

FURNITURE RESOURCE CENTRE LIMITED

England & Wales · Charity number 700731

Details

Other names	FURNITURE RESOURCE CENTRE (MERSEYSIDE) LIMITED, End Furniture Poverty, F R C, FRC GROUP
Status	Registered
Legal form	Charitable company
Company number	02296329
Registered	1988-11-17
Register	View on the Charity Commission register

Contact

Address	Furniture Resource Centre Limited 1 Cartwrights Farm Road Liverpool L24 1UY
Phone	0151 702 0570
Email	info@frcgroup.co.uk
Website	www.frcgroup.co.uk

Activities

Objects: 1) TO RELIEVE EITHER GENERALLY OR INDIVIDUALLY THE PERSONS WHO ARE IN CONDITIONS OF NEED, HARDSHIP, OR DISTRESS BY THE PROVISION OF FURNITURE AND OTHER HOUSEHOLD ACCESSORIES CALCULATED TO REDUCE THE NEED, HARDSHIP OR DISTRESS OF SUCH PERSONS.2) TO ADVANCE EDUCATION AND RELIEVE NEED BY PROVIDING OR ASSISTING IN THE PROVISION OF TRAINING AND BY PROVIDING GUIDANCE FOR SUCH PEOPLE AS ARE IN NEED CALCULATED TO ENABLE THEM TO EARN THEIR OWN LIVING. 3) TO PROMOTE ANY CHARITABLE PURPOSE FOR THE BENEFIT OF THE PUBLIC AND IN PARTICULAR THE ADVANCEMENT OF EDUCATION AND TRAINING, THE RELIEF OF POVERTY, DISTRESS AND SICKNESS AND CHARITABLE PURPOSES CONNECTED WITH THE IMPROVEMENT OF THE ENVIRONMENT.

Activities: 1) To relieve need, hardship or distress by the provision of furniture and other household accessories to low income families.2) To advance any charitable purpose for the benefit of the public and in particular the provision of training for excluded groups to further their chances of obtaining full time employment and the provision of recycling services which directly benefit the environment

Classification

- **How:** Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED,IN PRACTICE MERSEYSIDE AND THE NORTH WEST REGION
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-05-31	-	-	-	-
2024-03-31	£17,771,295	£17,897,606	£3,565,026	125
2023-03-31	£19,085,949	£18,890,081	£3,691,338	123
2022-03-31	£15,616,763	£14,991,863	£3,495,470	124
2021-03-31	£13,174,681	£12,873,493	£2,870,570	111
2020-03-31	£12,312,354	£11,973,860	£2,569,382	106

Trustees

Name	Role	Appointed
Nicholas Spruyt	Chair	2023-05-31
Alli Courtney		2024-09-27
Claire Dixon		2024-09-27
Dr JOHN HINES		
Fatima Vepari		2024-09-27
JEFF VERNON		

FURNITURE RESOURCE CENTRE LIMITED

England & Wales - Charity number 700731

Accounts

Furniture Resource Centre Limited
(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year Ended

31 March 2024

Registered Number 02296329
Registered in England and Wales

Charity Number 700731

Furniture Resource Centre Limited

Contents

Contents

1	Company information
2	Annual report
17	Independent Auditor's Report to the Members of Furniture Resource Centre Limited
20	Consolidated Statement of Financial Activities
21	Consolidated Balance Sheets
22	Consolidated Cash Flow Statement
23	Notes to the Accounts

Furniture Resource Centre Limited

Company information

Company Number 2296329 (England and Wales)

Charity Number 700731

Directors
A Courtney
C Dixon
J Hines
N Spruyt
F Vepari
J Vernon

Secretary C Williamson

Chief Executive S Doran

Registered office
1 Cartwrights Farm Road
Liverpool
L24 1UY

Bankers
NatWest Bank
2-8 Church Street
Liverpool
L1 3BG

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56 Peter Street
Manchester
M2 3NQ

Solicitors
Brabners
Horton House
Exchange Flags
Liverpool
L2 3YL

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2024

The directors, who are also the trustees of the charity, present their annual report and financial statements for the year ended 31 March 2024.

GLOSSARY

Our mission

To reduce and ultimately eradicate furniture poverty.

End Furniture Poverty

Our campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it.

Our objectives are:

- to understand and highlight the reality of living in furniture poverty
- to lobby and campaign for the eradication of furniture poverty
- to develop and run successful social businesses that tackle furniture poverty
- to train and develop people out of poverty and into sustainable, well-paid jobs and careers
- to use our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group.

Our values:

- Bravery, Creativity, Passion, Professionalism

Our principal activities:

Furniture Resource Centre Limited (“the charity”)

Sells furniture and accessories to turn a house into a home, business-to-business, to a customer base that includes housing associations, local authorities, charities and construction companies.

Bulky Bob's

Provides a bulky household waste collection service mainly to local authorities - collecting unwanted items from homes and assessing them for reuse and recycling.

Bulky Bob's For Business

Offers business collection and reuse services.

Our programmes:

Buckingham Interiors

Provides interior design and specialist contract furniture to sheltered housing schemes across the UK.

Driving Change

Driving Change is our training and employment programme with an aim to help people secure higher-paid employment elsewhere when they have finished their training.

ViP (Volunteers, Interns, Placements and Students)

ViP is our volunteering programme. Through this scheme, people can work towards their own goals or give to charity by volunteering their time and skills.

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2024

This report looks at the financial year of April 2023 - March 2024. At FRC Group, we've spent 35 years working to end furniture poverty as a contract furniture specialist and social enterprise. Through FRC Group (operating under the brands of FRC Living, Buckingham Interiors, Furniture Flex, and our advocacy arm, End Furniture Poverty) we provide contract furniture, interior design, installation, and flexible procurement for various sectors. As a non-profit, every penny we earn supports our social mission—helping those in need by providing essential furniture and working to end furniture poverty. This year was no exception as despite the loss of a key contract resulting in an overall reduction in income of 6%, we were able to grow income in other areas of the organisation whilst managing our cost base to achieve a net surplus higher than the previous year. This surplus being 100% reinvested to achieve our mission to end furniture poverty.

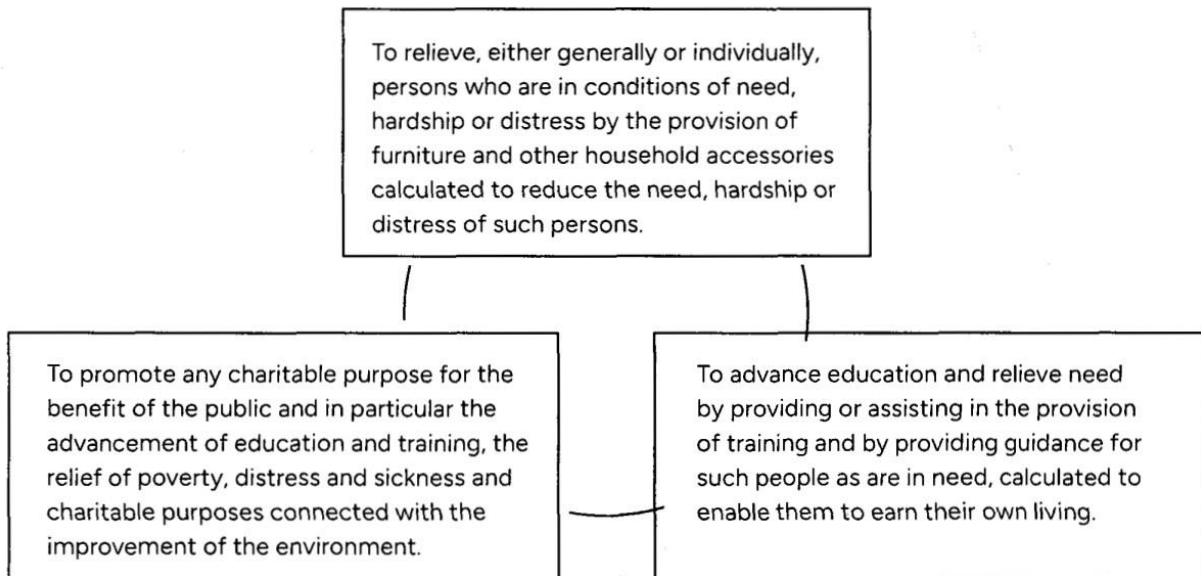
This would not have been achieved without our FRC Group team living by our values to be brave, creative, passionate and professional as we continue to deliver a fantastic service.

We express our gratitude to our amazing team of staff, trainees and volunteers, who daily live and breathe our values. This extraordinary team work hard together, achieving great things on the road to our goal to end furniture poverty.

We offer our heartfelt thanks to all the people who have played a part in producing this report: all those who make FRC Group a great place to work. We would also like to thank Crowe UK, who assured the report. Their statement is on pages 16 - 19.

Our Aims, Objectives and Achievements

FRC Group is a collection of social businesses run by Furniture Resource Centre Limited, a registered charity. The purposes of the charity are set out in the company's memorandum of association as follows:



In the day-to-day running of the organisation, we use these words to describe what we do:

FRC Group's vision is of a society where people can obtain good quality, affordable furniture without experiencing the devastating impacts of furniture poverty — no bed to sleep on or unmanageable debts. Our mission is to reduce and ultimately eradicate furniture poverty. We campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it. Our work also helps create sustainable employment and better futures for people.

To deliver on these objectives, FRC Group is made up of the following businesses / initiatives:
End Furniture Poverty, Furniture Resource Centre, Buckingham Interiors, Furniture Flex, Bulky Bob's, Bulky Bob's for Business and Reuse IT.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

Strategic Report

The sections below constitute the Strategic Report for the purposes of the Companies Act 2006:

- Overview of 2023 – 2024
- Financial review
- Plans for the future
- Risk

Overview of 2023-2024

Furniture Resource Centre

Once again, the level of challenge faced in 2023-24 was extraordinary as we continue to feel the impact of the current economic climate, with many of our customers, mostly councils and housing associations, continuing to experience reductions in their own budgets despite increasing demands for furniture by people in poverty.

As a result our customers are continuing to have to make tough decisions and in year we saw the withdrawal of support through the Liverpool Citizen Support Scheme to tenants of social landlords that left many hundreds of families in Liverpool in desperation. At FRC Group we worked hard at every level to remedy this situation, campaigning hard to do what it takes to keep welfare schemes in place and support councils with solutions that can help ensure their tenants still access essential furniture items that they desperately need.

This year highlighted the serious financial challenges that our local authority customer base are experiencing with continued reduction in funding from central government. Birmingham Council, one of our customers was issued a section 114 notice and began to withdraw from the provision of non statutory services. This has impacted upon (non statutory) local welfare assistance, leaving thousands of families in furniture poverty without support.

As we anticipated the budgetary challenges of our customers, in year we launched a new service, Furniture Flex as an alternative and very different way in which people in furniture poverty can be helped through the rental of furniture items. Furniture Flex was launched at the Liverpool Housing Summit in year and has been well received by social landlords. The offering is aimed solely at social landlord's tenants and is therefore not a wholesale replacement for local welfare assistance but will offer support to some of our most vulnerable citizens.

Despite the above challenges, we have continued to grow income within FRC Living and Buckingham Interiors. By supplying furniture into sheltered accommodation through an increased customer base, we achieved combined income growth of 16% within these areas that has mitigated the impact of reducing spend with some of our council and housing association customers.

The work we have put into our 3 year Impact Strategy and forthcoming operational delivery plan puts us in a good position to withstand the undoubted turbulence that we will continue to face in the next few years as well as continue to grow our customer base within Buckingham Interiors. The overall plan identifies and maximises opportunities to make a difference whilst also managing the challenges of even further local government austerity through 3 key priorities that are 1) Making money to end furniture poverty, 2) Helping people avoid furniture poverty and 3) Helping people relieve furniture poverty.

The plan also includes a number of different but connected initiatives and events are coalescing to create an ambitious and exciting future which will see FRC Group doing more than ever to End Furniture Poverty.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

Overview of 2023-2024 *(continued)*

Furniture Resource Centre *(continued)*

These include:

- The move to new premises (Summer 2024)
- The launch of our 3 year Making a Difference plan
- The transition to SAP B1 system
- The planned recruitment of new trustees
- The enlargement of the sales team
- End Furniture Poverty's campaigning
- The great work of Time for Bed
- The launch of Furniture Flex

Despite the external challenges and problems, there is a palpable increase in excitement, optimism, positivity and confidence within FRC Group.

End Furniture Poverty

The End Furniture Poverty (EFP) team continued its work on the 3 broad fronts of public sector support for people in poverty, housing associations and furniture reuse through raising awareness of furniture poverty, educating people about the potential solutions and, ultimately working towards ensuring that everyone has access to the essential furniture and goods they need to lead a secure life.

EFP have campaigned extensively throughout the year for the expansion of furnished tenancy provision and participated in a raft of webinars and conferences and also worked directly with individual housing associations, sharing solutions to help make this happen.

In the year EFP continued to promote the findings of our Extent of Furniture Poverty report and presented this at numerous conferences, seminars, webinars and meetings and also briefed other charities to ensure a shared knowledge and understanding of, and response to, furniture poverty.

EFP also worked tirelessly to convene a Housing Summit which brought all parties - Liverpool City Council and leading social landlords - together to discuss furnished tenancies as an alternative support model following the removal of LCSS grants for social landlord's tenants.

Work also commenced on the next flagship report examining crisis support in the UK – and Local Welfare Assistance in particular. On The Cliff Edge: The State of Crisis Support 2022/2023 which we published in Q4 revealed that 62% (c£55m) of local authorities investment in LWA came from the government's Household Support Fund (HSF). As a result we became the flag bearer for the fight to persuade the government to maintain the Household Support Fund and our hard work paid off with a temporary extension of the HSF in the Spring budget. EFP worked tirelessly in running an evidence based campaign to keep HSF in place. A key focus of the entire campaign was our vital research on the importance of HSF to the continuation of any kind of local authority crisis support demonstrated through our report.

This year saw the official launch of 'Time for Bed' providing beds to children between the ages of 0-18 years from across Merseyside who do not have a bed of their own funded through donations, grants, and corporate partnerships. Within year, we gave beds to 85 children through the 'Time for Bed' charity.

These are just a few of the End Furniture Poverty activities and campaigns within the year which aims to research furniture poverty, increase understanding of this hidden but widespread issue and encourage organisations to adopt practical solutions to furniture poverty.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

Overview of 2023-2024 *(continued)*

Furniture Resource Centre *(continued)*

Bulky Bob's

Following the cessation of the contract with Liverpool City Council, Bulky Bob's piloted a new service in Liverpool aimed at householders. The pilot was unsuccessful and was withdrawn in November 2023. However Bulky Bob's continues to operate the Oldham Council bulky waste contract, a combined service which collects, reuses and recycles furniture and provides great quality preloved furniture – along with new furniture – to Oldham's LWA scheme.

Bulky Bob's for Business

Through Bulky Bob's for Business we continued to collect, datawipe and refurbish IT equipment which is then sold at low cost or donated.

Financial review

Financial Performance

2023-24 was a challenging year financially with the significant reduction of income of a key contract, Liverpool Citizens Support Scheme (c£4m) which contributed to a 6.3% reduction in income in year from £19m in 2022-23 to £17.8m in 23-24. The reduction was partially offset by increases in other areas of income (project based work through FRC Living and Buckingham Interiors).

We see an equivalent reduction in trading expenditure, reducing by 7.4% from £18.9m in 2022-23 to £17.5m in 2023-24 with the cost base being tightly managed following the reduction of income from the LCSS contract. However we have included a provision for dilapidation fees for two sites due to close in summer 2024 of £334k, that increases expenditure for the financial year to £17.8m. This results in an overall net ongoing of £126k compared to £195k surplus in the prior year.

Looking ahead we expect income to increase in the following year to £18m in Furniture Resource Centre Limited as we continue to improve sales across all other areas of the business to mitigate the impact of reduced Local Welfare Provision income with the uncertainty around the Household Support Fund (HSF) at the end of the 6-month extension (to September 2024). The property move will incur additional one-off costs in year for property improvements ahead of relocation, however will be more cost efficient with the consolidation of two sites therefore we expect our trading surplus to improve on the prior year.

Both subsidiary entities, Bulky Bobs and Bulky Bobs for Business will continue to be financially supported by Furniture Resource Centre Limited whilst these remain in a net liabilities position.

Principal Funding Sources

The principal source of funding for the charity and group is the revenue generated from the sales of high—quality furniture, fittings and accessories to social landlords and local authorities. In addition to this, revenue is generated through contracts with local authorities for the collection of furniture, from the sale of 'pre-loved' furniture, from the sale of waste collection services and also through grant income.

Grants and Donations

During 2023-24, we continued to receive a grant from the Steven Morgan Foundation to support a new charity initiative 'Time for Bed' launched in this financial year, alongside a number of various donations.

Reserves Policy

The trustees have considered the level of free reserves (those funds not tied up in fixed assets and restricted funds) required by the group to be at least six months operational expenditure plus sufficient cash for future plans, which amounts to at least £4,000,000. In the trustees' view, this level of reserves should provide adequate financial stability and enable the group to continue to meet its charitable objectives for the foreseeable future.

In arriving at this figure, the trustees have considered potential future changes in income streams and likely future cash flow requirements. The trustees will continue to monitor the Reserves Policy at least annually in trustee meetings.

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2024

Financial review *(continued)*

Financial Performance *(continued)*

At 31 March 2024, consolidated free reserves of £2,767,038 were held (calculated as unrestricted reserves not held in fixed assets), which is £1,232,962 short of the required consolidated total of £4,000,000. In order to increase the amount of free reserves held, the trustees are looking at ways of improving the profitability of the charity and group.

As at 31 March 2024, the group holds restricted reserves of £40,780 (2023: £12,500) and total reserves of £3,969,806 (2023 - £3,691,338).

Investment powers and policy

The company has the power to invest monies not immediately required in investments, securities or property as may be thought fit.

Plans for the Future

We will continue to grow our customer base in Furniture Resource Centre, particularly through the provision of furniture to social landlords and local authorities and through large scale refurbishments of shared living environments.

We are implementing SAP Business One in 2025 as our core system to facilitate our business processes and this will further improve our efficiency and the high level of customer service already provided. Our aim is to remain the leading provider of furniture to furnished tenancy providers and to continue to grow our customer base as we continue to work towards our mission of ending furniture poverty.

The move to the new site in summer 2024 will make a huge difference to day to day operations and our ability to make an even greater difference for families in furniture poverty.

Going Concern

The Group has experienced significant growth over recent years and this growth is expected to continue. Future financial forecasts show the continued generation of trading surpluses each year in the range of £0.3m - £0.5m depending on the level of organic growth achieved and the extent to which supplier price increases are able to be passed on to customers in a timely manner. In order to generate these surpluses, the following principles will be adopted:

- Organic growth will continue to be pursued by increasing the customer base through tender opportunities and also growing sales to existing customers.
- Opportunities for new markets / services will continue to be investigated.
- Any loss making contracts / services will be reviewed with a turnaround plan developed and monitored.
- Price increases from suppliers will be passed on to customers at the first available opportunity in order to maintain gross margins.

Ways of working more efficiently, growing the gross margin and running services in a more cost effective manner will always be followed.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

Risk

Each quarter, we fully review the commercial and social impact risks faced by the group. Each risk is rated and we consider what mitigating actions are available. Key residual risks to which the group is exposed are set out in the following table.

