

RESTORE (CUMBRIA)

England & Wales · Charity number 1187078

Details

Other names OPSHOPS (HELPING COMMUNITIES GROW)

Status Registered

Legal form Charitable company

Company number [08146662](#)

Registered 2019-12-20

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

Contact

Address 31 Chiswick Street
Carlisle
CA1 1HJ

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Activities

Objects: 1 TO ADVANCE THE CHRISTIAN RELIGION IN THE AREA OF BENEFIT FOR THE BENEFIT OF THE PUBLIC;2 TO PROTECT AND PRESERVE THE ENVIRONMENT FOR THE PUBLIC BENEFIT AND RELIEVE FINANCIAL HARDSHIP IN THE AREA OF BENEFIT BY THE RECYCLING AND PROVISION OF FURNITURE, CLOTHES AND OTHER HOUSEHOLD ITEMS;3 TO PREVENT OR RELIEVE POVERTY IN THE AREA OF BENEFIT BY (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) PROVIDING ITEMS AND SERVICES TO INDIVIDUALS IN NEED;4 TO RELIEVE UNEMPLOYMENT FOR THE BENEFIT OF THE PUBLIC IN THE AREA OF BENEFIT IN SUCH WAYS AS MAY BE THOUGHT FIT, INCLUDING (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) BY THE PROVISION OF OPPORTUNITIES TO ENABLE UNEMPLOYED PEOPLE TO DEVELOP THEIR SKILLS, EXPERIENCE AND CAPABILITIES IN A RETAIL ENVIRONMENT;5 THE PROVISION AND MAINTENANCE OF A FACILITY FOR THE USE OF THE INHABITANTS OF THE AREA OF BENEFIT WITHOUT DISTINCTION OF POLITICAL, RELIGIOUS OR OTHER OPINIONS, INCLUDING USE FOR:5.1.MEETINGS, LECTURES AND CLASSES; AND5.2.OTHER FORMS OF RECREATION AND LEISURE-TIME OCCUPATION,WITH THE OBJECT OF IMPROVING THE CONDITIONS OF LIFE FOR THE INHABITANTS;6 TO PROMOTE SOCIAL INCLUSION FOR THE PUBLIC BENEFIT IN THE AREA OF BENEFIT BY PREVENTING PEOPLE FROM BECOMING SOCIALLY EXCLUDED, RELIEVING THE NEEDS OF THOSE PEOPLE WHO ARE SOCIALLY EXCLUDED AND ASSISTING THEM TO INTEGRATE INTO SOCIETY.FOR THE PURPOSE OF THIS CLAUSE ÆSOCIALLY EXCLUDEDÆ MEANS BEING EXCLUDED FROM SOCIETY, OR PARTS OF SOCIETY, AS A RESULT OF ONE OF MORE OF THE FOLLOWING FACTORS: UNEMPLOYMENT; FINANCIAL HARDSHIP; YOUTH OR OLD AGE; ILL HEALTH (PHYSICAL OR MENTAL); SUBSTANCE ABUSE OR DEPENDENCY INCLUDING ALCOHOL AND DRUGS; DISCRIMINATION ON THE GROUNDS OF SEX, RACE, DISABILITY, ETHNIC ORIGIN, RELIGION, BELIEF, CREED, SEXUAL ORIENTATION OR GENDER RE-ASSIGNMENT; POOR EDUCATIONAL OR SKILLS ATTAINMENT; RELATIONSHIP AND FAMILY BREAKDOWN; POOR HOUSING (THAT IS HOUSING THAT DOES NOT MEET BASIC HABITABLE STANDARDS; CRIME (EITHER AS A VICTIM OF CRIME OR AS AN OFFENDER REHABILITATING INTO SOCIETY); AND7 SUCH OTHER EXCLUSIVELY CHARITABLE PURPOSES AS THE TRUSTEES IN THEIR ABSOLUTE DISCRETION DETERMINE FROM TIME TO TIME.

Activities: Restore (Cumbria) exists to help create new lives and opportunities for people, including but not restricted to the work and ministry of the OpShops, the Repair Cafe and the Men in Sheds project.

Classification

- **How:** Provides Buildings/facilities/open Space, Provides Advocacy/advice/information
- **What:** General Charitable Purposes, Disability, The Prevention Or Relief Of Poverty, Religious Activities, Recreation

Geography

- Cumbria

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|----------|-------------|--------|-----------|
| 2024-12-31 | £433,576 | £399,471 | - | - |
| 2023-12-31 | £362,448 | £351,009 | - | - |
| 2022-12-31 | £392,437 | £313,701 | - | - |
| 2021-12-31 | £266,144 | £319,898 | - | - |
| 2020-12-31 | £205,170 | £137,126 | - | - |

Trustees

| Name | Role | Appointed |
|-----------------------------|-------|------------|
| Dr Bryan Gray CBE DL | Chair | 2019-04-25 |
| Alison Barbara Jary | | 2025-11-27 |
| Christopher William Bray | | 2022-02-09 |
| Duncan Graham Walker | | 2022-07-12 |
| Rachel Clare Head | | 2024-11-20 |
| Rev Andrew Burrell | | 2022-05-18 |

RESTORE (CUMBRIA)

England & Wales - Charity number 1187078

Accounts

Restore (Cumbria)

(A company limited by guarantee)

Annual Report and Financial Statements

31 December 2024

Company registration number: 08146662

Charity registration number: 1187078



Restore (Cumbria)

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Restore (Cumbria)

Reference and Administrative Details

| | |
|------------------------------------|---|
| Charity name | Restore (Cumbria) |
| Charity registration number | 1187078 |
| Company registration number | 08146662 |
| Principal office | Unit 3 Coleridge House The Maltings Carlisle Cumbria CA2 5TU |
| Registered office | Unit 3 Coleridge House The Maltings Carlisle Cumbria CA2 5TU |
| Trustees | Mr B M Gray, Chairman Revd J R Libby Mr C W Bray Revd A Burrell Mr A R H Cook (Resigned 31 December 2024) Ms A H Sharp-Walker Mr D G Walker Ms R Head (Appointed 20 November 2024) |
| Bankers | HSBC UK 1 Market Square Penrith Cumbria CA11 7SN |
| Accountant | Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW |

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2024

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Restore (Cumbria) (the company) for the year ended 31 December 2024. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Summary

Economic conditions in 2024 continued to be challenging with general cost of living increases making it difficult for many people. Against this background our shops performed well and continue to provide affordable options for many people combined with safe and welcoming community areas with a growing number of activities overseen by our Chaplains and volunteers.

New initiatives included the launch of 'Restore on the Road' and preparations to open a new shop in Carlisle.

Progress Report

- Charitable activities income increased by £36k from £305k to £341k, an increase of 12%. This was due mainly to the continuing good performance of our Penrith shop and an excellent performance at Morton (following an extensive refurbishment) which achieved the highest sales after Penrith.
- We purchased an electric van and launched 'Restore on the Road' to support rural communities.
- We explored options to open a shop in Carlisle city centre.

Finances

Total turnover (excluding grant income) was £341k (up 12% vs 2023), with a net Unrestricted Fund surplus of £3k (vs £7k loss in 2023). Penrith performed strongly again (+7% annual sales growth), closely followed by the newly renovated Morton (a remarkable +95%), Petteril Bank Road steady (+2%), with challenging trading conditions at Harraby (-11%) and Shaddongate (-14%). In addition, our grant income was £83k (vs £55k last year), giving us valuable additional funds to spend on specific projects.

This underlines confidence in our model of larger shops, improved merchandising and a vibrant community space being the right direction. Previous uncertainty on energy costs have again been covered by favourable new annual contracts. Concerns remained about the increasing central overhead costs of operating our warehouse, necessary for operating the underperforming furniture category, with a study being done to inform our future strategy.

Our General Manager has been instrumental in focussing on top line sales growth in our key shops, supported by a multi year £35k grant from the DBF. This has also given us the capacity to design and develop our new shop in Carlisle City Centre, due to open around Easter 2025.

Governance

We could not operate without the support of our trustees who each contribute in different ways, using their skills and talents.

Safeguarding

There are no issues to report. We work with many vulnerable adults and operate in difficult situations – this is fundamental to our mission. We work closely with the Diocese to ensure that our policies and procedures are appropriate and robust.

The Future

Our priority remains to run successful shops with welcoming community spaces generating a surplus to enable us to fund other activities. We plan to develop 'Restore on the Road' and explore options for 'Repair at Restore' (our project to repurpose clothes and other items).

We are grateful for the dedication and commitment of our staff, volunteers and trustees and for the support we receive from the Diocese of Carlisle and from many other sources.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 17/07/2012, originally as Opshops (Helping Communities Grow), changing its name to Restore (Cumbria) on 06/02/2021. Restore (Cumbria) became a registered charity on 20/12/2019, number 1187078. The company began trading on 1st July 2020, prior to this it was dormant.

Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. All Trustees give their time voluntarily and receive no benefits from the charitable company. Any expense reclaimed from the charitable company are detailed in the accounts.

The Trustees have attempted to ensure that the board of Trustees represent as wide a cross section of the local community as possible and that the Trustees have appropriate experience to assist the charitable company with its objectives. Traditional business skills as well as community skills are well represented within the board of Trustees. The Trustees and the chairman are working on an ongoing basis to improve the make-up and constitution of the board of Trustees and bring in appropriate skills where necessary.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee induction and training

Most Trustees are already familiar with the work of the charitable company before becoming Trustees. New Trustees are familiarized by the Chairman on its working and the context within which it operates and with visits to our charity shops. The main documents set out the operational framework for the charitable company include the Memorandum and Articles of Association which are present at induction. In addition, aspirant Trustees are required to attend a number of board meetings in order to confirm their willingness to serve and before a decision on them becoming a Trustee is taken by the existing Trustees.

Organisational Structure

The Trustees meet regularly with staff and the Pioneer Ministers and are responsible for the strategic direction and policies of the charitable company. The present Board of Trustees currently has members from a variety of professional backgrounds relevant to the work of the charitable company.

The charitable company relies on its pool of volunteers for delivery of areas of work, particularly for the work of our shops and community activities.

The practical support of volunteers is essential to delivery of the charitable company's work and the charitable company is extremely grateful for their help.

Related Parties

The charity has a Memorandum of Understanding with the Carlisle Diocesan Board of Finance (CDBF) dated 01/07/2020. The services which CDBF provide to Restore (Cumbria) are finance, HR, Property and Communications, with each party having their respective responsibilities.

Restore (Cumbria) is deemed a subsidiary of the Carlisle Diocesan Board of Finance Limited - because it appoints the Board members and is deemed to have full 'ultimate control'. The CDBF is the sole member.

OBJECTIVE AND ACTIVITIES OF RESTORE (CUMBRIA)

Objectives of the Charitable Company

- To advance the Christian religion in the area of benefit for the benefit of the public.
- To protect and preserve the environment for the benefit of the public and relive financial hardship in the area of benefit by the recycling and the provision of furniture, clothes and other household items.
- To prevent or relive poverty in the area of benefit by (but without prejudice to the generality of the foregoing) providing items and services to individuals in need.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2024

- To relieve unemployment for the benefit of the public in the area of benefit in such ways as may be thought fit, including (but without prejudice to the generality of the foregoing) by the provision of opportunities to enable unemployed people to develop their skills, experience and capabilities in a retail environment.

- The provision and maintenance of a facility for the use of the inhabitants of the area of benefit without distinction of political, religious, or other opinions including use for: such other exclusively charitable purposes as the Trustees in their absolute discretion determine from time to time; meetings, lectures and classes; and other forms of recreation and leisure-time occupation, with the object of improving the conditions of life for the inhabitants.

- To promote social inclusion for the public benefit in the area of benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society. For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol or drugs; discrimination on the ground of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship or family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society).

History

Ten years ago, the Diocese of Carlisle established Opshops ('Opportunity Shops', an Australian name) in Carlisle, and later in Penrith. They fulfilled a need, providing clothes and furniture to people on the margins of society. They were successful but limited in scope and lacked resources to develop. The Diocese recognised that they needed new momentum and independence.

A new, independent charity was formed and we now have a team of Trustees with the skills and determination to achieve our vision. We changed our name to RESTORE to say more clearly what we do. We are a small charity, but we have a big vision. We believe there could be a RESTORE presence in every town in Cumbria, 'owned' by the local community.

Our Activities

A summary of our main activities in relation to the charity objectives.

"We help RESTORE faith, hope and happiness in our community".

Operation of Charity Shops

RESTORE is a charity shop with a difference. We have five shops located in Morton, Harraby, Penrith, Petteril Bank and at our Warehouse premises at Shaddongate in Carlisle. The shops must operate profitably to provide funds to support our community projects. We employ shop managers but otherwise operate with volunteers, who themselves can be vulnerable. We provide pre-owned goods for people who cannot afford to shop elsewhere, and we have a growing on-line presence. We support people but also support the environment (Re-use, Re-cycle, Re-pair). We create a safe place for people to chat, meet, and be valued.

Our shops have also become community support hubs:

- we work with social services providing kitchen starter packs for young vulnerable adults leaving care and clothing and other essentials for the homeless.
- we provide items for a local project resettling refugee families from the Middle East and other areas of international conflict.
- we signpost customers to appropriate agencies, sometimes making phone calls for those who struggle to understand
- how to deal with a support agency.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2024

Restore Community Shed

Restore Community Shed aims to empower those who have been disadvantaged or faced social exclusion due to crime, alcohol addiction, substance abuse, poor mental or physical health and unemployment. We work with individuals to help them make positive changes in their lives. The Shed provides some of the best opportunities for

unlocking positive change in people's lives through getting them physically active using their hands to make things, belonging to a community, having a routine, and being cared for by people who will go the extra mile to help them. We rely on discarded or donated materials and tools, and we repair and up-cycle items for use in our shops and on the allotment. We have also started a group to test electrical equipment before it can be sold in our shops.

Restore Community allotment

The allotment project works with people struggling with similar issues as Community Sheds. The allotment supports our 'Feed our community' initiative - unlocking the power of local people to grow food, share skills and build a supportive community as well as transforming the site using upcycled items that would otherwise end up in landfill. The food we grow we share with others in need in the community.

Ensuring the work delivers the aims

The Board of Trustees review the activities of the Trust at regular board meetings. The Business Plan is also reviewed each year and looks at what has been achieved and the outcomes of the work in the previous 12 months. The review also helps to ensure the aims, objective and activities remain focused on the stated purposes.

Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in reviewing the charitable company's aims and objectives and in planning future activities. In particular, the Trustees consider the planned activities will contribute to the aims and objectives they have set. The Trustees confirm that public benefit has been provided by the advancement of its objectives.

Risk Management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Charitable Company carries appropriate employers' and public liability insurance as well as professional indemnity insurance at an appropriate level and directors' insurance.

Pay policy for Senior Staff

The Board of Directors, who are the Charity's Trustees, and the Shop Managers and Warehouse Manager comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. All Trustees give their time freely and no Trustees received remuneration in the year.

Pay is reviewed annually by the Board of Trustees.

RESERVES

The total reserves on 31 December 2024 were £138,570 being restricted reserves of £51,973 and unrestricted reserves of £86,597. Free reserves (unrestricted reserves less fixed assets) at the yearend were £48,157. The Charity is supported by the Diocesan Board of Finance.

The Trustees have reviewed the Charity's need for reserves in line with the guidance issued by the Charity Commission.

The Trustees keep their reserves policy and level of reserves held under review, monitoring the level of reserves held throughout the year as part of the normal monitoring and budgetary process. The main risks to both income and expenditure are highlighted and the level of committed expenditure taken into account.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2024

The Trustees reserve policy ensures that the reserves are maintained at a level which ensures that the Charity's core activities could continue during a period of unforeseen difficulty and that these are maintained in a readily realisable form.

The Trustees aim to maintain reserves at a level sufficient to meet working capital requirements of the charity for a period of three months. This has not been possible over the last year due to challenging environment resulting from the Covid pandemic. The Trustees are confident that the negative unrestricted reserves can be turned around to ensure that there are sufficient reserves to continue the current activities of the charity in the event of a significant drop in funding.

Notwithstanding this the Trustees believe that every effort should be made to ensure that the unrestricted reserves are six month working capital requirement in order that the charity can continue to meet its current obligations and plan with confidence for the future.

GOING CONCERN

After making appropriate enquiries and receiving support from the Carlisle Diocesan Board of Finance to support financial the activities of the Charity, 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 for preparing the financial statements.

INVESTMENT POLICY AND PERFORMANCE

Aside from retaining a prudent amount in reserves each year, most of the charitable company's funds are to be spent in the short term on specific projects and so there are few funds available for long term investment. The Trustees have decided that, in this regard, the most appropriate course of action is to keep monies on deposit with their bankers.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 22 May 2025 and signed on its behalf by:



Mr B M Gray
Trustee

Restore (Cumbria)

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Restore (Cumbria) 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 Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

**Independent Examiner's Report to the Trustees of
Restore (Cumbria)**

I report on the accounts of the company for the year ended 31 December 2024, which are set out on pages 9 to 22.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 as amended by the Charities Act 2022 (the Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Martin Borradaile ACA
Dodd & Co Limited
Chartered Accountants

22 May 2025

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Restore (Cumbria)

**Statement of Financial Activities (including Income and Expenditure Account) for the Year
Ended 31 December 2024**

| | Unrestricted Funds | Restricted Funds | Total Funds 2024 | Total Funds 2023 | |
|------------------------------------|-----------------------|----------------------|----------------------|-----------------------|-----------------------|
| Note | £ | £ | £ | £ | |
| Income and endowments from: | | | | | |
| Donations and legacies | 2 | 9,306 | 83,475 | 92,781 | 57,694 |
| Charitable activities | 3 | 340,795 | - | 340,795 | 304,754 |
| Total income and endowments | | <u>350,101</u> | <u>83,475</u> | <u>433,576</u> | <u>362,448</u> |
| Expenditure on: | | | | | |
| Charitable activities | | 347,194 | 52,277 | 399,471 | 351,009 |
| Total expenditure | | <u>347,194</u> | <u>52,277</u> | <u>399,471</u> | <u>351,009</u> |
| Net income before transfers | | 2,907 | 31,198 | 34,105 | 11,439 |
| Transfers | | | | | |
| Transfers between funds | | <u>31,320</u> | <u>(31,320)</u> | <u>-</u> | <u>-</u> |
| Net movements in funds | | 34,227 | (122) | 34,105 | 11,439 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | <u>52,370</u> | <u>52,095</u> | <u>104,465</u> | <u>93,026</u> |
| Total funds carried forward | | <u><u>86,597</u></u> | <u><u>51,973</u></u> | <u><u>138,570</u></u> | <u><u>104,465</u></u> |

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 11 to 22 form an integral part of these financial statements.

