

Company Registration number
4199124
Charity Registration number
1129455

ReFurnish Devon
(A company limited by guarantee)

Annual Report and Financial Statements
31-Mar-23

ReFurnish Devon
Annual Report and Financial Statements
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ReFurnish Devon
Reference and administrative details

Trustees

Jane Bray
Heather Adams
Magnus Proctor
Jane Hopkins

Directors

Jane Bray
Heather Adams
Magnus Proctor
Jane Hopkins

Chief Executive

David Banks

Auditors

Russell & Young Ltd
Acland House
St Leonard's
Exeter
EX2 4NT

Bankers

Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

Aldermore Bank Plc
Western House
Peterborough
PE2 6FZ

CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4TA

Registered office and operational address

Wrangaton Business Park
Unit 2a
Wrangaton
South Devon
TQ10 9GQ

Charity Registration number

1129455

Company Registration number

4199124

This combined annual report includes the director's report as required by company law.

The directors, who are the trustees of the charity for the purposes of the Companies Act 2006 present their report with the financial statements for the year ended 31 March 2023, and confirm that these comply with the Companies Act 2006, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015) 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 2015.

Structure, Governance and Management

Governing document

ReFurnish Devon, as a registered charity, takes the form of a limited company governed by its Memorandum and Articles of Association. It was established in October 1998, incorporated on 12 April 2001 and registered as a charity on 7 May 2009. Its Registered Charity Number is 1129455.

Organisational structure

The Trustees are company directors and members of a Refurnish Devon and are akin to shareholders (albeit in this type of company, there are no shares as it is limited by guarantee). The Trustees are permitted by Company Law to make decisions for, and manage the Charity as they see fit, provided their decisions are in the best interests of the Charity.

There are currently 4 Trustees who meet together with the senior manager at least every 2 months, either in person or via zoom. Trustees give further support to the senior management team as required in accordance with their particular areas of expertise.

Recruitment and appointment of Trustees

Trustees are selected for appointment on the basis that they, as individuals, have a thorough knowledge, empathy or understanding of the Charity's work, and are aware and accepting of the responsibilities that undertaking this role entails. Any new appointments are made on the basis that they will bring new skills, expertise or other attributes to the board.

As stated in the Articles of Association, the number of Trustees shall not be less than three but (unless otherwise determined by ordinary resolution) shall not be subject to a maximum. Trustees are elected by the current Trustees and voting members, a third of which retire in rotation annually. A Trustee who retires at an annual general meeting may, if willing to act, be reappointed, provided they have satisfied the conditions set out in the Articles of Association.

Trustee induction and training

New trustees receive induction and training appropriate to their roles and further training is available as required in response to any new legislation or national guidance. The following documents are also made available:

- The obligations of the Trustees to the Charity
- The main documents which set out the operational framework for the Charity including the Memorandum and Articles of Association and the Policy Document
- The current financial position of the Charity as set out in the latest prepared financial statements
- Future plans and objectives.

Key management remuneration

This is set in line with the management of similar sized charities.

Related parties

There are no related parties.

Risk Management

The Trustees, in collaboration with the management team are developing a risk management strategy which comprises:

- An annual review of the risks the Charity may face
- The establishment of systems and procedures to mitigate those risks
- The implementation of procedures designed to minimise any potential impact on the Charity should those risks materialise.

The management are developing a risk register to identify and manage the principle risks faced by the Charity. The potential impact of these key risks are being assessed and appropriate steps to mitigate these risks are being recorded. The Trustees are satisfied that our policies and procedures relating to the management of key operational and financial risks are appropriate and adequately mitigate exposure to major risks which have been identified.

The management regularly report on any incidents that occur which may expose the Charity to a specific risk. If a particular risk is identified, a risk report is prepared at the time of the incident and this is reported to the Trustees at the next scheduled meeting unless more urgent action is required. In addition, the Trustees constantly review the overall risks faced by the growing charity.