Risk	Mitigation
Potential loss of Local Welfare Provision Contracts with uncertainty around Household Support Fund	We have other business areas that we can grow to reduce the overall impact to any loss in Local Welfare Provision contracts
Retention of key new furniture contracts	<ul style="list-style-type: none"> • Focus on world-class customer service and value for money for customers • Introduction of innovative ideas to contracts • Growth of other contracts and businesses to possibly take the place of any contracts not retained
Ongoing economic challenges e.g. supplier price increases higher than anticipated or shortages of certain stock items	<ul style="list-style-type: none"> • Dual sourcing of key stock items • Building up supplies of various stock lines to ensure continuity of supply in the event of shortages • Purchasing large volumes of key stock lines if they become available at a favourable price
Reduction in spend by Housing Associations due to the challenging financial environment and with Councils experiencing bankruptcy.	<ul style="list-style-type: none"> • Effective credit control to ensure customers pay within terms • Liaise with key contacts in Councils that have declared themselves bankrupt to understand impact of this on our income • New rental service offering that would be more cost effective with lower financial risk to customers • Continue to diversify customer base as far as possible.
Availability of pre-loved furniture decreases through contract changes or loss of contracts that provide pre-loved furniture	<ul style="list-style-type: none"> • Identification of alternative sources of pre-loved furniture • Continued development of innovative ideas to refurbish pre-loved furniture e.g. mattress cleaning machine • Work with Local Authority customers to develop services that utilise pre-loved furniture to address furniture poverty
National shortage of Large Goods Vehicle Drivers meaning greater reliance on agency staff that also can impact the quality of service provided	<ul style="list-style-type: none"> • Review salary and overall package to be more competitive and attractive for drivers

The directors are satisfied that reasonable steps have been taken to identify all commercial and social impact risks to which the group is exposed and that action has been taken to mitigate these risks where necessary.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

Key Performance Indicators

The group utilises several key performance indicators to enable a consistent method of analysing performance, both financially and from a social value impact perspective. The key financial performance indicators utilised are as follows:

- Turnover
- Net Surplus
- Cash flow
- Customer numbers
- Contract KPIs

An analysis of certain key performance indicators is included in the overview and financial performance section of this report.

Structure, Governance and Management

Strategic Decision

FRC Group's Board of Trustees sets the strategic direction at an annual planning meeting that establishes the priorities for the year ahead.

The board is informed at its regular meetings of progress against these agreed strategic priorities.

When issues arise during the year that require the board's agreement to a strategic-level response, they are discussed at the next scheduled board meeting or, if necessary, at a specially convened meeting.

The board has three sub-committees which meet as required: Finance, Measuring Social Value and Remuneration. These committees make recommendations to the full board in their areas of specialism.

We also record 'responsiveness' and detail the changes that have been made to policies, procedures, services or products in relation to feedback. Responsiveness is one of the cornerstones of accounting for social value and we record it to drive change.

Making Meeting Our Objectives

To ensure that our work always delivers the right benefits for our stakeholders, we constantly monitor and assess activities and outcomes throughout the year.

This helps us both to focus on desired outcomes and consider whether as much social and financial value as possible is being created in all areas of our work.

Regular monitoring means we can continually improve outcomes by adjusting our ways of working and developing new approaches where necessary.

Our financial and social performance is reviewed each quarter at board meetings. This report summarises our annual results in the form of financial statements and quantitative and qualitative social value data.

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2024

Trustees

The directors of FRC Group's charitable companies are their trustees for the purpose of charity law and throughout this report are collectively referred to as directors and are listed on page 10. The directors are appointed by the members at the Annual General Meeting but can be co-opted between AGMs by the board pending election. Before being co-opted, prospective trustees are invited to observe meetings to learn more about the charity and to meet the other trustees. During this induction process, the candidate meets the chair of trustees and the senior management team, and visits different parts of the business to meet staff. A Scheme of Delegation agreed between the trustees and the senior management team details which decisions the senior management team are authorised to take and which must be referred to the trustees. Decisions can be taken by trustees by email if a decision is needed before the next scheduled trustee meeting. All of the directors give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are shown in note 10 to the accounts.

The directors who served during the year were:

J Hines
J Vernon
J Nicholls (resigned 27 July 2023)
N Spruyt (appointed 31 May 2023)
E Leach (resigned 19 November 2023)
E Bichard (resigned 1 March 2024)
A Courtney (appointed 27 September 2024)
C Dixon (appointed 27 September 2024)
F Vepari (appointed 27 September 2024)

Statement of Public Benefit

FRC Group ensures that its aims and objectives are achieved through a variety of ways.

This includes campaigning for the eradication of furniture poverty, providing furniture packages to a variety of customers, giving furniture free of charge to people in need and also by the provision of a training programme for formerly long-term unemployed people or people on low income. The trustees therefore confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

Governing Document

Furniture Resource Centre Limited is a charitable company limited by guarantee and does not have any shares capital. It was incorporated on 14 September 1988 and registered as a charity on 17 November 1988. The company is governed by its Memorandum and Articles of Association dated 8 August 2014.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

FRC Group Company Structure

FRC Group is headed by Furniture Resource Centre Limited, a company limited by guarantee and also a registered charity.

Furniture Resource Centre has two subsidiaries, both charitable companies limited by guarantee. Furniture Resource Centre is the only member of each subsidiary and is therefore deemed to have control.

The subsidiaries are:

- Bulky Bob's
- Bulky Bob's for Business

Related Parties

Bulky Bob's is a charity with Furniture Resource Centre Limited as its sole member. Bulky Bob's provides services, mainly to Local Authorities, for the collection and recycling of bulky household waste. Bulky Bob's provides training and employment opportunities for people from long term unemployment and low paid jobs whilst protecting the environment through the reuse and recycling of collected items.

Bulky Bob's For Business is a charity which has Furniture Resource Centre Limited as its sole member. This charity provides an office and commercial waste collection service and provides training and development opportunities to formerly long-term unemployed people or people on relatively low income.

Research and Development

FRC Group continues to investigate new and innovative ways of re-using furniture items collected. This has included developing the world's first bespoke mattress cleaning machine, which cleans structurally sound mattresses to a high standard, ready for reuse. This machine can clean mattresses that may otherwise have been broken down for recycling.

Work is continuing in identifying further innovative ways of reusing furniture in order to maximise the reuse of the pre-loved furniture items collected in Ending Furniture Poverty.

Code of Governance statement

The board continue to work towards fully adopting the Charity Code of Governance with those areas for improvement identified following an internal and external review. The following is a summary of those areas of compliance against the Code along with areas for improvement:

- **Organisational Purpose**

A 3 year impact strategy was developed by the Senior Leadership Team and was approved by the Board of Trustees in December 2023. The three priorities of the plan are:

- Making Money to use to End Furniture Poverty by selling furniture through our brands, FRC Living, Buckingham Interiors, Furniture Flex. As a non-profit, every penny we earn supports our social mission-helping those in need by providing essential furniture and working to end furniture poverty
- Helping people avoid getting into furniture poverty. To do this by making it as easy as possible for social landlords to provide furniture, through campaigning to persuade housing associations to provide some of their properties fully furnished and to convince the new government to make it law that social landlords have to furnish at least 10% of their properties
- Helping people relieve furniture poverty by ensuring that there is continued support for people who have fallen into furniture poverty through local welfare provisions. FRC Group continues to campaign to keep such local welfare schemes in place to allow councils to have access to this funding to supply tenants with the furniture they need.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

Code of Governance statement *(continued)*

The impact strategy also sets out the way we work to ensure:

- We remain a great place to work
- Our solutions to end furniture poverty are covered nationally
- We continue to look at ways to reuse furniture
- We do so in a way that is friendly for the environment

• **Leadership**

The charity has a very strong values culture with the board regularly seeing evidence as to how well this values culture is integrated in the group. Board discussions focus on strategic issues with the role of the board being a 'critical friend' when providing feedback to staff, with staff encouraged to bring issues to the board for discussion. The board has a good understanding of current group structure and why this is important, having previously received expert advice from a charity lawyer. Terms of reference for all committees were updated in 2021 along with job descriptions for the role of chair and trustee. Whilst regular meetings take place between the Chair and CEO, regular sub-committees have commenced in 2024 attended by the relevant Trustees covering areas of People and Culture, Service Delivery and the Housing Sector. Attendance of trustees at the various meetings is monitored and is good with all trustees attending a majority of the meetings.

• **Integrity**

The board ensures that the charity operates ethically and with integrity at all times, are keen to use the Charity Commission Code of Governance as a tool to assist with improving governance in the charity and have also adopted the Nolan Principles as a code of conduct. The board manage conflicts of interest well and have agreed a formal Conflict of Interest Policy. In addition, a register of interests is maintained for all trustees and senior staff.

• **Decision Making, Risk and Control**

A Scheme of Delegation has been agreed between the board, committees, and senior staff, which was last reviewed in 2021 and a forthcoming review in 2024. Key policies and procedures are circulated to the board annually along with recommendations for changes. The board actively monitors performance against a range of targets and a risk matrix is maintained, which is reviewed by trustees at least twice a year. A meeting takes place each year between at least one trustee and the auditors in order to obtain honest feedback following the conclusion of the annual financial audit.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

Code of Governance Statement *(continued)*

• **Board Effectiveness**

The board meets five times a year with further committee meetings also taking place. Each board meeting has a theme with the themes being finance (discussing and agreeing the annual financial and social value budget), people, social value and commercial. Other agenda items are discussed at these meetings but the theme allows for greater time to discuss that particular topic. The fifth annual board meeting has a varied agenda, which is agreed in advance. Ways of monitoring the effectiveness of the board are to be discussed. Discussions take place with potential new trustees in order to ensure that they understand the time commitment necessary and they are then invited to attend two meetings as an observer before being invited to join the board if they wish to. A third of trustees retire by rotation every three years and there is no maximum length of office although this is currently being reviewed with a maximum length of office being considered for introduction. A programme of learning and development for trustees is not currently in place but is to be discussed with a suitable programme then implemented.

• **Diversity**

A skills matrix has been produced which identified gaps for trustees in certain areas. Suitable trustees have been recruited with applications for trustees from diverse backgrounds encouraged. The board do not currently have any specific diversity objectives but this is to be considered by the board.

• **Openness and Accountability**

Stakeholders have been identified with their feedback sought as part of the production of the annual impact report. This feedback is reviewed by the board and ways of increasing this range of feedback are to be investigated. The salaries of all staff are agreed by the Remuneration Committee and are set using an external consultant to provide benchmark data showing the salaries of similar roles regionally.

Fundraising

The charity did not actively fundraise from individuals during the year but did engage with charitable funding organisations and the Government for the receipt of charitable grants. The charity has not signed up for any voluntary fundraising standard or schemes and no complaints regarding fundraising were received.

People

In 2023 – 24 we continued to work hard to ensure that we are a great employer, to help us to recruit and retain the best people. We are accredited with Investors in People in an effort to make FRC Group not only a great place to work but a company whereby our employees can learn, develop and be successful within their roles.

The accreditation means we meet the standards across FRC Group for:

- Living the Organisation's Values and Behaviours
- Recognising and Rewarding High Performance
- Empowering and Involving People
- Structuring Work
- Delivering Continuous Improvement
- Creating Sustainable Success

To achieve these standards we will continue to:

- Listen to and communicate with colleagues to maintain trust and our inclusive culture
- Use our long held values of Bravery, Creativity, Passion and Professionalism to drive our behaviour and decisions
- Invest in developing all of our teams and people
- Invest in technology so we can work together better
- Ensure health and safety is part of everything we do
- Pay people fairly and have a consistent approach based on local and national wage rates

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2024

Health, Safety and Wellbeing

At FRC Group we take health, safety and wellbeing extremely seriously and make this clear to all of our staff, trainees, volunteers, customers, suppliers and members of the general public.

We have an established Health, Safety and Wellbeing Committee made up of key representatives from across all departments of the FRC Group, including satellite sites with an appointed Health and Safety Advisor to manage and prompt overall safety.

The group holds a number of external health and safety accreditations including:

- SMAS (Safety Management Advisory Services)
- CHAS (Contractor Health & Safety Assessment Scheme)
- ISO9001 (Quality Management Standard)
- ISO14001 (Environmental Standard)

We have one trained health and safety advisor with NEBOSH (National Examination Board in Occupational Safety and Health) and a number of IOSH trained staff.

Health and Safety Training is a priority, embedding safe systems of work and safety standards from the outset, with our staff being trained in Health and Safety from the point of their induction throughout their working life within the Company using a variety of mediums ranging from Toolbox talks, our online platform training provider IHASCO as well as external training providers to instil skills, knowledge and safety awareness to enable staff to complete their roles in the safest of manners.

As a result of proactive training and increasing staff awareness, incident, hazard and near miss reporting have steadily risen during 2023/24 demonstrating an environmental safety awareness across sites:

- 109 reports (compared to 81 in 2022/23)

Accident levels have remained the same at 16 reports – the majority pertaining to manual handling injuries which is not unexpected due to the type of operation carried out.

1 RIDDOR report was made under the dangerous occurrence criteria relating to the unauthorized removal of asbestos (compared to 1 RIDDOR report in 2022/23)

Targets for next year are to:

- Continue to carry out regular analysis of accidents and benchmark against similar operations.
- Aim to Reduce RIDDOR related accidents.
- Continue to raise safety awareness and instill knowledge through regular training

Continue to raise standards, keep abreast of health and safety developments, maintain industry standards and promote a safety culture within FRC.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2024

Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Qualifying indemnity provisions

There was qualifying indemnity insurance in force for Directors during the financial year and up to the date of signing of these financial statements.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to remain in office.

Statement as to disclosure of information to auditor

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information (as defined by the Companies Act 2006) of which the auditor is unaware.

Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by the Board of Directors on and signed on its behalf by



C Williamson
Secretary

Date: 19th December 2024

Furniture Resource Centre Limited

Independent auditor's report to members of Furniture Resource Centre Limited

Opinion

We have audited the financial statements of Furniture Resource Centre Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2024 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Furniture Resource Centre Limited

Independent auditor's report to members of Furniture Resource Centre Limited

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

Furniture Resource Centre Limited

Independent auditor's report to members of Furniture Resource Centre Limited

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Health & Safety and Waste Carriers Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

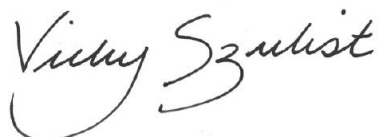
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reading minutes of meetings of those charged with governance and sample testing on revenue to supporting information.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Vicky Szulist
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
3rd floor
St George's House
56 Peter Street
Manchester
M2 3NQ
20th December 2024

Furniture Resource Centre Limited

Consolidated Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income and endowments from:					
Donations and grants	4	-	136,139	136,139	37,500
Charitable activities:	5	17,626,063	-	17,626,063	18,980,306
Investments		6,952	-	6,952	446
Other		2,141	-	2,141	67,697
Total		17,635,156	136,139	17,771,295	19,085,949
Expenditure on:					
Charitable activities	6	17,789,747	107,859	17,897,606	18,890,081
Total resources expended		17,789,747	107,859	17,897,606	18,890,081
Net incoming/(outgoing) resources		(154,592)	28,280	(126,312)	195,868
Balances brought forward at 1 April		3,678,838	12,500	3,691,338	3,495,470
Balances carried forward at 31 March		3,524,246	40,780	3,565,026	3,691,338

The notes on pages 22 to 40 form part of these financial statements.

Furniture Resource Centre Limited

Consolidated and Charity Balance Sheets as at 31 March 2024

Company Registration Number 02296329

Charity Registration Number 700731

	Note	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets					
Tangible assets	12	757,208	520,073	738,592	492,621
		<u>757,208</u>	<u>520,073</u>	<u>738,592</u>	<u>492,621</u>
Current assets					
Stock	13	1,078,434	1,202,650	1,078,434	1,198,483
Debtors	14	2,952,141	3,806,451	3,107,813	3,788,813
Investments	15	1,617	182,925	1,617	182,925
Cash at bank and in hand		1,170,452	487,763	1,138,708	420,938
		<u>5,202,644</u>	<u>5,679,789</u>	<u>5,326,572</u>	<u>5,591,159</u>
Creditors: amounts falling due within one year	16	(2,301,076)	(2,289,774)	(2,228,749)	(2,201,387)
		<u>2,901,568</u>	<u>3,390,015</u>	<u>3,097,823</u>	<u>3,389,772</u>
Net current assets		2,901,568	3,390,015	3,097,823	3,389,772
Total assets less current liabilities		3,658,776	3,910,088	3,836,415	3,882,393
Creditors: amounts falling due after more than one year	16	(93,750)	(218,750)	(93,750)	(218,750)
Net assets		3,565,026	3,691,338	3,742,665	3,663,643
Funds					
Unrestricted	17	3,524,246	3,678,838	3,701,885	3,651,143
Restricted	17	40,780	12,500	40,780	12,500
Total funds	18	3,565,026	3,691,338	3,742,665	3,663,643

Exemption has been taken from presenting an unconsolidated parent charity profit and loss account under section 408 of the Companies Act 2006. The Charity's surplus for the year was £79,022 (2023 - £196,330).

The financial statements were approved by the Board of Directors and authorised for issue on 19th December 2024 and signed on their behalf by



N Spruyt
Director

The notes on pages 22 to 40 form part of these financial statements.

Furniture Resource Centre Limited

Consolidated Cash Flow Statement for the year ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities:			
Cash generated from/(used in) operations	23	969,643	(160,216)
		969,643	(160,216)
Cash flows from investing activities:			
(Purchase of) fixed assets		(330,855)	(182,504)
Withdrawal of cash investments		188,246	-
		(142,609)	(182,504)
Cash flows from financing activities			
Repayment of loan		(125,000)	(125,000)
Loan interest paid		(19,325)	(17,475)
Repayment of finance lease		-	(1,900)
Hire purchase interest paid		(20)	(242)
		(144,345)	(144,617)
Increase/(decrease) in cash and cash equivalents in the year		682,689	(487,337)
Cash and cash equivalents at the beginning of the year		487,763	975,100
		1,170,452	487,763
Cash and cash equivalents at the end of the year		1,170,452	487,763

The notes on pages 22 to 40 form part of these financial statements.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024

1 Accounting policies

a) General Information

Furniture Resource Centre Limited is a private charitable company limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and the Charities Act 2011. The address of the registered office is shown on the company information page. The nature of the company's operating and financial activities are outlined in the Annual report.

b) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (The Charities SORP 2nd Edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, and the Charities Act 2011.

The financial statements are prepared in pounds sterling, which is the functional currency of the charity, and are rounded to the nearest £.

The trustees confirm that the charity 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).

c) Basis of consolidation

The financial statements consolidate the results of the charity, Bulky Bob's and Bulky Bob's for Business, charities for which it is the sole member. The results of these companies are consolidated on a line-by-line basis. A separate Statement of Financial Activities for the charity itself has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

d) Going concern

The Group has experienced significant growth over recent years and this growth is expected to continue over at least the short to medium term. Future financial forecasts show the continued generation of trading surpluses each year in the range of £0.3m - £0.5m depending on the level of organic growth achieved and the extent to which supplier price increases are able to be passed on to customers in a timely manner. In order to generate these surpluses, the following principles will be adopted:

- Organic growth will continue to be pursued by increasing the customer base through tender opportunities and also growing sales to existing customers.
- Opportunities for new markets / services will continue to be investigated.
- Any loss making contracts / services will be reviewed with a turnaround plan developed and monitored.
- Price increases from suppliers will be passed on to customers at the first available opportunity in order to maintain gross margins.
- Ways of working more efficiently, growing the gross margin and running services in a more cost effective manner will always be followed.

