activities | 8 | 761,889 | 34,874 | 796,763 | 975,182 |
| Total expenditure | | 773,584 | 34,874 | 808,458 | 987,068 |
| Net movement in funds | | (8,656) | 8,376 | (280) | (71,586) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 110,116 | 2,296 | 112,412 | 183,998 |
| Net movement in funds | | (8,656) | 8,376 | (280) | (71,586) |
| Total funds carried forward | | 101,460 | 10,672 | 112,132 | 112,412 |

LIGHTHOUSE FURNITURE PROJECT LIMITED
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BALANCE SHEET
FOR THE YEAR ENDED 31 JANUARY 2024

| | Note | 2024 £ | 2023 £ |
|---|------|-----------------------|-----------------------|
| Fixed assets | | | |
| Tangible assets | 13 | 328,660 | 341,019 |
| | | <u>328,660</u> | <u>341,019</u> |
| Current assets | | | |
| Stocks | 14 | 2,635 | 5,423 |
| Debtors | 15 | 50,294 | 52,443 |
| Cash at bank and in hand | | 22,418 | 30,663 |
| | | <u>75,347</u> | <u>88,529</u> |
| Creditors: amounts falling due within one year | 16 | (101,284) | (116,176) |
| Net current liabilities | | <u>(25,937)</u> | <u>(27,647)</u> |
| Total assets less current liabilities | | <u>302,723</u> | <u>313,372</u> |
| Creditors: amounts falling due after more than one year | 17 | (190,591) | (200,960) |
| Total net assets | | <u><u>112,132</u></u> | <u><u>112,412</u></u> |
| Charity funds | | | |
| Restricted funds | 18 | 10,672 | 2,296 |
| Unrestricted funds | 18 | 101,460 | 110,116 |
| Total funds | | <u><u>112,132</u></u> | <u><u>112,412</u></u> |

LIGHTHOUSE FURNITURE PROJECT LIMITED
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BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2024

The company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

J Gell

Date: 13 November 2024

LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2024

| | 2024 £ | 2023 £ |
|---|-------------------------|-------------------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | (7,695) | (11,670) |
| Cash flows from investing activities | | |
| Purchase of tangible fixed assets | (550) | (20,130) |
| Net cash used in investing activities | (550) | (20,130) |
| Cash flows from financing activities | | |
| Net cash provided by financing activities | - | - |
| Change in cash and cash equivalents in the year | (8,245) | (31,800) |
| Cash and cash equivalents at the beginning of the year | 30,663 | 62,463 |
| Cash and cash equivalents at the end of the year | 22,418 | 30,663 |

LIGHTHOUSE FURNITURE PROJECT LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

1. General information

Lighthouse Furniture Project Limited is a company limited by guarantee and registered in England and Wales number 1120398. The principal activity of the company is the refurbishment and sale of secondhand goods.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Lighthouse Furniture Project Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

The Directors are of the opinion that the company will not be significantly affected by the pandemic caused by the coronavirus (Covid-19) and believe that the company is a going concern. Accordingly, the Financial Statements have been prepared on that basis.

2.3 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

LIGHTHOUSE FURNITURE PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £200 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

| | |
|------------------------------------|--|
| Freehold property | - No depreciation |
| Improvements to leasehold property | - Straight line over the term of lease |
| Plant and machinery | - 25% straight line |
| Motor vehicles | - 20% straight line |
| Fixtures and fittings | - 25% and 33% straight line |

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

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

LIGHTHOUSE FURNITURE PROJECT LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024

2. Accounting policies (continued)

2.9 Cash at bank and in hand

Cash at bank and 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.

2.10 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The company only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.13 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

LIGHTHOUSE FURNITURE PROJECT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

3. Income from donations and legacies

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|-------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Donations | 28,158 | - | 28,158 | 32,028 |
| Grants | 32,500 | 43,250 | 75,750 | 36,250 |
| Total 2024 | <u>60,658</u> | <u>43,250</u> | <u>103,908</u> | <u>68,278</u> |
| <i>Total 2023</i> | <u>68,278</u> | <u>-</u> | <u>68,278</u> | |

4. Income from charitable activities

| | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--|------------------------------------|-----------------------------|-----------------------------|
| Income from charitable activities - Sale of recycled items | 704,152 | 704,152 | 846,743 |
| <i>Total 2023</i> | <u>846,743</u> | <u>846,743</u> | |

5. Investment income

| | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Investment income - local cash | 118 | 118 | 56 |
| <i>Total 2023</i> | <u>56</u> | <u>56</u> | |