The following represent the current principle risks that have been identified by the Trustees, together with an overview of how they are being managed:

- Managing a growing organisation - A strategic review is being undertaken. Our planning process identifies a clear message that we should continue to provide existing, safe, clean, affordable furniture, provide employment for a variety of people including those with support needs, and ensure that this is not put at risk by overstretching our resources.
- Data protection - Procedures have been established to ensure that our documentation and procedures comply with the General Data Protection (GDPR) which came into effect from 25 May 2018. As a charity we are co-ordinating our approach across the organisation, training our staff and continuing to develop our database to aid regulatory compliance.

Objectives and Activities

The Charity's objects (as defined in the Memorandum of Association) are:

- The protection and preservation of the environment for public benefit through the collection, reuse and recycling of household waste and through the provision of support and advice to do the same.
- The relief of financial hardship by the recycling and provision of safe, clean and affordable furniture, clothes and other household items to people on low income in Devon and surrounding areas.
- The relief of unemployment for the benefit of the public in such ways as may be thought fit, including the provision of training, employment, work experience and volunteering opportunities for a variety of people including people who have been long term unemployed and/or have support needs.

The strategies employed to assist the Charity to meet these objectives include the following:

- The provision of 10 furniture and appliance reuse projects in Totnes, Tavistock, Newton Abbot, Crediton, Buckfastleigh, Bideford, Barnstaple, South Molton, Tiverton and our upcycling project in Dartington called 'The ReStore'.
- Daily collection and delivery of reusable household goods in West Devon, South Hams, Teignbridge, Torbay and Plymouth.
- Household reusable goods made available to the general public, with two tier pricing system giving a discount to people on welfare benefits/low income.
- Provision of volunteering, training and employment at all sites across all aspects of the organisation for people of all ages, that are long term unemployed, retired or have need of supported work experience.
- Maintaining an appliance repair facility to ensure there are reusable electrical appliances at affordable prices to meet the needs of our customers.
- Collection of clothing and other textiles for reuse locally at low cost.

We review our aims, objectives and activities at least once each year to look at what we have achieved in the previous 12 months. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular the trustees consider how planned activities will contribute to the aims and objectives they have set.

Longer term objectives include the purchase of property to reduce the charity's lease commitments.

The trustees have had regard to CC/CNNs guidance on public benefit.

Achievements and Performance

Reuse

Over the 12 month period more than 463 tonnes or 108,465 items of furniture (is much higher as this figure now includes books clothes & small items) and 50 tonnes or 3,109 items of electrical appliances were supplied for reuse to more than 20,000 local individuals or families. That is a total of more than 513 tonnes or 111,574 items which have been diverted from the waste stream and supplied at affordable prices to people on low income.

Employment, volunteering and training

The average number (WTE) of people employed during the year has reduced slightly to 31 as most of young people on the kickstart scheme had moved on by the beginning of the financial year.

Refurnish is very grateful for the 10,086 hours of time invested by 68 volunteers throughout the year to support the Charity's work.

All Volunteers received on the job training and valuable work experience including manual handling training and benefited from the supportive work environment.

Four staff have successfully completed Portable Appliance Testing (PAT) training over the past year.

Financial Review

Total income has decreased by £37,803 (3%) to £1,185,650 mainly due to a fall in grant income (largely Covid-19 related grants), however income from the sale of used/donated goods has increased considerably by £132,460 (14%) thanks to the hard work of our staff and volunteers. Some of the increase is due to our newest Charity Reuse Shop in Tiverton at the beginning of March 2023. Thanks goes to Figgy Chambers and her team for creating such a welcoming and well presented shop which is already proving to be very popular with the local community. The purchase of the freehold of our South Molton shop (and the flat above it) for £660,000 was completed on 29 September 2022 resulting in approximate annual cost savings (difference between the previous rent and the loan interest) of about £25k whilst repaying the mortgage over a 20 year period. The charity continues to maintain sufficient reserves to be able reinvest in replacing essential assets and it can also begin to think about developing new services to further meet its aims, especially in creating more training facilities for socially and economically excluded people.

