

Company no. 01697726
Charity no. 287088

The Sofa Project
Report and Financial Statements
31 March 2022

The Sofa Project

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For the year ended 31 March 2022

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The Sofa Project

Reference and administrative details

For the year ended 31 March 2022

Company number 01697726

Charity number 287088

**Registered office
and operational
address** 48-54 West Street
St Philips
Bristol
BS2 0BL

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Ruth Snary	Chair
Chris Neild	Vice chair
Marianne Reed	
Caroline Turner-Inskip	
Keith Hicks	
Peter Templeton	
David Wait	
Moir Booth	Appointed 27/05/21
Daniella Radice	Appointed 29/07/21
Colin Smart	Appointed 29/07/21

**Company secretary
and chief executive
officer** Nicola Peck

Bankers Lloyds Bank
102 Regent's Street
Kingswood
Bristol
BS15 2HT

Solicitors Osborne Clarke
2 Temple Back East
Temple Quay
Bristol
BS1 6EG

The Sofa Project

Report of the trustees

For the year ended 31 March 2022

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2015).

Structure, governance and management

SOFA Project has a board of 10 Trustees at the end of the financial year 2022. During the year 3 new board members were appointed, each with skills which will greatly enhance the Board. They are: Colin Smart, a recently retired banker, Moira Booth who has great experience working in prisons and Daniella Radice who has been a local councillor and is an active environmentalist. All will be invaluable to the Project and are keen to lend their collective experience to SOFA Project. We are delighted that they have all agreed to serve.

Objectives and Activities

Our charitable objects as defined in the charity's Articles of Association are:

- (a) The relief of poverty by renovating and supplying furniture, household goods and domestic and electrical equipment to persons who are in conditions of need, hardship or distress.
- (b) To promote social inclusion for the public benefit by preventing people becoming socially excluded, relieving the needs of those people who are socially excluded and assisting them to integrate into society, including but not limited to, the provision of training, education, rehabilitation and employment and volunteering opportunities.
- (c) To protect and preserve the environment by recycling and re-using manufactured goods and chattels.

SOFA, the charity is a company limited by guarantee and is governed by its Articles of Association.

The management of the Charity is under the guidance of the CEO, Nicci Peck, who oversees all operational and executive matters and executes the governance decisions made by the Board at their bimonthly trustee meetings. Extraordinary meetings can be called by the Chair or at the request of Board members and this was done so in this financial year due to the decisions that needed to be taken during the pandemic. The CEO has regular meetings with the Chair and Vice Chair and keeps Board members informed of the charity's position by email and asks for responses when necessary.

The charity continues to regularly provide support to the Local Crisis Prevention Fund operated by Bristol City Council and currently operates the contract with them to supply reconditioned electrical goods and good quality used furniture to those identified as being in need by Bristol City Council.

We offer training and employment to serving prisoners from and in prisons local to Bristol

SOFA Project is a local charity and is very active in the Bristol area. We currently have two retail shops selling very good quality used furniture, refurbished electrical goods and usable paint, all at a reasonable cost to those who cannot afford new products, or, who wish to choose to purchase pre-used items.

SOFA Project is also licensed by the Environmental Agency to fully refurbish white goods which stops many items from unnecessarily going to landfill, thereby fulfilling one of our charitable objectives.

Our CEO appoints staff and decides upon their remuneration. The Board decides upon the salary of the CEO and senior staff. The CEO enlists the support of the experienced Board members to assist her when called upon. All, staff and Board members, work hard to support the aims and objectives of the charity as set out earlier in this report.

A detailed risk log is maintained by the charity. This is regularly reviewed and updated under the guidance of the CEO and two experienced trustee's.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives.

The Sofa Project

Report of the trustees

For the year ended 31 March 2022

Achievements and Performance

SOFA Project is a Charity and Social Enterprise Business which was established over 40 years ago with the purpose of supplying good quality used furniture to those in need in the Bristol area. The acronym stands for "Shifting Old Furniture Around". The Project has since developed hugely, and continues to do so, and is now under the dynamic leadership of our CEO Nicci Peck. Our aims have also broadened, we now run two shops and a warehouse where white goods are refurbished, furniture checked and prepared for sale in the shops or for distribution to people in need as directed by Bristol City Council.

Last year was, during the pandemic, particularly challenging as it was for many small businesses and charities, but we managed to continue to fulfil our charitable aims and were able to supply people in Bristol with white goods and furniture that were desperately needed. This was completed under the auspices of Bristol City Council who continue to use our services to provide these goods to the people whom they identify. To supply these services we are in partnership with Furnished Homes with whom we share a contract. We are grateful to the council for their support.