Restore (Cumbria)
Company registration number: 08146662
Balance Sheet as at 31 December 2024

| | | 2024 | | 2023 | |
|---|------|-----------------|----------------|-----------------|----------------|
| | Note | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 9 | | 38,440 | | 19,478 |
| Current assets | | | | | |
| Debtors | 10 | 13,513 | | 13,806 | |
| Cash at bank and in hand | | 127,012 | | 103,944 | |
| | | <u>140,525</u> | | <u>117,750</u> | |
| Creditors: Amounts falling due within one year | | | | | |
| | 11 | <u>(40,395)</u> | | <u>(32,763)</u> | |
| Net current assets | | | <u>100,130</u> | | <u>84,987</u> |
| Net assets | | | <u>138,570</u> | | <u>104,465</u> |
| The funds of the charity: | | | | | |
| Restricted funds | | | 51,973 | | 52,095 |
| Unrestricted funds | | | | | |
| Unrestricted income funds | | | <u>86,597</u> | | <u>52,370</u> |
| Total charity funds | | | <u>138,570</u> | | <u>104,465</u> |

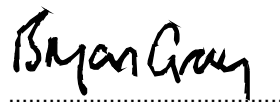
For the financial year ended 31 December 2024, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 22 May 2025 and signed on its behalf by:



Mr B M Gray
Trustee

The notes on pages 11 to 22 form an integral part of these financial statements.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

Going concern

These financial statements have been prepared on a going concern basis.

Fund accounting policy

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 16.

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

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Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

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

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| | |
|--|-------------------------|
| Plant and machinery including motor vehicles | 20% straight line basis |
| Fixtures, fittings and equipment | 20% straight line basis |

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Financial instruments

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

2 Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2024 £ | Total Funds 2023 £ |
|-------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Donations and legacies | | | | |
| Donations and similar income | 9,306 | 1,200 | 10,506 | 2,694 |
| Grants | | | | |
| CDBF | - | 60,000 | 60,000 | 35,000 |
| Cumbria Community Foundation | - | 4,500 | 4,500 | - |
| National Lottery | - | 14,775 | 14,775 | - |
| E C Graham | - | 3,000 | 3,000 | - |
| Tudor Trust | - | - | - | 20,000 |
| | - | 82,275 | 82,275 | 55,000 |
| | <u>9,306</u> | <u>83,475</u> | <u>92,781</u> | <u>57,694</u> |

Of the donations and legacies income in 2023, £2,394 related to unrestricted funds and £55,300 related to restricted funds.

3 Charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2024 £ | Total Funds 2023 £ |
|---------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Charity shop income | 328,745 | - | 328,745 | 289,140 |
| On-line income | 2,912 | - | 2,912 | 1,728 |
| Scrap metal | 685 | - | 685 | 1,113 |
| Recycling income | 8,453 | - | 8,453 | 12,773 |
| | <u>340,795</u> | <u>-</u> | <u>340,795</u> | <u>304,754</u> |

All of the income from charitable activities in 2023 related to unrestricted funds.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

4 Expenditure

| | Other trading activities | Total 2024 | Total 2023 |
|----------------------------------|---------------------------------|-------------------|-------------------|
| | £ | £ | £ |
| Direct costs | | | |
| Wages and salaries | 200,435 | 200,435 | 166,966 |
| Staff NIC (Employers) | 15,225 | 15,225 | 11,792 |
| Staff pensions | 3,505 | 3,505 | 2,085 |
| Refreshments | 2,793 | 2,793 | 1,109 |
| Motor expenses | 4,969 | 4,969 | 5,651 |
| Sundry expenses | 437 | 437 | 1,965 |
| Rent and service charge | 75,223 | 75,223 | 77,133 |
| Rates and water | 7,211 | 7,211 | 7,623 |
| Light, heat and power | 27,555 | 27,555 | 23,446 |
| Insurance | 2,529 | 2,529 | 6,923 |
| Repairs and maintenance | 21,086 | 21,086 | 15,935 |
| Waste disposal | 1,270 | 1,270 | 968 |
| Volunteer expenses | 867 | 867 | 716 |
| Redundancy costs | - | - | 43 |
| Telephone and internet | 3,909 | 3,909 | 3,214 |
| Computer and office costs | 1,389 | 1,389 | 454 |
| Printing, postage and stationery | 2,144 | 2,144 | 1,684 |
| Health and safety | 3,039 | 3,039 | 1,430 |
| Advertising | 441 | 441 | 100 |
| Depreciation | 10,695 | 10,695 | 8,145 |
| | <u>384,722</u> | <u>384,722</u> | <u>337,382</u> |
| Support costs | | | |
| Accountancy fees | 2,830 | 2,830 | 2,000 |
| Independent examination | 1,155 | 1,155 | 1,100 |
| Legal and professional fees | 6,790 | 6,790 | 6,077 |
| Bank and credit card charges | 3,974 | 3,974 | 4,450 |
| | <u>14,749</u> | <u>14,749</u> | <u>13,627</u> |
| | <u>399,471</u> | <u>399,471</u> | <u>351,009</u> |

Of the expenditure in 2023, £313,765 related to unrestricted funds and £37,244 related to restricted funds.

5 Governance costs

| | 2024 | 2023 |
|-----------------------------|---------------|--------------|
| | £ | £ |
| Accountancy fees | 2,830 | 2,000 |
| Independent examiner's fee | 1,155 | 1,100 |
| Legal and professional fees | 6,790 | 6,077 |
| | <u>10,775</u> | <u>9,177</u> |

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

6 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

7 Net income

Net income is stated after charging:

| | 2024 | 2023 |
|---------------------------------------|---------------|--------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 10,695 | 8,145 |
| Independent examination | 1,155 | 1,100 |
| | <u>11,850</u> | <u>9,245</u> |

8 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year, analysed by category, was as follows:

| | 2024 | 2023 |
|------------|-------------|-------------|
| | No. | No. |
| Management | 1 | 1 |
| Staff | 11 | 9 |
| | <u>12</u> | <u>10</u> |

The aggregate payroll costs of these persons were as follows:

| | 2024 | 2023 |
|---------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 200,435 | 167,009 |
| Social security | 15,225 | 11,792 |
| Other pension costs | 3,505 | 2,085 |
| | <u>219,165</u> | <u>180,886</u> |

No employee received emoluments of more than £60,000 during the year.

The key management personnel comprise the Board of Trustees. The total employee benefits of the key management personnel of the Charity were £nil (2023 - £nil).

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

9 Tangible fixed assets

| | Plant and machinery including motor vehicles £ | Fixtures, fittings and equipment £ | Total £ |
|------------------------|---|---|--------------------|
| Cost | | | |
| As at 1 January 2024 | 20,470 | 20,653 | 41,123 |
| Additions | 20,007 | 9,650 | 29,657 |
| As at 31 December 2024 | <u>40,477</u> | <u>30,303</u> | <u>70,780</u> |
| Depreciation | | | |
| As at 1 January 2024 | 12,964 | 8,681 | 21,645 |
| Charge for the year | 5,428 | 5,267 | 10,695 |
| As at 31 December 2024 | <u>18,392</u> | <u>13,948</u> | <u>32,340</u> |
| Net book value | | | |
| As at 31 December 2024 | <u>22,085</u> | <u>16,355</u> | <u>38,440</u> |
| As at 31 December 2023 | <u>7,506</u> | <u>11,972</u> | <u>19,478</u> |

10 Debtors

| | 2024 £ | 2023 £ |
|--------------------------------|-------------------|-------------------|
| Trade debtors | 346 | - |
| Other debtors | 10,526 | 11,626 |
| Prepayments and accrued income | 2,641 | 2,180 |
| | <u>13,513</u> | <u>13,806</u> |

11 Creditors: Amounts falling due within one year

| | 2024 £ | 2023 £ |
|------------------------------|-------------------|-------------------|
| Trade creditors | 13,575 | 8,258 |
| Taxation and social security | 3,174 | 2,323 |
| Other creditors | 5,000 | 5,413 |
| Accruals and deferred income | 18,646 | 16,769 |
| | <u>40,395</u> | <u>32,763</u> |

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

12 Members' liability

The charity 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 £10 towards the assets of the charity in the event of liquidation.

13 Operating lease commitments

As at 31 December 2024 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

| | Land and Buildings | |
|---------------------------|--------------------|----------------|
| | 2024 £ | 2023 £ |
| Within one year | 69,000 | 69,473 |
| Within two and five years | 123,000 | 165,000 |
| Over five years | 102,000 | 129,000 |
| | <u>294,000</u> | <u>363,473</u> |

14 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £3,505 (2023 - £2,085).

Contributions totalling £nil (2023 - £413) were payable to the scheme at the end of the period and are included in creditors.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... *continued*

15 Related parties

Controlling entity

Restore is a subsidiary of the Carlisle Diocesan Board of Finance Limited (CDBF) (company number: 39625) (Charity number: 251977). The principal objective of CDBF is to promote and assist the work, objectives and purposes of the Church of England for the advancement of the Christian religion in the Diocese of Carlisle and elsewhere by acting as the finance executive of the Diocese.

Restore is a subsidiary of CDBF because it appoints the Board members and is deemed to have full 'ultimate control'. The CDBF is the sole member. CDBF consolidated accounts as available on public record and can be downloaded from Companies House.

Related party transactions

During the period the charity received grants from the CDBF totalling £60,000 (2023 - £35,000).

All relationships are conducted at an arm's length basis, and where required a standard memorandum of understanding is negotiated.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

16 Analysis of funds

| | At 1 January 2024 | Incoming resources | Resources expended | Transfers | At 31 December 2024 |
|---|----------------------|-----------------------|-----------------------|-----------------|---------------------------|
| | £ | £ | £ | £ | £ |
| Designated Funds | | | | | |
| Lowther Trust Donation | - | 7,500 | - | - | 7,500 |
| General Funds | | | | | |
| Unrestricted income fund | 52,370 | 342,601 | (347,194) | 31,320 | 79,097 |
| Restricted Funds | | | | | |
| Cumbria County Council | 776 | - | (776) | - | - |
| Tudor Trust Admin | 25,436 | - | (25,436) | - | - |
| Diocese Growth Fund | 5,691 | - | (1,187) | - | 4,504 |
| Carlisle DBF - General manager | 19,892 | - | (19,892) | - | - |
| Restore on the Road | 300 | 25,000 | (1,027) | (20,133) | 4,140 |
| National Lottery - Shaddongate Community Events | - | 14,775 | (2,275) | (6,187) | 6,313 |
| Community Sheds | - | 8,700 | (237) | - | 8,463 |
| Carlisle DBF - City Centre shop setup | - | 30,000 | (1,447) | - | 28,553 |
| Carlisle DBF - Morton shop refit | - | 5,000 | - | (5,000) | - |
| | <u>52,095</u> | <u>83,475</u> | <u>(52,277)</u> | <u>(31,320)</u> | <u>51,973</u> |
| | <u>104,465</u> | <u>433,576</u> | <u>(399,471)</u> | <u>-</u> | <u>138,570</u> |

The Lowther Fund is an Unrestricted Designated Fund, which is supporting our Castle Street renovation and intended to support the Restore on the Road initiative.

Tudor Trust - The funding has been provided for Restore to employ an Administration and Finance assistant. Further funding is to come to employ the assistant for a further 2 years and for a grant towards the fitting out of a new shop.

Carlisle Diocese Board of Finance - Funding provided to cover the costs associated with the General Manager position over the next 2 years and also to assist with the set up of the new Carlisle city centre shop and refit of the Morton shop.

Restore on the Road - Funding received to launch 'RESTORE on the Road' project. The project will take the Restore community spaces on the road and into rural villages in the Eden Valley.

Shaddongate Community Events - A Lottery Community Fund grant which has created a social space at our Shaddongate site. It is used twice per month for community social events aimed at those on the margins of society.

Community Sheds - Funding for our Community shed initiative. This runs sessions 4 days per week, providing a woodworking creative space for those referred with a variety of mental health type challenges.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

Prior period

| | At 1 January 2023 | Incoming resources | Resources expended | At 31 December 2023 |
|-----------------------------------|-------------------------|-----------------------|-----------------------|---------------------------|
| | £ | £ | £ | £ |
| General Funds | | - | | |
| Unrestricted income fund | 58,987 | 307,148 | (313,765) | 52,370 |
| Restricted Funds | | | | |
| Cumbria Community Foundation | 430 | - | (430) | - |
| Cumbria County Council | 1,975 | - | (1,199) | 776 |
| Tudor Trust Admin | 23,904 | 20,000 | (18,468) | 25,436 |
| Community Sheds | 331 | - | (331) | - |
| Diocese Growth Fund | 5,860 | - | (169) | 5,691 |
| CCF Warm Spots | 1,539 | - | (1,539) | - |
| Carlisle Diocese Board of Finance | - | 35,000 | (15,108) | 19,892 |
| Restore on the Road | - | 300 | - | 300 |
| | <u>34,039</u> | <u>55,300</u> | <u>(37,244)</u> | <u>52,095</u> |
| | <u>93,026</u> | <u>362,448</u> | <u>(351,009)</u> | <u>104,465</u> |

17 Transfers

Transfers between funds of £20,133 and £6,187, represent restricted funds received to purchase fixed assets. Once the assets were purchased the original restriction on the funds was met and the funds were therefore transferred to unrestricted, in line with the SORP.

The transfer of £5,000 from Carlisle DBF - Morton shop refit from unrestricted, covers spending in the prior year allocated to unrestricted funds which has been covered by a restricted grant from Carlisle DBF.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2024

..... continued

18 Net assets by fund

| | Unrestricted Funds | Restricted Funds | Total Funds 2024 | Total Funds 2023 |
|---|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Tangible assets | 38,440 | - | 38,440 | 19,478 |
| Current assets | 88,552 | 51,973 | 140,525 | 117,750 |
| Creditors: Amounts falling due within one year | (40,395) | - | (40,395) | (32,763) |
| Net assets | <u>86,597</u> | <u>51,973</u> | <u>138,570</u> | <u>104,465</u> |

Prior period

| | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Total Funds 2022 |
|---|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Tangible assets | 19,478 | - | 19,478 | 27,224 |
| Current assets | 65,655 | 52,095 | 117,750 | 143,571 |
| Creditors: Amounts falling due within one year | (32,763) | - | (32,763) | (77,769) |
| Net assets | <u>52,370</u> | <u>52,095</u> | <u>104,465</u> | <u>93,026</u> |

RESTORE (CUMBRIA)

England & Wales - Charity number 1187078

Accounts

Restore (Cumbria)

(A company limited by guarantee)

Annual Report and Financial Statements

31 December 2023

Company registration number: 08146662

Charity registration number: 1187078



Restore (Cumbria)

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Restore (Cumbria)

Reference and Administrative Details

| | |
|------------------------------------|--|
| Charity name | Restore (Cumbria) |
| Charity registration number | 1187078 |
| Company registration number | 08146662 |
| Principal office | Unit 3 Coleridge House The Maltings Carlisle Cumbria CA2 5TU |
| Registered office | Unit 3 Coleridge House The Maltings Carlisle Cumbria CA2 5TU |
| Trustees | Mr B M Gray, Chairman Revd J R Libby Mr C W Bray Revd A Burrell Mr A R H Cook Ms A H Sharp-Walker Mr D G Walker Rt Revd R J Saner-Haigh (Resigned 28 July 2023) |
| Bankers | HSBC UK 1 Market Square Penrith Cumbria CA11 7SN |
| Accountant | Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW |

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2023

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Restore (Cumbria) (the company) for the year ended 31 December 2023. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Summary

2023 saw a return to relative normality after the years of turmoil resulting from the Covid pandemic. Having said that, economic conditions were difficult due to high energy costs and price inflation which resulted in many people struggling to cope with the increasing cost of living. Against this background Restore performed well. Turnover was £362,448. Shop sales increased by 14.5% to £289,140. Over 50% of turnover is from our two newest shops: Petheril Bank Road in Carlisle and Penrith (our best performing shop).

Our two Chaplains/Pioneers worked hard to develop community spaces and activities on our shops and supported many people struggling with life's challenges.

The two Chaplains/Pioneers are developing strong community partnerships. Much effort has been expended to improve the operation of what is a small but complex enterprise. A Strategic Plan for 2022-2025 was approved by trustees and the DBF.

Progress Report

We have previously relied too heavily on trustees acting in an executive capacity, so we were delighted to appoint a General Manager (Finn Wildhill) in April. Finn has taken responsibility for all day to day operations and has already made a significant impact. Key points:

- Shop sales increased from £252k in 2022 to £289k, an increase of 14.5%. This includes a full year of Penrith trading offset by the closure of Morton for 8 weeks at the end of 2022 during which we carried out a major refurbishment.
- Shaddongate focussed on furniture and saw sales increase by 6%.
- Penrith is an exemplar of how we can work in partnership with the local community, churches and agencies. We are now applying the same focus to our other shops.
- The Community Shed and other activities at Shaddongate provide a welcoming environment where craft activities can take place.

Finances

Turnover was £362k (£307k net of grants), net surplus being £11k. Penrith performed strongly, our leading shop on top line sales, just ahead of Petheril Bank Road, with other shops improving year on year. This continues to give us confidence that our model of larger shops, improved merchandising and vibrant community space is successful. Previous uncertainty on energy costs has been covered by favourable new contracts, with good savings on Electricity.

The appointment of a General Manager in 2023, supported by a £35k grant from the DBF, has helped give capacity for a greater focus on sales, a much needed refurbishment at our Morton shop, together with planning for a Carlisle City Centre shop going forward.

Operations

Last year I highlighted the need for a General Manager. As noted above, we made such an appointment in April.

Our Mission

Our two Chaplains continue to provide much needed support to the communities in which we operate. We continue to work closely with Carlisle Diocese, Carlisle Cathedral and local churches.