After reviewing financial projections for the group and taking account of new contracts recently won, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The trustees have concluded that it is appropriate to prepare the accounts on a going concern basis.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (*continued*)

1 Accounting policies (*continued*)

e) Incoming resources

Voluntary income and donations are accounted for when there is entitlement, probability of receipt, and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or certain pre-conditions must be fulfilled before use.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided). Income from charitable activities includes income received under contract (as the related goods and services are provided).

Investment income is recognised on a receivable basis. Income from grants receivable which support people development is credited to the income and expenditure account in the period to which the grants relate.

f) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Expenditure is directly attributable to specific activities and has been included in those cost categories.

Costs of generating funds are those costs incurred in the trading activities of the subsidiary companies that raise funds.

Charitable activities include expenditure associated with the supply of furniture and other household accessories to social landlords, the retailing of reused goods to economically disadvantaged groups, provision of bulky household waste collection services, logistics and other recycling services and the costs of providing training programmes to socially excluded groups. These include both the direct costs and support costs relating to those activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation are apportioned by income generated.

Interest charges are included within 'general office costs' within support costs.

g) Irrecoverable VAT

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

h) Operating leases

Where the group is lessee, rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are included in 'resources expended' on a straight line basis over the term of the lease.

i) Investments

Current asset investments concern cash held on deposit with a maturity date of less than one year from the maturity date. Investments are initially and subsequently measured at the amount of the cash deposit.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (*continued*)

1 Accounting policies (*continued*)

j) Tangible fixed assets and depreciation

Tangible fixed assets for use by the group are stated at cost less depreciation subject to impairment review in accordance with FRS 102. The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Depreciation is provided at the following annual rates on a straight line basis in order to write off each asset over its estimated useful life:

Improvements to leasehold property	-	10% on cost
Plant and machinery	-	10%-25% on cost
Fixtures, fittings and equipment	-	25% on cost
Computer equipment	-	20%-33% on cost

k) Goodwill

On acquisition of a business, fair values are attributed to the assets, liabilities and contingent liabilities of the acquired business at the date of acquisition. Goodwill arises when the fair value of the consideration given for a business exceeds the fair value of the net assets. Goodwill is capitalised and amortised over its useful economic life. The useful economic life of goodwill is considered to be 2 years.

l) Stocks

Stocks of new and donated goods are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

m) Pension costs

The charity and group operates a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions in respect of the company's Group Personal Pension Plan are included in 'resources expended' for the year in which they are payable to the scheme.

n) Fund's structure

The group's funds consist of unrestricted and restricted amounts. The charity may use unrestricted amounts at its discretion. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes.

o) Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group 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.

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.

Creditors and provisions are recognised where the group 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.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

1 Accounting policies (continued)

p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.
- Determine an appropriate cost allocation methodology for support costs. Support costs have been allocated between activities on the basis of income generated.

Other key sources of estimation uncertainty:

- Tangible fixed assets are depreciated over their useful lives taking into account residual lives, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Debtors are provided against when there is objective evidence that the debt will not be recoverable.

2 Financial activities of the charity

A summary of the financial activities undertaken by the charity is shown below.

	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
Incoming resources	16,996,076	136,139	17,132,215	18,456,800	37,500	18,494,300
Resources expended	(16,945,334)	(107,859)	(17,053,193)	(18,272,970)	(25,000)	(18,297,970)
Net incoming resources for year	50,742	28,280	79,022	183,830	12,500	196,330

Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3 Subsidiary companies and other group charities

The financial activities shown in the consolidated financial statements include the results of Bulky Bob's and Bulky Bob's For Business, charities for which Furniture Resource Centre Limited is the sole member.

The information and financial data for each company is included below. The registered office of Bulky Bob's and Bulky Bob's For Business is the same as stated on the company information page of these accounts.

(i) Bulky Bob's

The charity is the sole member of Bulky Bob's (company number 09948123 and charity number 1167068), a charitable company limited by guarantee and registered in England. Bulky Bob's operates contracts for various councils within the North West for the collection, reuse and recycling of bulky household 'waste and for the provision of training.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

3 Subsidiary companies and other group charities (continued)

(ii) Bulky Bob's For Business

The charity is the sole member of Bulky Bob's For Business (company number 09735094 and charity number 1168088), a charitable company limited by guarantee and registered in England. Bulky Bob's For Business provides a business waste collection service including the collection, data wiping and reuse of PCs.

(i) A summary of the results of Bulky Bob's for the year is shown below.

	Unrestricted funds £	Restricted funds £	2024 Total funds £	Unrestricted funds £	Restricted funds £	2023 Total funds £
Incoming resources	760,111	-	760,111	1,057,232	-	1,057,232
Resources expended	(937,683)	-	(937,683)	(1,059,637)	-	(1,059,637)
Net incoming resources for year	(177,572)	-	(177,572)	(2,405)	-	(2,405)
Reserves at 31 March	(26,069)	-	(26,069)	151,503	-	151,503

(i) A summary of the results of Bulky Bob's For Business for the year is shown below.

	Unrestricted funds £	Restricted funds £	2024 Total funds £	Unrestricted funds £	Restricted funds £	2023 Total funds £
Incoming resources	87,408	-	87,408	175,925	-	175,925
Resources expended	(115,170)	-	(115,170)	(173,984)	-	(173,984)
Net incoming resources for year	(27,762)	-	(27,762)	1,941	-	1,941
Reserves at 31 March	(151,570)	-	(151,570)	(123,808)	-	(123,808)

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

4 Income from donations and grants

	Unrestricted funds £	Restricted funds £	Total 2024 £	Unrestricted funds £	Restricted funds £	Total 2023 £
Steve Morgan Foundation	-	30,000	30,000	-	7,500	7,500
Duchy of Lancaster	-	-	-	-	5,000	5,000
Fusion 21	-	-	-	-	25,000	25,000
Liv Charity	-	3,000	3,000	-	-	-
Routledge Foundation	-	1,000	1,000	-	-	-
Shepherd Street Trust	-	1,700	1,700	-	-	-
Prince Parry Trust	-	3,150	3,150	-	-	-
Just Giving Donations	-	1,966	1,966	-	-	-
FRC Employee Donation	-	50	50	-	-	-
The Blackmore Foundation	-	170	170	-	-	-
Stronger Communities	-	10,000	10,000	-	-	-
The DWF Foundation	-	3,420	3,420	-	-	-
Bauer Radio	-	3,000	3,000	-	-	-
The Community Foundation	-	1,000	1,000	-	-	-
Fundraising Cash TFB	-	1,249	1,249	-	-	-
Pilkington Charity	-	6,000	6,000	-	-	-
Rathbone	-	4,900	4,900	-	-	-
Frodsham University	-	175	175	-	-	-
Innovate UK	-	65,359	65,359	-	-	-
Total donations	-	136,139	136,139	-	37,500	37,500

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Provision of furniture/furniture packages	16,856,049	-	16,856,049	18,033,798
Provision of bulky household waste collection and recycling services	681,741	-	681,741	699,343
Charity shop sales	805	-	805	138,007
Provision of other recycling services	87,468	-	87,468	109,158
Total charitable activities	17,771,295	-	17,771,295	18,980,306

All income from charitable activities was unrestricted in both the current and the prior year.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

6 Expenditure on charitable activities

	Direct costs £	Support £	Total 2024 £
Provision of furniture/furniture packages	14,497,410	2,043,454	16,541,073
Charity shop sales	45,506	59	45,565
People development	340,902	-	340,902
Provision of bulky household waste collection and recycling services	695,859	50,168	746,027
Provision of other recycling services	217,811	6,438	224,249
	<hr/>	<hr/>	<hr/>
Total charitable activities expenditure	15,797,488	2,100,119	17,897,606
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Total expenditure on charitable activities was £17,832,919 (2023 - £18,890,081), of which £107,859 (2023 - £25,000) was restricted and £17,725,060 (2023 - £18,865,081) was unrestricted.

	Direct costs £	Support £	Total 2023 £
Provision of furniture/furniture packages	15,253,516	1,767,258	17,020,774
Charity shop sales	300,931	11,018	311,949
People development	309,093	109,209	418,302
Provision of bulky household waste collection and recycling services	726,207	55,828	782,035
Provision of other recycling services	348,308	8,713	357,021
	<hr/>	<hr/>	<hr/>
Total charitable activities expenditure	16,938,055	1,952,026	18,890,081
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7 Allocation of support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation costs are apportioned by income generated.

Support cost	Provision of furniture and furniture packages £	Charity shop sales £	People development £	Provision of bulky household waste collection and recycling services £	Provision of others recycling Services £	Total 2024 £
Property cost	807,803	-	-	-	-	807,803
Staff costs	683,062	-	33	27,733	3,558	714,386
ICT costs	121,652	-	6	4,939	634	127,231
Depreciation	66,930	-	3	2,717	349	69,999
Bad debt	2,486	-	-	101	13	2,600
Governance	63,477	-	3	2,577	331	66,388
General office	298,044	-	14	12,101	1,553	311,712
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,043,454	-	59	50,168	6,438	2,100,119
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

7 Allocation of support costs (continued)

Support cost	Provision of furniture and furniture packages £	Charity shop sales £	People development £	Provision of bulky household waste collection and recycling services £	Provision of others recycling Services £	Total 2023 £
Property cost	327,628	-	109,209	-	-	436,837
Staff costs	627,370	4,801	-	24,329	3,797	660,297
ICT costs	146,813	1,124	-	5,693	889	154,519
Depreciation	93,508	716	-	3,626	566	98,416
Bad debt	16	-	-	1	-	17
Governance	42,021	322	-	1,630	254	44,227
General office	529,902	4,055	-	20,549	3,207	557,713
	<u>1,767,258</u>	<u>11,018</u>	<u>109,209</u>	<u>55,828</u>	<u>8,713</u>	<u>1,952,026</u>

The Charity Shop closed in November 2022, with property costs remaining in the 2023-24 period.

8 Governance costs

	2024 £	2023 £
Social audit	10,052	5,486
Audit and accountancy	48,356	31,210
Directors' insurance	7,980	7,531
	<u>66,388</u>	<u>44,227</u>

9 Analysis of staff costs and the cost of key management personnel

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Staff costs:				
Wages and salaries	4,230,837	3,784,750	3,949,982	3,317,540
Social Security costs	328,890	292,278	308,754	256,623
Pension costs	167,877	167,322	157,104	150,461
	<u>4,727,604</u>	<u>4,244,350</u>	<u>4,415,840</u>	<u>3,724,624</u>

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

9 Analysis of staff costs and the cost of key management personnel (continued)

The emoluments of higher paid employees fell within the following ranges:

	2024 Number	2023 Number
£60,000 - £70,000	1	1
£70,001 - £80,000	2	2
£100,001 - £110,000	-	-
£110,001 - £120,000	1	1
	<u>1</u>	<u>1</u>

The key management personnel of the charity and group comprise the trustees, Chief Executive Officer, Director of Finance and Social, Director of FRC and the Director of People and Culture. The total employee cost of the key management personnel was £412,938 (2023 - £433,207).

During the year, redundancy costs of £Nil (2023 - £27,950) were paid by the group. Redundancy costs of £Nil were paid by the charity (2023 - £22,829).

The average number of employees analysed by function, was:

	2024 Number	2023 Number
Provision of furniture and furniture packages	78	77
Training	-	4
Retail	6	6
Bulky Bob's collection, recycling and reuse of unwanted furniture	11	20
Management, Finance, Administration and ICT	28	14
End Furniture Poverty	2	2
	<u>125</u>	<u>123</u>
Headcount at the end of the year	125	119

10 Trustee remuneration and related party transactions

No trustee received any remuneration during the year ended 31 March 2024 (2023 - £nil).

No travel costs were reimbursed to trustees in the year (2023 - £nil).

Related party transactions are shown in note 21 to the accounts.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (*continued*)

11 Net incoming resources for the year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
This is stated after charging:				
Auditors' remuneration:				
• Fees for audit of statutory financial statements	20,966	20,210	14,966	18,710
• Fees for non-audit services	10,052	5,487	10,052	5,486
Depreciation and amortisation	86,262	120,866	73,570	104,377
Loss on disposal	5,715	5,836	5,715	-
Dilapidations on leasehold property	334,894	-	334,894	-
Operating lease rentals:				
- All	896,141	913,703	792,296	774,248

12 Tangible fixed assets

Group	Improvements to leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Assets under construction £	Total £
<i>Cost</i>						
At 1 April 2023	917,400	317,390	297,084	510,716	242,173	2,284,763
Additions	709	71,676	2,256	-	256,214	330,855
Disposals	-	(5,796)	-	(1,743)	-	(7,539)
At 31 March 2024	918,109	383,270	299,340	508,973	498,387	2,608,079
<i>Accumulated depreciation</i>						
At 1 April 2023	855,253	188,057	274,919	446,461	-	1,764,690
Charge for the year	15,656	29,038	13,035	28,533	-	86,262
Disposals	-	(81)	-	-	-	(81)
At 31 March 2024	870,909	217,014	287,954	474,994	-	1,850,871
<i>Net book value</i>						
At 31 March 2024	47,200	166,256	11,386	33,979	498,387	757,208
At 31 March 2023	62,147	129,333	22,165	64,255	242,173	520,073

All tangible fixed assets are used for or to support charitable purposes.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

12 Tangible fixed assets (continued)

Charity	Improvements to leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Assets under construction £	Total £
<i>Cost</i>						
At 1 April 2023	896,501	256,655	270,990	502,746	242,174	2,169,066
Additions	709	70,076	-	-	256,214	326,999
Disposals	-	(5,796)	-	(1,743)	-	(7,539)
At 31 March 2024	897,210	320,935	270,990	501,003	498,388	2,488,526
<i>Accumulated depreciation</i>						
At 1 April 2023	846,170	136,664	254,887	438,724	-	1,676,445
Charge for the year	13,492	23,150	8,629	28,299	-	73,570
Disposals	-	(81)	-	-	-	(81)
At 31 March 2024	859,662	159,733	263,516	467,023	-	1,749,934
<i>Net book value</i>						
At 31 March 2024	37,548	161,202	7,474	33,980	498,388	738,592
At 31 March 2023	50,331	119,991	16,103	64,022	242,174	492,621

All tangible fixed assets are used for or to support charitable purposes.

13 Stock

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Finished goods	1,078,434	1,202,650	1,078,434	1,198,483

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

14 Debtors	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	2,530,492	3,448,654	2,276,060	3,304,603
Prepayments	361,778	310,849	352,213	292,542
Amounts due from subsidiary undertakings	-	-	419,433	147,627
Other debtors	59,871	46,948	60,107	44,041
	<u>2,952,141</u>	<u>3,806,451</u>	<u>3,107,813</u>	<u>3,788,813</u>

The amount due from subsidiary undertaking relates to an amount due from Bulky Bob's For Business. The balance is due on demand and incurs interest at a rate of 4% per annum, compounded daily.

The impairment loss recognised in the SOFA for the year in respect of bad and doubtful trade debtors was £Nil (2023 - £Nil). The provision for bad and doubtful debt has been reduced by £135,400 in the year to £60,757 (2023 – increased by £193,774 to £196,157).

15 Investments	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Cash held on deposit	1,617	182,925	1,617	182,925
	<u>1,617</u>	<u>182,925</u>	<u>1,617</u>	<u>182,925</u>

The amount shown under cash held on deposit are available for instance access.

16 Creditors	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	1,144,179	1,200,432	1,121,378	1,167,392
Other taxation and social security	321,665	330,913	298,432	323,531
Other creditors	27,763	28,501	26,101	27,531
CBILS loan	125,000	125,000	125,000	125,000
Accruals and deferred income	682,469	604,928	657,838	557,933
	<u>2,301,076</u>	<u>2,289,774</u>	<u>2,228,749</u>	<u>2,201,387</u>

Included in accruals and deferred income is £2,550 (2023 - £2,550) of deferred income relating to the periodic delivery of refurbished computers to the NHS. In the year no amounts have been released or deferred.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

16 Creditors (continued)

Loan due after more than one year	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
CBILS loan due in 1-2 years	93,750	125,000	93,750	125,000
CBILS loan due in 2-5 years	-	93,750	-	93,750
	<hr/>	<hr/>	<hr/>	<hr/>
Creditors due in more than one year	93,750	218,750	93,750	218,750
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The CBILS loan relates to a loan of £500,000 received on 16 December 2020 from the Government's Coronavirus Business Interruption Loan Scheme. Interest is payable on the loan at a rate of 1.88% above base rate with repayments commencing January 2022 and the final repayment being due December 2026. The loan is secured by a fixed and floating charge over the assets of the charity.

17 Funds

Group	Balance at 1 April 2023 £	Movement in resources		Balance at 31 March 2024 £
		Incoming £	Outgoing £	
Restricted funds				
Mattress Machine	-	65,359	(65,359)	-
Time for Bed	12,500	70,780	(42,500)	40,780
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	12,500	136,139	(107,859)	40,780
	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds	3,678,838	17,570,468	(17,725,060)	3,524,246
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	3,691,338	17,706,607	(17,832,919)	3,565,026
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

17 Funds (continued)

This year saw the official launch of 'Time for Bed' providing beds to children between the ages of 0-18 years from across Merseyside who do not have a bed of their own funded through donations, grants, and corporate partnerships. Donors to the campaign were:

- Steve Morgan Foundation
- Duchy of Lancaster Benevolent Fund
- Liv Charity
- Routledge Foundation
- Shepherd Street Trust
- Prince Parry Trust
- Just Giving Donations
- FRC Employee Donation
- The Blackmore Foundation
- Stronger Communities
- The DWF Foundation
- Bauer Radio
- The Community Foundation
- Fundraising Cash TFB
- Pilkington Charity
- Rathbone
- Frodsham University

A further grant was received from Innovate UK, restricted in relation to the development of mattress cleaning machinery.

Charity	Balance at	Movement in		Balance at
	1 April 2023	Incoming	Outgoing	31 March 2024
	£	£	£	£
Restricted funds				
Time for Bed	12,500	70,780	(42,500)	40,780
Mattress Machine	-	65,359	(65,359)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	12,500	136,139	(107,859)	40,780
	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds	3,651,143	16,996,076	(16,945,334)	3,701,885
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	3,663,643	17,132,215	(17,053,193)	3,742,665
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Movement in funds for the year ended 31 March 2023 are shown below.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (*continued*)

17 Funds (*continued*)

Group	Balance at	Movement in		Balance at
	1 April 2022 £	Incoming £	Outgoing £	31 March 2023 £
Restricted funds				
Fusion-21	-	25,000	(25,000)	-
Time for Bed	-	12,500	-	12,500
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	37,500	(25,000)	12,500
	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds	3,495,470	19,048,449	(18,865,081)	3,678,838
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	3,495,470	19,085,949	(18,890,081)	3,691,338
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Restricted funds with balances at 31 March 2023 represent funds received and used for the following purposes:

- Fusion-21 – this was income restricted for the publication of a blueprint for furnished tenancies.
- Steve Morgan Foundation – this was restricted in relation to the Time for Bed campaign.
- Duchy of Lancaster Benevolent Fund – this was restricted in relation to the Time for Bed campaign.