LIGHTHOUSE FURNITURE PROJECT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

6. Other incoming resources

| | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|---------------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Local authority business COVID grants | - | - | 405 |
| | <u> </u> | <u> </u> | <u> </u> |
| <i>Total 2023</i> | <u>405</u> | <u>405</u> | |

7. Expenditure on raising funds

Costs of raising voluntary income

| | Unrestricted funds 2024 £ | Total funds 2024 £ | Total funds 2023 £ |
|--|------------------------------------|-----------------------------|-----------------------------|
| Costs of raising voluntary income - wages and salaries | 10,360 | 10,360 | 10,305 |
| Costs of raising voluntary income - NI | 921 | 921 | 1,169 |
| Costs of raising voluntary income - pension costs | 414 | 414 | 412 |
| | <u> </u> | <u> </u> | <u> </u> |
| Total 2024 | <u>11,695</u> | <u>11,695</u> | <u>11,886</u> |
| | <u> </u> | <u> </u> | <u> </u> |
| <i>Total 2023</i> | <u>11,886</u> | <u>11,886</u> | |

LIGHTHOUSE FURNITURE PROJECT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total 2024 £ | <i>Total 2023 £</i> |
|------------------------|--|--|-----------------------------|-----------------------------|
| Sale of recycled items | 761,889 | 34,874 | 796,763 | 975,182 |
| Total 2024 | <u>761,889</u> | <u>34,874</u> | <u>796,763</u> | <u>975,182</u> |
| <i>Total 2023</i> | <u>975,182</u> | <u>-</u> | <u>975,182</u> | |

9. Analysis of expenditure by activities

| | Activities undertaken directly 2024 £ | Support costs 2024 £ | Total funds 2024 £ | <i>Total funds 2023 £</i> |
|------------------------|--|---|---------------------------------------|---------------------------------------|
| Sale of recycled items | 724,672 | 72,092 | 796,764 | 975,182 |
| <i>Total 2023</i> | <u>898,130</u> | <u>77,052</u> | <u>975,182</u> | |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

| | Sale of recycled items 2024 £ | Total funds 2024 £ | <i>Total funds 2023 £</i> |
|---------------------------------------|--|---------------------------------------|---------------------------------------|
| Staff costs | 393,519 | 393,519 | 481,211 |
| Cost of goods provided free of charge | 4,471 | 4,471 | 15,789 |
| Cost of goods sold | 116,120 | 116,120 | 208,809 |
| Premises expenses | 14,330 | 14,330 | 17,286 |
| Insurance | 7,879 | 7,879 | 7,290 |
| Light and heat | 16,879 | 16,879 | 11,264 |
| Office expenses | 7,677 | 7,677 | 7,929 |
| Marketing | 2,474 | 2,474 | 1,701 |
| Telephone | 2,461 | 2,461 | 3,125 |
| Rent | 98,152 | 98,152 | 85,482 |
| Motor running expenses | 38,635 | 38,635 | 30,235 |
| Travelling expenses | 3,945 | 3,945 | 2,659 |
| Clothing | 115 | 115 | 405 |
| Subscriptions | 6,804 | 6,804 | 4,784 |
| Training | 754 | 754 | 1,353 |
| Staff welfare | 3,710 | 3,710 | 4,400 |
| Sundry expenses | 12 | 12 | 113 |
| Legal and professional fees | 6,735 | 6,735 | 14,295 |
| Total 2024 | <u>724,672</u> | <u>724,672</u> | <u>898,130</u> |
| <i>Total 2023</i> | <u>898,130</u> | <u>898,130</u> | |

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Sale of recycled items 2024 £ | Total funds 2024 £ | <i>Total funds 2023 £</i> |
|-------------------------------------|--|---------------------------------------|---------------------------------------|
| Staff costs | 35,087 | 35,087 | 35,657 |
| Depreciation and profit on disposal | 5,208 | 5,208 | 12,689 |
| Bank charges | 5,800 | 5,800 | 5,604 |
| Loan interest paid | 19,781 | 19,781 | 15,746 |
| Governance costs | 6,216 | 6,216 | 7,356 |
| Total 2024 | <u>72,092</u> | <u>72,092</u> | <u>77,052</u> |
| <i>Total 2023</i> | <u>77,052</u> | <u>77,052</u> | |

10. Independent examiner's remuneration

The independent examiner's remuneration amounts to an independent examiner fee of £4,210 (2023 - £4,010).