It is recognised that we must generate sufficient surplus from our operations (probably supported by grants) to fund this fundamental aspect of our work.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2023

Governance

We could not operate without the support of our trustees who each contribute in different ways, using their skills and talents.

Safeguarding

There are no issues to report. We work with many vulnerable adults and operate in difficult situations – this is fundamental to our mission. We work closely with the Diocese to ensure that our policies and procedures are appropriate and robust.

The Future

Our Strategic Plan 2022-2025 was approved in 2022 and guides our priorities:

- Build on the good work of our existing shops and further develop community space and activities.
- Seek premises for a new shop in Carlisle city centre.
- Explore the 'franchise model' set out in the Strategic Plan i.e. supporting other communities to establish their own Restore presence.

We remain committed to producing a surplus sufficient to cover the costs of our two Chaplains which we consider to be fundamental to achieving our mission. We will achieve this in three ways: growing sales from existing shops (using the knowledge we have gained at Penrith and Petteril Bank Road across all shops), focussing the warehouse on furniture sales and using the space more effectively, and opening one further shop (with minimal impact on overheads). If considered necessary, we will also consider grant support.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 17/07/2012, originally as Opshops (Helping Communities Grow), changing its name to Restore (Cumbria) on 06/02/2021. Restore (Cumbria) became a registered charity on 20/12/2019, number 1187078. The company began trading on 1st July 2020, prior to this it was dormant.

Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. All Trustees give their time voluntarily and receive no benefits from the charitable company. Any expense reclaimed from the charitable company are detailed in the accounts.

The Trustees have attempted to ensure that the board of Trustees represent as wide a cross section of the local community as possible and that the Trustees have appropriate experience to assist the charitable company with its objectives. Traditional business skills as well as community skills are well represented within the board of Trustees. The Trustees and the chairman are working on an ongoing basis to improve the make-up and constitution of the board of Trustees and bring in appropriate skills where necessary.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee induction and training

Most Trustees are already familiar with the work of the charitable company before becoming Trustees. New Trustees are familiarized by the Chairman on its working and the context within which it operates and with visits to our charity shops. The main documents set out the operational framework for the charitable company include the Memorandum and Articles of Association which are present at induction. In addition, aspirant Trustees are required to attend a number of board meetings in order to confirm their willingness to serve and before a decision on them becoming a Trustee is taken by the existing Trustees.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2023

Organisational Structure

The Trustees meet regularly with staff and the Pioneer Ministers and are responsible for the strategic direction and policies of the charitable company. The present Board of Trustees currently has members from a variety of professional backgrounds relevant to the work of the charitable company.

The charitable company relies on its pool of volunteers for delivery of areas of work, particularly for the work of our shops and community activities.

The practical support of volunteers is essential to delivery of the charitable company's work and the charitable company is extremely grateful for their help.

Related Parties

The charity has a Memorandum of Understanding with the Carlisle Diocesan Board of Finance (CDBF) dated 01/07/2020. The services which CDBF provide to Restore (Cumbria) are finance, HR, Property and Communications, with each party having their respective responsibilities.

Restore (Cumbria) is deemed a subsidiary of the Carlisle Diocesan Board of Finance Limited - because it appoints the Board members and is deemed to have full 'ultimate control'. The CDBF is the sole member.

OBJECTIVE AND ACTIVITIES OF RESTORE (CUMBRIA)

Objectives of the Charitable Company

- To advance the Christian religion in the area of benefit for the benefit of the public;
- To protect and preserve the environment for the benefit of the public and relieve financial hardship in the area of benefit by the recycling and the provision of furniture, clothes and other household items;
- To prevent or relieve poverty in the area of benefit by (but without prejudice to the generality of the foregoing) providing items and services to individuals in need;
- To relieve unemployment for the benefit of the public in the area of benefit in such ways as may be thought fit, including (but without prejudice to the generality of the foregoing) by the provision of opportunities to enable unemployed people to develop their skills, experience and capabilities in a retail environment;
- The provision and maintenance of a facility for the use of the inhabitants of the area of benefit without distinction of political, religious, or other opinions including use for: such other exclusively charitable purposes as the Trustees in their absolute discretion determine from time to time; meetings, lectures and classes; and other forms or recreation and leisure-time occupation, with the object of improving the conditions of life for the inhabitants;
- To promote social inclusion for the public benefit in the area of benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society. For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol or drugs; discrimination on the ground of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship or family breakdown; poor housing (that is housing that does not meet basic habitable standards); crime (either as a victim of crime or as an offender rehabilitating into society).

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2023

History

Ten years ago, the Diocese of Carlisle established Opshops ('Opportunity Shops', an Australian name) in Carlisle, and later in Penrith. They fulfilled a need, providing clothes and furniture to people on the margins of society. They were successful but limited in scope and lacked resources to develop. The Diocese recognised that they needed new momentum and independence.

A new, independent charity was formed and we now have a team of Trustees with the skills and determination to achieve our vision. We changed our name to RESTORE to say more clearly what we do. We are a small charity, but we have a big vision. We believe there could be a RESTORE presence in every town in Cumbria, 'owned' by the local community.

Our Activities

A summary of our main activities in relation to the charity objectives.

"We help RESTORE faith, hope and happiness in our community".

Operation of Charity Shops

RESTORE is a charity shop with a difference. We have five shops located in Morton, Harraby, Penrith, Petteril Bank and at our Warehouse premises at Shaddongate in Carlisle. The shops must operate profitably to provide funds to support our community projects. We employ shop managers but otherwise operate with volunteers, who themselves can be vulnerable. We provide pre-owned goods for people who cannot afford to shop elsewhere, and we have a growing on-line presence. We support people but also support the environment (Re-use, Re-cycle, Re-pair). We create a safe place for people to chat, meet, and be valued.

Our shops have also become community support hubs:

- we work with social services providing kitchen starter packs for young vulnerable adults leaving care and clothing and other essentials for the homeless.
- we provide items for a local project resettling refugee families from the Middle East and other areas of international conflict.
- we signpost customers to appropriate agencies, sometimes making phone calls for those who struggle to understand how to deal with a support agency.

Restore Community Shed

Restore Community Shed aims to empower those who have been disadvantaged or faced social exclusion due to crime, alcohol addiction, substance abuse, poor mental or physical health and unemployment. We work with individuals to help them make positive changes in their lives. The Shed provides some of the best opportunities for unlocking positive change in people's lives through getting them physically active using their hands to make things, belonging to a community, having a routine, and being cared for by people who will go the extra mile to help them. We rely on discarded or donated materials and tools, and we repair and up-cycle items for use in our shops and on the allotment. We have also started a group to test electrical equipment before it can be sold in our shops.

Restore Community allotment

The allotment project works with people struggling with similar issues as Community Sheds. The allotment supports our 'Feed our community' initiative - unlocking the power of local people to grow food, share skills and build a supportive community as well as transforming the site using upcycled items that would otherwise end up in landfill. The food we grow we share with others in need in the community.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2023

Ensuring the work delivers the aims

The Board of Trustees review the activities of the Trust at regular board meetings. The Business Plan is also reviewed each year and looks at what has been achieved and the outcomes of the work in the previous 12 months. The review also helps to ensure the aims, objective and activities remain focused on the stated purposes.

Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in reviewing the charitable company's aims and objectives and in planning future activities. In particular, the Trustees consider the planned activities will contribute to the aims and objectives they have set. The Trustees confirm that public benefit has been provided by the advancement of its objectives.

Risk Management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Charitable Company carries appropriate employers' and public liability insurance as well as professional indemnity insurance at an appropriate level and directors' insurance.

Pay policy for Senior Staff

The Board of Directors, who are the Charity's Trustees, and the Shop Managers and Warehouse Manager comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. All Trustees give their time freely and no Trustees received remuneration in the year.

Pay is reviewed annually by the Board of Trustees.

RESERVES

The total reserves on 31 December 2023 were £104,465 being restricted reserves of £52,095 and unrestricted reserves of £52,370. Free reserves (unrestricted reserves less fixed assets) at the year end were £32,892. The Charity is supported by the Diocesan Board of Finance.

The Trustees have reviewed the Charity's need for reserves in line with the guidance issued by the Charity Commission.

The Trustees keep their reserves policy and level of reserves held under review, monitoring the level of reserves held throughout the year as part of the normal monitoring and budgetary process. The main risks to both income and expenditure are highlighted and the level of committed expenditure taken into account.

The Trustees reserve policy ensures that the reserves are maintained at a level which ensures that the Charity's core activities could continue during a period of unforeseen difficulty and that these are maintained in a readily realisable form.

The Trustees aim to maintain reserves at a level sufficient to meet working capital requirements of the charity for a period of three months. This has not been possible over the last year due to challenging environment resulting from the Covid pandemic. The Trustees are confident that the negative unrestricted reserves can be turned around to ensure that there are sufficient reserves to continue the current activities of the charity in the event of a significant drop in funding.

Notwithstanding this the Trustees believe that every effort should be made to ensure that the unrestricted reserves are six month working capital requirement in order that the charity can continue to meet its current obligations and plan with confidence for the future.

Restore (Cumbria)
Trustees' Report for the Year Ended 31 December 2023

GOING CONCERN

After making appropriate enquiries, and receiving support from the Carlisle Diocesan Board of Finance to support financial the activities of the Charity, 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 for preparing the financial statements.

INVESTMENT POLICY AND PERFORMANCE

Aside from retaining a prudent amount in reserves each year, most of the charitable company's funds are to be spent in the short term on specific projects and so there are few funds available for long term investment. The Trustees have decided that, in this regard, the most appropriate course of action is to keep monies on deposit with their bankers.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 9 May 2024 and signed on its behalf by:



Mr B M Gray
Trustee

Restore (Cumbria)

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Restore (Cumbria) 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 Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

**Independent Examiner's Report to the Trustees of
Restore (Cumbria)**

I report on the accounts of the company for the year ended 31 December 2023, which are set out on pages 10 to 22.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.


Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


.....
Martin Borradaile ACA
Dodd & Co Limited
Chartered Accountants

9 May 2024

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Restore (Cumbria)

**Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended
31 December 2023**

| | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Total Funds 2022 |
|------------------------------------|-----------------------|----------------------|----------------------|-----------------------|
| Note | £ | £ | £ | £ |
| Income and endowments from: | | | | |
| Donations and legacies | 3 | 2,394 | 55,300 | 57,694 |
| Charitable activities | 4 | 304,754 | - | 304,754 |
| Total income and endowments | | <u>307,148</u> | <u>55,300</u> | <u>362,448</u> |
| Expenditure on: | | | | |
| Charitable activities | | <u>313,765</u> | <u>37,244</u> | <u>351,009</u> |
| Total expenditure | | <u>313,765</u> | <u>37,244</u> | <u>313,701</u> |
| Net movements in funds | | (6,617) | 18,056 | 78,736 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | <u>58,987</u> | <u>34,039</u> | <u>93,026</u> |
| Total funds carried forward | | <u><u>52,370</u></u> | <u><u>52,095</u></u> | <u><u>104,465</u></u> |

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 12 to 22 form an integral part of these financial statements.

Restore (Cumbria)
Company registration number: 08146662
Balance Sheet as at 31 December 2023

| | Note | 2023 | | 2022 | |
|---|------|-----------------|----------------|-----------------|---------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 10 | | 19,478 | | 27,224 |
| Current assets | | | | | |
| Debtors | 11 | 13,806 | | 14,514 | |
| Cash at bank and in hand | | 103,944 | | 129,057 | |
| | | <u>117,750</u> | | <u>143,571</u> | |
| Creditors: Amounts falling due within one year | 12 | <u>(32,763)</u> | | <u>(77,769)</u> | |
| Net current assets | | | <u>84,987</u> | | <u>65,802</u> |
| Net assets | | | <u>104,465</u> | | <u>93,026</u> |
| The funds of the charity: | | | | | |
| Restricted funds | | | 52,095 | | 34,039 |
| Unrestricted funds | | | | | |
| Unrestricted income funds | | | <u>52,370</u> | | <u>58,987</u> |
| Total charity funds | | | <u>104,465</u> | | <u>93,026</u> |

The Trustees consider that the company is entitled to exemption from the requirements to have an audit under provisions of section 479A of the Companies Act 2006 (the Act).

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 9 May 2024 and signed on its behalf by:



Mr B M Gray
Trustee

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

Going concern

The Trustees consider, after discussions with and receiving total support from the Carlisle Diocesan Board of Finance (CDBF) for the financial activities of the Company that there are no material uncertainties and that the company has the resources provided by the CDBF to continue in operational existence for the foreseeable future and that the Company will continue as a going concern.

Fund accounting policy

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 17.

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

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

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| | |
|--|-------------------------|
| Plant and machinery including motor vehicles | 20% straight line basis |
| Fixtures, fittings and equipment | 20% straight line basis |

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

3 Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ | Total Funds 2022 £ |
|-------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Donations and legacies | | | | |
| Donations and similar income | 2,394 | 300 | 2,694 | 5,353 |
| Gift aid | - | - | - | 2,526 |
| | <u>2,394</u> | <u>300</u> | <u>2,694</u> | <u>7,879</u> |
| Grants | | | | |
| CDBF | - | 35,000 | 35,000 | 84,523 |
| Cumbria Community Foundation | - | - | - | 1,877 |
| Tudor Trust | - | 20,000 | 20,000 | 30,000 |
| | <u>-</u> | <u>55,000</u> | <u>55,000</u> | <u>116,400</u> |
| | <u>2,394</u> | <u>55,300</u> | <u>57,694</u> | <u>124,279</u> |

Of the donations and legacies income in 2022, £82,527 general donations and grants related to unrestricted funds and £41,752 donations and grant funding related to restricted funds.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... *continued*

4 Charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2023 £ | Total Funds 2022 £ |
|---------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Charity shop income | 289,140 | - | 289,140 | 252,511 |
| On-line income | 1,728 | - | 1,728 | 2,201 |
| Scrap metal | 1,113 | - | 1,113 | 621 |
| Recycling income | 12,773 | - | 12,773 | 12,825 |
| | <u>304,754</u> | <u>-</u> | <u>304,754</u> | <u>268,158</u> |

All income from charitable activities related to unrestricted funds in the prior year.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

5 Expenditure

| | Other trading activities | Total 2023 | Total 2022 |
|----------------------------------|--------------------------|----------------|----------------|
| | £ | £ | £ |
| Direct costs | | | |
| Grants payable - individuals | - | - | 2,964 |
| Purchases | - | - | 1,240 |
| Wages and salaries | 166,966 | 166,966 | 136,620 |
| Staff NIC (Employers) | 11,792 | 11,792 | 9,559 |
| Staff pensions | 2,085 | 2,085 | 3,338 |
| Refreshments | 1,109 | 1,109 | 822 |
| Motor expenses | 5,651 | 5,651 | 4,363 |
| On-line selling fees | - | - | 429 |
| Sundry expenses | 1,965 | 1,965 | 583 |
| Rent and service charge | 77,133 | 77,133 | 58,406 |
| Rates and water | 7,623 | 7,623 | 9,014 |
| Light, heat and power | 23,446 | 23,446 | 24,164 |
| Insurance | 6,923 | 6,923 | 6,490 |
| Repairs and maintenance | 15,935 | 15,935 | 8,054 |
| Waste disposal | 968 | 968 | 1,867 |
| Volunteer expenses | 716 | 716 | 522 |
| Redundancy costs | 43 | 43 | 19,704 |
| Telephone and internet | 3,214 | 3,214 | 2,016 |
| Computer and office costs | 454 | 454 | 1,874 |
| Printing, postage and stationery | 1,684 | 1,684 | 1,490 |
| Health and safety | 1,430 | 1,430 | - |
| Advertising | 100 | 100 | - |
| Depreciation | 8,145 | 8,145 | 7,188 |
| | <u>337,382</u> | <u>337,382</u> | <u>300,707</u> |
| Support costs | | | |
| Accountancy fees | 2,000 | 2,000 | 900 |
| Independent examination | 1,100 | 1,100 | 1,100 |
| Legal and professional fees | 6,077 | 6,077 | 8,422 |
| Bank and credit card charges | 4,450 | 4,450 | 2,572 |
| | <u>13,627</u> | <u>13,627</u> | <u>12,994</u> |
| | <u>351,009</u> | <u>351,009</u> | <u>313,701</u> |

Of the expenditure in 2022, £282,186 related to unrestricted funds and £31,515 related to restricted funds.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

6 Governance costs

| | 2023 | 2022 |
|-----------------------------|-------------|-------------|
| | £ | £ |
| Accountancy fees | 2,000 | 900 |
| Independent examiner's fee | 1,100 | 1,100 |
| Legal and professional fees | 6,077 | 8,400 |
| | 16,477 | 15,500 |

7 Trustees' remuneration and expenses

No trustees received any remuneration or expenses during the year.

8 Net income

Net income is stated after charging:

| | 2023 | 2022 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 8,145 | 7,188 |
| Independent examination | 1,100 | 1,100 |
| | 9,245 | 8,288 |

9 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year, analysed by category, was as follows:

| | 2023 | 2022 |
|------------|-------------|-------------|
| | No. | No. |
| Management | 1 | 1 |
| Staff | 9 | 8 |
| | 10 | 9 |

The aggregate payroll costs of these persons were as follows:

| | 2023 | 2022 |
|---------------------|-------------|-------------|
| | £ | £ |
| Wages and salaries | 167,009 | 156,324 |
| Social security | 11,792 | 9,559 |
| Other pension costs | 2,085 | 3,338 |
| | 180,886 | 169,221 |

No employee received emoluments of more than £60,000 during the year.

Key management personnel comprise of the Board of Trustees. No employee benefits are paid to the Trustees (2022 - £nil).