Charity	Balance at	Movement in		Balance at
	1 April 2022 £	Incoming £	Outgoing £	31 March 2023 £
Restricted funds				
Fusion-21	-	25,000	(25,000)	-
Time for Bed	-	12,500	-	12,500
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	37,500	(25,000)	12,500
	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds	3,467,313	18,456,800	(18,272,970)	3,651,143
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	3,467,313	18,494,300	(18,297,970)	3,663,643
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

18 Analysis of net assets between funds

Group	2024			2023		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Fixed assets	757,208	-	757,208	520,073	-	520,073
Net current assets	2,860,788	40,780	2,901,568	3,377,515	12,500	3,390,015
Non-current liabilities	(93,750)	-	(93,750)	(218,750)	-	(218,750)
Net assets	<u>3,524,246</u>	<u>40,780</u>	<u>3,565,026</u>	<u>3,678,838</u>	<u>12,500</u>	<u>3,691,338</u>

Charity	2024			2023		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Fixed assets	738,592	-	738,592	492,621	-	492,621
Net current assets	3,057,043	40,780	3,097,823	3,377,272	12,500	3,389,772
Non-current liabilities	(93,750)	-	(93,750)	(218,750)	-	(218,750)
Net assets	<u>3,701,885</u>	<u>40,780</u>	<u>3,742,665</u>	<u>3,651,143</u>	<u>12,500</u>	<u>3,663,643</u>

19 Operating lease commitments

At 31 March 2024, the commitments under non-cancellable operating leases are as follows:

Group	2024			2023		
	Land and buildings £	Other £	Total 2024 £	Land and buildings £	Other £	Total 2023 £
Expiry within:						
Under one year	239,113	189,642	428,755	195,123	79,834	274,957
Two to five years	1,395,735	455,498	1,851,233	191,221	-	191,221
Over five years	1,694,063	-	1,694,063			
	<u>3,328,911</u>	<u>645,140</u>	<u>3,974,051</u>	<u>386,344</u>	<u>79,834</u>	<u>466,178</u>

Charity	2024			2023		
	Land and buildings £	Other £	Total 2024 £	Land and buildings £	Other £	Total 2023 £
Expiry within:						
Under one year	195,720	186,132	381,852	255,551	75,228	330,779
Two to five years	1,270,548	443,505	1,714,053	208,182	-	208,182
Over five years	1,694,063	-	1,694,063			
	<u>3,160,331</u>	<u>629,637</u>	<u>3,789,968</u>	<u>463,733</u>	<u>75,228</u>	<u>538,961</u>

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

20 Pension commitments

The charity and group operate a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity and group in an independently administered fund. Contributions are paid based upon the recommendations of a qualified actuary.

For the group, the annual contributions under this scheme were £167,877 (2023 - £167,322). The creditor at year was £26,664 (2023 - £24,230) and is included in creditors.

For the charity, the annual contributions under this scheme were £157,104 (2023 - £150,461). The creditor at year was £25,273 (2023 - £22,854) and is included in other creditors.

21 Related parties

Bulky Bob's

In the year ended 31 March 2024, the following transactions took place between Furniture Resource Centre Limited and Bulky Bob's, a charity for which Furniture Resource Centre Limited is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's:

Recharge for staff costs: £8,458 (2023 - £20,242)
Recharge for shared services: £51,251 (2023 - £79,520)
Recharge for premises costs: £106,423 (2023 - £86,973)
Recharge for logistics costs: £36,040 (2023 - £51,204)
Recharge for general costs: £44,055 (2023 - £37,300)
Recharge for staff training costs: £1,618 (2023 - £6,329)
Donation: £Nil (2023 - £330,000)
Transfer of refurbished bed bases - £Nil (2023 - £41,655)

Transactions from Bulky Bob's to Furniture Resource Centre Limited:

Recharge for staff costs: £77,585 (2023 - £116,121)
Recharge for logistics services: £8,296 (2023 - £9,390)
Recharge for general costs: £(4,428) (2023 - £34,481)
Mattress machine income: £Nil (2023 - £27,828)

The amount owed by Bulky Bob's to Furniture Resource Centre Limited at 31 March 2024 was £231,213 (2023 - £11,705).

Bulky Bob's for Business

In the year ended 31 March, 2024, the following transactions took place between Furniture Resource Centre Limited and Bulky Bob's For Business, a charity for which Furniture Resource Centre Limited is the sole member.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

21 Related parties (continued)

Transactions from Furniture Resource Centre Limited to Bulky Bob's For Business:

Recharge for staff costs: £41,976 (2023 - £56,455)
Recharge for shared services: £13,315 (2023 - £19,427)
Recharge for logistics costs: £3,834 (2023 - £5,566)
Recharge for general costs: £16,274 (2023 - £13,286)
Recharge for staff training costs: £Nil (2023 - £390)
Donation: £Nil (2023 - £25,000)
Recharge for waste disposal costs: £Nil (2023 - £50,004)

Transactions from Bulky Bob's For Business to Furniture Resource Centre Limited

Recharge for logistics costs: £Nil (2023 - £3,415)
Recharge for staff costs: £505 (2023 - £2,245)
Interest on intercompany borrowing £6,831 (2023 - £6,100)

The amount owed by Bulky Bob's to Furniture Resource Centre Limited at 31 March 2024 was £188,220 (2023 - £135,922).

During the year, sales of £Nil (2023 - £929) were made to Regenda Homes, an organisation with a director who is also a trustee of the charity.

22 Commitments

There were capital commitments at 31 March 2024 of £510,188 (2023 - £75,198).

23 Reconciliation of net incoming resources to net cash flow from operating activities

	2024 £	2023 £
Net incoming/(outgoing) resources for the year	(126,312)	195,868
Depreciation and amortisation	86,262	120,866
Loss on disposal of assets	5,715	5,836
Finance income	(6,952)	(446)
Interest charge	20,698	24,493
Decrease/(Increase) in stock	124,216	(11,727)
Decrease/(Increase) in debtors	854,310	(230,920)
Increase/(decrease) in creditors	11,706	(264,186)
	<hr/>	<hr/>
Cash generated from operations	969,643	(160,216)
	<hr/> <hr/>	<hr/> <hr/>

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2024 (continued)

24 Net debt reconciliation

	1 April 2023 £	Cash flows £	Interest charge £	31 March 2024 £
Cash at bank and in hand	487,763	684,028	(1,339)	1,170,452
Bank loans	(343,750)	144,325	(19,325)	(218,750)
Hire Purchase loan	(317)	20	(20)	(317)
	-----	-----	-----	-----
Net cash	143,696	828,373	(20,684)	951,385
	=====	=====	=====	=====

25 Ultimate controlling party

Furniture Resource Centre Limited has no controlling party.

26 Comparative SOFA information

	Total Unrestricted funds £	Total Restricted funds £	Total Funds 31 March 2023 £
Income and endowments from:			
Donations and legacies	-	37,500	37,500
Charitable activities:	18,980,306	-	18,980,306
Investments	446	-	446
Other	67,697	-	67,697
	-----	-----	-----
Total	19,048,449	37,500	19,085,949
	-----	-----	-----
Expenditure on:			
Charitable activities	18,865,081	25,000	18,890,081
	-----	-----	-----
Total resources expended	18,865,081	25,000	18,890,081
	-----	-----	-----
Net incoming resources	183,368	12,500	195,868
Balance brought forward at 1 April	3,495,470	-	3,495,470
	-----	-----	-----
Balances carried forward at 31 March	3,678,838	12,500	3,691,338
	=====	=====	=====

FURNITURE RESOURCE CENTRE LIMITED

England & Wales - Charity number 700731

Accounts

Furniture Resource Centre Limited

Annual report 2022 - 2023

Registered Number 02296329
Charity Number 700731

Furniture Resource Centre Limited

Contents

Contents

3	Company information
4	Annual report
17	Independent Auditor's Report to the Members of Furniture Resource Centre Limited
20	Consolidated Statement of Financial Activities
21	Consolidated Balance Sheets
22	Consolidated Cash Flow Statement
23	Notes to the Accounts

Furniture Resource Centre Limited

Company information

Company Number 2296329 (England and Wales)

Charity Number 700731

Directors

E Bichard
J Hines
J Vernon
N Spruyt

Secretary

C Williamson

Chief Executive

S Doran

Registered office

Atlantic Way
Brunswick Business Park
Liverpool
L3 4BE

Bankers

NatWest Bank
2-8 Church Street
Liverpool
L1 3BG

Auditors

Crowe UK LLP
The Lexicon
Mount Street
Manchester
M2 5NT

Solicitors

Brabners
Horton House
Exchange Flags
Liverpool
L2 3YL

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2023

The directors, who are also the trustees of the charity, present their annual report and financial statements for the year ended 31 March 2023.

GLOSSARY

Our mission

To reduce and ultimately eradicate furniture poverty.

End Furniture Poverty

Our campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it.

Our objectives are:

- to understand and highlight the reality of living in furniture poverty
- to lobby and campaign for the eradication of furniture poverty
- to develop and run successful social businesses that tackle furniture poverty
- to train and develop people out of poverty and into sustainable, well-paid jobs and careers
- to use our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group.

Our values:

- Bravery, Creativity, Passion, Professionalism

Our principal activities:

Furniture Resource Centre Limited (“the charity”)

Sells furniture and accessories to turn a house into a home, business-to-business, to a customer base that includes housing associations, local authorities, charities and construction companies.

Bulky Bob's

Provides a bulky household waste collection service to local authorities, collecting unwanted items from homes and assessing them for reuse and recycling.

Bulky Bob's For Business

Offers business collection and reuse services, including accommodation clearances and removals, mattress recycling, mattress 'UltraClean' cleaning, IT equipment collection and refurbished computer sales.

Our shops:

Bulky Bob's Furniture World

Sells and donates the good quality preloved furniture collected by the Bulky Bob's collection teams.

When we talk about 10 Essential Items, we mean. The essential furniture items that every household should have access to in order to live a decent life.

Buckingham Interiors

Provides interior design and specialist contract furniture to sheltered housing schemes across the UK.

Our programmes:

Driving Change

Driving Change is our training and employment programme with an aim to help people secure higher-paid employment elsewhere when they have finished their training.

ViP (Volunteers, Interns, Placements and Students)

ViP is our volunteering programme. Through this scheme, people can work towards their own goals or give to charity by volunteering their time and skills.

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2023

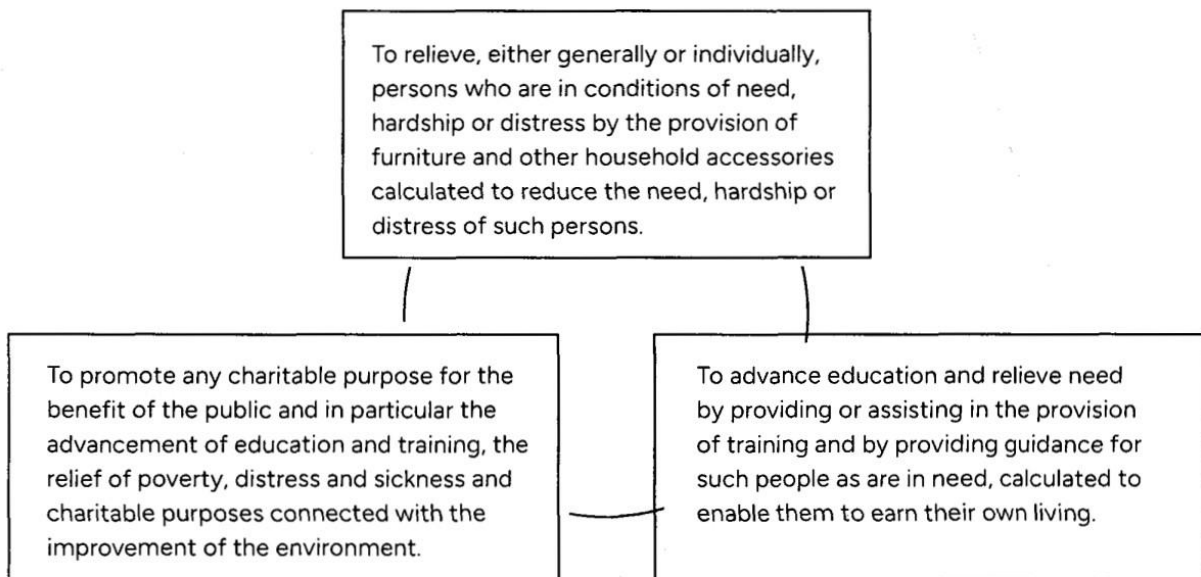
This report looks at the financial year of April 2022 - March 2023, a year that we continue to go from strength to strength with our mission of ending furniture poverty. For several years, FRC has enjoyed success in many ways including sales growth of 165% since 2017, 9 years of profitable trading, successful acquisition of contracts, generation of high levels of social value and geographical growth. This year was no different. Our FRC Group team, as always, were brave, creative, passionate and professional and continued to deliver a fantastic service. It was another successful year which is a result of the brilliant and dedicated team we have at FRC Group.

We express our gratitude to our amazing team of staff, trainees and volunteers, who daily live and breathe our values. This extraordinary team work hard together, achieving great things on the road to our goal to end furniture poverty.

We offer our heartfelt thanks to all the people who have played a part in producing this report: all those who make FRC Group a great place to work. We would also like to thank Crowe UK, who assured the report. Their statement is on pages 17 – 19.

Our Aims, Objectives and Achievements

FRC Group is a collection of social businesses run by Furniture Resource Centre Limited, a registered charity. The purposes of the charity are set out in the company's memorandum of association as follows:



In the day-to-day running of the organisation, we use these words to describe what we do:

FRC Group's vision is of a society where people can obtain good quality, affordable furniture without experiencing the devastating impacts of furniture poverty — no bed to sleep on or unmanageable debts. Our mission is to reduce and ultimately eradicate furniture poverty. We campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it. Our work also helps create sustainable employment and better futures for people.

To deliver on these objectives, FRC Group is made up of the following businesses / initiatives:

End Furniture Poverty, Furniture Resource Centre, Buckingham Interiors, Bulky Bob's, Bulky Bob's Furniture World, Bulky Bob's for Business and Reuse IT.

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2023

Strategic Report

The sections below constitute the Strategic Report for the purposes of the Companies Act 2006:

- Overview of 2022 – 2023
- Financial review
- Plans for the future
- Risk

Overview of 2022 - 2023

Once again, the level of challenge faced in 2022-2023 was extraordinary as was the response from each and every staff member at FRC Group. As last year, we continued to rebuild our workforce after the well publicised 'Great Resignation' as a consequence of the COVID-19 pandemic and made great progress recruiting into key roles. However, in 2022-2023, as with all organisations, we felt the impact of inflationary price increases within some areas of our spend. Through our extremely hardworking Procurement Team, maintaining the excellent relationships we have with our suppliers, we have been able to manage these external financial challenges to mitigate the impact to our margins.

Despite these challenges we saw continued growth in our turnover as we exceeded our budget for the year and delivered a positive surplus position. We achieved this position due to the dedication of our people who we applaud for not only their commitment and professionalism but also their sheer stamina! Our staff fully understand that every delivery they make is moving people out of furniture poverty and that is what drives them to give their best every single day.

We continued to raise awareness of furniture poverty, educating people about the potential solutions and, ultimately working towards ensuring that everyone has access to the essential furniture and goods they need to lead a secure life focusing on three broad fronts of public sector support for people in poverty, housing associations and furniture reuse.

We wrote two major research reports this year, Resetting Crisis Support, which examined Local Welfare Assistance in 2021/2022, and The Extent of Furniture Poverty, which revealed for the first time how many people are living without essential furniture items. These are hugely important pieces of work as they provide the evidence base on which decisions can be made and lobbying and campaigning can be based to support our mission.

Our second report, The Extent of Furniture Poverty, was published in early May 2023 which surveyed over 5,500 people across the UK to provide statistically significant data to represent the impact that furniture poverty has on the population.

This year we published our Blueprint for Furniture Provision in Social Housing, a guide for social landlords to help them to create furniture schemes. This is a key campaigning tool, allowing us to support landlords, overcome their reluctance to introduce furnished tenancies, and give them all the information they need to prepare business cases.

These are just a few of the End Furniture Poverty activities and campaigns within the year which aims to research furniture poverty, increase understanding of this hidden but widespread issue and encourage organisations to adopt practical solutions to furniture poverty.

The continuing economic downturn and the long term impact of the Covid-19 pandemic has left more people in furniture poverty - the inability to afford or access the basic household goods that establish a decent quality of life.

The continuing economic downturn has also resulted in a reduction in the budgets of various customers despite increases in demand for furniture caused by the Covid-19 pandemic. A number of councils ceased their local welfare programme, and national per capita spend reduced from £1.30 to £0.96. As a result, the demand for more cost-effective furniture has increased, which the group is addressing through continued innovation in finding ways to offer good quality refurbished furniture at a more affordable price.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2023

Financial review

Financial Performance

2022-23 saw a continuation of the growth experienced in recent years with total group income increasing for the fifth consecutive year and up 22% on 2021-22 to £19.09m. Expenditure increased 26% compared to 2021-22 to give total expenditure of £18.89m, leaving a group net surplus of £195,868 a decrease of 30% compared to the 2021-22 surplus of £624,900. The financial position this year also includes a provision for bad debt of £195,000.

2022-23 has been FRC's most successful sales year to date. We exceeded budget by 11% and exceeded 2021-22 sales by 22%. We retained 5 existing customer contracts and were successful in securing another 5 new customer contracts across all business areas.

In 2022 Liverpool City Council made the decision to take the Bulky Household Waste Contract in house. This resulted in our contract ending in November 22. This had a devastating impact on our store, as we could no longer access the volume of furniture we needed to keep the shop open and sadly we had to close our doors. We continue to run the service directly, using our website for customers to order pre-loved furniture. Whilst we are aware of the financial challenges of delivering this service directly, the social value created is significant. For that reason, we agreed we should continue with providing the service with financial support from the wider group activities.

Looking ahead the demand for the group's services has never been so high. Despite the many challenges faced by the group during this year, including inflationary price increases and a high reliance on agency staff, these have created difficult trading conditions that contributed to a lower surplus than the prior year, however we navigated these challenges successfully to still produce an overall strong financial performance within the year with a positive net surplus.

Principal Funding Sources

The principal source of funding for the charity and group is the revenue generated from the sales of high quality furniture, fittings and accessories to social landlords and local authorities. In addition to this, revenue is generated through contracts with local authorities for the collection of furniture, from the sale of 'pre-loved' furniture, from the sale of waste collection services and also through grant income.

Grants and Donations

During 2022-23, grants and donations were received from Steven Morgan Foundation and Duchy of Lancaster, to support a new charity initiative 'Time for Bed' to be launched in financial year 2023-24, alongside a donation from Fusion 21, covering the cost of researching and producing End of Furniture Poverty reports.

Reserves Policy

The trustees have considered the level of free reserves (those funds not tied up in fixed assets and restricted funds) required by the group to be at least six months of indirect support costs plus sufficient cash for future plans, which amounts to at least £4,000,000. In the trustees' view, this level of reserves should provide adequate financial stability and enable the group to continue to meet its charitable objectives for the foreseeable future.