SOFA Project has extensive contacts with the charity sector and is active in supporting their work. We regularly donate furniture, paint and kitchen supplies to other charities such as The Salvation Army, One25 and St Mungos in order to help them and their service users.

We continue our membership with the Reuse Network (RN) which is a national organisation connecting reuse charities nationwide. They promote business contacts and broker contracts with companies such as John Lewis that can be of help to charities. We have an annual RN audit which ensure that all our systems, management and governance adhere to the highest standard in the charity sector.

An interesting continual development has been involvement in the "used paint scheme" brokered by the Community RePaint Network. They have contacts with local painters and retailers who donate partly used pots of paint to us and we sell it to the public at a very reasonable cost or we donate it free of charge to organisations such as scout groups, boys clubs, schools and nurseries. We are grateful to Bristol Waste for partnering with us in this venture. The scheme saves a large amount of paint being sent to landfill sites as it is very difficult to dispose of unused paint because it is classed as a hazardous waste.

SOFA Project continues to work with HMP Leyhill, giving serving prisoners who are nearing the end of their sentences training and the opportunity to work and experience life outside of the prison before they leave custody. During the pandemic this work was obviously curtailed for a period, but during the last year we have been able to welcome them back to our warehouse.

Our CEO employs apprentices in our Administration and Operational functions as we strongly believe in supporting young local people to develop their skills and abilities. One of our current apprentices had recently been made homeless before joining us and we have been able to support him with his accommodation needs as well as training and developing him in customer service, warehouse operations and appliance installations. Employing apprentices within the organisation brings fresh perspectives and an eagerness to contribute to us and our charitable aims, and also ensures we are able to develop their skills so as to fully benefit them in their future careers.

Our licence with the Environmental Agency continues and this is quite an unusual licence for a charity to hold. The licence enables us to fully refurbish white goods to a very high standard as well as to provide training opportunities for staff and HMP Leyhill prisoners placed with us. All electrical appliances supplied to households are covered by guarantee.

A strategic review was undertaken by a working group of trustees which was invaluable in crystallising our thinking about the way forward for our charity.

The Sofa Project

Report of the trustees

For the year ended 31 March 2022

Financial review

This review is still very much affected by the Pandemic, but due to the support of the government during the year ending March 2021, the charity has been able to operate successfully during this financial year. The shops and warehouse were able to become fully operational and gradually build up their work.

Before the pandemic the charity held a contract to conduct house clearances on behalf of Bristol City Council. Work on this contract was largely put on hold due to the pandemic though some reduced services were provided. The charity had attempted for some time to recover amounts on this contract and a settlement has now been agreed. An amount of £61,837 was owed to the charity and this remained outstanding at the year end. Post year end the council has settled the amount in full.

During the pandemic the charity took the opportunity to apply for a loan under the government backed Bounce Back Scheme. The option to extend the loan to a ten year period was taken by the charity and repayments have started in this year.

Our CEO, Nicci Peck together with our accountant Nathan Brady of Stepping Stones Accountancy, furnish the Board with monthly financial statements and both attend the bimonthly Trustee meetings where the financial position is discussed and plans for the future are formed.

Our CEO keeps meticulous records of all costs and contracts and informs the board member's regularly by email and at the board meetings of the financial position.

The new vans which were contracted during the last financial year have proved very successful and are compliant with the Clean Air Zone due to be introduced by Bristol City Council in the latter part of 2022.

SOFA Project has proved that over the last 2 very difficult years of trading, we have shown adaptability and a surefootedness in being able to adjust to the new market forces whilst continuing to adhere to our social objectives.

As part of the Strategic Review carried out during the year it was decided not to open another retail outlet, but instead, to concentrate on developing our "online" footprint in recognition of general retail trends and because of the greater efficiency that this should bring.

The Project is immensely grateful to all the charitable trusts who continue to support us by donating funds to us. The total amount donated can be seen in our accounts. While funding itself through its own activities to a significant extent, the charity could not continue to operate and fulfil its social objectives as it does without these valued donations.

The staffing level for the year ending March 2022 was 16 employees

The trustees are pleased to report that reserves slightly exceed the reserves policy of £70,000. There is only a small excess and with reserves expected to decline in the following year no action was deemed necessary to actively reduce reserves.