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

10 Tangible fixed assets

| | Plant and machinery including motor vehicles £ | Fixtures, fittings and equipment £ | Total £ |
|------------------------|---|---|--------------------|
| Cost | | | |
| As at 1 January 2023 | 20,470 | 20,254 | 40,724 |
| Additions | - | 399 | 399 |
| As at 31 December 2023 | 20,470 | 20,653 | 41,123 |
| Depreciation | | | |
| As at 1 January 2023 | 8,870 | 4,630 | 13,500 |
| Charge for the year | 4,094 | 4,051 | 8,145 |
| As at 31 December 2023 | 12,964 | 8,681 | 21,645 |
| Net book value | | | |
| As at 31 December 2023 | 7,506 | 11,972 | 19,478 |
| As at 31 December 2022 | 11,600 | 15,624 | 27,224 |

11 Debtors

| | 2023 £ | 2022 £ |
|--------------------------------|-------------------|-------------------|
| Other debtors | 11,626 | 11,694 |
| Prepayments and accrued income | 2,180 | 2,820 |
| | 13,806 | 14,514 |

12 Creditors: Amounts falling due within one year

| | 2023 £ | 2022 £ |
|------------------------------|-------------------|-------------------|
| Trade creditors | 8,258 | 5,342 |
| Taxation and social security | 2,323 | 2,562 |
| Other creditors | 5,413 | 23,184 |
| Accruals and deferred income | 16,769 | 46,681 |
| | 32,763 | 77,769 |

13 Members' liability

The charity 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 £10 towards the assets of the charity in the event of liquidation.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... *continued*

14 Operating lease commitments

As at 31 December 2023 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

| | Land and Buildings | |
|---------------------------|---------------------------|----------------|
| | 2023 | 2022 |
| | £ | £ |
| Within one year | 69,473 | 69,512 |
| Within two and five years | 165,000 | 207,000 |
| Over five years | 129,000 | 156,000 |
| | <u>363,473</u> | <u>432,512</u> |

15 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £2,085 (2022 - £3,338).

Contributions totalling £413 (2022 - £1,631) were payable to the scheme at the end of the period and are included in creditors.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

16 Related parties

Controlling entity

Restore is a subsidiary of the Carlisle Diocesan Board of Finance Limited (CDBF) (company number: 39625) (Charity number: 251977). The principal objective of CDBF is to promote and assist the work, objectives and purposes of the Church of England for the advancement of the Christian religion in the Diocese of Carlisle and elsewhere by acting as the finance executive of the Diocese.

Restore is a subsidiary of CDBF because it appoints the Board members and is deemed to have full 'ultimate control'. The CDBF is the sole member. CDBF consolidated accounts as available on public record and can be downloaded from Companies House.

Related party transactions

During the period the charity received grants from the CDBF totalling £35,000 (2022 - £84,523).

All relationships are conducted at an arm's length basis, and where required a standard memorandum of understanding is negotiated.

17 Analysis of funds

| | At 1 January 2023 | Incoming resources | Resources expended | At 31 December 2023 |
|-----------------------------------|----------------------|-----------------------|-----------------------|---------------------------|
| | £ | £ | £ | £ |
| General Funds | | | | |
| Unrestricted income fund | 58,987 | 307,148 | (313,765) | 52,370 |
| Restricted Funds | | | | |
| Cumbria Community Foundation | 430 | - | (430) | - |
| Cumbria County Council | 1,975 | - | (1,199) | 776 |
| Tudor Trust Admin | 23,904 | 20,000 | (18,468) | 25,436 |
| Community Sheds | 331 | - | (331) | - |
| Diocese Growth Fund | 5,860 | - | (169) | 5,691 |
| Tudor Trust Penrith | - | - | - | - |
| CCF Warm Spots | 1,539 | - | (1,539) | - |
| Other restricted income fund | - | - | - | - |
| Carlisle Diocese Board of Finance | - | 35,000 | (15,108) | 19,892 |
| Restore on the Road | - | 300 | - | 300 |
| | <u>34,039</u> | <u>55,300</u> | <u>(37,244)</u> | <u>52,095</u> |
| | <u>93,026</u> | <u>362,448</u> | <u>(351,009)</u> | <u>104,465</u> |

Tudor Trust - The funding has been provided for Restore to employ an Administration and Finance assistant. Further funding is to come to employ the assistant for a further 2 years and for a grant towards the fitting out of a new shop.

Carlisle Diocese Board of Finance - This funding has been provided to cover the costs associated with the General Manager position over the next 2 years.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

Prior period

| | At 1 January 2022 | Incoming resources | Resources expended | At 31 December 2022 |
|------------------------------|-------------------------|-----------------------|-----------------------|---------------------------|
| | £ | £ | £ | £ |
| General Funds | | | | |
| Unrestricted income fund | (9,512) | 350,685 | (282,186) | 58,987 |
| Restricted Funds | | | | |
| Cumbria Community Foundation | 2,589 | | (2,159) | 430 |
| Cumbria County Council | 2,843 | | (868) | 1,975 |
| Tudor Trust admin | 18,370 | 20,000 | (14,466) | 23,904 |
| Community Sheds | - | 3,295 | (2,964) | 331 |
| Diocese Growth Fund | - | 6,580 | (720) | 5,860 |
| Tudor Trust Penrith | - | 10,000 | (10,000) | - |
| Warm Spots Shaddongate | - | 1,877 | (338) | 1,539 |
| Other restricted income fund | - | - | - | - |
| | <u>23,802</u> | <u>41,752</u> | <u>(31,515)</u> | <u>34,039</u> |
| | <u>14,290</u> | <u>392,437</u> | <u>(313,701)</u> | <u>93,026</u> |

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2023

..... continued

18 Net assets by fund

| | Unrestricted Funds | Restricted Funds | Total Funds 2023 | Total Funds 2022 |
|---|-------------------------------|-----------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ | £ |
| Tangible assets | 19,478 | - | 19,478 | 27,224 |
| Current assets | 65,655 | 52,095 | 117,750 | 143,571 |
| Creditors: Amounts falling due within one year | <u>(32,763)</u> | <u>-</u> | <u>(32,763)</u> | <u>(77,769)</u> |
| Net assets | <u><u>52,370</u></u> | <u><u>52,095</u></u> | <u><u>104,465</u></u> | <u><u>93,026</u></u> |

Prior period

| | Unrestricted Funds | Restricted Funds | Total Funds 2022 |
|---|-------------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ |
| Tangible assets | 27,224 | - | 27,224 |
| Current assets | 109,532 | 34,039 | 143,571 |
| Creditors: Amounts falling due within one year | <u>(77,769)</u> | <u>-</u> | <u>(77,769)</u> |
| Net assets | <u><u>58,987</u></u> | <u><u>34,039</u></u> | <u><u>93,026</u></u> |

RESTORE (CUMBRIA)

England & Wales - Charity number 1187078

Accounts

Restore (Cumbria)

(A company limited by guarantee)

Annual Report and Financial Statements

31 December 2022

Company registration number: 08146662

Charity registration number: 1187078



Restore (Cumbria)

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Restore (Cumbria)
Reference and Administrative Details

| | |
|------------------------------------|---|
| Charity name | Restore (Cumbria) |
| Charity registration number | 1187078 |
| Company registration number | 08146662 |
| Principal office | Unit 3 Coleridge House The Maltings Carlisle Cumbria CA2 5TU |
| Registered office | Unit 3 Coleridge House The Maltings Carlisle Cumbria CA2 5TU |
| Trustees | Mr B M Gray, Chairman Mr J Edwards (Resigned 8 April 2022) Revd E M Hancock (Resigned 12 July 2022) Revd J R Libby Mrs K L Parr (Resigned 12 July 2022) Ms S T Parr (Resigned 12 April 2022) Mr C W Bray (Appointed 9 February 2022) Revd A Burrell (Appointed 18 May 2022) Mr A R H Cook (Appointed 18 May 2022) Ms A H Sharp-Walker (Appointed 18 May 2022) Mr D G Walker (Appointed 12 July 2022) Rt Revd R J Saner-Haigh (Appointed 12 July 2022) (Resigned 28 July 2023) |
| Bankers | HSBC UK 1 Market Square Penrith Cumbria CA11 7SN |
| Accountant | Dodd & Co Limited FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW |

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2022

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Restore (Cumbria) (the company) for the year ended 31 December 2022. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Summary

2022 was a year of transition following setbacks due to the Covid pandemic. Turnover was £392k (including grants of £124k), significantly higher than 2021 (£266k). Net surplus was £79k. A new shop opened in Penrith and rapidly became the best performing shop.

The two Chaplains/Pioneers are developing strong community partnerships. Much effort has been expended to improve the operation of what is a small but complex enterprise. A Strategic Plan for 2022-2025 was approved by trustees and the DBF.

Progress Report

2022 was a challenging year seeking to increase sales, open a new shop in Penrith, respond to the needs of our communities, and improve our professionalism, with inadequate resources. Key points:

- Shop sales increased significantly.
- A new shop was opened in Penrith and has become our best performing shop working with Churches Together in Penrith.
- The Shaddongate shop has been refocussed on furniture sales.
- Our two Chaplains/Pioneers are working in partnership with local communities, government agencies, and other organisations.
- We are supporting refugees in Carlisle.
- We have struggled to recruit and train sufficient volunteers to support our staff and keep our shops fully open.
- We have relied too heavily on trustees acting in an executive capacity.

Finances

Turnover was £392k (£268k net of grants), net surplus being £79k. Penrith performed strongly and is our best performing shop, just ahead of Petheril Bank Road. This gives us confidence that our model of larger shops, improved merchandising and community space is successful. We are budgeting £70k of extra turnover in 2023 based on a full year of trading in Penrith and a 2.5% uplift in sales as we implement improved merchandising across all shops. The major uncertainty for 2023 is energy costs, hence we have taken a prudent view that we will achieve a balanced budget (excluding grants). We believe also that the appointment of a General Manager from April 2023 will have a positive impact: initial signs are very encouraging. We have requested that the DBF provides £35k of grant funding to cover the cost of the General Manager, recognising there is an element of risk in the short term.

Operations

Last year we highlighted the need to 'rebuild a team with an attitude and aptitude appropriate for a Christian charity'. We made some progress but the need for a 'general manager' became increasingly urgent.

Our Mission

A major success of the year has been the work of our two Chaplains. They have responded to the needs of the communities in which we operate, building strong relationships. We continue to work closely with the Diocesan Pioneer team who have been very supportive.

It is recognised that we must generate sufficient surplus from our operations (probably supported by grants) to fund this fundamental aspect of our work.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2022

Governance

Three long standing trustees retired during the year (Karen Parr, John Edwards, and Eleanor Hancock). As these trustees were each actively involved in the day-to-day operations, this created a major problem. Four new trustees have been appointed with one co-option. The new team has already made a huge impact.

Safeguarding

There are no issues to report. We work with many vulnerable adults and operate in difficult situations – this is fundamental to our mission. We are grateful to advice provided by the Diocesan adviser and are taking steps to improve training and knowledge within RESTORE.

The Future

The Strategic Plan 2022-2025 was approved during the year. This reviewed the three strategic objectives of the original 2018 strategy:

- Re-focus on Christian mission and building Christian communities
- Financial sustainability as a charitable company
- Expanded needs-driven support to the local community

Trustees have reviewed progress, reaffirmed the objectives, and agreed to pursue three specific goals:

- Appoint a General Manager (Finn Wildhill was appointed in April 2023). It is anticipated that this appointment will, after an initial period, be self-financing.
- Consider one additional shop. Assuming no additional central costs, this would create an additional surplus of ca £25k.
- Explore the 'franchise model' set out in the Strategic Plan i.e., supporting other communities to establish their own RESTORE presence.

We remain committed to producing a surplus sufficient to cover the costs of our two Chaplains which we consider to be fundamental to achieving our mission. We will achieve this in three ways: growing sales from existing shops (using the knowledge we have gained at Penrith and Petteril Bank Road across all shops), focusing the warehouse on furniture sales and using the space more effectively, and opening one further shop (with minimal impact on overheads). If considered necessary, we will also consider grant support.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 17/07/2012, originally as Opshops (Helping Communities Grow), changing its name to Restore (Cumbria) on 6/02/2021. Restore (Cumbria) became a registered charity on 20/12/19 number 1187078.

The company began trading on 1st July 2020, prior to this it was dormant.

Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. All Trustees give their time voluntarily and receive no benefits from the charitable company. Any expense reclaimed from the charitable company are detailed in the accounts.

The Trustees have attempted to ensure that the board of Trustees represent as wide a cross section of the local community as possible and that the Trustees have appropriate experience to assist the charitable company with its objectives. Traditional business skills as well as community skills are well represented within the board of Trustees. The Trustees and the chairman are working on an ongoing basis to improve the make-up and constitution of the board of Trustees and bring in appropriate skills where necessary.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2022

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee induction and training

Most Trustees are already familiar with the work of the charitable company before becoming Trustees. New Trustees are familiarised by the Chairman on its working and the context within which it operates and with visits to our charity shops. The main documents which set out the operational framework for the charitable company include the Memorandum and Articles of Association which are present at induction. In addition, aspirant Trustees are required to attend a number of board meetings in order to confirm their willingness to serve and before a decision on them becoming a Trustee is taken by the existing Trustees.

Organisational structure

The Trustees meet regularly with staff and the Pioneer Ministers and are responsible for the strategic direction and policies of the charitable company. The present Board of Trustees currently has members from a variety of professional backgrounds relevant to the work of the charitable company.

The Charity relies on its pool of volunteers for delivery of areas of work, particularly for the work of our shops and community activities.

The practical support of volunteers is essential to delivery of the Charities work and the Charity is extremely grateful for their help.

Related Parties

The charity has a Memorandum of Understanding with the Carlisle Diocesan Board of Finance (CDBF) dated 01/07/2020. The services which the CDBF provide to Restore (Cumbria) are Finance, HR, Property and Communications, with each party having their respective responsibilities.

Restore is deemed a subsidiary of the Carlisle Diocesan Board of Finance Limited – because it appoints the Board members and is deemed to have full 'ultimate control'. The CDBF is the sole member.

OBJECTIVES AND ACTIVITIES OF RESTORE (CUMBRIA)

Objectives of the Charity

to advance the Christian religion in the area of benefit for the benefit of the public;

- to advance the Christian religion in the area of benefit for the benefit of the public;
- to protect and preserve the environment for the public benefit and relieve financial hardship in the area of benefit by the recycling and provision of furniture, clothes and other household items;
- to prevent or relieve poverty in the area of benefit by (but without prejudice to the generality of the foregoing) providing items and services to individuals in need;
- to relieve unemployment for the benefit of the public in the area of benefit in such ways as may be thought fit, including (but without prejudice to the generality of the foregoing) by the provision of opportunities to enable unemployed people to develop their skills, experience and capabilities in a retail environment;
- the provision and maintenance of a facility for the use of the inhabitants of the area of benefit without distinction of political, religious, or other opinions, including use for:
 - to promote social inclusion for the public benefit in the area of benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society. for the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment;
- financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society);

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2022

- such other exclusively charitable purposes as the Trustees in their absolute discretion determine from time to time.
- meetings, lectures, and classes; and
- other forms of recreation and leisure-time occupation, with the object of improving the conditions of life for the inhabitants;

History

Ten years ago, the Diocese of Carlisle established OpShops ('Opportunity Shops', an Australian name) in Carlisle, and later in Penrith. They fulfilled a need, providing clothes and furniture to people on the margins of society. They were successful but limited in scope and lacked resources to develop. The Diocese recognised that they needed new momentum and independence.

A new, independent charity was formed and we now have a team of Trustees with the skills and determination to achieve our vision. We changed our name to RESTORE to say more clearly what we do. We are a small charity, but we have a big vision. We believe there could be a RESTORE presence in every town in Cumbria, 'owned' by the local community.

Our Activities

A summary of our main activities in relation to the charity objectives.

"We help RESTORE faith, hope and happiness in our community"

Operation of Charity Shops

RESTORE is a charity shop with a difference. We have five shops located in Morton, Harraby, Penrith, Petteril Bank and at our Warehouse premises at Shaddongate in Carlisle. The shops must operate profitably to provide funds to support our community projects. We employ shop managers but otherwise operate with volunteers, who themselves can be vulnerable. We provide pre-owned goods for people who cannot afford to shop elsewhere, and we have a growing on-line presence. We support people but also support the environment (Re-use, Re-cycle, Re-pair). We create a safe place for people to chat, meet, and be valued.

Our shops have also become community support hubs:

- we work with social services providing kitchen starter packs for young vulnerable adults leaving care and clothing and other essentials for the homeless.
- we provide items for a local project resettling refugee families from the Middle East and other areas of international conflict.
- we signpost customers to appropriate agencies, sometimes making phone calls for those who struggle to understand how to deal with a support agency.

Restore Community Shed

Restore Community Shed aims to empower those who have been disadvantaged or faced social exclusion due to crime, alcohol addiction, substance abuse, poor mental or physical health and unemployment. We work with individuals to help them make positive changes in their lives. The Shed provides some of the best opportunities for unlocking positive change in people's lives through getting them physically active using their hands to make things, belonging to a community, having a routine, and being cared for by people who will go the extra mile to help them. We rely on discarded or donated materials and tools, and we repair and up-cycle items for use in our shops and on the allotment. We have also started a group to test electrical equipment before it can be sold in our shops.

Restore Community allotment

The allotment project works with people struggling with similar issues as Community Sheds. The allotment supports our 'Feed our community' initiative – unlocking the power of local people to grow food, share skills and build a supportive community as well as transforming the site using upcycled items that would otherwise end up in landfill. The food we grow we share with others in need in the community.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2022

Ensuring the work delivers the aims

The Board of Trustees review the activities of the Trust at regular board meetings. The Business Plan is also reviewed each year and looks at what has been achieved and the outcomes of the work in the previous 12 months. The review also helps to ensure the aims, objective and activities remain focused on the stated purposes.

Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in reviewing the charitable company's aims and objectives and in planning future activities. In particular, the Trustees consider the planned activities will contribute to the aims and objectives they have set. The Trustees confirm that public benefit has been provided by the advancement of its objectives.

Risk Management

The Trustees have examined the major strategic, business, and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Charitable Company carries appropriate employers' and public liability insurance as well as professional indemnity insurance at an appropriate level and directors' insurance.

Pay policy for Senior Staff

The Board of Directors, who are the Charity's Trustees, and the Shop Managers and Warehouse Manager comprise the key management personnel of the charity in charge of directing and controlling, running, and operating the charity on a day-to-day basis. All Trustees give their time freely and no Trustees received remuneration in the year.

Pay is reviewed annually by the Board of Trustees.

Reserves

The total reserves on 31 December 2022 were £93,026 being restricted reserves of £34,039 and unrestricted reserves of £58,987. The Charity is supported by the Diocesan Board of Finance.