In arriving at this figure, the trustees have considered potential future changes in income streams and likely future cash flow requirements. The trustees will continue to monitor the Reserves Policy at least annually in trustee meetings.

At 31 March 2023, consolidated free reserves of £3,158,765 were held (calculated as unrestricted reserves not held in fixed assets), which is £841,235 short of the required consolidated total of £4,000,000. In order to increase the amount of free reserves held, the trustees are looking at ways of improving the profitability of the charity and group.

As at 31 March 2023, the group holds restricted reserves of £12,500 (2022: £nil) and total reserves of £3,691,338 (2022 - £3,495,470).

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2023

Investment powers and policy

The company has the power to invest monies not immediately required in investments, securities or property as may be thought fit.

Plans for the Future

We will continue to grow our customer base in Furniture Resource Centre, particularly through the provision of furniture to social landlords and Local Authorities and through large scale refurbishments of shared living environments.

We are implementing SAP Business One in 2024 as our core system to facilitate our business processes and this will further improve our efficiency and the high level of customer service already provided. Our aim is to remain the leading provider of furniture to furnished tenancy providers and to continue to grow our customer base as we continue to work towards our mission of ending furniture poverty.

The proposed move into a new site in Speke is hugely exciting and is proving to be a great morale boost for staff who, when they visit the site, can envisage the massive difference this will make to day to day operations and our ability to make an even greater difference for families in furniture poverty.

Going Concern

The Group has experienced significant growth over recent years and this growth is expected to continue over at least the short to medium term. Future financial forecasts show the continued generation of surpluses each year in the range of £0.3m - £0.5m depending on the level of organic growth achieved and the extent to which supplier price increases are able to be passed on to customers in a timely manner. In order to generate these surpluses, the following principles will be adopted:

- Organic growth will continue to be pursued by increasing the customer base through tender opportunities and also growing sales to existing customers.
- Opportunities for new markets / services will continue to be investigated.
- Any loss making contracts / services will be reviewed with a turnaround plan developed and monitored.
- Price increases from suppliers will be passed on to customers at the first available opportunity in order to maintain gross margins.
- Ways of working more efficiently, growing the gross margin and running services in a more cost effective manner will always be followed.

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2023

Risk

Each quarter, we fully review the commercial and social impact risks faced by the group. Each risk is rated and we consider what mitigating actions are available. Key residual risks to which the group is exposed are set out in the following table.

Risk	Mitigation
Retention of key new furniture contracts	<ul style="list-style-type: none">• Focus on world-class customer service and value for money for customers• Introduction of innovative ideas to contracts• Growth of other contracts and businesses to possibly take the place of any contracts not retained
Negative impact of Brexit and ongoing economic challenges e.g. supplier price increases higher than anticipated or shortages of certain stock items	<ul style="list-style-type: none">• Dual sourcing of key stock items• Building up supplies of various stock lines to ensure continuity of supply in the event of shortages• Purchasing large volumes of key stock lines if they become available at a favourable price
Reduction in spend by Councils due to the challenging financials, e.g Birmingham declaring themselves bankrupt	<ul style="list-style-type: none">• Effective credit control to ensure customers pay within terms• Liaise with key contacts in Councils that have declared themselves bankrupt to understand impact of this on our spend• New rental service offering that would be more cost effective with lower financial risk to customers
Availability of pre-loved furniture decreases through contract changes or loss of contracts that provide pre-loved furniture	<ul style="list-style-type: none">• Identification of alternative sources of pre-loved furniture• Continued development of innovative ideas to refurbish pre-loved furniture e.g. mattress cleaning machine• Work with Local Authority customers to develop services that utilise pre-loved furniture to address furniture poverty

The directors are satisfied that reasonable steps have been taken to identify all commercial and social impact risks to which the group is exposed and that action has been taken to mitigate these risks where necessary.

Key Performance Indicators

The group utilise several key performance indicators to enable a consistent method of analysing performance, both financially and from a social value impact perspective. The key financial performance indicators utilised are as follows:

- Turnover
- Net Surplus
- Cash flow
- Customer numbers
- Contract KPIs

An analysis of certain key performance indicators is included in the overview and financial performance section of this report.

In terms of social value performance indicators, this year we:

- Created social value: £3,885,500 (2022: £4,370,000)
- Deliveries 26,231 (2022: 22,121)
- Essential items delivered: 76,990 (2022: 63,020)

A separate impact report sets out further information on our impact in FY22-23.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2023

Structure, Governance and Management

Strategic Decision

FRC Group's Board of Trustees sets the strategic direction at an annual planning meeting that establishes the priorities for the year ahead.

The board is informed at its regular meetings of progress against these agreed strategic priorities.

When issues arise during the year that require the board's agreement to a strategic-level response, they are discussed at the next scheduled board meeting or, if necessary, at a specially convened meeting.

The board has three sub-committees which meet as required: Finance, Measuring Social Value and Remuneration. These committees make recommendations to the full board in their areas of specialism.

We also record 'responsiveness' and detail the changes that have been made to policies, procedures, services or products in relation to feedback. Responsiveness is one of the cornerstones of accounting for social value and we record it to drive change.

Making Meeting Our Objectives

To ensure that our work always delivers the right benefits for our stakeholders, we constantly monitor and assess activities and outcomes throughout the year.

This helps us both to focus on desired outcomes and consider whether as much social and financial value as possible is being created in all areas of our work.

Regular monitoring means we can continually improve outcomes by adjusting our ways of working and developing new approaches where necessary.

Our financial and social performance is reviewed each quarter at board meetings. This report summarises our annual results in the form of financial statements and quantitative and qualitative social value data.

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2023

Trustees

The directors of FRC Group's charitable companies are their trustees for the purpose of charity law and throughout this report are collectively referred to as directors and are listed on page 12. The directors are appointed by the members at the Annual General Meeting but can be co-opted between AGMs by the board pending election. Before being co-opted, prospective trustees are invited to observe meetings to learn more about the charity and to meet the other trustees. During this induction process, the candidate meets the chair of trustees and the senior management team, and visits different parts of the business to meet staff. A Scheme of Delegation agreed between the trustees and the senior management team details which decisions the senior management team are authorised to take and which must be referred to the trustees. Decisions can be taken by trustees by email if a decision is needed before the next scheduled trustee meeting. All of the directors give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are shown in note 10 to the accounts.

The directors who served during the year were:

E Bichard
J Vernon
J Hines
N Spruyt (appointed 31 May 2023)
L Dixon (resigned 24 May 2022)
N Wilson (resigned 7 December 2022)
A Rowan (resigned 31 May 2023)
J Nichols (resigned 27 July 2023)
E Leach (resigned 19 November 2023)

Statement of Public Benefit

FRC Group ensures that its aims and objectives are achieved through a variety of ways.

This includes lobbying and campaigning for the eradication of furniture poverty, providing furniture packages to a variety of customers, giving furniture free of charge to people in need and also by the provision of a training programme for formerly long-term unemployed people or people on low income. The trustees therefore confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

Governing Document

Furniture Resource Centre Limited is a charitable company limited by guarantee and does not have any shares capital. It was incorporated on 14 September 1988 and registered as a charity on 17 November 1988. The company is governed by its Memorandum and Articles of Association dated 8 August 2014.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2023

FRC Group Company Structure

The Furniture Resource Group is headed by Furniture Resource Centre Limited, a company limited by guarantee and also a registered charity.

Furniture Resource Centre has two subsidiaries, both charitable companies limited by guarantee. Furniture Resource Centre is the only member of each subsidiary and is therefore deemed to have control.

The subsidiaries are:

- Bulky Bob's
- Bulky Bob's for Business

Related Parties

Bulky Bob's is a charity with Furniture Resource Centre Limited as its sole member. Bulky Bob's provides services, mainly to Local Authorities, for the collection and recycling of bulky household waste. Bulky Bob's provides training and employment opportunities for people from long term unemployment and low paid jobs whilst protecting the environment through the reuse and recycling of collected items.

Bulky Bob's For Business is a charity which has Furniture Resource Centre Limited as its sole member. This charity provides an office and commercial waste collection service and provides training and development opportunities to formerly long-term unemployed people or people on relatively low income.

Research and Development

FRC Group continues to investigate new and innovative ways of re—using furniture items collected. This has included developing the world's first bespoke mattress cleaning machine, which cleans structurally sound mattresses to a high standard, ready for reuse. This machine can clean mattresses that may otherwise have been broken down for recycling before they're either sold in our Bulky Bob's Furniture World store or donated to people who need them.

Work is continuing in identifying further innovative ways of reusing furniture in order to maximise the reuse of the pre-loved furniture items collected in Ending Furniture Poverty.

Furniture Resource Centre Limited

Annual report For the Year Ended 31 March 2023

Code of Governance statement

The board continue to work towards fully adopting the Charity Commission Code of Governance with those areas for improvement identified following an internal and external review. The following is a summary of those areas of compliance against the Code along with areas for improvement.

- **Organisational Purpose**

A 3 year impact strategy has been developed by the Senior Leadership Team, that will be approved by the Board of Trustees in December 2023.

- **Leadership**

The charity has a very strong values culture with the board regularly seeing evidence as to how well this values culture is integrated in the group. Board discussions focus on strategic issues with the role of the board being a 'critical friend' when providing feedback to staff, with staff encouraged to bring issues to the board for discussion. The board has a good understanding of current group structure and why this is important, having previously received expert advice from a charity lawyer. Whilst regular meetings take place between the Chair and CEO, formal appraisals are also being introduced. Attendance of trustees at the various meetings is monitored and is good with all trustees attending a majority of the meetings.

- **Integrity**

The board ensures that the charity operates ethically and with integrity at all times, are keen to use the Charity Commission Code of Governance as a tool to assist with improving governance in the charity and have also adopted the Nolan Principles as a code of conduct. The board manage conflicts of interest well and have agreed a formal Conflict of Interest Policy. In addition, a register of interests is maintained for all trustees and senior staff.

- **Decision Making, Risk and Control**

A Scheme of Delegation has been agreed between the board, committees and senior staff, which was last reviewed in 2021. Key policies and procedures are circulated to the board annually along-with recommendations for changes. The board actively monitors performance against a range of targets and a risk matrix is maintained, which is reviewed by trustees at least twice a year. A meeting takes place each year between at least one trustee and the auditors with no staff present in order to obtain honest feedback following the conclusion of the annual financial audit.

- **Board Effectiveness**

The board meets five times a year with further committee meetings also taking place. Each board meeting has a theme with the themes being finance (discussing and agreeing the annual financial and social value budget), people, social value and commercial. Other agenda items are discussed at these meetings but the theme allows for greater time to discuss that particular topic. The sixth annual board meeting has a varied agenda, which is agreed in advance. Ways of monitoring the effectiveness of the board are to be discussed. Discussions take place with potential new trustees in order to ensure that they understand the time commitment necessary and they are then invited to attend two meetings as an observer before being invited to join the board if they wish to. A third of trustees retire by rotation every three years and there is no maximum length of office although this is currently being reviewed with a maximum length of office being considered for introduction. A programme of learning and development for trustees is not currently in place but is to be discussed with a suitable programme then implemented.

- **Diversity**

A skills matrix has been produced which identified gaps for trustees in certain areas. Suitable trustees have been recruited with applications for trustees from diverse backgrounds encouraged. The board currently do not have any specific diversity objectives but this is to be considered by the board as part of understanding the skills and expertise required from the board that aligns to the proposed 3 year Impact Strategy

- **Openness and Accountability**

Stakeholders have been identified with their feedback sought as part of the production of the annual impact report. This feedback is reviewed by the board and ways of increasing this range of feedback are to be investigated. The salaries of all staff are agreed by the Remuneration Committee and are set using an external consultant to provide benchmark data showing the salaries of similar roles regionally.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2023

Fundraising

The charity did not actively fundraise from individuals during the year but did engage with charitable funding organisations and the Government for the receipt of charitable grants. The charity has not signed up for any voluntary fundraising standard or schemes and no complaints regarding fundraising were received.

People

In 2022 – 23 we worked really hard to build on the success from the previous year in ensuring that we are a great employer, to help us to recruit and retain the best people. We were reassessed using the accreditation process for Investors in People in an effort to make FRC Group not only a great place to work but a company whereby our employees can learn, develop and be successful within their roles. There are a series of standards that as a business we need to work towards to allow us to 'pass' and as a result gain accreditation.

In 2022-23 the standards FRC Group have met are:

- Living the Organisations Values and Behaviours
- Recognising and Rewarding High Performance
- Empowering and Involving People
- Structuring Work
- Delivering Continuous Improvement
- Creating Sustainable Success

The re-assessment clearly revealed a number of identifiable improvements in the level of staff engagement, the IIP online survey and with the re-assessed indicators. FRC have worked hard to develop new initiatives and the assessment shows that the FRC do many things well.

Of particular note:

- people across FRC are led, managed, developed and encouraged to behave in line with the company's values.
-
- recognition and reward is clear and appropriate, where people are recognised for their performance and behaviour on a formal and informal basis creating a culture of appreciation where people are motivated to perform at their best; and
-
- people's roles have been designed to help FRC deliver on its mission "to end furniture property" by identifying clear accountability for people to make decisions within their role.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2023

Health, Safety and Wellbeing

At FRC Group we take health, safety and wellbeing extremely seriously and make this clear to all of our staff, trainees, volunteers, customers, suppliers and members of the general public.

We have an established Health, Safety and Wellbeing Committee made up of key representatives from across FRC Group, including satellite sites and a newly appointed Health and Safety Advisor to manage and prompt overall safety on sites.

The group holds a number of external health and safety accreditations including:

- SMAS (Safety Management Advisory Services)
- CHAS (Contractor Health & Safety Assessment Scheme)
- ISO9001 (Quality Management Standard)
- ISO14001 (Environmental Standard)
- We have one trained health and safety advisors with NEBOSH (National Examination Board in Occupational Safety and Health).
- During the period Furniture Resource Centre Ltd were accredited with ISO14001
- We use IHasco (online training provider for Health and Safety Courses as well as localised and external training providers with an emphasis on staff training, knowledge and awareness.

As a result, incident, accident and near miss reporting doubled in 2023

- 81 incidents/near misses reported (compared to 44 in 2022)
- 16 accidents
- 1 was Riddor reportable due to the nature of the injury (compared to 1 in 2021-22 where period of absence from work exceeded 7 days including weekends)

A number of accidents related to manual handling injuries which is not unusual given the nature of the main operation. As a result of these accidents, we secured a new external training provider for practical manual handling training which now forms part of the induction process and is supported by continuous observational audits and Toolbox Talks to ensure safe systems of work are embedded, focusing on a proactive safety culture.

We continue to offer annual refresher training for all operational staff, routine reminders for correct manual handling techniques and in other operational areas as required.

Our targets for next year are to:

- Carry out an analysis of accidents and benchmark against similar operations
- Relaunch the Internal SHE Reporting System
- Raise safety awareness through training
- Ensure another member of staff is trained in Nebosh
- Introduce practical External Banksman Training.
- Continue to raise standards, keep abreast of health and safety developments, maintain industry standards and promote a safety culture within FRC.

Furniture Resource Centre Limited

Annual report
For the Year Ended 31 March 2023

Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report, the Directors' Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Qualifying indemnity provisions

There was qualifying indemnity insurance in force for Directors during the financial year and up to the date of signing of these financial statements.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to remain in office.

Statement as to disclosure of information to auditor

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information (as defined by the Companies Act 2006) of which the auditor is unaware.

Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by the Board of Directors on 20th December 2023 and signed on its behalf by



C Williamson
Secretary

Date: 20th December 2023

Furniture Resource Centre Limited

Independent auditor's report to members of Furniture Resource Centre Limited

Opinion

We have audited the financial statements of Furniture Resource Centre Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Furniture Resource Centre Limited

Independent auditor's report to members of Furniture Resource Centre Limited (continued)

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

Furniture Resource Centre Limited

Independent auditor's report to members of Furniture Resource Centre Limited (continued)

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Health & Safety and Waste Carriers Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

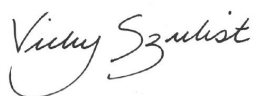
We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reading minutes of meetings of those charged with governance and sample testing on revenue to supporting information.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

Use of our report

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



Vicky Szulist
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
The Lexicon
Mount Street
Manchester
M2 5NT

Date: 21st December 2023

Furniture Resource Centre Limited

Consolidated Statement of Financial Activities (including income and expenditure account) for the year ended 31 March 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:					
Donations and legacies	4	-	37,500	37,500	89,009
Charitable activities:	5	18,980,306	-	18,980,306	15,496,153
Investments		446	-	446	686
Other		67,697	-	67,697	30,915
		<hr/>	<hr/>	<hr/>	<hr/>
Total		19,048,449	37,500	19,085,949	15,616,763
		<hr/>	<hr/>	<hr/>	<hr/>
Expenditure on:					
Charitable activities	6	18,865,081	25,000	18,890,081	14,991,863
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended		18,865,081	25,000	18,890,081	14,991,863
		<hr/>	<hr/>	<hr/>	<hr/>
Net incoming resources before transfers		183,368	12,500	195,868	624,900
		<hr/>	<hr/>	<hr/>	<hr/>
Balances brought forward at 1 April		3,495,470	-	3,495,470	2,870,570
		<hr/>	<hr/>	<hr/>	<hr/>
Balances carried forward at 31 March		3,678,838	12,500	3,691,338	3,495,470
		<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 23 to 42 form part of these financial statements.

Furniture Resource Centre Limited

Consolidated and Charity Balance Sheets as at 31 March 2023

Company Registration Number 00296329

Charity Registration Number 700731

	Note	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Intangible assets	12	-	-	-	-
Tangible assets	13	520,073	464,271	492,621	418,255
Investments	3	-	-	-	-
		<u>520,073</u>	<u>464,271</u>	<u>492,621</u>	<u>418,255</u>
Current assets					
Stock	14	1,202,650	1,190,923	1,198,483	1,187,291
Debtors	15	3,806,451	3,575,531	3,788,813	3,433,494
Investments	16	182,925	182,479	182,925	182,479
Cash at bank and in hand		487,763	975,100	420,938	937,528
		<u>5,679,789</u>	<u>5,924,033</u>	<u>5,591,159</u>	<u>5,740,792</u>
Creditors: amounts falling due within one year	17	(2,289,774)	(2,549,084)	(2,201,387)	(2,347,984)
		<u>3,390,015</u>	<u>3,374,949</u>	<u>3,389,772</u>	<u>3,392,808</u>
Net current assets		3,390,015	3,374,949	3,389,772	3,392,808
Total assets less current liabilities		3,910,088	3,839,220	3,882,393	3,811,063
Creditors: amounts falling due after more than one year	17	(218,750)	(343,750)	(218,750)	(343,750)
		<u>3,691,338</u>	<u>3,495,470</u>	<u>3,663,643</u>	<u>3,467,313</u>
Net assets		3,691,338	3,495,470	3,663,643	3,467,313
Funds					
Unrestricted	19	3,678,838	3,495,470	3,651,142	3,467,313
Restricted	19	12,500	-	12,500	-
		<u>3,691,338</u>	<u>3,495,470</u>	<u>3,663,643</u>	<u>3,467,313</u>
Total funds	20	3,691,338	3,495,470	3,663,643	3,467,313

Exemption has been taken from presenting an unconsolidated parent charity profit and loss account under section 408 of the Companies Act 2006. The Charity's surplus for the year was £196,330 (2022 - £612,812).