Refurnish will continue to improve its systems and procedures, improve marketing and strengthen its board of trustees and management team to ensure efficient, good quality and safe services are provided.

Refurnish Devon is very grateful for the continued support received from Devon District councils for discretionary charitable Business Rates relief on our premises.

We are also grateful for the support received from local people both from the donation of unwanted reusable household goods and for the time and commitment given by our volunteers.

Investment Policy

Aside from retaining a prudent amount in reserves each year, the Charity has, as noted above, built up sufficient reserves to allow it invest in the purchase one of it's most desirable and financially sustainable properties in South Molton. The trustees are confident there are sufficient reserves remaining after making this purchase in the coming year. Additionally, based on current interest rates, there will be an overall cash saving as the mortgage will be less than the rental outgoings whilst acquiring a significant asset.

Reserves policy

The Trustees, in conjunction with the management team, have agreed it is necessary to increase the level of reserves and will be reviewing its reserves policy over the coming year to ensure the Charity's reserves policy remains realistic and sustainable.

Fundraising

The charity does not carry out significant fundraising activities

Plans for Future Periods

The Charity continues to work towards all the aims and objectives as defined in the business plan. In summary, its future aims and objectives are to:

- Expand our services to offer further areas of Devon the benefits of reuse projects
- Increase the amount of people served by existing reuse projects
- Improve the quality of goods and service provided at all Refurnish projects
- Improve the efficiency of all operations
- Improve the quality and amount of support given to volunteers
- Increase income to ensure the organisation continues to be financially sustainable
- Increase reserves for future investment in services and the planned replacement of assets

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the Charity's auditor is unaware; and
- the Trustees, having made enquiries of fellow directors and the Charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Board and signed on its behalf by:

.....
Trustee - Magnus Proctor

Date.....

.....
Trustee - Jane Hopkins

Date.....

**Trustees responsibilities in relation to the financial statements
for the year ended 31 March 2023**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including income and expenditure, of the charitable company 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 in the charities SORP;

make judgements and estimates that are reasonable and prudent;

state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

there is no relevant audit information of which the charitable company's auditor is unaware; and

the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Opinion

We have audited the financial statements of ReFurnish Devon (the 'Charity') for the year ended 31 March 2023, set out on pages 1 to 17. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard for the purpose of preparing financial statements. In our opinion, the financial statements:

- give a true and fair view of the state of the Charity's affairs as 31 March 2023 and of its income and expenditure for the year;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;
 - the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the end of the reporting period.
- Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of our report.

Other Information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report, (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report within the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches of undertakings;
 - the financial statements are not in agreement with the accounting records and returns; or
 - certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement.

In preparing the financial statements, the Trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our responsibilities for the audit of the financial statements (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities including fraud is detailed below:

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the charity and the sector in which it operates. The key laws and regulations we identified were the Charities Act, regulations in relation to data protection (GDPR), health & safety regulations and employment law.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Companies Act 2006, and relevant tax and pensions laws.

We discussed with management how compliance with these laws and regulations is monitored and discussed policies and procedures in place. We also identified individuals who have responsibility for ensuring that the charity complies with laws and

Our procedures involved the following:-

Enquiries of management and those charged with governance regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements

Reviewing legal and professional costs to identify any possible non-compliance or legal costs in respect of non compliance

Reviewing Trustees' meeting minutes

As part of our enquiries we discussed with management whether there have been any known instances, allegations or

We evaluated the risk of fraud through management override including any arising from management incentives. The key risks we identified were management bias in producing an annual profit.

We also evaluated the risk of fraud through misappropriation of income.