11. Staff costs

| | 2024 £ | <i>2023 £</i> |
|--|-----------------------|-------------------|
| Wages and salaries | 404,760 | 483,179 |
| Social security costs | 22,834 | 30,547 |
| Contribution to defined contribution pension schemes | 12,708 | 15,028 |
| | <u>440,302</u> | <u>528,754</u> |

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff costs (continued)

The average number of persons employed by the company during the year was as follows:

| | 2024 | <i>2023</i> |
|----------------|-----------------------|-----------------------|
| | No. | <i>No.</i> |
| Management | 1 | <i>1</i> |
| Administration | 9 | <i>12</i> |
| Logistics | 6 | <i>7</i> |
| Refurbishment | 7 | <i>7</i> |
| | <hr/> 23 <hr/> | <hr/> <i>27</i> <hr/> |

No employee received remuneration amounting to more than £60,000 in either year.

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (*2023 - £NIL*).

During the year ended 31 January 2024, no Trustee expenses have been incurred (*2023 - £NIL*).

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NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

| | Freehold property £ | Short-term leasehold property £ | Plant and machinery £ | Motor vehicles £ | Fixtures and fittings £ | Total £ |
|--------------------------|---------------------------|--|-----------------------------|------------------------|-------------------------------|------------|
| Cost or valuation | | | | | | |
| At 1 February 2023 | 308,212 | 43,622 | 14,669 | 84,722 | 27,257 | 478,482 |
| Additions | - | - | 550 | - | - | 550 |
| Disposals | - | - | - | (49,823) | - | (49,823) |
| At 31 January 2024 | 308,212 | 43,622 | 15,219 | 34,899 | 27,257 | 429,209 |
| Depreciation | | | | | | |
| At 1 February 2023 | - | 28,271 | 12,628 | 71,464 | 25,099 | 137,462 |
| Charge for the year | - | 3,564 | 1,337 | 6,631 | 1,378 | 12,910 |
| On disposals | - | - | - | (49,823) | - | (49,823) |
| At 31 January 2024 | - | 31,835 | 13,965 | 28,272 | 26,477 | 100,549 |
| Net book value | | | | | | |
| At 31 January 2024 | 308,212 | 11,787 | 1,254 | 6,627 | 780 | 328,660 |
| At 31 January 2023 | 308,212 | 15,351 | 2,041 | 13,257 | 2,158 | 341,019 |

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14. Stocks

| | 2024 £ | 2023 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 2,635 | 5,423 |

15. Debtors

| | 2024 £ | 2023 £ |
|--------------------------------|---------------|---------------|
| Due within one year | | |
| Trade debtors | 10,587 | 9,894 |
| Other debtors | 18,559 | 16,500 |
| Prepayments and accrued income | 21,148 | 26,049 |
| | 50,294 | 52,443 |

16. Creditors: Amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------------|----------------|----------------|
| Other loans | 51,176 | 50,009 |
| Trade creditors | 17,023 | 13,665 |
| Other taxation and social security | 6,201 | 8,323 |
| Other creditors | 3,081 | 2,304 |
| Accruals and deferred income | 23,803 | 41,875 |
| | 101,284 | 116,176 |

17. Creditors: Amounts falling due after more than one year

| | 2024 £ | 2023 £ |
|-------------|-----------|-----------|
| Other loans | 190,591 | 200,960 |

The company has fixed and floating charges covering the property of the company in favour of Big Issue Invest Limited and The Charity Bank Limited dated 23 June 2016.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

18. Statement of funds

Statement of funds - current year

| | Balance at 1 February 2023 £ | Income £ | Expenditure £ | Balance at 31 January 2024 £ |
|----------------------------|---------------------------------------|----------------|------------------|---------------------------------------|
| Unrestricted funds | | | | |
| General Fund | 110,116 | 764,928 | (773,584) | 101,460 |
| | <u>110,116</u> | <u>764,928</u> | <u>(773,584)</u> | <u>101,460</u> |
| Restricted funds | | | | |
| New van funding | 2,296 | - | - | 2,296 |
| Essex Community Foundation | - | 5,000 | (5,000) | - |
| National Lottery | - | 38,250 | (29,874) | 8,376 |
| | <u>2,296</u> | <u>43,250</u> | <u>(34,874)</u> | <u>10,672</u> |
| Total of funds | <u>112,412</u> | <u>808,178</u> | <u>(808,458)</u> | <u>112,132</u> |