The financial statements were approved by the Board of Directors and authorised for issue on 20th December 2023 and signed on their behalf by



N Spruyt
Director

The notes on pages 23 to 42 form part of these financial statements.

Furniture Resource Centre Limited

Consolidated Cash Flow Statement for the year ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities:			
Cash generated from operations	25	(160,216)	503,995
Interest received		-	686
		<hr/>	<hr/>
Net cash inflow from operating activities		(160,216)	504,681
		<hr/>	<hr/>
Cash flows from investing activities:			
(Purchase of) fixed assets		(182,504)	(87,082)
Sale of fixed assets		-	4,200
(Purchase of) cash investments		-	(686)
		<hr/>	<hr/>
Net cash (outflow) from investing activities		(182,504)	(83,568)
		<hr/>	<hr/>
Cash flows from financing activities			
Loan movement		(125,000)	-
Loan interest paid		(17,475)	-
Repayment of finance lease		(1,900)	-
Hire purchase interest paid		(242)	-
Net cash (outflow) from borrowing		-	(31,250)
		<hr/>	<hr/>
Net cash (outflow) from financing activities		(144,617)	(31,250)
		<hr/>	<hr/>
(Decrease)/increase in cash and cash equivalents in the year		(487,337)	389,863
Cash and cash equivalents at the beginning of the year		975,100	585,237
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year		487,763	975,100
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 23 to 42 form part of these financial statements.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023

1 Accounting policies

a) General Information

Furniture Resource Centre Limited is a private charitable company limited by guarantee, incorporated in England and Wales under the Companies Act 2006 and the Charities Act 2011. The address of the registered office is shown on the company information page. The nature of the company's operating and financial activities are outlined in the Annual report.

b) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (The Charities SORP 2nd Edition), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, and the Charities Act 2011.

Accounts are prepared in pounds sterling and rounded to the nearest pound.

The trustees confirm that the charity 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).

c) Basis of consolidation

The financial statements consolidate the results of the charity, Bulky Bob's and Bulky Bob's for Business, charities for which it is the sole member. The results of these companies are consolidated on a line-by-line basis. A separate Statement of Financial Activities for the charity itself has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

d) Going concern

The Group has experienced significant growth over recent years and this growth is expected to continue over at least the short to medium term. Future financial forecasts show the continued generation of surpluses each year in the range of £0.3m - £0.5m depending on the level of organic growth achieved and the extent to which supplier price increases are able to be passed on to customers in a timely manner. In order to generate these surpluses, the following principles will be adopted:

- Organic growth will continue to be pursued by increasing the customer base through tender opportunities and also growing sales to existing customers.
- Opportunities for new markets / services will continue to be investigated.
- Any loss making contracts / services will be reviewed with a turnaround plan developed and monitored.
- Price increases from suppliers will be passed on to customers at the first available opportunity in order to maintain gross margins.
- Ways of working more efficiently, growing the gross margin and running services in a more cost effective manner will always be followed.

After reviewing financial projections for the group and taking account of new contracts recently won, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The trustees have concluded that it is appropriate to prepare the accounts on a going concern basis.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (*continued*)

1 Accounting policies (*continued*)

e) Incoming resources

Voluntary income and donations are accounted for when there is entitlement, probability of receipt, and the amount can be measured with sufficient reliability, unless the donor has specified that the donation or grant relates to a future period or certain pre-conditions must be fulfilled before use.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided). Income from charitable activities includes income received under contract (as the related goods and services are provided).

Investment income is recognised on a receivable basis. Income from grants receivable which support people development is credited to the income and expenditure account in the period to which the grants relate.

f) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Expenditure is directly attributable to specific activities and has been included in those cost categories.

Costs of generating funds are those costs incurred in the trading activities of the subsidiary companies that raise funds.

Charitable activities include expenditure associated with the supply of furniture and other household accessories to social landlords, the retailing of reused goods to economically disadvantaged groups, provision of bulky household waste collection services, logistics and other recycling services and the costs of providing training programmes to socially excluded groups. These include both the direct costs and support costs relating to those activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation are apportioned by income generated.

Interest charges are included within 'general office costs' within support costs.

g) Irrecoverable VAT

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

h) Operating leases

Where the group is lessee, rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are included in 'resources expended' on a straight line basis over the term of the lease.

i) Investments

Current asset investments concern cash held on deposit with a maturity date of less than one year from the maturity date. Investments are initially and subsequently measured at the amount of the cash deposit.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (*continued*)

1 Accounting policies (*continued*)

j) Tangible fixed assets and depreciation

Tangible fixed assets for use by the group are stated at cost less depreciation subject to impairment review in accordance with FRS 102. The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Depreciation is provided at the following annual rates on a straight line basis in order to write off each asset over its estimated useful life:

Improvements to leasehold property	-	10% on cost
Plant and machinery	-	10%-25% on cost
Fixtures, fittings and equipment	-	25% on cost
Computer equipment	-	20%-33% on cost

k) Goodwill

On acquisition of a business, fair values are attributed to the assets, liabilities and contingent liabilities of the acquired business at the date of acquisition. Goodwill arises when the fair value of the consideration given for a business exceeds the fair value of the net assets. Goodwill is capitalised and amortised over its useful economic life. The useful economic life of goodwill is considered to be 2 years.

l) Stocks

Stocks of new and donated goods are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

m) Pension costs

The charity and group operates a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions in respect of the company's Group Personal Pension Plan are included in 'resources expended' for the year in which they are payable to the scheme.

n) Fund's structure

The group's funds consist of unrestricted and restricted amounts. The charity may use unrestricted amounts at its discretion. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes.

o) Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group 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.

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.

Creditors and provisions are recognised where the group 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.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

1 Accounting policies (continued)

p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.
- Determine an appropriate cost allocation methodology for support costs. Support costs have been allocated between activities on the basis of income generated.

Other key sources of estimation uncertainty:

- Tangible fixed assets are depreciated over their useful lives taking into account residual lives, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Debtors are provided against when there is objective evidence that the debt will not be recoverable.

2 Financial activities of the charity

A summary of the financial activities undertaken by the charity is shown below.

	Unrestricted funds	Restricted funds	Total 2023	Unrestricted funds	Restricted funds	Total 2022
	£	£	£	£	£	£
Incoming resources	18,438,428	37,500	18,475,928	14,712,870	40,908	14,753,778
Resources expended	(18,021,221)	(25,000)	(18,046,221)	(14,091,248)	(49,718)	(14,140,966)
Net incoming resources for year	417,207	12,500	429,707	621,622	(8,810)	612,812

Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3 Subsidiary companies and other group charities

The financial activities shown in the consolidated financial statements include the results of Bulky Bob's and Bulky Bob's For Business, charities for which Furniture Resource Centre Limited is the sole member.

The information and financial data for each company is included below. The registered office of Bulky Bob's and Bulky Bob's For Business is the same as stated on the company information page of these accounts.

(i) Bulky Bob's

The charity is the sole member of Bulky Bob's (company number 09948123 and charity number 1167068), a charitable company limited by guarantee and registered in England. Bulky Bob's operates contracts for various councils within the North West for the collection, reuse and recycling of bulky household 'waste and for the provision of training.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

3 Subsidiary companies and other group charities (continued)

(ii) Bulky Bob's For Business

The charity is the sole member of Bulky Bob's For Business (company number 09735094 and charity number 1168088), a charitable company limited by guarantee and registered in England. Bulky Bob's For Business provides a business waste collection service including the collection, data wiping and reuse of PCs.

(i) A summary of the results of Bulky Bob's for the year is shown below.

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Incoming resources	1,057,232	-	1,057,232	1,181,091	40,402	1,221,493
Resources expended	(1,059,637)	-	(1,052,365)	(1,170,796)	(40,402)	(1,211,198)
Net incoming resources for the year	(2,405)	-	(2,405)	10,295	-	10,295
Reserves at 31 March	151,503	-	151,503	153,908	-	153,908

(i) A summary of the results of Bulky Bob's For Business for the year is shown below.

	Unrestricted funds £	Restricted funds £	2023 Total funds £	Unrestricted funds £	Restricted funds £	2022 Total funds £
Incoming resources	175,925	-	175,925	155,109	1,232	156,341
Resources expended	(173,984)	-	(173,984)	(153,316)	(1,232)	(154,548)
Net incoming resources for the year	1,941	-	1,941	1,793	-	1,793
Reserves at 31 March	(123,808)	-	(123,808)	(125,749)	-	(125,749)

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

4 Income from donations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Unrestricted funds £	Restricted funds £	Total 2022 £
Kickstart	-	-	-	-	82,392	82,392
Coronavirus Job Retention Scheme	-	-	-	6,467	-	6,467
Other donation	-	-	-	-	150	150
Steve Morgan Foundation	-	7,500	7,500	-	-	-
Duchy of Lancaster	-	5,000	5,000	-	-	-
Fusion 21	-	25,000	25,000	-	-	-
Total donations	-	37,500	37,500	6,467	82,542	89,009

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Provision of furniture/furniture packages	18,033,798	-	18,033,798	14,277,981
Provision of bulky household waste collection and recycling services	699,343	-	699,343	882,862
Charity shop sales	138,007	-	138,007	209,780
Provision of other recycling services	109,158	-	109,158	123,857
Other income	-	-	-	1,673
Total charitable activities	18,980,306	-	18,980,306	15,496,153

All income from charitable activities was unrestricted in both the current and the prior year.

6 Expenditure on charitable activities

	Direct Costs £	Support £	Total 2023 £
Provision of furniture/furniture packages	15,253,516	1,767,258	17,020,774
Charity shop sales	300,931	11,018	311,949
People development	309,093	109,209	418,302
Provision of bulky household waste collection and recycling services	726,207	55,828	782,035
Provision of other recycling services	348,308	8,713	357,021
Other	-	-	-
Total charitable activities expenditure	16,938,055	1,952,026	18,890,081

Total expenditure on charitable activities was £18,890,081 (2022 - £14,991,863), of which £25,000 (2022 - £91,352) was restricted and £18,865,081 (2022 - £14,900,511) was unrestricted.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

6 Expenditure on charitable activities (continued)

	Direct Costs £	Support £	Total 2023 £
Provision of furniture/furniture packages	11,676,839	1,361,055	13,037,894
Charity shop sales	340,462	17,084	357,546
People development	265,654	66,086	331,740
Provision of bulky household waste collection and recycling services	873,322	41,651	914,973
Provision of other recycling services	242,654	15,035	257,689
Other	91,942	79	92,021
	<hr/>	<hr/>	<hr/>
Total charitable activities expenditure	13,490,873	1,500,990	14,991,863
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

7 Allocation of support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation costs are apportioned by income generated.

Support cost	Provision of furniture and furniture packages £	Charity shop sales £	People development £	Provision of bulky household waste collection and recycling services £	Provision of others recycling Services £	Total 2023 £
Property cost	327,628	-	109,209	-	-	436,837
Staff costs	627,370	4,801	-	24,329	3,797	660,297
ICT costs	146,813	1,124	-	5,693	889	154,519
Depreciation	93,508	716	-	3,626	566	98,416
Bad debt	16	-	-	1	-	17
Governance	42,021	322	-	1,630	254	44,227
General office	529,902	4,055	-	20,549	3,207	557,713
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,767,258	11,018	109,209	55,828	8,713	1,952,026
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Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

7 Allocation of support costs (continued)

	Provision of furniture and furniture packages	Charity shop sales	People development	Provision of bulky household waste collection and recycling services	Provision of others recycling Services	Other	Total 2022
Support cost	£	£	£	£	£	£	£
Property cost	198,259	-	66,086	-	-	-	264,345
Staff costs	584,202	8,583	-	25,867	7,684	49	626,385
Vehicle costs	-	-	-	-	307	-	307
ICT costs	144,217	2,119	-	-	-	-	146,336
Depreciation	105,357	1,548	-	-	-	-	106,905
Governance	25,272	371	-	2,744	3,250	5	31,642
General office	303,748	4,463	-	13,040	3,794	25	325,070
	<u>1,361,055</u>	<u>17,084</u>	<u>66,086</u>	<u>41,651</u>	<u>15,035</u>	<u>79</u>	<u>1,500,990</u>

8 Governance costs

	2023 £	2022 £
Social audit	5,486	7,000
Audit and accountancy	31,210	18,000
Directors' insurance	7,531	6,644
	<u>44,227</u>	<u>31,644</u>

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

9 Analysis of staff costs and the cost of key management personnel	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Staff costs:				
Wages and salaries	3,784,750	3,341,948	3,317,540	2,735,136
Social Security costs	292,278	244,431	256,623	204,384
Pension costs	167,322	143,834	150,461	126,193
	<u>4,244,350</u>	<u>3,730,213</u>	<u>3,724,624</u>	<u>3,065,713</u>

The emoluments of higher paid employees fell within the following ranges:

	2023 Number	2022 Number
£60,000 - £70,000	1	1
£70,001 - £80,000	2	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>1</u>	<u>1</u>

The key management personnel of the charity and group comprise the trustees, Chief Executive Officer, Director of Finance and Social, Director of FRC and the Director of People and Culture. The total employee cost of the key management personnel was £433,207 (2021: £361,354).

During the year, redundancy costs of £27,950 (2022 - £5,512) were paid by the group. Redundancy costs of £22,829 were paid by the charity (2022 - £nil).

The average number of employees analysed by function, was:

	2023 Number	2022 Number
Provision of furniture and furniture packages	77	68
Training	4	6
Retail	6	8
Bulky Bob's collection, recycling and reuse of unwanted furniture	20	25
Bulky Bob's For Business	-	1
Management, Finance, Administration and ICT	14	14
End Furniture Poverty	2	2
	<u>123</u>	<u>124</u>
Headcount at the end of the year	119	125

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (*continued*)

10 Trustee remuneration and related party transactions

No trustee received any remuneration during the year ended 31 March 2023 (2022 - £nil).

No travel costs were reimbursed to trustees in the year (2022 - £nil).

Related party transactions are shown in note 23 to the accounts.

11 Net incoming resources for the year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
This is stated after charging:				
Auditors' remuneration:				
• Audit services	20,210	18,000	18,710	12,000
• Non-audit services	5,487	7,000	5,486	7,000
Depreciation and amortisation	120,866	144,637	104,377	120,769
Loss on disposal	5,836	21,581	-	23,502
Operating lease rentals:	913,703	744,290	774,248	560,033

12 Intangible assets

Group	Goodwill £	Total £
<i>Cost or valuation</i>		
At 1 April 2022	97,600	97,600
Disposal	(97,600)	(97,600)
At 31 March 2023	-	-
<i>Amortisation</i>		
At 1 April 2022	97,600	97,600
Disposal	(97,600)	(97,600)
At 31 March 2023	-	-
<i>Net book value</i>		
At 1 April 2022 and 31 March 2023	-	-

All intangible fixed assets are used for or to support charitable purposes.

Goodwill of £90,000 arose on the acquisition of contracts on 25 June 2019 from a competitor organisation to supply furniture to customers, predominantly in the Greater Manchester region. This goodwill is amortised over a 2 year period.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

12 Intangible assets (continued)

	Goodwill £	Total £
Charity		
<i>Cost or valuation</i>		
At 1 April 2022	90,000	90,000
Disposal	(90,000)	(90,000)
At 31 March 2023	-	-
<i>Amortisation</i>		
At 1 April 2022	90,000	90,000
Disposal	(90,000)	(90,000)
At 31 March 2023	-	-
<i>Net book value</i>		
At 1 April 2022 and 31 March 2023	-	-

13 Tangible fixed assets

Group	Improvements to leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Assets under construction £	Total £
<i>Cost or valuation</i>						
At 1 April 2022	917,269	308,153	294,899	469,223	123,014	2,112,558
Additions	4,769	11,063	5,140	42,373	119,159	182,504
Disposals	(4,638)	(1,826)	(2,955)	(880)	-	(10,299)
At 31 March 2023	917,400	317,390	297,084	510,716	242,173	2,284,763
<i>Accumulated depreciation</i>						
At 1 April 2022	839,569	151,505	246,912	410,301	-	1,648,287
Charge for the year	16,509	37,650	29,667	37,040	-	120,866
Disposals	(825)	(1,098)	(1,660)	(880)	-	(4,463)
At 31 March 2023	855,253	188,057	274,919	446,461	-	1,764,690
<i>Net book value</i>						
At 31 March 2023	62,147	129,333	22,165	64,255	242,173	520,073
At 31 March 2022	77,700	156,648	47,987	58,922	123,014	464,271

All tangible fixed assets are used for or to support charitable purposes.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

13 Tangible fixed assets (continued)

Charity	Improvements to leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Assets under construction £	Total £
<i>Cost or valuation</i>						
At 1 April 2022	892,907	245,592	268,436	460,373	123,015	1,990,323
Additions	3,594	11,063	2,554	42,373	119,159	178,743
Disposals	-	-	-	-	-	-
At 31 March 2023	896,501	256,655	270,990	502,746	242,174	2,169,066
<i>Accumulated depreciation</i>						
At 1 April 2022	832,065	106,828	230,751	402,424	-	1,572,068
Charge for the year	14,105	29,836	24,136	36,300	-	104,377
Disposals	-	-	-	-	-	-
At 31 March 2023	846,170	136,664	254,887	438,724	-	1,676,445
<i>Net book value</i>						
At 31 March 2023	50,331	119,991	16,103	64,022	242,174	492,621
At 31 March 2022	60,842	138,764	37,685	57,949	123,015	418,255

All tangible fixed assets are used for or to support charitable purposes.

14 Stock

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Finished goods	1,202,650	1,190,923	1,198,483	1,187,291

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

15 Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	3,448,654	3,233,998	3,304,603	2,953,047
Prepayments	310,849	281,457	292,542	245,263
Amounts due from subsidiary undertakings	-	-	147,627	177,446
Other debtors	46,948	60,076	44,041	57,738
	<u>3,806,451</u>	<u>3,575,531</u>	<u>3,788,813</u>	<u>3,433,494</u>

The amount due from subsidiary undertaking relates to an amount due from Bulky Bob's For Business. The balance is due on demand and incurs interest at a rate of 4% per annum, compounded daily. The impairment loss recognised in the SOFA for the year in respect of bad and doubtful trade debtors was £Nil (2022 - £nil).

16 Investments

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Cash held on deposit	182,925	182,479	182,925	182,479
	<u>182,925</u>	<u>182,479</u>	<u>182,925</u>	<u>182,479</u>

The amount shown under cash held on deposit above relates to cash held in fixed term deposits maturing prior to 31 March 2024.

17 Creditors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	1,200,432	1,538,374	1,167,392	1,506,067
Amounts owed to subsidiary undertakings	-	-	-	4,950
Other taxation and social security	330,913	290,177	323,531	246,773
Other creditors	28,501	69,472	27,531	65,641
CBILS loan	125,000	125,000	125,000	125,000
Accruals and deferred income	604,928	526,061	557,933	399,553
	<u>2,289,774</u>	<u>2,549,084</u>	<u>2,201,387</u>	<u>2,347,984</u>

Amounts due to subsidiary undertakings are interest free and repayable on demand.