The Trustees have reviewed the Charity's need for reserves in line with the guidance issued by the Charity Commission.

The Trustees keep their reserves policy and level of reserves held under review, monitoring the level of reserves held throughout the year as part of the normal monitoring and budgetary process. The main risks to both income and expenditure are highlighted and the level of committed expenditure taken into account.

The Trustees reserve policy ensures that the reserves are maintained at a level which ensures that the Charity's core activities could continue during a period of unforeseen difficulty and that these are maintained in a readily realisable form.

The Trustees aim to maintain reserves at a level sufficient to meet working capital requirements of the charity for a period of three months. This has not been possible over the last year due to challenging environment resulting from the Covid pandemic. The Trustees are confident that the negative unrestricted reserves can be turned around to ensure that there are sufficient reserves to continue the current activities of the charity in the event of a significant drop in funding.

Notwithstanding this the Trustees believe that every effort should be made to ensure that the unrestricted reserves are six month working capital requirement in order that the charity can continue to meet its current obligations and plan with confidence for the future.

GOING CONCERN

After making appropriate enquiries, and receiving support from the Carlisle Diocesan Board of Finance to support financial the activities of the Charity, 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 for preparing the financial statements.

Restore (Cumbria)

Trustees' Report for the Year Ended 31 December 2022

INVESTMENT POLICY AND PERFORMANCE

Aside from retaining a prudent amount in reserves each year, most of the charitable company's funds are to be spent in the short term on specific projects and so there are few funds available for long term investment. The Trustees have decided that, in this regard, the most appropriate course of action is to keep monies on deposit with their bankers.

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on 22 September 2023 and signed on its behalf by:



.....

Mr B M Gray
Trustee

Restore (Cumbria)

Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of Restore (Cumbria) 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 Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

**Independent Examiner's Report to the Trustees of
Restore (Cumbria)**

I report on the accounts of the company for the year ended 31 December 2022, which are set out on pages 10 to 22.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants of England and Wales.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the General Directions given by the Charity Commission under section 145 (5) (b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



.....
Faye Armstrong FCA
Dodd & Co Limited
Chartered Accountants

22 September 2023

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

Restore (Cumbria)

Statement of Financial Activities (including Income and Expenditure Account) for the Year Ended 31 December 2022

| | Unrestricted Funds | Restricted Funds | Total Funds 2022 | Total Funds 2021 | |
|------------------------------------|-----------------------|---------------------|---------------------|---------------------|----------------|
| Note | £ | £ | £ | £ | |
| Income and endowments from: | | | | | |
| Donations and legacies | 2 | 82,527 | 41,752 | 124,279 | 98,650 |
| Charitable activities | 3 | 268,158 | - | 268,158 | 167,494 |
| Total income and endowments | | <u>350,685</u> | <u>41,752</u> | <u>392,437</u> | <u>266,144</u> |
| Expenditure on: | | | | | |
| Charitable activities | | 282,186 | 31,515 | 313,701 | 319,898 |
| Total expenditure | | <u>282,186</u> | <u>31,515</u> | <u>313,701</u> | <u>319,898</u> |
| Net movements in funds | | 68,499 | 10,237 | 78,736 | (53,754) |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | (9,512) | 23,802 | 14,290 | 68,044 |
| Total funds carried forward | | <u>58,987</u> | <u>34,039</u> | <u>93,026</u> | <u>14,290</u> |

All of the Charity's activities derive from continuing operations during the above periods.

The notes on pages 12 to 22 form an integral part of these financial statements.

Restore (Cumbria)
Company registration number: 08146662
Balance Sheet as at 31 December 2022

| | | 2022 | | 2021 | |
|---|------|-----------------|----------------------|-----------------|----------------------|
| | Note | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 9 | | 27,224 | | 25,305 |
| Current assets | | | | | |
| Debtors | 10 | 14,514 | | 7,687 | |
| Cash at bank and in hand | | 129,057 | | 42,173 | |
| | | <u>143,571</u> | | <u>49,860</u> | |
| Creditors: Amounts falling due within one year | 11 | <u>(77,769)</u> | | <u>(60,875)</u> | |
| Net current assets/(liabilities) | | | <u>65,802</u> | | <u>(11,015)</u> |
| Net assets | | | <u><u>93,026</u></u> | | <u><u>14,290</u></u> |
| The funds of the charity: | | | | | |
| Restricted funds | | | 34,039 | | 23,802 |
| Unrestricted funds | | | | | |
| Unrestricted income funds | | | <u>58,987</u> | | <u>(9,512)</u> |
| Total charity funds | | | <u><u>93,026</u></u> | | <u><u>14,290</u></u> |

The Trustees consider that the company is entitled to exemption from the requirements to have an audit under provisions of section 479A of the Companies Act 2006 (the Act).

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

Approved by the Board on 22 September 2023 and signed on its behalf by:



.....
Mr B M Gray
Trustee

The notes on pages 12 to 22 form an integral part of these financial statements.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

The charitable company 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 notes.

Going concern

The Trustees consider, after discussions with and receiving total support from the Carlisle Diocesan Board of Finance (CDBF) for the financial activities of the Company that there are no material uncertainties and that the company has the resources provided by the CDBF to continue in operational existence for the foreseeable future and that the Company will continue as a going concern.

Fund accounting policy

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

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Further details of each fund are disclosed in note 16.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

Income and endowments

Donations are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the Charity before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that these conditions will be fulfilled in the reporting period.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measured with a degree of reasonable accuracy and the title to the asset having been transferred to the Charity.

Income from Government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

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

Fixed assets

Individual fixed assets costing £100 or more are initially recorded at cost.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| | |
|--|-------------------------|
| Plant and machinery including motor vehicles | 20% straight line basis |
| Fixtures, fittings and equipment | 20% straight line basis |

Trade Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Liabilities

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Operating leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

2 Donations and legacies

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|-------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Donations and legacies | | | | |
| Donations and similar income | 2,058 | 3,295 | 5,353 | 2,196 |
| Gift aid | 2,526 | - | 2,526 | - |
| | <u>4,584</u> | <u>3,295</u> | <u>7,879</u> | <u>2,196</u> |
| Grants | | | | |
| CDBF | 77,943 | 6,580 | 84,523 | 18,090 |
| COVID grants | - | - | - | 45,451 |
| Cumbria Community Foundation | - | 1,877 | 1,877 | 7,913 |
| Cumbria County Council | - | - | - | 5,000 |
| Tudor Trust | - | 30,000 | 30,000 | 20,000 |
| | <u>77,943</u> | <u>38,457</u> | <u>116,400</u> | <u>96,454</u> |
| | <u>82,527</u> | <u>41,752</u> | <u>124,279</u> | <u>98,650</u> |

Of the donations and legacies income in 2021, £65,737 general donations and grants related to unrestricted funds and £32,913 grant funding related to restricted funds.

3 Charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2022 £ | Total Funds 2021 £ |
|---------------------|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Charity shop income | 252,511 | - | 252,511 | 156,344 |
| On-line income | 2,201 | - | 2,201 | 898 |
| Scrap metal | 621 | - | 621 | 968 |
| Recycling income | 12,825 | - | 12,825 | 9,284 |
| | <u>268,158</u> | <u>-</u> | <u>268,158</u> | <u>167,494</u> |

All income from charitable activities related to unrestricted funds in the prior year.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

4 Expenditure

| | Other trading activities | Total 2022 | Total 2021 |
|----------------------------------|---|-----------------------|-----------------------|
| | £ | £ | £ |
| Direct costs | | | |
| Grants payable - individuals | 2,964 | 2,964 | - |
| Purchases | 1,240 | 1,240 | 555 |
| Wages and salaries | 136,620 | 136,620 | 162,372 |
| Staff NIC (Employers) | 9,559 | 9,559 | 9,425 |
| Staff pensions | 3,338 | 3,338 | 13,100 |
| Refreshments | 822 | 822 | 236 |
| Hire of plant and machinery | - | - | 415 |
| Motor expenses | 4,363 | 4,363 | 3,536 |
| On-line selling fees | 429 | 429 | 406 |
| Sundry expenses | 583 | 583 | 2,178 |
| Rent and service charge | 58,406 | 58,406 | 52,318 |
| Rates and water | 9,014 | 9,014 | 8,153 |
| Light, heat and power | 24,164 | 24,164 | 21,792 |
| Insurance | 6,490 | 6,490 | 4,811 |
| Repairs and maintenance | 8,054 | 8,054 | 16,664 |
| Waste disposal | 1,867 | 1,867 | 799 |
| Tools | - | - | 1,353 |
| Volunteer expenses | 522 | 522 | 895 |
| Redundancy costs | 19,704 | 19,704 | 3,341 |
| Telephone and internet | 2,016 | 2,016 | 2,071 |
| Computer and office costs | 1,874 | 1,874 | 891 |
| Printing, postage and stationery | 1,490 | 1,490 | - |
| Depreciation | 7,188 | 7,188 | 5,630 |
| | <u>300,707</u> | <u>300,707</u> | <u>310,941</u> |
| Support costs | | | |
| Accountancy fees | 900 | 900 | - |
| Independent examination | 1,100 | 1,100 | 1,050 |
| Legal and professional fees | 8,422 | 8,422 | 6,956 |
| Bank and credit card charges | 2,572 | 2,572 | 951 |
| | <u>12,994</u> | <u>12,994</u> | <u>8,957</u> |
| | <u><u>313,701</u></u> | <u><u>313,701</u></u> | <u><u>319,898</u></u> |

Of the expenditure in 2021, £310,787 related to unrestricted funds and £9,111 related to restricted funds.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

5 Governance costs

| | 2022 | 2021 |
|-----------------------------|-------------|-------------|
| | £ | £ |
| Accountancy fees | 900 | - |
| Independent examiner's fee | 1,100 | 1,050 |
| Legal and professional fees | 8,400 | 3,911 |
| | 15,500 | 8,111 |

6 Trustees' remuneration and expenses

No trustees received any remuneration or expenses during the year.

7 Net income/(expenditure)

Net income/(expenditure) is stated after charging:

| | 2022 | 2021 |
|---------------------------------------|-------------|-------------|
| | £ | £ |
| Depreciation of tangible fixed assets | 7,188 | 5,630 |
| Independent examination | 1,100 | 1,050 |
| | 8,288 | 6,680 |

8 Employees' remuneration

The monthly average number of persons (including senior management) employed by the charity during the year, analysed by category, was as follows:

| | 2022 | 2021 |
|------------|-------------|-------------|
| | No. | No. |
| Management | 1 | 1 |
| Staff | 8 | 9 |
| | 9 | 10 |

The aggregate payroll costs of these persons were as follows:

| | 2022 | 2021 |
|---------------------|-------------|-------------|
| | £ | £ |
| Wages and salaries | 156,324 | 165,713 |
| Social security | 9,559 | 9,425 |
| Other pension costs | 3,338 | 13,100 |
| | 169,221 | 188,238 |

No employee received emoluments of more than £60,000 during the year.

Key management personnel comprise of the Board of Trustees. No employee benefits are paid to the Trustees (2022 - £nil).

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

9 Tangible fixed assets

| | Plant and machinery including motor vehicles £ | Fixtures, fittings and equipment £ | Total £ |
|------------------------|---|---|--------------------|
| Cost | | | |
| As at 1 January 2022 | 20,470 | 11,147 | 31,617 |
| Additions | - | 9,107 | 9,107 |
| As at 31 December 2022 | 20,470 | 20,254 | 40,724 |
| Depreciation | | | |
| As at 1 January 2022 | 4,776 | 1,536 | 6,312 |
| Charge for the year | 4,094 | 3,094 | 7,188 |
| As at 31 December 2022 | 8,870 | 4,630 | 13,500 |
| Net book value | | | |
| As at 31 December 2022 | 11,600 | 15,624 | 27,224 |
| As at 31 December 2021 | 15,694 | 9,611 | 25,305 |

10 Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|-------------------|-------------------|
| Other debtors | 11,694 | 5,312 |
| Prepayments and accrued income | 2,820 | 2,375 |
| | 14,514 | 7,687 |

11 Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------|-------------------|-------------------|
| Trade creditors | 5,342 | 5,994 |
| Taxation and social security | 2,562 | - |
| Other creditors | 23,184 | 31,779 |
| Accruals and deferred income | 46,681 | 23,102 |
| | 77,769 | 60,875 |

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

12 Members' liability

The charity 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 £nil towards the assets of the charity in the event of liquidation.

13 Operating lease commitments

As at 31 December 2022 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

| | Land and Buildings | |
|---------------------------|---------------------------|----------------|
| | 2022 | 2021 |
| | £ | £ |
| Within one year | 69,512 | 54,500 |
| Within two and five years | 207,000 | 180,000 |
| Over five years | 156,000 | 270,000 |
| | <u>432,512</u> | <u>504,500</u> |

14 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £3,338 (2021 - £13,100).

Contributions totalling £1,631 (2021 - £nil) were payable to the scheme at the end of the period and are included in creditors.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... *continued*

15 Related parties

Controlling entity

Restore is a subsidiary of the Carlisle Diocesan Board of Finance Limited (CDBF) (company number: 39625) (Charity number: 251977). The principal objective of CDBF is to promote and assist the work, objectives and purposes of the Church of England for the advancement of the Christian religion in the Diocese of Carlisle and elsewhere by acting as the finance executive of the Diocese.

Restore is a subsidiary of CDBF because it appoints the Board members and is deemed to have full 'ultimate control'. The CDBF is the sole member. CDBF consolidated accounts as available on public record and can be downloaded from Companies House.

Related party transactions

During the period the charity received grants from the CDBF totalling £84,523 (2021 - £18,090).

All relationships are conducted at an arm's length basis, and where required a standard memorandum of understanding is negotiated.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

16 Analysis of funds

| | At 1 January 2022 | Incoming resources | Resources expended | At 31 December 2022 |
|------------------------------|----------------------|-----------------------|-----------------------|---------------------------|
| | £ | £ | £ | £ |
| General Funds | | | | |
| Unrestricted income fund | (9,512) | 350,685 | (282,186) | 58,987 |
| Restricted Funds | | | | |
| Cumbria Community Foundation | 2,589 | - | (2,159) | 430 |
| Cumbria County Council | 2,843 | - | (868) | 1,975 |
| Tudor Trust admin | 18,370 | 20,000 | (14,466) | 23,904 |
| Community Sheds | - | 3,295 | (2,964) | 331 |
| Diocese Growth Fund | - | 6,580 | (720) | 5,860 |
| Tudor Trust Penrith | - | 10,000 | (10,000) | - |
| Warm Spots Shaddongate | - | 1,877 | (338) | 1,539 |
| Other restricted income fund | - | - | - | - |
| | <u>23,802</u> | <u>41,752</u> | <u>(31,515)</u> | <u>34,039</u> |
| | <u>14,290</u> | <u>392,437</u> | <u>(313,701)</u> | <u>93,026</u> |

Cumbria Community Foundation - This funding has been provided for two projects at our Warehouse in Carlisle. £3,000 was provided towards the refurbishment repairs to the Warehouse. £4,913 was provided for tools and equipment for the Community Sheds project and the community allotment.

Cumbria County Council - The local council provided £5,000 to be spent on the refurbishment repairs for our Warehouse in Carlisle.

Tudor Trust - The funding has been provided for Restore to employ an Administration and Finance assistant. Further funding is to come to employ the assistant for a further 2 years and for a grant towards the fitting out of a new shop.

Community Sheds - income relates to donations received with specific intention to contribute to the community sheds project.

Diocese Growth Fund - funding received from CDBF towards community events and meals.

Warm Spots Shaddongate - funding received from CCF towards Shaddongate project.

Restore (Cumbria)

Notes to the Financial Statements for the Year Ended 31 December 2022

..... continued

Prior period

| | At 1 January 2021 | Incoming resources | Resources expended | At 31 December 2022 |
|------------------------------|-------------------------|-----------------------|-----------------------|---------------------------|
| | £ | £ | £ | £ |
| General Funds | | | - | |
| Unrestricted income fund | 68,044 | 215,141 | (292,697) | (9,512) |
| | | | | |
| Restricted Funds | | | | |
| Cumbria Community Foundation | - | 7,913 | (5,324) | 2,589 |
| Cumbria County Council | - | 5,000 | (2,157) | 2,843 |
| Tudor Trust | - | 20,000 | (1,630) | 18,370 |
| | - | 32,913 | (9,111) | 23,802 |
| | 68,044 | 248,054 | (301,808) | 14,290 |

17 Net assets by fund

| | Unrestricted Funds | Restricted Funds | Total Funds 2022 | Total Funds 2021 |
|---|-----------------------|---------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| Tangible assets | 27,224 | - | 27,224 | 25,305 |
| Current assets | 109,532 | 34,039 | 143,571 | 49,860 |
| Creditors: Amounts falling due within one year | (77,769) | - | (77,769) | (60,875) |
| Net assets | 58,987 | 34,039 | 93,026 | 14,290 |

Prior period

| | Unrestricted Funds | Restricted Funds | Total Funds 2021 |
|---|-----------------------|---------------------|---------------------|
| | £ | £ | £ |
| Tangible assets | 25,305 | - | 25,305 |
| Current assets | 25,174 | 24,686 | 49,860 |
| Creditors: Amounts falling due within one year | (59,991) | (884) | (60,875) |
| Net assets | (9,512) | 23,802 | 14,290 |

RESTORE (CUMBRIA)

England & Wales - Charity number 1187078

Accounts

RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED
31 DECEMBER 2021

Company Number: 08146662

Charity Number: 1187078

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

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**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Board of Trustees

Mr B M Gray (Chairman)
Mr J Edwards (resigned 27/3/22)
Ms D A Earl (resigned 1/11/21)
Revd E M Hancock
Revd J R Libby
Mrs K L Parr
Ms S T Parr
Mr C W Bray (appointed 1/2/22)
Revd A Burrell (appointed 18/5/22)
Mr A. R. H Cook (appointed 18/5/22)
Ms A. H Sharp-Walker (appointed 18/5/22)

Registered Office

Unit 3 Coleridge House
The Maltings
Carlisle
Cumbria
CA2 5TU

Independent Examiner

Dodd & Co
Montgomery Way
FIFTEEN
Rosehill Industrial Estate
Carlisle
CA1 2RW

Bankers

HSBC UK
1 Market Square
Penrith
Cumbria
CA11 7SN

RESTORE (CUMBRIA) COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Restore (Cumbria) (the company) for the year ended 31 December 2021. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 17/07/2012, originally as Opshops (Helping Communities Grow), changing its name to Restore (Cumbria) on 6/02/2021. Restore (Cumbria) became a registered charity on 20/12/19 number 1187078.