The Sofa Project

Report of the trustees

For the year ended 31 March 2022

Plans for the future

we are hopeful that the next year will be calmer and that our CEO will now have time to plan ahead with confidence. The planning and operation of our online sales is progressing well under the guidance of our CEO Nicci Peck and board member Keith Hicks.

We want to expand our work with prisoners by taking work into closed prisons such as HMP Bristol and HMP Eastwood Park women's prison, as we are convinced that giving prisoners meaningful work is invaluable. It is noted that the government has promoted work in prisons. Due to the pandemic this aspect of our work was necessarily curtailed but we very much hope to be able now to resume developing it.

The sale of quality used furniture, paint and upcycled and repaired furniture is welcomed and appreciated by our many customers and we want to continue to supply goods to them.

We are keenly focusing on further developing our online retail sales operations and in 2022-23 are investing in resources and developing our website to achieve our aims

We are also exploring the possibility of engaging with BANES Council to operate a Tip Shop on site at one of their HWRCS.

All of the above meet with the stated charitable objectives of SOFA Project.

Statement of responsibilities of the trustees

The trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of resources, including the net income or expenditure, of the charity for the year. In preparing those 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 accounting standards and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware. The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Approved by the trustees on 24 November 2022 and signed on their behalf by

Ruth Snary - Trustee

Independent examiners report

To the members of

The Sofa Project

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2022 which are set out on pages 1 to 19.

Responsibilities and basis of report

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

Independent Examiner's Statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

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

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a "true and fair view" which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principle of the Statement of Recommended Practice for accounting and reporting by charities.

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

Kevin Edenborough
Chartered Accountant
TC Group
Ground Floor
Wessex House
Pixash Lane
Keynsham
Bristol
BS31 1TP

Date:

The Sofa Project

Statement of financial activities *(incorporating an income and expenditure account)*

For the year ended 31 March 2022

	Note	Unrestricted £	2022 Total £	2021 Total £
Income from:				
Donations and legacies	3	106,177	106,177	298,801
Charitable activities	4	446,299	446,299	359,376
Investments	5	32,266	32,266	40,586
Total income		<u>584,742</u>	<u>584,742</u>	<u>698,763</u>
Expenditure on:				
Raising funds		10,706	10,706	9,760
Charitable activities		559,796	559,796	628,640
Total expenditure	6	<u>570,502</u>	<u>570,502</u>	<u>638,400</u>
Net income / (expenditure) and net movement in funds	7	14,240	14,240	60,363
Reconciliation of funds:				
Total funds brought forward		<u>77,416</u>	<u>77,416</u>	<u>17,053</u>
Total funds carried forward		<u><u>91,656</u></u>	<u><u>91,656</u></u>	<u><u>77,416</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 17 to the accounts.

The Sofa Project

Balance sheet

As at 31 March 2022

	Note	£	2022 £	2021 £
Fixed assets				
Tangible fixed assets	10		3,071	3,148
Investments	11		<u>1</u>	<u>1</u>
			3,072	3,149
Current assets				
Stocks		22,615		26,122
Debtors	12	141,880		79,329
Cash at bank and in hand		<u>21,160</u>		<u>60,098</u>
		185,655		165,549
Current liabilities				
Creditors: amounts falling due within 1 year	13	<u>56,701</u>		<u>46,953</u>
		56,701		46,953
Net current assets			<u>128,954</u>	<u>118,596</u>
Total assets less current liabilities			132,026	121,745
Creditors: amounts falling due after more than 1 year			<u>(40,370)</u>	<u>(44,329)</u>
Net assets	15		<u>91,656</u>	<u>77,415</u>
Funds	16			
Unrestricted funds:				
Designated funds			3,072	3,149
General funds			<u>88,584</u>	<u>74,267</u>
Total charity funds			<u>91,656</u>	<u>77,416</u>

For the financial year in question the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

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

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

Approved by the trustees on 24 November 2022 and signed on their behalf by

Ruth Snary - Trustee

The Sofa Project

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash used in operating activities:			
Net cash provided by / (used in) operating activities	17	(66,330)	(20,132)
Cash flows from investing activities:			
Dividends, interest and rents from investments		32,266	40,586
Purchase of tangible fixed assets		(915)	-
Net cash provided by / (used in) investing activities		31,351	40,586
Cash flows from financing activities:			
Proceeds from long-term borrowings		-	44,329
Repayment of long-term borrowings		(3,959)	-
Net cash provided by / (used in) financing activities		(3,959)	44,329
Increase / (decrease) in cash and cash equivalents in the year		(38,938)	64,783
Cash and cash equivalents at the beginning of the year		60,098	(4,685)
Cash and cash equivalents at the end of the year		21,160	60,098

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

1. Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Sofa Project 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(s).