Loan due after more than one year

CBILS loan due in 1-2 years	125,000	125,000	125,000	125,000
CBILS loan due in 2-5 years	93,750	218,750	93,750	218,750
Creditors due in more than one year	<u>218,750</u>	<u>343,750</u>	<u>218,750</u>	<u>343,750</u>

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

17 Creditors (continued)

The CBILS loan relates to a loan of £500,000 received on 16 December 2020 from the Government's Coronavirus Business Interruption Loan Scheme. Interest is payable on the loan at a rate of 1.88% above base rate with repayments commencing January 2022 and the final repayment being due December 2026. The loan is secured by a fixed and floating charge over the assets of the charity.

18 Deferred income

Deferred income comprises income received in advance of delivery of service. During the year the contract with Liverpool City Council ceased and there was no deferred income at year end.

	Group £	Charity £	Group £	Charity £
Balance at the start of the year	93,713	-	12,306	-
Amount released to incoming resources	(93,713)	-	(513,978)	-
Amounts deferred in the year	-	-	595,385	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at the end of the year	-	-	93,713	-
	<hr/>	<hr/>	<hr/>	<hr/>

19 Funds

Group	Balance at 1 April 2022 £	Movement in resources		Balance at 31 March 2023 £
		Incoming £	Outgoing £	
Restricted funds				
Fusion-21	-	25,000	(25,000)	-
Time for Bed	-	12,500	-	12,500
	<hr/>	<hr/>	<hr/>	<hr/>
Total restricted funds	-	37,500	(25,000)	12,500
	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds	3,495,470	19,048,449	(18,865,081)	3,678,838
	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	3,495,470	19,085,949	(18,890,081)	3,691,338
	<hr/>	<hr/>	<hr/>	<hr/>

Those funds with balances at 31 March 2023 or 31 March 2022 represent funds received and used for the following purposes.

- (i) Fusion-21 – this was income restricted for the publication of a blueprint for furnished tenancies.
- (ii) Steve Morgan Foundation – this was restricted in relation to the Time for Bed campaign.
- (iii) Ducy of Lancaster Benevolent Fund – this was restricted in relation to the Time for Bed campaign.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

19 Funds (continued)

Charity	Balance at	Movement in		Balance at
	1 April 2022	Incoming	Outgoing	31 March 2023
	£	£	£	£
Restricted funds				
Fusion-21	-	25,000	(25,000)	-
Time for Bed	-	12,500	-	12,500
Total restricted funds	-	37,500	(25,000)	12,500
Unrestricted funds	3,467,313	18,456,800	(18,272,970)	3,651,143
Total funds	3,467,313	18,494,300	(18,297,970)	3,663,643

Movement in funds for the year ended 31 March 2022 are shown below.

Group	Balance at	Movement in		Balance at
	1 April 2021	Incoming	Outgoing	31 March 2022
	£	£	£	£
Restricted funds				
Made Smarter Grant (i)	8,810	-	(8,810)	-
Kickstart (ii)	-	40,758	(40,758)	-
Donation to purchase a bed (ii)	-	150	(150)	-
Total restricted funds	8,810	40,908	(49,718)	-
Unrestricted funds	2,861,760	15,534,221	(14,900,511)	3,495,470
Total funds	2,870,570	15,575,129	(14,950,229)	3,495,470

Restricted funds with balances at 31 March 2023 or 31 March 2022 represent funds received and used for the following purposes.

(i) Funding for the development of mattress cleaning machinery received by Bulky Bob's but transferred to Furniture Resource Centre Limited on 31 March 2021 along with the mattress cleaning machinery

Those funds which were received and defrayed In the year were received for the following purposes.

(ii) Funding for staff development and training

(iii) Funding from a member of the public to purchase a bed for someone in need

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

19 Funds (continued)

	Balance at 1 April 2021 £	Movement in resources		Balance at 31 March 2022 £
Charity	£	Incoming £	Outgoing £	£
Restricted funds				
Made Smarter Grant (i)	8,810	-	(8,810)	-
Kickstart (ii)	-	40,758	(40,758)	-
Donation to purchase a bed (ii)	-	150	(150)	-
Total restricted funds	8,810	40,908	(49,718)	-
Unrestricted funds	2,845,691	14,712,870	(14,091,248)	3,467,313
Total funds	2,854,501	14,753,778	(14,140,966)	3,467,313

20 Analysis of net assets between funds

Group	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Fixed assets	520,073	-	520,073	464,271	-	464,271
Net current assets	3,377,515	12,500	3,390,015	3,374,949	-	3,374,949
Non-current liabilities	(218,750)	-	(218,750)	(343,750)	-	(343,750)
Net assets	3,678,838	12,500	3,691,338	3,495,470	-	3,495,470

Charity	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Fixed assets	492,621	-	492,621	418,255	-	418,255
Net current assets	3,377,272	12,500	3,389,772	3,392,808	-	3,392,808
Non-current liabilities	(218,750)	-	(218,750)	(343,750)	-	(343,750)
Net assets	3,651,143	12,500	3,663,643	3,467,313	-	3,467,313

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

21 Operating lease commitments

At 31 March 2023, the commitments under non-cancellable operating leases are as follows:

Group	Land and buildings £	Other £	Total 2023 £	Land and buildings £	Other £	Total 2022 £
Expiry within:						
Under one year	195,123	79,834	274,957	363,241	87,605	450,846
Two to five years	191,221	-	191,221	462,890	32,493	495,383
	386,344	79,834	466,178	826,131	120,098	946,229
Charity						
Expiry within:						
Under one year	255,551	75,228	330,779	351,508	51,989	403,497
Two to five years	208,182	-	208,182	462,890	26,646	489,536
Over five years	-	-	-	-	-	-
	463,733	75,228	538,961	814,398	78,635	893,033

22 Pension commitments

The charity and group operate a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity and group in an independently administered fund. Contributions are paid based upon the recommendations of a qualified actuary.

For the group, the annual contributions under this scheme were £167,322 (2022 - £143,834). The creditor at year was £24,230 (2022 - £26,074) and is included in creditors.

For the charity, the annual contributions under this scheme were £150,461 (2022 - £124,257). The creditor at year was £22,854 (2022 - £22,929) and is included in other creditors.

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

23 Related parties

Bulky Bob's

In the year ended 31 March 2022, the following transactions took place between Furniture Resource Centre Limited and Bulky Bob's, a charity for which Furniture Resource Centre Limited is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's:

Recharge for staff costs: £20,242 (2022 - £65,082)
Recharge for shared services: £79,520 (2022 - £118,776)
Recharge for premises costs: £86,973 (2022 - £21,593)
Recharge for logistics costs: £51,204 (2022 - £61,256)
Recharge for general costs: £37,300 (2022 - £62,917)
Recharge for staff training costs: £6,329 (2022 - £1,705)
Donation: £330,000 (2022 - £374,000)
Transfer of refurbished bed bases - £41,655 (2022 - £Nil)

Transactions from Bulky Bob's to Furniture Resource Centre Limited:

Recharge for staff costs: £116,121 (2022 - £102,397)
Recharge for logistics services: £9,390 (2022 - £4,699)
Recharge for general costs: £34,481 (2022 - £118,750)
Recharge for premises costs: £Nil (2022 - £25)
Sale of fixed assets: £Nil (2022 - £5,250)
Mattress machine income: £27,828 (2022 - £27,828)

The amount owed by Furniture Resource Centre Limited to Bulky Bob's at 31 March 2023 was £Nil (2022 - £4,951). The amount owed by Bulky Bob's to Furniture Resource Centre Limited at 31 March 2023 was £11,705 (2022 - £Nil).

Bulky Bob's for Business

In the year ended 31 March, 2023, the following transactions took place between Furniture Resource Centre Limited and Bulky Bob's For Business, a charity for which Furniture Resource Centre Limited is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's For Business:

Recharge for staff costs: £56,455 (2022 - £35,625)
Recharge for shared services: £19,427 (2022 - £19,559)
Recharge for logistics costs: £5,566 (2022 - £10,281)
Recharge for general costs: £13,286 (2022 - £13,564)
Recharge for staff training costs: £390 (2022 - £5)
Donation: £25,000 (2022 - £nil)
Recharge for waste disposal costs: £50,004 (2022 - £Nil)

Transactions from Bulky Bob's For Business to Furniture Resource Centre Limited

Recharge for logistics costs: £3,415 (2022 - £12,523)
Recharge for staff costs: £2,245 (2022 - £Nil)
Recharge for general costs: £Nil (2022 - £1,293)
Interest on intercompany borrowing £6,100 (2022 - £Nil)

The amount owed by Bulky Bob's to Furniture Resource Centre Limited at 31 March 2023 was £135,922 (2022 - £177,447).

Furniture Resource Centre Limited

Notes to the Accounts for the year ended 31 March 2023 (continued)

23 Related parties (continued)

During the year, sales of £Nil (2022: £609) were made by Bulky Bob's For Business to PSS (UK), a charity whose Chief Executive Officer is also a trustee of the charity.

During the year, sales of £929 (2022 - £9,347) were made to Regenda Homes, an organisation with a director who is also a trustee of the charity.

24 Commitments

There were capital commitments at 31 March 2023 of £75,198 (2022 - £Nil).

25 Reconciliation of net incoming resources to net cash flow from operating activities

	2023 £	2022 £
Net incoming resources for the year	195,868	624,900
Depreciation and amortisation	120,866	144,637
Loss on disposal of assets	5,836	21,581
Finance income	(446)	(686)
Interest charge	24,493	-
(Increase) in stock	(11,727)	(194,581)
(Increase) in debtors	(230,920)	(546,863)
Increase in creditors	(264,186)	455,007
	<hr/>	<hr/>
Cash generated from operations	(160,216)	503,995
	<hr/> <hr/>	<hr/> <hr/>

26 Net debt reconciliation

	1 April 2022 £	Cash flows £	Interest charge £	31 March 2023 £
Cash at bank and in hand	975,100	(480,561)	(6,776)	487,763
Bank loans	(468,750)	142,475	(17,475)	(343,750)
HP loan	(2,217)	2,142	(242)	(317)
	<hr/>	<hr/>	<hr/>	<hr/>
Net cash	504,133	(335,944)	(24,493)	143,696
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

27 Ultimate controlling party

Furniture Resource Centre Limited has no controlling party.

Furniture Resource Centre Limited

Notes to the Accounts
for the year ended 31 March 2023 (*continued*)

28 Comparative SOFA information

	Total Unrestricted funds £	Total Restricted funds £	Total Funds 31 March 2022 £
Income and endowments from:			
Donations and legacies	6,467	82,542	89,009
Charitable activities:			
Investments	15,496,153	-	15,496,153
Other	686	-	686
	30,915	-	30,915
	-----	-----	-----
Total	15,534,221	82,542	15,616,763
	-----	-----	-----
Expenditure on:			
Charitable activities	14,900,511	91,352	14,991,863
	-----	-----	-----
Total resources expended	14,900,511	91,352	14,991,863
	-----	-----	-----
Net incoming resources	633,710	(8,810)	624,900
Balance brought forward at 1 April	2,861,760	8,810	2,870,570
	-----	-----	-----
Balances carried forward at 31 March	3,495,470	-	3,495,470
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FURNITURE RESOURCE CENTRE LIMITED

England & Wales - Charity number 700731

Accounts

Integrated Report 2021-22



FURNITURE RESOURCE CENTRE LIMITED



FRC

GROUP

Contents

3	Glossary
4	Strategic Report
6	Overview of 2021-22
10	Company information as of 31 March 2022
12	Our Aims, Objectives and Achievements
14	FRC Group Company Structure March 2022
15	Methodology
16	Social Value Review 2021-22
20	Financial Review 2021-22
24	Risk
25	Trends and Factors
26	Code of Governance Statement
28	Creating Social Value
30	To understand and highlight the reality of furniture poverty
34	To lobby and campaign for the eradication of furniture poverty
37	Developing and running successful social businesses that tackle furniture poverty
43	Training people out of poverty
46	Using our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group
49	People
52	Health, Safety and Wellbeing
54	Carbon Footprint
55	Suppliers
56	Stakeholder section
58	Appendix 1: Independent Limited Assurance Report to FRC Group
60	Financial Review
61	Directors' Responsibilities Statement
62	Independent Auditor's Report to the Members of Furniture Resource Centre Limited
66	Consolidated Statement of Financial Activities
67	Consolidated Balance Sheets
68	Consolidated Cash Flow Statement
69	Notes to the Accounts

Glossary

Our mission

To reduce and ultimately eradicate furniture poverty.

End Furniture Poverty

Our campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it.

Our objectives are:

- to understand and highlight the reality of living in furniture poverty
- to lobby and campaign for the eradication of furniture poverty
- to develop and run successful social businesses that tackle furniture poverty
- to train and develop people out of poverty and into sustainable, well-paid jobs and careers
- to use our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group.

Our values:

- Bravery, Creativity, Passion, Professionalism

Furniture Resource Centre Limited

Sells furniture and accessories to turn a house into a home, business-to-business, to a customer base that includes housing associations, local authorities, charities and construction companies.

Buckingham Interiors

Provides interior design and specialist contract furniture to sheltered housing schemes across the UK.

Bulky Bob's

Provides a bulky household waste collection service to local authorities, collecting unwanted items from homes and assessing them for reuse and recycling.

Bulky Bob's For Business

Offers business collection and reuse services, including accommodation clearances and removals, mattress recycling, mattress 'UltraClean' cleaning, IT equipment collection and refurbished computer sales. The name of this company was changed from Bulky Bob's Office and Commercial Waste to Bulky Bob's For Business Limited on 22 December 2021 and then to Bulky Bob's For Business on 10 January 2022.

Bulky Bob's Furniture World

Sells and donates the good quality preloved furniture collected by the Bulky Bob's collection teams.

When we talk about 10 Essential Items, we mean... The essential furniture items that every household should have access to in order to live a decent life.

Driving Change

Driving Change is our training and employment programme with an aim to help people secure higher-paid employment elsewhere when they have finished their training.

ViP (Volunteers, Interns, Placements and Students)

ViP is our volunteering programme. Through this scheme, people can work towards their own goals or give to charity by volunteering their time and skills.

Social Value

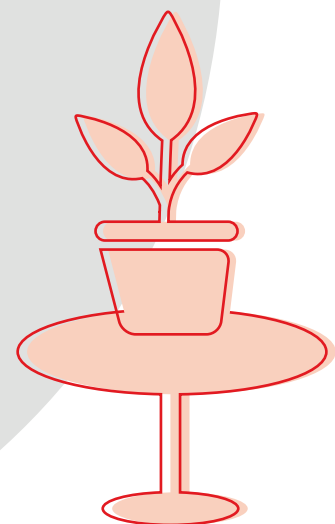
Social Value is the quantification of the relative importance that people place on the changes they experience in their lives. At FRC Group we measure the social value we create in all of our furniture related activity. Our qualitative and quantitative statements which are audited are highlighted throughout this report with this symbol.



Data assured, this icon shows which data points have been audited

Strategic Report

This is the ninth integrated report from FRC Group. It tracks our progress through the group's 33rd year of service, a year we are immensely proud of. This report looks at the financial year of April 2021 – March 2022, a year of building back after the massive challenges and hurdles due to the after effects of the COVID-19 pandemic. Our FRC Group team, as always, were brave, creative, passionate and professional and continued to deliver a fantastic service. It was another successful year which is as a result of the brilliant and dedicated team we have at FRC Group.





We express our gratitude to our amazing team of staff, trainees and volunteers, who daily live and breathe our values. This extraordinary team work hard together, achieving great things on the road to our goal to end furniture poverty.

We offer our heartfelt thanks to all the people who have played a part in producing this report: all those who make FRC Group a great place to work – our staff, Driving Change trainees, ViPs and our Board of Trustees; our data collectors and analysers, and particularly Carol Cassidy, Claire Donovan, James Frost, Ashley Mason, Laura Smith, Aimee Stanton, Jacqui Millington, Luke Rice and Joan Stockton. We would also like to thank Crowe UK, who assured the report. Their statements are on pages x to x and x to x; Nonconform, who designed the report; Deana Kay, who took the photographs; and report authors Collette Williams and Tony Rowan, aided by contributions from the team.



Overview of 2021 – 2022

Once again, the level of challenge faced in 2021-2022 was extraordinary as was the response from each and every staff member at FRC Group. We achieved our budgets both in social value terms and financially, but effectively delivered this result with fewer people than we anticipated. The perfect storm of covid illnesses and isolations, loss of colleagues due to the 'Great Resignation', well publicised difficulties in recruiting replacement staff and even the inability to secure driving tests for our trainees placed significant strain on our businesses and our people. We applaud not only the commitment and professionalism of our colleagues but also their sheer stamina! Our staff fully understand that every delivery they make is moving people out of furniture poverty and that is what drives them to give their best every single day. We also know that our workforce cannot continue to work as hard as they have been and we are working hard towards becoming an even better workplace where people can do a fair days work, learn, develop and play a part in shaping the future of FRC Group.

We continued to raise awareness of furniture poverty, educated people about the potential solutions and, ultimately, worked towards ensuring that everyone has access to the essential furniture and goods they need to lead a secure life

Each year we aim to give a comprehensive view of all of our achievements in the year and also to acknowledge any areas that haven't quite gone to plan. We strive to fully demonstrate the impacts of our operations and programmes, both intended and unintended, on all of our stakeholders and to highlight our targets for creating more impact in the following year.