Statement of funds - prior year

| | Balance at 1 February 2022 £ | Income £ | Expenditure £ | Balance at 31 January 2023 £ |
|---------------------------|---------------------------------------|----------------|------------------|---------------------------------------|
| Unrestricted funds | | | | |
| General Fund | 181,702 | 915,482 | (987,068) | 110,116 |
| | <u>181,702</u> | <u>915,482</u> | <u>(987,068)</u> | <u>110,116</u> |
| Restricted funds | | | | |
| New van funding | 2,296 | - | - | 2,296 |
| | <u>2,296</u> | <u>-</u> | <u>-</u> | <u>2,296</u> |
| Total of funds | <u>183,998</u> | <u>915,482</u> | <u>(987,068)</u> | <u>112,412</u> |

LIGHTHOUSE FURNITURE PROJECT LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2024**

19. Summary of funds

Summary of funds - current year

| | Balance at 1 February 2023 £ | Income £ | Expenditure £ | Balance at 31 January 2024 £ |
|------------------|---------------------------------------|----------------|------------------|---------------------------------------|
| General funds | 110,116 | 764,928 | (773,584) | 101,460 |
| Restricted funds | 2,296 | 43,250 | (34,874) | 10,672 |
| | <u>112,412</u> | <u>808,178</u> | <u>(808,458)</u> | <u>112,132</u> |

Summary of funds - prior year

| | Balance at 1 February 2022 £ | Income £ | Expenditure £ | Balance at 31 January 2023 £ |
|------------------|---------------------------------------|----------------|------------------|---------------------------------------|
| General funds | 181,702 | 915,482 | (987,068) | 110,116 |
| Restricted funds | 2,296 | - | - | 2,296 |
| | <u>183,998</u> | <u>915,482</u> | <u>(987,068)</u> | <u>112,412</u> |

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2024 £ | Restricted funds 2024 £ | Total funds 2024 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|
| Tangible fixed assets | 328,660 | - | 328,660 |
| Current assets | 64,675 | 10,672 | 75,347 |
| Creditors due within one year | (101,284) | - | (101,284) |
| Creditors due in more than one year | (190,591) | - | (190,591) |
| Total | <u>101,460</u> | <u>10,672</u> | <u>112,132</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2023 £</i> | <i>Restricted funds 2023 £</i> | <i>Total funds 2023 £</i> |
|-------------------------------------|--|--|---------------------------------------|
| Tangible fixed assets | 341,019 | - | 341,019 |
| Current assets | 86,233 | 2,296 | 88,529 |
| Creditors due within one year | (116,176) | - | (116,176) |
| Creditors due in more than one year | (200,960) | - | (200,960) |
| Total | <u>110,116</u> | <u>2,296</u> | <u>112,412</u> |

21. Reconciliation of net movement in funds to net cash flow from operating activities

| | 2024 £ | 2023 £ |
|---|-----------------------|------------------------|
| Net expenditure for the year (as per Statement of Financial Activities) | <u>(280)</u> | <u>(71,586)</u> |
| Adjustments for: | | |
| Depreciation charges | 12,908 | 12,689 |
| Decrease in stocks | 2,788 | 7,645 |
| Decrease/(increase) in debtors | 2,149 | (25,516) |
| Increase/(decrease) in creditors | (25,260) | 65,098 |
| Net cash used in operating activities | <u><u>(7,695)</u></u> | <u><u>(11,670)</u></u> |

22. Analysis of cash and cash equivalents

| | 2024 £ | 2023 £ |
|--|----------------------|----------------------|
| Cash in hand | 22,418 | 30,663 |
| Total cash and cash equivalents | <u><u>22,418</u></u> | <u><u>30,663</u></u> |

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of changes in net debt

| | At 1 February 2023 £ | Cash flows £ | At 31 January 2024 £ |
|--------------------------|-------------------------------|-----------------|-------------------------------|
| Cash at bank and in hand | 30,663 | (8,245) | 22,418 |
| Debt due within 1 year | (50,009) | (1,166) | (51,175) |
| Debt due after 1 year | (200,960) | 10,369 | (190,591) |
| | <u>(220,306)</u> | <u>958</u> | <u>(219,348)</u> |

24. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £12,708 (2023 : £15,029). Contributions totalling £2,098 (2023: £2,304) were payable to the fund at the balance sheet date and are included in creditors.

25. Operating lease commitments

At 31 January 2024 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2024 £ | 2023 £ |
|--|----------------|----------------|
| Not later than 1 year | 101,336 | 84,500 |
| Later than 1 year and not later than 5 years | 220,703 | 220,000 |
| Later than 5 years | - | 20,625 |
| | <u>322,039</u> | <u>325,125</u> |

26. Related party transactions

During the year key management personnel received remuneration of £41,440 and pension contributions of £1,658 were made on their behalf.