In response to the identified risk, as part of our audit work, we:

1. Confirmed on a sample basis that expenditure was properly authorised and made in accordance with the terms of the relevant fund.
2. Tested journal entries throughout the year, for appropriateness

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed the financial statements are as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion,

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the Charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Martin Russell FCCA
Senior Statutory Auditor for and on behalf of
Russell & Young Ltd - Statutory Auditors
Acland House
21 Victoria Park Road
Exeter
Devon
EX2 4NT

Russell & Young Ltd is eligible to act as an auditor under the terms of section 1212 of the Companies Act 2006.

Statement of Financial Activities (Including Income and Expenditure account)
for the year ended 31 March 2023

		Unrestricted funds	Restricted funds	Total funds 2023	Total funds 2022
	Note	£	£	£	£
Incoming resources					
Voluntary income	3/4	5,786	-	5,786	115,560
Donations and legacies		-	-	-	-
Charitable activities	5	75,739	-	75,739	143,468
Other trading activities	5	1,086,204	-	1,086,204	953,744
Other income	5	11,506	-	11,506	9,869
Investment income		6,415	-	6,415	812
Total income		1,185,650	-	1,185,650	1,223,453
Expenditure on:					
Raising funds		-	-	-	-
Charitable activities	6	1,172,313	-	1,172,313	1,094,985
Governance costs	6	3,976	-	3,976	4,626
Total expenditure		1,176,289	-	1,176,289	1,099,611
Net income / (expenditure) before gains / (losses)		9,361		9,361	123,842
Net gains / (losses) on investments		-	-	-	-
Net income / (expenditure)		9,361		9,361	123,842
Transfers between funds		-	-	-	-
Net movements in funds		9,361		9,361	123,842
Reconciliation of funds					
Total funds brought forward		348,212		348,212	224,370
Total funds carried forward		357,573		357,573	348,212

**ReFurnish Devon
Balance Sheet
as at 31 March 2023**

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	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	12	706,830	29,297
		<u>706,830</u>	<u>29,297</u>
Current assets			
Stocks		10,001	11,381
Debtors	13	49,100	34,433
Cash at bank and in hand		<u>139,565</u>	<u>369,473</u>
		198,666	415,287
Creditors: amounts falling due within one year	14	(102,078)	(65,381)
Net current assets		<u>96,588</u>	<u>349,906</u>
Total assets less current liabilities		<u>803,418</u>	<u>379,203</u>
Creditors: amounts falling due after more than one year	15	(445,845)	(30,991)
Net assets		<u>357,573</u>	<u>348,212</u>
The funds of the charity:			
Restricted funds in surplus		-	-
Unrestricted funds			
Unrestricted income funds		<u>357,573</u>	<u>348,212</u>
Total charity funds		<u>357,573</u>	<u>348,212</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

.....
Trustee - Magnus Proctor

Approved by the board on

The notes on pages 12 to 16 form an integral part of these financial statements

ReFurnish Devon
Notes to the Accounts
for the year ended 31 March 2023

1 General information

ReFurnish Devon is a company limited by guarantee and therefore has no share capital.

The Charity was incorporated in England and Wales and details of the registered office can be found in the reference and administration section of the Trustees report

The functional currency of the Charity is considered to be pounds sterling because it is the currency of the primary economic environment in which the charitable company operates.

2 Accounting policies

The principle accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with 'Accounting and Reporting by Charities: statement of Recommended Practice' applicable to charities preparing their accounts in accordance with the Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The Charity meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared on a going concern basis and the Trustees are not aware of any material uncertainties that would cast doubt on the Charity's ability to continue as a going concern.

b) Funds

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

Designated funds are unrestricted funds which the Trustees have decided to set aside for a specific purpose.

Restricted funds are funds to be used in accordance with specific restrictions imposed by the donor or which have been raised by the Charity for particular purposes. Expenditure which meets the criteria specified is charged to the fund.

As noted in the reserves policy, the Trustees aim to maintain unrestricted funds within a target range based upon a review of the risks currently faced by the Charity.

c) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resource.

d) Incoming resources

All incoming resources are included in the SOFA when the Charity is legally entitled to the income, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Grant income is recognised when the Charity becomes unconditionally entitled to receipts and when the amount of the grant can be reliably measured. This is generally when the income is received.