The company began trading on 1st July 2020, prior to this it was dormant.

Trustees

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. All Trustees give their time voluntarily and receive no benefits from the charitable company. Any expense reclaimed from the charitable company are detailed in the accounts.

The Trustees have attempted to ensure that the board of Trustees represent as wide a cross section of the local community as possible and, in particular, that the Trustees have appropriate experience to assist the charitable company with its objectives. Traditional business skills as well as community skills are well represented within the board of Trustees. The Trustees and the chairman are working on an ongoing basis to improve the make-up and constitution of the board of Trustees and bring in appropriate skills where necessary.

The names of serving Trustees during the year are disclosed on page 1 to the financial statements.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee induction and training

Most Trustees are already familiar with the work of the charitable company before becoming Trustees. New Trustees are familiarised by the Chairman on its working and the context within which it operates and with visits to our charity shops. The main documents which set out the operational framework for the charitable company include the Memorandum and Articles of Association which are present at induction.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2021

In addition aspirant Trustees are required to attend a number of board meetings in order to confirm their willingness to serve and before a decision on them becoming a Trustee is taken by the existing Trustees.

Organisational structure

The Trustees meet regularly with staff and the Pioneer Ministers and are responsible for the strategic direction and policies of the charitable company. The present Board of Trustees currently has members from a variety of professional backgrounds relevant to the work of the charitable company.

The Charity relies on its pool of volunteers for delivery of areas of work, particularly for the work of our shops and community activities.

The practical support of volunteers is essential to delivery of the Charities work and the Charity is extremely grateful for their help.

Related Parties

The charity has a Memorandum of Understand with the Carlisle Diocesan Board of Finance (CDBF) dated 01/07/2020. The services which the CDBF provide to Restore (Cumbria) are Finance, HR, Property and Communications, with each party having their respective responsibilities.

Restore is deemed a subsidiary of the Carlisle Diocesan Board of Finance Limited – because it appoints the Board members and is deemed to have full ‘ultimate control’. The CDBF is the sole member.

OBJECTIVES AND ACTIVITIES OF RESTORE (CUMBRIA)

Objectives of the Charity

- to advance the Christian religion in the area of benefit for the benefit of the public;
- to protect and preserve the environment for the public benefit and relieve financial hardship in the area of benefit by the recycling and provision of furniture, clothes and other household items;
- to prevent or relieve poverty in the area of benefit by (but without prejudice to the generality of the foregoing) providing items and services to individuals in need;
- to relieve unemployment for the benefit of the public in the area of benefit in such ways as may be thought fit, including (but without prejudice to the generality of the foregoing) by the provision of opportunities to enable unemployed people to develop their skills, experience and capabilities in a retail environment;
- the provision and maintenance of a facility for the use of the inhabitants of the area of benefit without distinction of political, religious or other opinions, including use for:

RESTORE (CUMBRIA) COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2021

- meetings, lectures and classes; and
- other forms of recreation and leisure-time occupation, with the object of improving the conditions of life for the inhabitants;
- to promote social inclusion for the public benefit in the area of benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society. for the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one of more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society);
- such other exclusively charitable purposes as the Trustees in their absolute discretion determine from time to time.

History

Ten years ago, the Diocese of Carlisle established OpShops ('Opportunity Shops', an Australian name) in Carlisle, and later in Penrith. They fulfilled a need, providing clothes and furniture to people on the margins of society. They were successful but limited in scope and lacked resources to develop. The Diocese recognised that they needed new momentum and independence.

So a new, independent, charity was formed and we now have a team of Trustees with the skills and determination to achieve our vision. We changed our name to RESTORE to say more clearly what we do. We are a small charity, but we have a big vision. We believe there could be a RESTORE presence in every town in Cumbria, 'owned' by the local community.

Our Activities

A summary of our main activities in relation to the charity objectives.

"We help RESTORE faith, hope and happiness in our community"

Operation of Charity Shops

RESTORE is a charity shop with a difference. We have five shops located in Morton, Harraby, Penrith, Petteril Bank and at our Warehouse premises at Shaddongate in Carlisle. (Our Penrith shop closed in 2021 but we hope to open a new shop in 2022.) The shops must operate profitably to provide funds to support our community projects. We employ shop managers but otherwise operate with volunteers, who

RESTORE (CUMBRIA) COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2021

themselves can be vulnerable. We provide pre-owned goods for people who cannot afford to shop elsewhere, and we have a growing on-line presence. We support people but also support the environment (Re-use, Re-cycle, Re-pair). We create a safe place for people to chat, meet, and be valued.

Our shops have also become community support hubs:

- we work with social services providing kitchen starter packs for young vulnerable adults leaving care and clothing and other essentials for the homeless.
- we provide items for a local project resettling refugee families from the Middle East and other areas of international conflict.
- we signpost customers to appropriate agencies, sometimes making phone calls for those who struggle to understand how to deal with a support agency.

Restore Community Shed

Restore Community Shed aims to empower those who have been disadvantaged or faced social exclusion due to crime, alcohol addiction, substance abuse, poor mental or physical health and unemployment. We work with individuals to help them make positive changes in their lives. The Shed provides some of the best opportunities for unlocking positive change in people's lives through getting them physically active using their hands to make things, belonging to a community, having a routine, and being cared for by people who will go the extra mile to help them. We rely on discarded or donated materials and tools, and we repair and up-cycle items for use in our shops and on the allotment. We have also started a group to test electrical equipment before it can be sold in our shops.

Restore Community allotment

The allotment project works with people struggling with similar issues as Community Sheds. The allotment supports our 'Feed our community' initiative – unlocking the power of local people to grow food, share skills and build a supportive community as well as transforming the site using upcycled items that would otherwise end up in landfill. The food we grow we share with others in need in the community.

Community Activities

Further activities we do are the Knit and Natter group, praying together, sharing meals and going for walks. Many of our activities have been affected by the Covid pandemic, but we hope to re-start in 2022. We are learning what it means to truly share life with those on the margins. Being able to share meals is a massive part of building that community. When we share open community meals together, we use a short bit of liturgy to link those meals to the meals Jesus had with people, pointing out how they showed both then and now something of Gods dream for the world – a place of love, justice and mutuality.

RESTORE (CUMBRIA) COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2021

Ensuring the work delivers the aims

The Board of Trustees review the activities of the Trust at regular board meetings. The Business Plan is also reviewed each year and looks at what has been achieved and the outcomes of the work in the previous 12 months. The review also helps to ensure the aims, objective and activities remain focused on the stated purposes.

Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in reviewing the charitable company's aims and objectives and in planning future activities. In particular, the Trustees consider the planned activities will contribute to the aims and objectives they have set. The Trustees confirm that public benefit has been provided by the advancement of it objectives.

ACHIEVEMENTS AND PERFORMANCE

Our priority in 2021 was to look after our staff and volunteers during the Covid pandemic. We did our best to keep shops open to support our communities despite sickness absences. There were shop closures due to lack of staff and volunteers which affected our income.

We were delighted to welcome Beth Honey as our new Pioneer Minister who will be based in Penrith.

Future Activities

- Attract more volunteers to support our work.
- Identify new premises in Penrith, working with the local community and our new Pioneer Minister.
- Increase sales at our Shaddongate shop with a focus on furniture sales.
- Expand our community activities.

Principal funding sources

Currently the principal funding sources are the income received from operating our Charity shops and a number of grants received for specific projects.

FINANCIAL REVIEW

Financial Results

The income for the year was £266,144, the major source being from the activities of the Charity Shops £167,494. The expenditure for the year was £319,898, leaving a deficit for the year of (£53,754)

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2021

At the year end the total reserves of the charity which were £14,290, Restricted reserves £23,802 (2020-£nil) and unrestricted reserves of (£9,512) (2020 - £68,044).

Risk Management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Charitable Company carries appropriate employers' and public liability insurance as well as professional indemnity insurance at an appropriate level and directors' insurance.

Pay policy for Senior Staff

The Board of Directors, who are the Charity's Trustees, and the Shop Managers and Warehouse Manager comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All Trustees give their time freely and no Trustees received remuneration in the year.

Pay is reviewed annually by the Board of Trustees.

Reserves

The total reserves at 31 December 2021 were £14,290 being restricted reserves of £23,802 and negative unrestricted reserves of £9,512. The Charity is supported by the Diocesan Board of Finance.

The Trustees have reviewed the Charity's need for reserves in line with the guidance issued by the Charity Commission.

The Trustees keep their reserves policy and level of reserves held under review, monitoring the level of reserves held throughout the year as part of the normal monitoring and budgetary process. The main risks to both income and expenditure are highlighted and the level of committed expenditure taken into account.

The Trustees reserve policy ensures that the reserves are maintained at a level which ensures that the Charity's core activities could continue during a period of unforeseen difficulty and that these are maintained in a readily realisable form.

The Trustees aim to maintain reserves at a level sufficient to meet working capital requirements of the charity for a period of three months. This has not been possible over the last year due to challenging environment resulting from the Covid pandemic. The Trustees are confident that the negative unrestricted reserves can be turned around to ensure that there are sufficient reserves to continue the current activities of the charity in the event of a significant drop in funding.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2021

Notwithstanding this the Trustees believe that every effort should be made to ensure that the unrestricted reserves are six month working capital requirement in order that the charity can continue to meet its current obligations and plan with confidence for the future.

GOING CONCERN

After making appropriate enquiries, and receiving support from the Carlisle Diocesan Board of Finance to support financial the activities of the Charity, 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 for preparing the financial statements.

IMPACT OF COVID-19

The Charity followed Government-issued guidance closely in March 2020 and immediately closed its shops.

During this financial year all shops were closed from 1st January to mid April 2021. During this period all staff were placed onto the furlough scheme for a period of time, other than our Warehouse staff who continued to run our on-line sales operation and accept donations. Staff remained supported by the furlough scheme until the final lockdown was eased and shops could be reopened.

The Trustees regularly updated our own Covid-19 Guidance and working regulations, in light of the pandemic, ensuring activities such as using the company vehicle, checking on the shops and general working practices are kept in line with the Government's advice and applicable laws.

INVESTMENT POLICY AND PERFORMANCE

Aside from retaining a prudent amount in reserves each year, most of the charitable company's funds are to be spent in the short term on specific projects and so there are few funds available for long term investment. The Trustees have decided that, in this regard, the most appropriate course of action is to keep monies on deposit with their bankers.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2021

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Restore (Cumbria) 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.

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 charitable company and of the incoming resources and application of resources, including the 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 irregularities.

This report was approved by the Trustees' on 13th June 2022 and signed on their behalf by:



B M Gray
Trustee

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINERS' REPORT TO THE MEMBERS OF
RESTORE (CUMBRIA)**

PERIOD ENDED 31 DECEMBER 2021

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RESTORE (CUMBRIA)

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2021 which are set out on pages 12 to 25.

Respective responsibilities of Trustees and examiner

As the charity Trustees of Restore (Cumbria) (and also 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 Restore (Cumbria) 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 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 Restore (Cumbria) 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)].

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINERS' REPORT TO THE MEMBERS OF
RESTORE (CUMBRIA)**

PERIOD ENDED 31 DECEMBER 2021

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.



Faye Armstrong FCA
Institute of Chartered Accountants in England and Wales

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

13 June 2022

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING
INCOME AND EXPENDITURE ACCOUNT**

PERIOD ENDED 31 DECEMBER 2021

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2021 £ | Total Funds 2020 £ |
|---|------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| INCOME AND ENDOWMENTS: | | | | | |
| Donations | 2 | 65,737 | - | 65,737 | 94,731 |
| Charitable activities | 3 | - | 32,913 | 32,913 | - |
| Other trading activities | 4 | 167,494 | - | 167,494 | 110,439 |
| TOTAL INCOME | | <u>233,231</u> | <u>32,913</u> | <u>266,144</u> | <u>205,170</u> |
| EXPENDITURE: | | | | | |
| Charitable activities | 5 | - | 9,111 | 9,111 | - |
| Other trading activities | 5 | 310,787 | - | 310,787 | 137,126 |
| TOTAL EXPENDITURE | | <u>310,787</u> | <u>9,111</u> | <u>319,898</u> | <u>137,126</u> |
| NET INCOME FOR THE PERIOD BEFORE TRANSFERS | | (77,556) | 23,802 | (53,754) | 68,044 |
| Transfers between funds | | - | - | - | - |
| NET MOVEMENT OF FUNDS | | <u>(77,556)</u> | <u>23,802</u> | <u>(53,754)</u> | <u>68,044</u> |
| Total funds brought forward | | 68,044 | - | 68,044 | 0 |
| TOTAL FUNDS CARRIED FORWARD | | <u>(9,512)</u> | <u>23,802</u> | <u>14,290</u> | <u>68,044</u> |

The notes on pages 14 to 25 form part of these financial statements.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 DECEMBER 2021

| | | 2021 | | 2020 |
|---|-------------|-----------------|---------------|-----------------|
| | Note | £ | £ | |
| FIXED ASSETS | | | | |
| Tangible assets | 9 | | 25,305 | 19,788 |
| CURRENT ASSETS | | | | |
| Debtors | 10 | 7,687 | | 23,771 |
| Cash at bank | | <u>42,173</u> | | <u>103,778</u> |
| | | 49,860 | | 127,549 |
| CREDITORS: Amounts falling due within one year | 11 | <u>(60,875)</u> | | <u>(79,293)</u> |
| NET CURRENT ASSETS | | | (11,015) | 48,256 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>14,290</u> | <u>68,044</u> |
| NET ASSETS | | | <u>14,290</u> | <u>68,044</u> |
| THE FUNDS OF THE CHARITY | | | | |
| Unrestricted: General | 12 | | (9,512) | 68,044 |
| Restricted | 12 | | 23,802 | - |
| TOTAL CHARITY FUNDS | | | <u>14,290</u> | <u>68,044</u> |

The Trustees consider that the company is entitled to exemption from the requirements to have an audit under provisions of section 479A of the Companies Act 2006 (the Act) and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2021 and of its net resources expenses for the period in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the Financial Reporting Standard FRS 102 (effective 1 January 2019).

These financial statements were approved by the Trustees' on 13th June 2022 and are signed on their behalf by:



Mr B M Gray, Trustee

The notes on pages 14 to 25 form part of these financial statements.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are prepared in sterling, which is the functional currency of the charity.

Restore (Cumbria) 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 note.

The Trustees consider, after discussions with and receiving total support from the Carlisle Diocesan Board of Finance (CDBF) for the financial activities of the Company that there are no material uncertainties and that the company has the resources provided by the CDBF to continue in operational existence for the foreseeable future and that the Company will continue as a going concern. The impacts of Covid since the charity shops reopened in April 2021 have been minimal with all shops being open and trading at above pre-covid trading levels.

1.2 Company status

The charitable company is a company limited by guarantee registered in England and Wales and a registered charity in England and Wales. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charitable company.

1.3 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires key management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The Trustees consider there were no significant judgements made in preparing the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The Trustees consider there are no key sources of estimation uncertainty.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (*continued*)

1.4 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 charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged to 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.

1.5 Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

Income from donated goods (other than shop donations) is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

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

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.

1.6 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expenses categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

All resources expended are exclusive of VAT.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES (continued)

1.7 Fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed asset, less their estimated residual value, over their expected useful lives on the following basis:

| | |
|---------------------|----------------------------|
| Motor vehicle | straight line over 5 years |
| Fixtures & Fittings | straight line over 5 years |

1.8 Debtors

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

1.9 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.10 Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

1. ACCOUNTING POLICIES *(continued)*

1.11 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains applied exclusively to charitable purposes.