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having considered the charity's ability to generate its own income over the next twelve months.

c) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from the 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.

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Gifts donated for resale are included as income when they are sold. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. In line with the SORP FRS102, the value of services provided by volunteers has not been included.

Income from the charity's shops and investment income is included in the year in which it is receivable.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity: this is normally upon notification of the interest paid or payable by the bank.

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities based on the time employees have spent in each function and weighted by their salary and employer's national insurance contributions. The calculation produced the following split:

Raising funds	4%
Charitable activities	96%

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Computer equipment	20% straight line
Fixtures and fittings	20% straight line
Motor vehicles	15% reducing balance
Computer software and website	20% straight line

j) Stock

Donated goods are not valued as the volume and low value of items makes it impractical to measure the fair value of these goods.

Finished goods are valued at cost plus value added during refurbishment, where appropriate. Raw stock is valued at cost.

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

k) 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.

l) Cash at bank and in hand

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

m) Financial instruments

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

n) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

o) Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

p) Termination benefits

Where an employee receives a termination benefit the cost is recognised at the date the employee is notified.

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

2. Prior period comparatives: statement of financial activities

	Restricted £	Unrestricted £	2021 Total £
Income from:			
Donations and legacies	-	298,801	298,801
Charitable activities	-	359,376	359,376
Investments	-	40,586	40,586
Total income	-	698,763	698,763
Expenditure on:			
Raising funds	-	9,760	9,760
Charitable activities	-	628,640	628,640
Total expenditure	-	638,400	638,400
Net income / (expenditure)	-	60,363	60,363
Transfers between funds	-	-	-
Net movement in funds	-	60,363	60,363

3. Donations and legacies

	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Donations	-	92,764	92,764	102,623
Government grants	-	13,413	13,413	196,178
Total donations and legacies	-	106,177	106,177	298,801

4. Income from charitable activities

	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Sale of donated furniture	-	192,014	192,014	76,282
Sale of new furniture	-	3,104	3,104	1,950
Sale of used domestic appliances	-	48,067	48,067	28,009
Sale of new domestic appliances	-	171,595	171,595	150,747
Sale of graded domestic appliances	-	1,763	1,763	1,568
Sale of paint	-	11,601	11,601	4,742
Revenue from transport and logistics	-	18,155	18,155	96,078
Total income from charitable activities	-	446,299	446,299	359,376

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

5. Investment income

	Restricted £	Unrestricted £	2022 Total £	2021 Total £
Rent and management fees	-	32,261	32,261	40,570
Bank interest	-	5	5	16
Total investment income	<u>-</u>	<u>32,266</u>	<u>32,266</u>	<u>40,586</u>

6. Expenditure

	Raising funds £	Charitable activities £	Support and governance costs £	2022 Total £	2021 Total £
Staff costs	8,600	177,979	51,894	238,473	216,874
Cost of goods sold	-	163,256	-	163,256	136,439
Production costs	-	35,890	-	35,890	25,538
Transport costs	-	21,544	-	21,544	17,087
Establishment costs	-	89,336	-	89,336	85,541
Office expenses	-	29,154	-	29,154	24,765
Legal & professional	-	36,175	-	36,175	32,099
Independent examiner	-	-	750	750	750
Depreciation	-	992	-	992	1,251
Bad debts	-	(54,075)	-	(54,075)	88,899
Protective & safety equipment	-	1,141	-	1,141	3,235
Bank charges	-	2,553	-	2,553	2,430
Finance costs	-	1,257	-	1,257	-
Other costs	-	4,056	-	4,056	3,492
Sub-total	8,600	509,258	52,644	570,502	638,400
Allocation of governance and support	<u>2,106</u>	<u>50,538</u>	<u>(52,644)</u>	<u>-</u>	<u>-</u>
Total expenditure	<u>10,706</u>	<u>559,796</u>	<u>-</u>	<u>570,502</u>	<u>638,400</u>

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

7. Net movement in funds

This is stated after charging:

	2022 £	2021 £
Depreciation	992	1,251
Trustees' indemnity insurance	Nil	Nil
Trustees' reimbursed expenses	Nil	Nil
Amounts payable under operating leases		
▪ Property	68,722	68,722
▪ Equipment	17,982	16,776
Auditors'/Independent examiner remuneration:		
▪ Independent examiners fee	750	750

8. Staff costs and numbers

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	256,320	239,443
Social security costs	15,589	14,014
Redundancy	-	1,983
Employer pensions	3,473	4,027
	<u>275,382</u>	<u>259,467</u>

No employee earned more than £60,000 during the year (2021: none).