Grants received for a specific purpose are recorded as restricted income

For legacies, entitlement is the earlier of the date on which either: the Charity is aware that probate has been granted, the estate has been finalised and notification has been received from the executors that a distribution will be made, or when a distribution has been received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the Charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the Charity or the Charity is aware of the granting of probate, and the criteria for income recognition have not been met with a reasonable degree of certainty, then the legacy is treated as a contingent asset and disclosed if material.

Goods donated for resale are included as Income when they are sold.

Registration income received for fundraising events due to take place after the end of the financial year are deferred and recognised during the period when the event takes place.

e) Pension costs

The Charity's contributes to a defined contribution pension scheme under the auto enrolment scheme for employees who have sufficient earnings and have not opted out.

The assets of the scheme are held separately from those of the Charity. The annual contributions payable are charged to the Statement of Financial Activities (SOFA).

f) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £300 are capitalised, and are stated at cost. For assets brought into use at the balance sheet date, depreciation is calculated to write off cost over their expected useful lives as follows:

Plant and machinery

11 - 33% straight line

Leasehold improvements and other interests in land and buildings

Over term of lease

g) Investments

Fixed asset investments are recognised at market value at the balance sheet date. Realised and unrealised gains / losses on investments are disclosed in the SOFA and in the notes to the financial statements where applicable.

h) Stocks

Stock consists of purchased goods for resale. These stocks are valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold. No value is attributed to the donated goods held prior to resale as it is considered impractical to reliably measure their fair value and the cost of valuing of these items would outweigh the benefit to the users of the financial statements.

l) Cash balances

Cash at bank and cash in hand represents amounts held to meet short-term cash commitments as they fall due. This includes cash and short term deposits with a maturity of three months or less from the date of acquisition or opening of the amount.

J) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

k) Creditors and provisions

Creditors and provisions 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.

l) Operating leases

Rentals paid under operating leases are charged to the SOFA over the period in which the cost is incurred.

m) Grants payable

Grants payable are accounted for when the Charity is committed to making payment.

n) VAT

The Charity is registered for VAT and is able to recover input tax attributable to the relevant taxable supplies.

o) Volunteers

Volunteers are vital to the success of the Charity. We have over 60 volunteers who give their time at our various locations. In total these volunteers gave over 10,000 hours of their time in the year, which would equate to an additional 6/7 full time staff. Neither the value of the donated hours nor the equivalent cost of the volunteers is included in the financial statements but their contribution is immense.

All Volunteers received on the job training and valuable work experience including manual handling training and benefited from the supportive work environment.

p) Financial Instruments

ReFurnish only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The Charity currently holds:

- Other debtors and trade creditors
- Short term investments

3 Voluntary Income

	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Donations and legacies				
Other donations	1,851	-	1,851	862
Gift aid tax reclaimed (repaid)	3,935	-	3,935	5,552
	<u>5,786</u>	<u>-</u>	<u>5,786</u>	<u>6,414</u>

4 Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
M&G Jones Charitable Trust	-	-	-	-
Local Authority Reuse grants	-	-	-	1,910
South Hams District Council	-	-	-	-
Dartington Parish Council	-	-	-	-
Local Authority bulky waste	-	-	-	-
Devon Community Recycling Network (DCRN)	-	-	-	-
Tudor Trust	-	-	-	-
Council COVID grants	-	-	-	79,576
JRS grants	-	-	-	27,660
	<u>-</u>	<u>-</u>	<u>-</u>	<u>109,146</u>

COVID grants: from the relevant councils to compensate for the loss of trade caused by the COVID 19 lockdown period.