2. DONATIONS (Current Year)

| | Unrestricted Funds | Restricted Funds | Total Funds 2021 |
|------------------------------|-------------------------------|-----------------------------|---------------------------------|
| | £ | £ | £ |
| Donations and similar income | 2,196 | - | 2,196 |
| CDBF | 18,090 | - | 18,090 |
| HMRC Furlough Grants | 15,111 | - | 15,111 |
| Council Covid Grants | 30,340 | - | 30,340 |
| | <u>65,737</u> | <u>-</u> | <u>65,737</u> |

DONATIONS (Prior Year)

| | Unrestricted Funds | Restricted Funds | Total Funds 2020 |
|--------------------------------|-------------------------------|-----------------------------|---------------------------------|
| | £ | £ | £ |
| Donations and similar income | 1,052 | - | 1,052 |
| CDBF | 75,000 | - | 75,000 |
| Private donation towards a van | - | 10,000 | 10,000 |
| HMRC Furlough Grants | 4,677 | - | 4,677 |
| Council Covid Grants | 4,002 | - | 4,002 |
| | <u>84,731</u> | <u>10,000</u> | <u>94,731</u> |

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

3 GRANT FUNDERS – (Current Year)

| | Unrestricted Funds | Restricted Funds | Total Funds 2021 |
|-------------------------------|-------------------------------|-----------------------------|---------------------------------|
| | £ | £ | £ |
| Cumbria Community Foundations | - | 7,913 | 7,913 |
| Cumbria County Council | - | 5,000 | 5,000 |
| Tudor Trust | - | 20,000 | 20,000 |
| | - | <u>32,913</u> | <u>32,913</u> |

Grant Funders – (Prior Year) -None

4. OTHER TRADING ACTIVITIES (Current Year)

| | Unrestricted Funds | Restricted Funds | Total Funds 2021 |
|---------------------|-------------------------------|-----------------------------|---------------------------------|
| | £ | £ | £ |
| Charity shop income | 156,344 | - | 156,344 |
| On-line income | 898 | - | 898 |
| Scrap metal | 968 | - | 968 |
| Recycling income | 9,284 | - | 9,284 |
| | <u>167,494</u> | - | <u>167,494</u> |

OTHER TRADING ACTIVITIES (Prior Year)

| | Unrestricted Funds | Restricted Funds | Total Funds 2020 |
|---------------------|-------------------------------|-----------------------------|---------------------------------|
| | £ | £ | £ |
| Charity shop income | 98,787 | - | 98,787 |
| On-line income | 8,195 | - | 8,195 |
| Recycling income | 3,457 | - | 3,457 |
| | <u>110,439</u> | - | <u>110,439</u> |

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

5. DIRECT COSTS – (Current Year)

| | Other trading activities | Governance | Restricted Funds | Total Period ended 31 Dec 21 |
|-------------------------------|---------------------------------|-------------------|-------------------------|-------------------------------------|
| | £ | £ | £ | £ |
| Direct Costs | | | | |
| Cost of goods purchased | 555 | - | - | 555 |
| Rent & service charges | 52,018 | - | 300 | 52,318 |
| Rates & water | 8,153 | - | - | 8,153 |
| Heat, light & power | 21,792 | - | - | 21,792 |
| Repairs | 12,482 | - | 4,182 | 16,664 |
| Tools | - | - | 1,353 | 1,353 |
| Insurance | 4,811 | - | - | 4,811 |
| Telephone & internet | 2,071 | - | - | 2,071 |
| Wages & salaries | 160,104 | - | 2,268 | 162,372 |
| Redundancy | 3,341 | - | - | 3,341 |
| Employers' national insurance | 9,425 | - | - | 9,425 |
| Employers' pension | 13,100 | - | - | 13,100 |
| Vehicle costs | 3,536 | - | - | 3,536 |
| Computer & office costs | 816 | - | 75 | 891 |
| Refreshments | 236 | - | - | 236 |
| Volunteer expenses | 895 | - | - | 895 |
| On-line selling fees | 406 | - | - | 406 |
| General expenses | 1,245 | - | 933 | 2,178 |
| Waste disposal | 799 | - | - | 799 |
| Equipment hire | 415 | - | - | 415 |
| Depreciation | 5,630 | - | - | 5,630 |
| | 301,830 | - | 9,111 | 310,941 |
| Support costs | | | | |
| Bank & credit card charges | 951 | - | - | 951 |
| Legal costs | 3,898 | 13 | - | 3,911 |
| Agents fees | 3,045 | - | - | 3,045 |
| Independent examination fee | - | 1,050 | - | 1,050 |
| | 7,894 | 1,063 | - | 8,957 |
| | 309,724 | 1,063 | 9,111 | 319,898 |

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

DIRECT COSTS – (Prior Year)

| | Other trading activities £ | Governance £ | Total Period ended 31 Dec 20 £ |
|-------------------------------|-------------------------------------|-----------------|---|
| Direct Costs | | | |
| Cost of goods purchased | 3,134 | - | 3,134 |
| Rent & service charges | 14,129 | - | 14,129 |
| Rates & water | 4,383 | - | 4,383 |
| Heat, light & power | 7,830 | - | 7,830 |
| Repairs | 9,153 | - | 9,153 |
| Insurance | 1,419 | - | 1,419 |
| Telephone & internet | 1,701 | - | 1,701 |
| Wages & salaries | 59,314 | - | 59,314 |
| Employers' national insurance | 3,168 | - | 3,168 |
| Employers' pension | 8,545 | - | 8,545 |
| Vehicle costs | 6,702 | - | 6,702 |
| Computer & office costs | 3,212 | - | 3,212 |
| Refreshments | 329 | - | 329 |
| Volunteer expenses | 803 | - | 803 |
| On-line selling fees | 2,677 | - | 2,677 |
| General expenses | 377 | - | 377 |
| VAT reclaim | (1,773) | - | (1,773) |
| Depreciation | 682 | - | 682 |
| | 125,785 | - | 125,785 |
| Support costs | | | |
| Bank & credit card charges | 1,115 | - | 1,115 |
| Legal costs | 5,098 | 413 | 5,511 |
| Agents fees | 3,965 | - | 3,965 |
| Independent examination fee | - | 750 | 750 |
| | 10,178 | 1,163 | 11,341 |
| | 135,963 | 1,163 | 137,126 |

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

6. STAFF COSTS

The aggregate payroll costs were:

| | 2021 | 2020 |
|---------------------------------|----------------|---------------|
| | £ | £ |
| Wages and salaries | 165,713 | 59,314 |
| Employers national insurance | 9,425 | 3,168 |
| Employers pension contributions | 13,100 | 8,545 |
| | <u>188,238</u> | <u>71,027</u> |

No employee received remuneration of more than £60,000. The Trustees received no remuneration or reimbursement of expenses in the period.

7. STAFF NUMBERS

The average number of staff employed by the charity during the financial period amounted to:

| | 2021 | 2020 |
|------------|-------------|-------------|
| | No | No |
| Management | 1 | 1 |
| Core staff | 9 | 9 |
| | <u>10</u> | <u>10</u> |

8. NET INCOMING/ (OUTGOING) RESOURCES

This is stated after charging:

| | 2021 | 2020 |
|-----------------------------|--------------|-------------|
| | £ | £ |
| Depreciation | 5,630 | 682 |
| Independent examination fee | 1,050 | 750 |
| | <u>1,050</u> | <u>750</u> |

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

9. TANGIBLE FIXED ASSETS

| | Motor Vehicle £ | Fixtures & Fittings | Total £ |
|----------------------------|-----------------------|------------------------|----------------------|
| COST | | | |
| At 1 January 2021 | 20,470 | - | 20,470 |
| Additions | - | 11,147 | 11,147 |
| At 31 December 2021 | <u>20,470</u> | <u>11,147</u> | <u>31,617</u> |
| DEPRECIATION | | | |
| At 1 January 2021 | 682 | - | 682 |
| Charge for the period | 4,094 | 1,536 | 5,630 |
| At 31 December 2021 | <u>4,776</u> | <u>1,536</u> | <u>6,312</u> |
| NET BOOK VALUE | | | |
| At 31 December 2021 | <u>15,694</u> | <u>9,611</u> | <u>25,305</u> |
| At 31 December 2020 | <u>19,788</u> | <u>-</u> | <u>19,788</u> |

10. DEBTORS

| | 2021 £ | 2020 £ |
|-------------|--------------|---------------|
| VAT debtor | 5,312 | 19,494 |
| Prepayments | 2,375 | 4,277 |
| | <u>7,687</u> | <u>23,771</u> |

11. CREDITORS: Amounts falling due within one year

| | 2021 £ | 2020 £ |
|------------------------------|---------------|---------------|
| Trade creditors | 5,994 | - |
| Inter-co | 31,779 | 76,719 |
| Accruals and deferred income | 23,102 | 2,574 |
| | <u>60,875</u> | <u>79,293</u> |

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

12. ANALYSIS OF FUNDS (Current Year)

| | Balance at 01-Jan-21 | Movement in resources: | | | Balance at 31 Dec 21 |
|------------------------------|-------------------------|------------------------|---------------|----------------|-------------------------|
| | | Incoming £ | Outgoing £ | Transfers £ | |
| General Funds | | | | | |
| Unrestricted Income | 68,044 | 215,141 | (292,697) | - | (9,512) |
| Restricted Funds | | | | | |
| Cumbria Community Foundation | - | 7,913 | 5,324 | | 2,589 |
| Cumbria County Council | - | 5,000 | 2,157 | | 2,843 |
| Tudor Trust | - | 20,000 | 1,630 | | 18,370 |
| | - | 32,913 | 9,111 | - | 23,802 |

Cumbria Community Foundation

This funding has been provided for two projects at our Warehouse in Carlisle. £3,000 was provided towards the refurbishment repairs to the Warehouse. £4,913 was provided for tools and equipment for the Men in Sheds project and the community allotment.

Cumbria County Council

The local council provided £5,000 to be spent on the refurbishment repairs for our Warehouse in Carlisle.

Tudor Trust

The funding has been provided for Restore to employ an Administration and Finance assistant. Further funding is to come to employ the assistant for a further 2 years and for a grant towards the fitting out of a new shop.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

ANALYSIS OF FUNDS (Prior Year)

| | Movement in resources: | | | Balance at 31 Dec 20 £ |
|--------------------------|------------------------|------------------|----------------|------------------------------|
| | Incoming £ | Outgoing £ | Transfers £ | |
| General Funds | | | | |
| Unrestricted Income Fund | 195,170 | (137,126) | 10,000 | 68,044 |
| Restricted Funds | | | | |
| Donation | 10,000 | - | (10,000) | - |
| | <u>205,170</u> | <u>(137,126)</u> | <u>-</u> | <u>68,044</u> |

The general funds represent the free reserves of the charity.

The restricted fund in 2020 was a donation towards the purchase cost of a new van. Van has been purchased by the charity therefore the restriction has been satisfied. A transfer to release the funds to unrestricted has been posted.

13. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

| | Unrestricted funds £ | Restricted funds £ | Total Funds 2021 £ |
|-----------------------|----------------------------|--------------------------|--------------------------|
| Tangible fixed assets | 25,305 | - | 25,305 |
| Current assets | 25,174 | 24,686 | 49,860 |
| Current liabilities | (59,991) | (884) | (60,875) |
| | <u>(9,512)</u> | <u>23,802</u> | <u>14,290</u> |

14. COMPANY LIMITED BY GUARANTEE

The Charity is a company limited by guarantee and does not have any share capital.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2021

15. COMMITMENTS

Operating Leases:

As at 31st December 2021 the charity had annual commitments under non-cancellable operating leases as follows: Amounts relate to rent of our shops:

| | 2021 | 2020 |
|--|----------------|----------------|
| | £ | £ |
| Operating lease payments due | | |
| Within one year | 54,500 | 37,000 |
| In the second to fifth years inclusive | 180,000 | 108,000 |
| Over five years | 270,000 | 300,000 |
| | <u>504,500</u> | <u>445,000</u> |

Capital Commitments:

At 31st December 2021, the amounts contracted but not provided for in the accounts amount to £nil (2020 - £nil).

16. RELATED PARTIES

Controlling entity

Restore is a subsidiary of the Carlisle Diocesan Board of Finance Limited (CDBF) (company number: 39625) (charity number: 251977). The principal objective of CDBF is to promote and assist the work, objectives and purposes of the Church of England for the advancement of the Christian religion in the Diocese of Carlisle and elsewhere by acting as the finance executive of the Diocese.

Restore is a subsidiary of CDBF because it appoints the Board members and is deemed to have full 'ultimate control'. The CDBF is the sole member. CDBF consolidated accounts as available on public record and can be downloaded from Companies House.

Related party transactions

During the period the charity received a grant from the CDBF

All relationships are conducted at an arm's length basis, and where required a standard memorandum of understanding is negotiated. There have been no related party transactions in the period.

17. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently advised funds. The pension cost charge represents the contributions payable by the charity to the fund and amounted to £13,100 (2020 £8,545).

RESTORE (CUMBRIA)

England & Wales - Charity number 1187078

Accounts

RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE PERIOD 1 AUGUST 2019
31 DECEMBER 2020

Company Number: 08146662

Charity Number: 1187078

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
PERIOD ENDED 31 DECEMBER 2020**

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| Balance sheet | 13 |
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**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The Board of Trustees

Mr B M Gray (Chairman) (appointed 25/4/19)
Mr J Edwards (appointed 27/3/19)
Ms D A Earl (appointed 6/6/19)
Revd E M Hancock (appointed 27/3/19)
Revd J R Libby (appointed 27/3/19)
Mrs K L Parr (appointed 27/3/19)
Ms S T Parr (appointed 1/7/20)

Registered Office

Unit 3 Coleridge House
The Maltings
Carlisle
Cumbria
CA2 5TU

Independent Examiner

Dodd & Co
Montgomery Way
FIFTEEN
Rosehill Industrial Estate
Carlisle
CA1 2RW

Bankers

HSBC UK
1 Market Square
Penrith
Cumbria
CA11 7SN

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of Restore (Cumbria) (the company) for the period 1st August 2019 to 31 December 2020. The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Legal Status

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 17/07/2012, originally as Opshops (Helping Communities Grow), changing its name to Restore (Cumbria) on 6/02/2020. Restore (Cumbria) became a registered charity on 20/12/19 number 1187078.

The company began trading on 1st July 2020, prior to this it was dormant.

Trustees

The management of the charitable company is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. All trustees give their time voluntarily and receive no benefits from the charitable company. Any expense reclaimed from the charitable company are detailed in the accounts.

The trustees have attempted to ensure that the board of trustees represent as wide a cross section of the local community as possible and, in particular, that the trustees have appropriate experience to assist the charitable company with its objectives. Traditional business skills as well as community skills are well represented within the board of trustees. The trustees and the chairman are working on an ongoing basis to improve the make-up and constitution of the board of trustees and bring in appropriate skills where necessary.

The names of serving Trustees during the year are disclosed on page 1 to the financial statements.

ORGANISATIONAL STRUCTURE AND DECISION MAKING

Trustee induction and training

Most trustees are already familiar with the work of the charitable company before becoming trustees. New trustees are familiarised by the Chairman on its working and the context within which it operates and with visits to our charity shops. The main documents which set out the operational framework for the

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2020

charitable company include the Memorandum and Articles of Association which are present at induction. In addition aspirant trustees are required to attend a number of board meetings in order to confirm their willingness to serve and before a decision on them becoming a Trustee is taken by the existing Trustees.

Organisational structure

The Board of Trustees meet monthly with the Operations Manager & the Pioneer Minister and are responsible for the strategic direction and policies of the charitable company. The present Board of Trustees currently has members from a variety of professional backgrounds relevant to the work of the charitable company.

The staff team within the charitable company comprises the Operations Manager (Senior Manager) plus four shop managers and three other staff members. The Operations Manager is responsible for ensuring the charitable company delivers the relevant services in accordance with the strategic business plan of the charitable company and that key performance indicators are met. The Operations Manager also has overall line management responsibility for all staff and day to day responsibility for the operational management of the charitable company.

The Charity relies on its pool of volunteers for delivery of areas of work, particularly for the work of our shops and community activities.

The practical support of volunteers is essential to delivery of the Charities work and the Charity is extremely grateful for their help.

Related Parties

The charity has a Memorandum of Understand with the Carlisle Diocesan Board of Finance (CDBF) dated 01/07/2020. The services which the CDBF provide to Restore (Cumbria) are Finance, HR, Property and Communications, with each party having their respective responsibilities.

Restore is deemed a subsidiary of the Carlisle Diocesan Board of Finance Limited – because it appoints the Board members and is deemed to have full ‘ultimate control’. The CDBF is the sole member.

OBJECTIVES AND ACTIVITIES OF RESTORE (CUMBRIA)

Objectives of the Charity

- to advance the Christian religion in the area of benefit for the benefit of the public;
- to protect and preserve the environment for the public benefit and relieve financial hardship in the area of benefit by the recycling and provision of furniture, clothes and other household items;

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2020

- to prevent or relieve poverty in the area of benefit by (but without prejudice to the generality of the foregoing) providing items and services to individuals in need;
- to relieve unemployment for the benefit of the public in the area of benefit in such ways as may be thought fit, including (but without prejudice to the generality of the foregoing) by the provision of opportunities to enable unemployed people to develop their skills, experience and capabilities in a retail environment;
- the provision and maintenance of a facility for the use of the inhabitants of the area of benefit without distinction of political, religious or other opinions, including use for:
 - meetings, lectures and classes; and
 - other forms of recreation and leisure-time occupation, with the object of improving the conditions of life for the inhabitants;
- to promote social inclusion for the public benefit in the area of benefit by preventing people from becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society. for the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one of more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society);
- such other exclusively charitable purposes as the trustees in their absolute discretion determine from time to time.

History

Ten years ago, the Diocese of Carlisle established OpShops ('Opportunity Shops', an Australian name) in Carlisle, and later in Penrith. They fulfilled a need, providing clothes and furniture to people on the margins of society. They were successful but limited in scope and lacked resources to develop. The Diocese recognised, that they needed new momentum and independence.

So a new, independent charity was formed and we now have a team of trustees with the skills and determination to achieve our vision. We changed our name to RESTORE to say more clearly what we do. We are a small charity, but we have a big vision. We believe there could be a RESTORE presence in every town in Cumbria, 'owned' by the local community.

RESTORE (CUMBRIA) COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2020

Our Activities 2019/2020

A summary of our main activities in relation to the charity objectives.

“We help RESTORE faith, hope and happiness in our community”

Operation of Charity Shops

RESTORE is a charity shop with a difference. We have 4 shops located in Morton, Harraby, Penrith and at our Warehouse premises in The Maltings in Carlisle. The shops must operate profitably to provide funds to support our community projects. We employ shop managers but otherwise operate with volunteers, who themselves can be vulnerable. We provide pre-owned goods for people who cannot afford to shop elsewhere, and we have a growing on-line presence. We support people but also support the environment (Re-use, Re-cycle, Re-pair). We create a safe place for people to chat, meet, and be valued.

Our shops have also become community support hubs:

- we offer job clubs and help people applying for housing.
- we provide space for a community chef to provide breakfasts to the homeless.
- we work with social services providing kitchen starter packs for young vulnerable adults leaving care and clothing and other essentials for the homeless.
- we provide items for a local project resettling refugee families from the Middle East.
- we signpost customers to appropriate agencies, sometimes making phone calls for those who struggle to understand how to deal with a support agency.

Men in Sheds

Our Men’s Shed creates a safe space for vulnerable men to gather, support each other and learn making and carpentry skills. People are referred to us by Health & Well Being council teams, Back to Work training teams, hostels and the probation service. We welcome people struggling with poor mental health or addiction issues or who are lonely and isolated. We create impact through building a supportive community, encouraging people to contribute positively by learning to ‘make stuff’ to help others. We rely on discarded or donated materials and tools and we repair and up-cycle items for use in our shops and on the allotment.

Community allotment

The allotment project works with people struggling with similar issues as Men in Sheds. The allotment work on our ‘Feed our community’ initiative – unlocking the power of local people to grow food, share skills and build a supportive community as well as transforming the site using upcycled items that would otherwise end up in landfill. The food we grow we share with others in need in the community.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2020

Community Activities

Further activities we do are the Knit and Natter group, praying together, sharing meals and going for walks. We are learning what it means to truly share life with those on the margins. Being able to share meals is a massive part of building that community. When we share open community meals together, we use a short bit of liturgy to link those meals to the meals Jesus had with people, pointing out how they showed both then and now something of Gods dream for the world – a place of love, justice and mutuality.