	2022 No.	2021 No.
Average number of employees	<u>21</u>	<u>21</u>

The key management personnel of the charity comprise the trustees, the Chief Executive Officer and the Operations Manager. The total employee benefits of the key management personnel of the charity were £47,417 (2021: £42,964).

None of the trustees have been paid any remuneration or received any other benefits from an employment with the charity or a related entity. No trustee expenses have been incurred during the period.

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

9. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible fixed assets

	Equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2021	67,721	55,247	122,968
Additions in year	915	-	915
Disposals at cost	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2022	68,636	55,247	123,883
Depreciation			
At 1 April 2021	67,057	52,763	119,820
Charge for the year	620	372	992
Eliminated on disposal for the year	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2022	67,677	53,135	120,812
Net book value			
At 31 March 2022	959	2,112	3,071
	<hr/>	<hr/>	<hr/>
At 31 March 2021	664	2,484	3,148
	<hr/>	<hr/>	<hr/>

11. Investments

The charitable company owns 100% of the issued ordinary share capital of Sofa Environmental Services CIC, a company registered in England and Wales. The company has been dormant since incorporation. The investment is valued at historic cost (£1).

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

12. Debtors

	2022 £	2021 £
Trade debtors	63,827	101,131
Provision for doubtful debts	-	(97,573)
Other debtors - FH (note 14)	50,914	32,654
Prepayments	2,146	10,845
Other debtors	24,993	32,272
	<u>141,880</u>	<u>79,329</u>

13. Creditors: amounts due within 1 year

	2022 £	2021 £
Trade creditors	23,415	15,439
Accruals	23,413	13,239
Other taxation and social security	3,227	11,227
Bank loans	5,000	5,671
Other creditors	1,646	1,377
	<u>56,701</u>	<u>46,953</u>

14. Deferred income - Furnished Homes

Deferred income comprises income received in advance from Furnished Homes Ltd under a joint contract to supply goods on behalf of Bristol City Council. Income is recognised in the statement of financial activities when the associated goods and services have been delivered.

	2022 £	2021 £
Balance at 1 April	(32,654)	10,772
Amount released to income	(254,780)	(228,426)
Amount deferred in the year	236,520	185,000
Balance at 31 March	<u>(50,914)</u>	<u>(32,654)</u>

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

15. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	Total funds £
Tangible fixed assets	-	3,071	3,071
Investments	-	1	1
Current assets	-	185,655	185,655
Current liabilities	-	(56,701)	(56,701)
Non-current liabilities	-	(40,370)	(40,370)
Net assets at 31 March 2022	-	91,656	91,656

16. Movements in funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2022 £
Unrestricted funds					
<i>Designated funds:</i>					
Fixed asset fund	3,149	915	(992)	-	3,072
<i>Total designated funds</i>	3,149	915	(992)	-	3,072
General funds	74,267	583,827	(569,510)	-	88,584
Total unrestricted funds	77,416	584,742	(570,502)	-	91,656
Total funds	77,416	584,742	(570,502)	-	91,656

Purpose of designated funds

The designated fund represents the net book value of fixed assets held by the charity.

The Sofa Project

Notes to the financial statements

For the year ended 31 March 2022

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

	2022 £	2021 £
Net movement in funds	14,240	60,363
Adjustments for:		
Depreciation charges	992	1,251
Finance cost	1,257	-
Dividends, interest and rents from investments	(32,266)	(40,586)
Decrease / (increase) in stock	3,507	(7,028)
Decrease / (increase) in debtors	(62,551)	(24,699)
Increase / (decrease) in creditors	9,748	(9,433)
Cash generated from operations	(65,073)	(20,132)
Interest paid	(1,257)	-
Net cash provided by / (used in) operating activities	(66,330)	(20,132)

18. Related party transactions

There were no related party transactions during the period.

19. Other financial commitments

At the year end the company had commitments under non-cancellable operating leases as set out below:

	Property £	Total £
Operating leases which expire:		
within one year	69,876	69,876
within two to five years	164,527	164,527
Greater than five years	20,000	20,000
	<u>254,403</u>	<u>254,403</u>