5 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Commercial trading operations				
Other income	11,506	-	11,506	9,869
Primary purpose trading	1,086,204	-	1,086,204	953,744
Contractual income from government or public authorities	75,535	-	75,535	106,886
Other - reuse / recycling credits	204	-	204	36,582
	<u>1,173,449</u>	<u>-</u>	<u>1,173,449</u>	<u>1,107,081</u>

The charity's primary objects include the promotion of the reuse and recycling of items and to reduce local financial hardship by the sale of clean, safe (recycled) affordable items. In this way the 'trading' is actually a charitable activity.

6 Investment income

Rental income	3,938		3,938	-
Interest receivable	2,477	-	2,477	812
	<u>6,415</u>	<u>-</u>	<u>6,415</u>	<u>812</u>

7 Total resources expended

	Commercial trading operations £	Governance £	Total 2023 £
Direct costs			
Cost of goods sold	66,048	-	66,048
Employment costs	732,305	-	732,305
Employee & Volunteer expenses	6,174	-	6,174
Sub contracting	22,015	-	22,015
Other direct costs	53,775	-	53,775
Loss / (profit) on sale of tangible fixed assets	-	-	-
Establishment costs	200,880	-	200,880
Insurance	5,338	-	5,338
Repairs and maintenance	11,224	-	11,224
Office expenses	7,276	-	7,276
Printing, postage and stationery	8,211	-	8,211
Advertising and promotion	7,580	-	7,580
Accountancy fees	-	1,176	1,176
Auditors remuneration	-	2,800	2,800
Legal and professional costs	5,184	-	5,184
Bank charges	18,787	-	18,787
Loan interest	1,053	-	1,053
Mortgage interest	11,192	-	
Donations	609	-	609
HP charges	690	-	690
Depreciation of tangible fixed assets	13,972	-	13,972
Bad debts	-	-	-
	<u>1,172,313</u>	<u>3,976</u>	<u>1,165,097</u>

8 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

Expenses, being the reimbursement of costs borne paid to trustees and persons connected with them, totalled £nil.

9 Net movement in funds

	2023 £	2022 £
This is stated after charging:		
Auditors remuneration	2,800	2,600
Loss / (profit) on sale of tangible fixed assets	-	5,020
Depreciation of owned fixed assets	<u>13,972</u>	<u>17,429</u>

10 Employee's remuneration

	2023 £	2022 £
The aggregate payroll costs of employees were as follows:		
Wages and salaries	685,453	666,315
Social security	<u>46,852</u>	<u>40,858</u>
	<u>732,305</u>	<u>707,173</u>

There were an average of 44 (2022: 36) employees in the financial year

No employee earned in excess of £60,000.

Key management remuneration for the year was £48,097.

During the year defined contributions pension contributions on behalf of the employees amounted to £20,823 (2022: £23,439).

11 Taxation

The company is a registered charity and therefore is exempt from taxation.

12 Tangible fixed assets

	Land and Buildings £	Plant and machinery etc £	Total £
Cost			
At 1 April 2022	16,293	111,233	127,526
Additions	671,597	23,407	695,004
Disposals	-	(3,499)	(3,499)
At 31 March 2023	687,890	131,141	819,031
Depreciation			
At 1 April 2022	9,486	88,743	98,229
Charge for the year	116	13,856	13,972
On disposals	-	-	-
At 31 March 2023	9,602	102,599	112,201
Net book value			
At 31 March 2023	678,288	28,542	706,830
At 1 April 2022	6,807	22,490	29,297

The South Molton property, purchased for £660,000 (plus legal costs) on 29 September 2022, has not been depreciated as the current residual value of the land is considered to be equal to, or in excess of, the total value.

The property has been valued at cost, which, in the trustee's opinion, is in line with its current valuation.

This will be revisited on an regular basis.