Ensuring the work delivers the aims

The Board of Trustees review the activities of the Trust at monthly board meetings. The Business Plan is also reviewed each year and looks at what has been achieved and the outcomes of the work in the previous 12 months. The review also helps to ensure the aims, objective and activities remain focused on the stated purposes.

Public benefit

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit in reviewing the charitable company's aims and objectives and in planning future activities. In particular, the Trustees consider the planned activities will contribute to the aims and objectives they have set. The Trustees confirm that public benefit has been provided by the advancement of it objectives.

ACHIEVEMENTS AND PERFORMANCE

The main achievements of the charity during the period:

- Built an excellent team of trustees, with the appropriate skills and with a clear vision.
- Re-branded to RESTORE and launched a new website
- Closed two shops which were too small, identified one new shop in Carlisle, moved into a new warehouse (our critical hub) with a shop, office space, meeting and training rooms, on-line sales, electrical testing and a 'Men in Sheds' presence.
- Purchased a new van to collect goods and move goods between shops and our warehouse.
- Established 'Men in Sheds' to support (mainly) men with mental health issues and a community allotment, to help to provide food for those in need in our local community.

Future Activities

- To appoint an experienced new Operations Manager to bring new professional skills to the core team of part time shop managers and volunteers.
- Secure the lease on the new shop in Carlisle and refurbish this property.
- Identify a new base in Penrith to enable us to sell furniture and to establish more community activities including Men in Sheds.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2020

Principal funding sources

Currently the principal funding sources are the income received from operating our Charity shops and a grant from the Carlisle Board Diocesan of Finance (CDBF). During 2021 the charity will be applying for external grants to support specific projects and establish new charity shops

FINANCIAL REVIEW

Financial Results

The income for the year was £205,170, the major source being from the activities of the Charity Shops £110,439. The expenditure for the year was £137,126, leaving a surplus for the year of £68,044

At the year end the total reserves of the charity which were unrestricted were £68,044.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. The Charitable Company carries appropriate employers' and public liability insurance as well as professional indemnity insurance at an appropriate level and directors insurance.

Pay policy for Senior Staff

The Board of Directors, who are the Charity's Trustees, and the Operations Manager comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give their time freely and no trustees received remuneration in the year.

Pay is reviewed annually by the Board of Trustees.

Reserves

The total reserves at 31 December 2021 were £68,044 being unrestricted reserves and these will be used to cover the expenditure of the charity during the next year. Free reserves stand at £48,256.

The Trustees have reviewed the Charity's need for reserves in line with the guidance issued by the Charity Commission.

The Trustees keep their reserves policy and level of reserves held under review, monitoring the level of reserves held throughout the year as part of the normal monitoring and budgetary process. The main risks to both income and expenditure are highlighted and the level of committed expenditure taken into account.

The Trustees reserve policy ensures that the reserves are maintained at a level which ensures that the Charity's core activities could continue during a period of unforeseen difficulty and that these are maintained in a readily realisable form.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2020

The Trustees aim to maintain reserves at a level sufficient to meet working capital requirements of the charity for a period of three months and the trustees are confident that the current funding and reserves policy is sufficient to continue the current activities of the charity in the event of a significant drop in funding.

Notwithstanding this the Trustees believe that every effort should be made to maintain unrestricted reserves to six month working capital requirement in order that the charity can continue to meet its current obligations and plan with confidence for the future.

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 for preparing the financial statements.

IMPACT OF COVID-19

The Charity followed Government-issued guidance closely in March 2020 and immediately closed its shops.

All staff were placed onto the furlough scheme for a period of time, other than the Operations Manager who continued to work from home on charity activities. Staff remained supported by the furlough scheme until the various lockdowns were eased and shops could be reopened. During the December 2020 lockdown our Warehouse premises continued to operate with online sales.

The Operations Manager continues to work with the Trustees to create and regularly update our own Covid-19 Guidance and working regulations, in light of the pandemic, ensuring activities such as using the company vehicle, checking on the shops and general working practices are kept in line with the Government's advice and applicable laws.

The Operations Manager continues to provide regular updates to the Trustees regarding impacts of Covid-19 and how they are being managed, and ensuring the Charity is adhering fully to Government guidance including any changes and updates.

INVESTMENT POLICY AND PERFORMANCE

Aside from retaining a prudent amount in reserves each year, most of the charitable company's funds are to be spent in the short term on specific projects and so there are few funds available for long term investment. The Trustees have decided that, in this regard, the most appropriate course of action is to keep monies on deposit with their bankers.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

TRUSTEES ANNUAL REPORT

PERIOD ENDED 31 DECEMBER 2020

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Restore (Cumbria) 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.

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 charitable company and of the incoming resources and application of resources, including the 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 accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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 irregularities.

This report was approved by the Trustees' on *20th September* 2021 and signed on their behalf by:



B M Gray
Trustee

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINERS' REPORT TO THE MEMBERS OF
RESTORE (CUMBRIA)**

PERIOD ENDED 31 DECEMBER 2020

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF RESTORE (CUMBRIA)

I report to the charity Trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 14 to 23.

Respective responsibilities of Trustees and examiner

As the charity Trustees of Restore (Cumbria) (and also 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 Restore (Cumbria) 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 matters have come to my attention in connection with the examination giving me cause to believe:

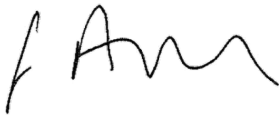
1. accounting records were not kept in respect of Restore (Cumbria) as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts 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)].

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT EXAMINERS' REPORT TO THE MEMBERS OF
RESTORE (CUMBRIA)**

PERIOD ENDED 31 DECEMBER 2020

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.



.....
Faye Armstrong FCA
Institute of Chartered Accountants in England and Wales

FIFTEEN Rosehill
Montgomery Way
Rosehill Estate
CARLISLE
CA1 2RW

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES INCLUDING
INCOME AND EXPENDITURE ACCOUNT**

PERIOD ENDED 31 DECEMBER 2020

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2020 £ | Total Funds 2019 |
|---|------|----------------------------|--------------------------|-----------------------------|------------------------|
| INCOME AND ENDOWMENTS: | | | | | |
| Donations | 2 | 84,731 | 10,000 | 94,731 | - |
| Other trading activities | 3 | 110,439 | | 110,439 | - |
| TOTAL INCOME | | <u>195,170</u> | <u>10,000</u> | <u>205,170</u> | - |
| EXPENDITURE: | | | | | |
| Other trading activities | 4 | 137,126 | - | 137,126 | - |
| TOTAL EXPENDITURE | | <u>137,126</u> | <u>-</u> | <u>137,126</u> | - |
| NET INCOME FOR THE PERIOD BEFORE TRANSFERS | | | | | |
| | | 58,044 | 10,000 | 68,044 | - |
| Transfers between funds | | 10,000 | (10,000) | - | - |
| NET MOVEMENT OF FUNDS | | <u>68,044</u> | <u>-</u> | <u>68,044</u> | - |
| Total funds brought forward | | - | - | - | - |
| TOTAL FUNDS CARRIED FORWARD | | <u><u>68,044</u></u> | <u><u>-</u></u> | <u><u>68,044</u></u> | <u><u>-</u></u> |

The notes on pages 14 to 23 form part of these financial statements.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 DECEMBER 2020


| | Note | 31-Dec-20 | | 31-Jul-19 |
|---|------|-----------------|---------------|-----------|
| | | £ | £ | |
| FIXED ASSETS | | | | |
| Tangible assets | 8 | | 19,788 | - |
| CURRENT ASSETS | | | | |
| Debtors | 9 | 23,771 | | - |
| Cash at bank | | <u>103,778</u> | | <u>-</u> |
| | | 127,549 | | - |
| CREDITORS: Amounts falling due within one year | 10 | <u>(79,293)</u> | | <u>-</u> |
| NET CURRENT ASSETS | | | 48,256 | - |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>68,044</u> | <u>-</u> |
| NET ASSETS | | | <u>68,044</u> | <u>-</u> |
| THE FUNDS OF THE CHARITY | | | | |
| Unrestricted: General | 11 | | 68,044 | - |
| Restricted | | | - | - |
| TOTAL CHARITY FUNDS | | | <u>68,044</u> | <u>-</u> |

The Trustees consider that the company is entitled to exemption from the requirements to have an audit under provisions of section 479A of the Companies Act 2006 (the Act) and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 December 2020 and of its net resources expenses for the period in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the Financial Reporting Standard FRS 102 (effective 1 January 2019).

These financial statements were approved by the Trustees on 20th September 2021 and are signed on their behalf by:


Mr B M Gray, Trustee

The notes on pages 14 to 23 form part of these financial statements.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 (effective 1 January 2019) – (Charities SORP (FRS 102))), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The financial statements are prepared in sterling, which is the functional currency of the charity.

Restore (Cumbria) 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 note.

The Trustees consider, after making appropriate enquires that there are no material uncertainties and that the company has adequate resources to continue in operational existence for the foreseeable future and that the Company will continue as a going concern. The impacts of Covid since the charity shops reopened in April 2021 have been minimal with all shops being open and trading at above pre-covid trading levels.

1.2 Company status

The charitable company is a company limited by guarantee registered in England and Wales and a registered charity in England and Wales. The members of the charitable company are the Trustees named on page 1. In the event of the charitable company being wound up, the liability in respect of the guarantee is limited to £10 per member of the charitable company.

1.3 Disclosure of long period

The current reporting period is a long 17 month period in order to report the results to the same year end date as other charities within the group. The previous period was dormant and therefore there are no comparative figures to compare.

1.4 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires key management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES *(continued)*

Significant judgements

The trustees consider there were no significant judgements made in preparing the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The trustees consider there are no key sources of estimation uncertainty.

1.5 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 charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administrating such funds are charged to 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.

1.6 Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable, and its amount can be measured reliably.

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NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (continued)

Income from donated goods (other than shop donations) is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

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

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.

1.7 Resources expended

Expenditure is accounted for on an accruals basis and has been included under expenses categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company. Governance costs are those incurred in connection with the administration of the company and compliance with constitutional and statutory requirements.

All resources expended are exclusive of VAT.

1.8 Fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed asset, less their estimated residual value, over their expected useful lives on the following basis:

| | |
|---------------|----------------------------|
| Motor vehicle | straight line over 5 years |
|---------------|----------------------------|

1.9 Debtors

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

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NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

1. ACCOUNTING POLICIES (*continued*)

1.10 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.11 Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

1.12 Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains applied exclusively to charitable purposes.

RESTORE (CUMBRIA)
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NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

2. DONATIONS

| | Unrestricted Funds | Restricted Funds | Total Funds 2020 |
|--------------------------------|-----------------------|---------------------|------------------------|
| | £ | £ | £ |
| Donations and similar income | 1,052 | - | 1,052 |
| CDBF | 75,000 | - | 75,000 |
| Private donation towards a van | - | 10,000 | 10,000 |
| HMRC Furlough Grants | 4,677 | - | 4,677 |
| Council Covid Grants | 4,002 | - | 4,002 |
| | <u>84,731</u> | <u>10,000</u> | <u>94,731</u> |

3. OTHER TRADING ACTIVITIES

| | Unrestricted Funds | Restricted Funds | Total Funds 2020 |
|---------------------|-----------------------|---------------------|------------------------|
| | £ | £ | £ |
| Charity shop income | 98,787 | - | 98,787 |
| On-line income | 8,195 | - | 8,195 |
| Recycling income | 3,457 | - | 3,457 |
| | <u>110,439</u> | <u>-</u> | <u>110,439</u> |

**RESTORE (CUMBRIA)
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NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

4. DIRECT COSTS

| | Other trading activities £ | Governance £ | Total Period ended 31 Dec 20 £ |
|-------------------------------|-------------------------------|-----------------|--------------------------------------|
| Direct Costs | | | |
| Cost of goods purchased | 3,134 | - | 3,134 |
| Rent & service charges | 14,129 | - | 14,129 |
| Rates & water | 4,383 | - | 4,383 |
| Heat, light & power | 7,830 | - | 7,830 |
| Repairs | 9,153 | - | 9,153 |
| Insurance | 1,419 | - | 1,419 |
| Telephone & internet | 1,701 | - | 1,701 |
| Wages and salaries | 59,314 | - | 59,314 |
| Employers' national insurance | 3,168 | - | 3,168 |
| Employers' pension | 8,545 | - | 8,545 |
| Vehicle costs | 6,702 | - | 6,702 |
| Computer/office costs | 3,212 | - | 3,212 |
| Refreshments | 329 | - | 329 |
| Volunteer expenses | 803 | - | 803 |
| Online selling fees | 2,677 | - | 2,677 |
| General expenses | 377 | - | 377 |
| VAT reclaim | (1,773) | - | (1,773) |
| Depreciation | 682 | - | 682 |
| | <u>125,785</u> | <u>-</u> | <u>125,785</u> |
| Support costs | | | |
| Bank & credit card charges | 1,115 | - | 1,115 |
| Legal costs | 5,098 | 413 | 5,511 |
| Agents fees | 3,965 | - | 3,965 |
| Independent examination fee | - | 750 | 750 |
| | <u>10,178</u> | <u>1,163</u> | <u>11,341</u> |
| | <u>135,963</u> | <u>1,163</u> | <u>137,126</u> |

5. STAFF COSTS

The aggregate payroll costs were:

| | 2020 £ |
|---------------------------------|------------------|
| Wages and salaries | 59,314 |
| Employers national insurance | 3,168 |
| Employers pension contributions | 8,545 |
| | <u>71,027</u> |

**RESTORE (CUMBRIA)
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NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

No employee received remuneration of more than £60,000. The trustees received no remuneration or reimbursement of expenses in the period.

6. STAFF NUMBERS

The average number of staff employed by the charity during the financial period amounted to:

| | |
|------------|-------------|
| | 2020 |
| | No |
| Management | 1 |
| Core staff | 9 |
| | <u>10</u> |

7. NET INCOMING/ (OUTGOING) RESOURCES

This is stated after charging:

| | |
|-----------------------------|--------------|
| | 2020 |
| | £ |
| Depreciation | 682 |
| Independent examination fee | 750 |
| | <u>1,432</u> |

8. TANGIBLE FIXED ASSETS

| | Motor Vehicle £ | Total £ |
|----------------------------|--------------------------------|--------------------|
| COST | | |
| Additions | <u>20,470</u> | <u>20,470</u> |
| At 31 December 2020 | <u>20,470</u> | <u>20,470</u> |
| DEPRECIATION | | |
| Charge for the period | <u>682</u> | <u>682</u> |
| At 31 December 2020 | <u>682</u> | <u>682</u> |
| NET BOOK VALUE | | |
| At 31 December 2020 | <u>19,788</u> | <u>19,788</u> |

RESTORE (CUMBRIA)
COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

9. DEBTORS

| | 2020 £ | 2019 £ |
|-------------|---------------|-----------|
| VAT debtor | 19,494 | - |
| Prepayments | 4,277 | - |
| | <u>23,771</u> | <u>-</u> |

10. CREDITORS: Amounts falling due within one year

| | 2020 £ | 2019 £ |
|------------------------------|---------------|-----------|
| Inter-co | 76,719 | 0 |
| Accruals and deferred income | 2,574 | 0 |
| | <u>79,293</u> | <u>-</u> |

11. ANALYSIS OF FUNDS

| | Movement in resources: | | | Balance at |
|--------------------------|------------------------|------------------|-----------|---------------|
| | Incoming | Outgoing | Transfers | 31 Dec 20 |
| | £ | £ | £ | £ |
| General Funds | | | | |
| Unrestricted Income Fund | 195,170 | (137,126) | 10,000 | 68,044 |
| Restricted funds | | | | |
| Donation towards van | 10,000 | | (10,000) | - |
| | <u>205,170</u> | <u>(137,126)</u> | <u>-</u> | <u>68,044</u> |

The general funds represent the free reserves of the charity.

The restricted fund was a donation towards the purchase cost of a new van. Van has been purchased by the charity therefore the restriction has been satisfied. A transfer to release the funds to unrestricted has been posted.

**RESTORE (CUMBRIA)
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NOTES TO THE FINANCIAL STATEMENTS

PERIOD ENDED 31 DECEMBER 2020

12. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

| | Unrestricted funds | Restricted funds | Total Funds 2020 |
|-----------------------|-------------------------------|-----------------------------|-----------------------------|
| | £ | £ | £ |
| Tangible fixed assets | 19,788 | - | 19,788 |
| Current assets | 127,549 | - | 127,549 |
| Current liabilities | (79,293) | - | (79,293) |
| | <u>68,044</u> | <u>-</u> | <u>68,044</u> |

13. COMPANY LIMITED BY GUARANTEE

The Charity is a company limited by guarantee and does not have any share capital.

14. COMMITMENTS

Operating Leases:

As at 31st December 2020 the charity had annual commitments under non-cancellable operating leases as follows: Amounts relate to rent of our shops:

| | 2020 |
|--|----------------|
| | £ |
| Operating lease payments due | |
| Within one year | 37,000 |
| In the second to fifth years inclusive | 108,000 |
| Over five years | <u>300,000</u> |
| | <u>445,000</u> |

Capital Commitments:

At 31st December 2020, the amounts contracted but not provided for in the accounts amount to £nil.

15. RELATED PARTIES

Controlling entity

Restore is a subsidiary of the Carlisle Diocesan Board of Finance Limited (CDBF) (company number: 39625) (charity number: 251977). The principle objective of CDBF is to promote and assist the work, objectives and purposes of the Church of England for the advancement of the Christian religion in the Diocese of Carlisle and elsewhere by acting as the finance executive of the Diocese.

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PERIOD ENDED 31 DECEMBER 2020

Restore is a subsidiary of CDBF because it appoints the Board members and is deemed to have full 'ultimate control'. The CDBF is the sole member. CDBF consolidated accounts as available on public record and can be downloaded from Companies House.

Related party transactions

During the period the charity received a grant from the CDBF
All relationships are conducted at an arm's length basis, and where required a standard memorandum of understanding is negotiated. There have been no related party transactions in the period.

16. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently advised funds. The pension cost charge represents the contributions payable by the charity to the fund and amounted to £8,545.