13 Debtors	2023 £	2022 £
Trade debtors	8,426	11,575
Other taxes and social security	7,318	2,740
Other debtors	21,577	15,106
Prepayments and accrued income	11,779	5,012
	<u>49,100</u>	<u>34,433</u>

14 Creditors: amounts falling due within one year	2023 £	2022 £
Obligations under finance lease and hire purchase contracts	7,083	6,422
Trade creditors	8,124	14,251
Other taxes and social security	12,552	13,270
Other creditors	18,399	195
Loans	15,086	15,086
Mortgage	37,234	-
Accruals and deferred income	3,600	16,157
	<u>102,078</u>	<u>65,381</u>

15 Creditors: amounts falling due after more than one year	2023 £	2022 £
Loans	21,395	30,991
Mortgage	417,341	-
Obligations under finance lease and hire purchase contracts	7,109	-
	<u>445,845</u>	<u>30,991</u>

16 Members liability

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

17 Operating lease commitments

As at 31 March 2023 the charity had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2023	2022
Within one year	61,624	100,370
Over one year and under five years	51,775	74,600
Over five years	51,600	-
	<u>164,999</u>	<u>174,970</u>

Expiry dates include break clauses.

**18 Related parties
Controlling party**

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

No money belonging to the charity has been used to indemnify the charity from losses arising from the negligence of its trustees, employees or agents, or to indemnify the trustees, employees or agents against any negligence on their part.

19 Analysis of funds

	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds				
Unrestricted income fund	303,138	1,185,650	(1,176,289)	312,499
Restricted Funds				
National Lottery grant	-	-	-	-
	-	-	-	-
	303,138	1,185,650	(1,176,289)	312,499

20 Net assets by fund

	Unrestricted Funds £	Restricted Funds £	Total funds 2023 £	Total funds 2022 £
Tangible assets	706,830	-	706,830	29,297
Current assets	198,666	-	198,666	415,287
Creditors: Amounts falling due within one year	(102,078)	-	(102,078)	(50,295)
Creditors: Amounts falling due after more than one year	(445,845)	-	(445,845)	(46,077)
Net assets	357,573	-	357,573	348,212

21 Reconciliation of net movement in funds to net cashflow from operating activities

	2023	2022
Net movement in funds	9,361	123,842
Adjustments for:		
Depreciation charges	13,972	12,413
(Profit) / Loss on disposal of tangible fixed assets	-	5,020
(Gains) / losses on investments	-	-
Dividends and interest from investments	(6,415)	(812)
Decrease / (increase) in stock	1,380	(3,114)
(Decrease) / increase in creditors	451,551	(41,393)
Decrease / (increase) in debtors	(14,667)	34,975
Net cash provided by (used in) operating activities	455,182	130,931

22 Related party transactions

There were no related party transactions during the year

ReFurnish Devon
Statement of cashflows
For the year ended 31 March 2023

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	2023	2022
Net cash provided by / (used in) operating activities	455,182	130,931
Cashflow from investing activities:		
Dividends and interest and rental income from investments	6,415	812
Purchase of tangible fixed assets	(695,004)	(10,237)
Disposal of tangible fixed assets	3,499	-
Profit (loss) on disposal of tangible fixed assets	-	5,020
Net cash provided by (used in) investing activities	(685,090)	(4,405)
Increase in cash and cash equivalents in the year	(229,908)	126,526
Cash and cash equivalents at the beginning of the year	369,473	242,947
Cash and cash equivalents at the end of the year	139,565	369,473

ReFurnish Devon
Statement of Financial Activities by fund
for the year ended 31 March 2023

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	Unrestricted income fund 2023 £	Unrestricted income fund 2022 £
Incoming resources		
Incoming resources from generated funds		
Voluntary income	5,786	115,560
Incoming resources from charitable activities	75,739	144,280
Total incoming resources	<u>81,525</u>	<u>259,840</u>
Resources expended		
Charitable activities	1,172,313	1,094,985
Governance costs	3,976	4,626
Total resources expended	<u>1,176,289</u>	<u>1,099,611</u>
Net movement in funds	(1,094,764)	(839,771)
Reconciliation of funds		
Total funds brought forward	(1,360,983)	(521,212)
Total funds carried forward	<u>(2,455,747)</u>	<u>(1,360,983)</u>

The notes on pages 12 to 16 form an integral part of these financial statements