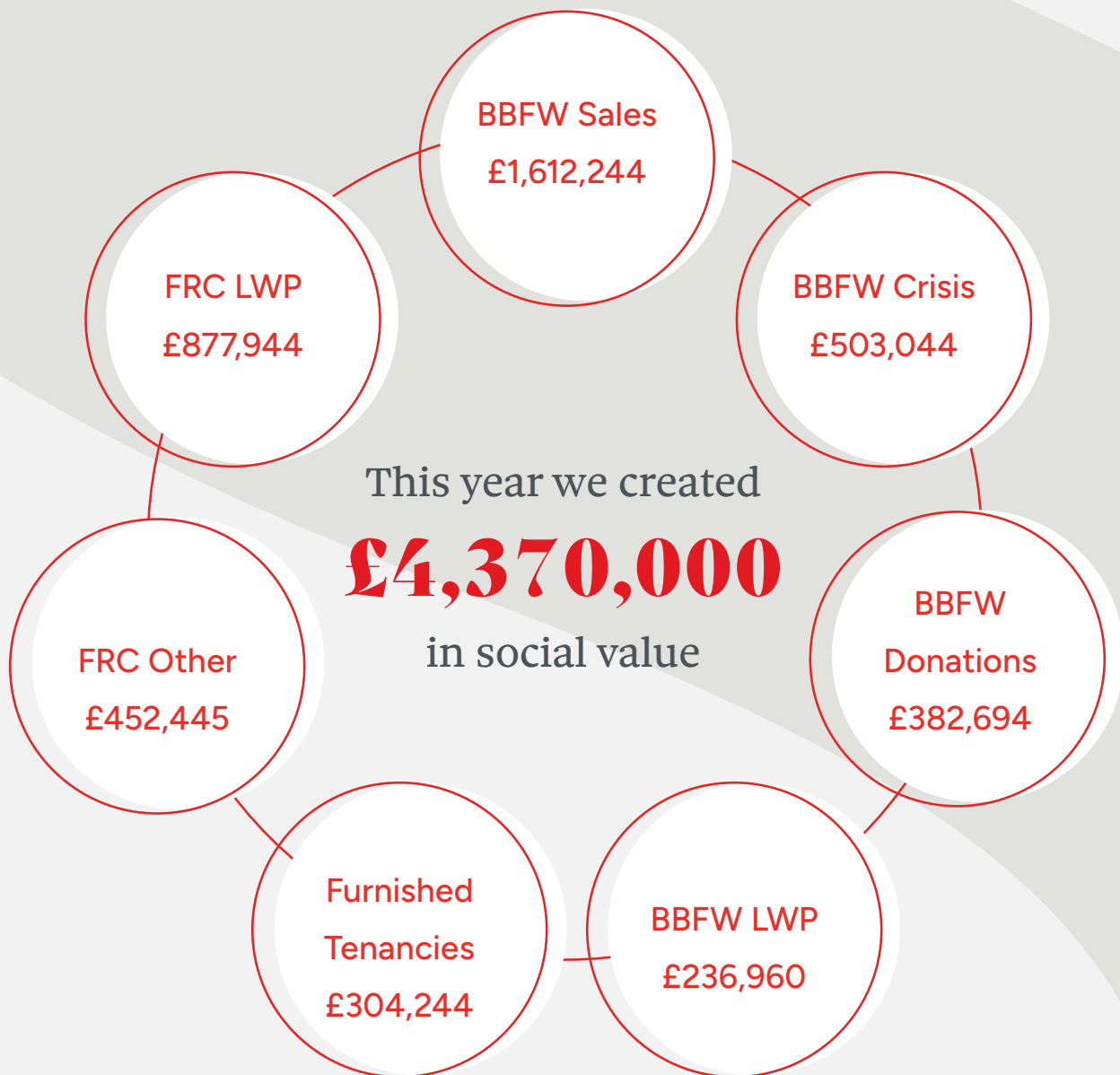
After listening to feedback from our stakeholders, we continue on our journey towards trying to provide a more succinct report which examines our performance, and to use this information to improve and create more impact in the future.

We continue to use the results of our study on The Value of Essential Furniture. This renewed insight has informed and improved our decision making and social value measurement processes, all with the view to continue on the road to end furniture poverty.

Social Value



Social Value is the quantification of the relative importance that people place on the changes they experience in their lives. At FRC Group we measure the social value we create in all of our furniture related activity.



This year we:



Donated free furniture to people who need it to the financial value of £59,207
(2020-21 £68,369)

This includes

- Crisis donations – **£57,383** (2020-21 £61,436)
- Safety Net – **£0** (2020-21 £4,678)
- North Tyneside Furniture Scheme – **£1,824**
(2020-21 £6,933)
- Donated beds & mattresses – **£6,540**
(2020-21 £10,240)

Through Crisis donations and donated furniture to the value of £57,383
(2020-21 £61,436)

Gave discounted furniture to 2,867
(2020-21 1,827) **customers through Bulky Bob's Furniture World.**

Total number preloved sales to BFFW customers

- Liverpool **3,647** (2020-21 2068)
- Oldham **622** (2020-21 252)
- North East **12** (2020-21 0)

Delivered free furniture to 482 families in crisis situations (2020-21 466).

We delivered 1 Free Furniture Community Events (2021-21 3) **and ran 'Buy One Get One Free' offers from July 21 – Jan 22 & again in March 22, gifting 605 essential items.**

Delivered 26 items of free furniture through our new contract in North Tyneside (2020-21 99)

Bulky Bob's completed 51,992 collection requests on behalf of councils (2020-21 42,484)

Reused & recycled 1,176 tonnes of furniture, appliances and other bulky waste (excluding mattresses) (2020-21 1486)

Bulky Bob's recycled in the region of 3,194 mattresses (based on average weights)
(2020-21 2501)

111.8 tonnes of mattresses were diverted from landfill (2020- 21 87.5)

During 2020/21 we UltraCleaned 910 mattresses. (2020-21 538)

Of these:

- **175** were gifted to people in furniture poverty (2020-21 191)
- **556** were sold at low cost to families living on low incomes (2020-21 312)
- **157** were sold to distributors who sold them at low cost to their own customer living on low incomes (2020-21 34)

Financial value of donated mattresses and bed bases £6,540 (2020-21 £10,240)

We sold a total of 234 low cost reuse PCs & laptops to schools and community groups. (2020-21 158) **and donated a further 99 to schools, community groups and people in crisis.**

Through Furniture Resource Centre we made **24,614** deliveries of furniture to people's homes (2020-21 24,540)

We distributed **63,017** items of essential furniture. (2020-21 55,308)

We worked with **8** trainees (2020-21 15)

We worked with **10** kickstarters (2020-21 5)

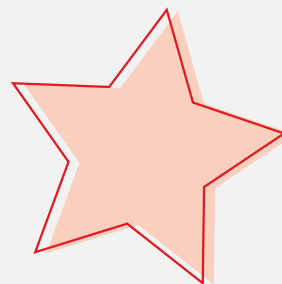
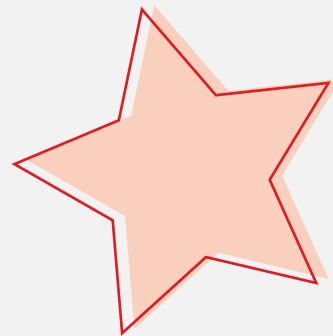
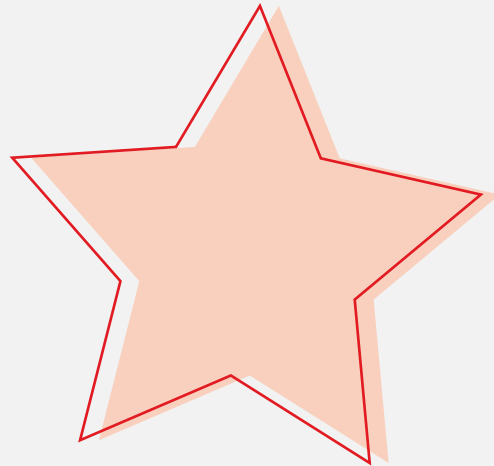
We worked with **2** apprentice (2020-21 1)

We won awards:

- **Echo Environment Award** for CSR
- **Regional Business Award** for CSR
- **SE100 Award** for Growth
- **SE100 Top 100** UK Social Enterprise
- Highly Commended for **SE100** Award for Impact

We gained accreditation:

- FRC achieved the **ISO14001 Environmental Management System** accreditation.



Company Information

as of 31 March 2022

Company Number

2296329 (England and Wales)

Charity Number

700731

Directors

N Wilson

E Bichard

L Dixon (resigned 24 May 2022)

J Hines

J Nicholls

J Vernon

E Leach

Secretary

A Rowan

Chief Executive

S Doran

Registered Office

Atlantic Way

Brunswick Business Park Liverpool

L3 4BE

Bankers

NatWest Bank

2-8 Church Street Liverpool

L1 3BG

Auditors

Crowe UK LLP

The Lexico

Mount Street

Manchester

M2 5NT

Solicitors

Brabners Horton House

Exchange Flags

Liverpool

L2 3YL



Strategic Decision-Making

FRC Group's Board of Trustees sets the strategic direction at an annual planning meeting that establishes the priorities for the year ahead.

The board is informed at its regular meetings of progress against these agreed strategic priorities.

When issues arise during the year that require the board's agreement to a strategic-level response, they are discussed at the next scheduled board meeting or, if necessary, at a specially convened meeting.

The board has three sub-committees which meet as required: Finance, Measuring Social Value and Remuneration. These committees make recommendations to the full board in their areas of specialism.

We also record 'responsiveness' and detail the changes that have been made to policies, procedures, services or products in relation to feedback. Responsiveness is one of the cornerstones of accounting for social value and we record it to drive change.

Meeting Our Objectives

To ensure that our work always delivers the right benefits for our stakeholders, we constantly monitor and assess activities and outcomes throughout the year.

This helps us both to focus on desired outcomes and consider whether as much social and financial value as possible is being created in all areas of our work.

Regular monitoring means we can continually improve outcomes by adjusting our ways of working and developing new approaches where necessary.

Our financial and social performance is reviewed each quarter at board meetings. This report summarises our annual results in the form of financial statements and quantitative and qualitative social value data.

Trustees

The directors of FRC Group's charitable companies are their trustees for the purpose of charity law and throughout this report are collectively referred to as directors and are listed on page xx. The directors are appointed by the members at the Annual General Meeting but can be co-opted between AGMs by the board pending election. Before being co-opted, prospective trustees are invited to observe meetings to learn more about the charity and to meet the other trustees. During this induction process, the candidate meets the chair of trustees and the senior management team, and visits different parts of the business to meet staff. A Scheme of Delegation agreed between the trustees and the senior management team details which decisions the senior management team are authorised to take and which must be referred to the trustees. Decisions can be taken by trustees by email if a decision is needed before the next scheduled trustee meeting. All of the directors give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are shown in note 10 to the accounts.

Our Aims, Objectives and Achievements

FRC Group is a collection of social businesses run by Furniture Resource Centre Limited, a registered charity. The purposes of the charity are set out in the company's memorandum of association as follows:

To relieve, either generally or individually, persons who are in conditions of need, hardship or distress by the provision of furniture and other household accessories calculated to reduce the need, hardship or distress of such persons.

To promote any charitable purpose for the benefit of the public and in particular the advancement of education and training, the relief of poverty, distress and sickness and charitable purposes connected with the improvement of the environment.

To advance education and relieve need by providing or assisting in the provision of training and by providing guidance for such people as are in need, calculated to enable them to earn their own living.

In the day-to-day running of the organisation, we use these words to describe what we do:

FRC Group's vision is of a society where people can obtain good quality, affordable furniture without experiencing the devastating impacts of furniture poverty – no bed to sleep on or unmanageable debts. Our mission is to reduce and ultimately eradicate furniture poverty. We campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it. Our work also helps create sustainable employment and better futures for people.

To deliver on these objectives, FRC Group is made up of the following businesses / initiatives:

End Furniture Poverty, Furniture Resource Centre, Buckingham Interiors, Bulky Bob's, Bulky Bob's Furniture World, Bulky Bob's for Business and Reuse IT.

Statement of Public Benefit

FRC Group ensures that its aims and objectives are achieved through a variety of ways as detailed in the Creating Social Value section of this report on pages xxx to xxx.

This includes lobbying and campaigning for the eradication of furniture poverty, providing furniture packages to a variety of customers, giving furniture free of charge to people in need and also by the provision of a training programme for formerly long-term unemployed people or people on low income. The trustees therefore confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

**Structure, Governance and Management
Governing Document**

Furniture Resource Centre Limited is a charitable company limited by guarantee and does not have any share capital. It was incorporated on 14 September 1988 and registered as a charity on 17 November 1988. The company is governed by its Memorandum and Articles of Association dated 8 August 2014.

Related Parties

Bulky Bob's is a charity with Furniture Resource Centre Limited as its sole member. Bulky Bob's provides services, mainly to Local Authorities, for the collection and recycling of bulky household waste. Bulky Bob's provides training and employment opportunities for people from long term unemployment and low paid jobs whilst protecting the environment through the reuse and recycling of collected items.

Bulky Bob's was incorporated on 12 January 2016 as Bulky Bob's 2015 and then change its name to Bulky Bob's Limited on 22 December 2021 and then to Bulky Bob's on 10 January 2022

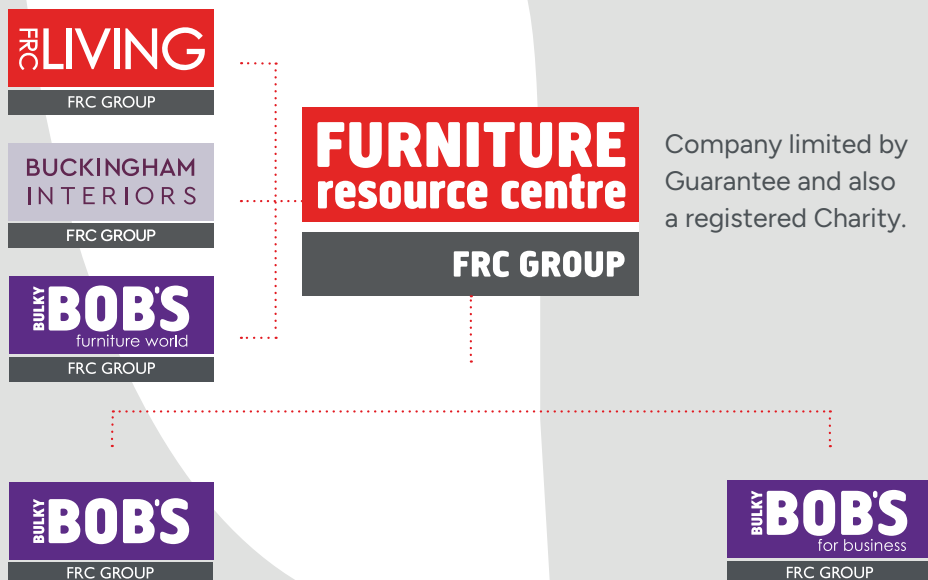
Bulky Bob's For Business is a charity which has Furniture Resource Centre Limited as its sole member. This charity provides an office and commercial waste collection service and provides training and development opportunities to formerly long-term unemployed people or people on relatively low income.

Bulky Bob's For Business changed its name from Bulky Bob's For Business Limited on 10 January 2022. Prior to this, the charity's name was FRC Developments until 15 June 2017 when it was changed to Bulky Bob's Office and Commercial Waste and was then changed again on 22 December 2021 to Bulky Bob's For Business Limited.

Investment powers and policy

The company has the power to invest monies not immediately required in investments, securities or property as may be thought fit.

FRC Group Company Structure March 2022



Bulky Bob's.

Company limited by Guarantee and also a registered Charity. Furniture Resource Centre is the only member of Bulky Bob's and so is deemed to have control.

Bulky Bob's For Business.

Company limited by Guarantee and also a registered Charity. Furniture Resource Centre is the only member of Bulky Bob's For Business and so is deemed to have control.

Methodology

Report covers
1 April 21 to
31 March 22.

FRC Group's financial
and social impacts from
all parts of organisation.

Feedback from FRC Group's
stakeholders is also collected.
Full details of this stakeholder
consultation starts on page xx.

Report is published on
FRC Group's website
(frcgroup.co.uk)

The annual report is
independently audited
so that our performance
measurement is supported
by robust systems and
processes. The auditors
of this report, Crowe UK,
have provided assurance.

The financial elements of
this report are compiled and
written in accordance with
applicable law and United
Kingdom Accounting Standards
(United Kingdom Generally
Accepted Accounting Practice),
and the social elements are
written in accordance with the
principles of the AA1000 AS
(2008): those of inclusivity,
materiality and responsiveness.

To communicate clearly how performance in this report compares to targets and priorities agreed for the year, the following symbols are used:



Met or exceeded target



Made some progress but needs
to improve further. For numerical
targets, this symbol indicates
achievement of at least 90%
of the performance target
OR decision was taken not
to do/do differently



Missed the mark and will
plan to improve performance.

Social Value Review 2021-2022

The data and learning we gained from our study on the value of essential furniture items continues to be extremely useful and guides our measurement and decision making. Social value is the quantification of the relative importance that people place on the changes they experience in their lives. End Furniture Poverty had previously developed the definition of furniture poverty above to assist in defining what the ‘essential furniture’ items are that a household needs to have in order to be in furniture security. The items on this list are:

Bed, bedding and mattress, Table and chairs, Sofa and/or easy chairs, Wardrobe/drawers, Carpets in living rooms and bedrooms, Curtains or blinds, Washing machine, Refrigerator and freezer, Cooker/oven, TV.

This data from the study allows us to measure the social return on the investment on furniture items, to identify the most valuable outcomes and to design a simple monitoring system (or calculator) to measure

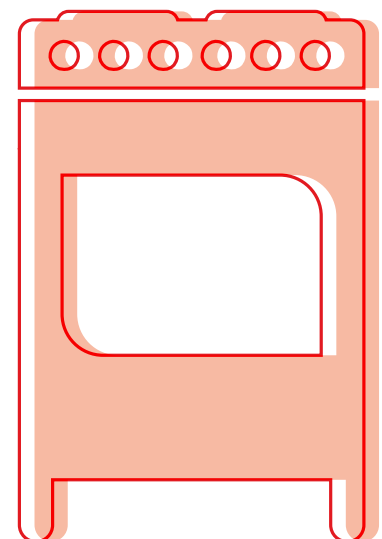
the value created by providing essential furniture going forward. We use this data as stakeholders tell us that they experience positive changes as a result of receiving furniture. This data tells us what difference we have made as a result of distributing furniture, but in the future we seek a deeper understanding on what difference it makes when somebody has all of the items on the ten essential items list and is therefore, no longer living in furniture poverty.



Items	Total 2021-22 Value Created	Total 2020-21 Value Created	Commentary on differences	2022-23 Target	Plans to achieve target
BBFW Sales	£1,612,000	£665,500	Re-opening of non-essential retail following Covid restrictions allowed operations at both preloved furniture sites to operate at near pre-covid capacity. PC sales to schools and community groups also gave a boost to this category	£1,630,500	Preloved furniture sales expected to remain roughly in line with prior year and PC sales expected to see a small increase through promotional activities.
BBFW Crisis	£503,000	£370,500	A return to pre-covid levels of referrals gave rise to an increase on 2020-21. However availability of beds & mattresses and demand of LWP meant this group fell slightly behind budgeted expectation for the year by around 14%	£611,500	Renewed connections with referral partners expected to boost number of essential items given away to Crisis customers.
BBFW Donations	£382,500	£198,000	Although less one off 'Free4All' event were held in the year the 2020/21, in store 'Buy one get one free' offers resulted in this category creating value far in excess of the £59,000 budget for 2021/22	£439,000	In store 'Free Item' events expected to continue during 2022/23.
BBFW LWP	£237,000	£102,500	Contrary to the budgeted expectation for 2021/22, demand for awards under the LWP schemes increased due to the longer term effect on Covid 19 and the cost of living crisis taking hold as the year progressed	£234,000	Demand expected to remain largely in line with 2021/22 actual results
FT (EFP)	£2,450	£0	We saw some activity in this area as a result of the work EFP have done, however this remains a longer term potential outcome, the results of which may not necessarily involve FRC	£0	Activity unpredictable, can take many years to establish, so no planned value in this category.



Items	Total 2021-22 Value Created	Total 2020-21 Value Created	Commentary on differences	2022-23 Target	Plans to achieve target
FT (Existing)	£302,000	£307,500	Fell roughly in line with expectation and our prior year performance	£318,500	Maintain activity as in prior year, no significant change expected
FRC Other	£452,500	£345,000	The relaxing of Covid restrictions allowed us to complete more projects during the year. This, coupled with the onboarding of new customers in the year, produced an increase vs. 2020/21 and budget	£595,500	Expected to increase through new customers and schemes secured.
FRC LWP	£878,000	£858,500	As with BBFW LWP, demand for awards under the LWP schemes increased due to the longer term effect on Covid 19 and the cost of living crisis taking hold as the year progressed	£804,000	Some reduction in awards anticipated in 2022/23, following higher than usual levels in previous year, however demand still expected to be high
Buckingham Interiors	£0	£0	N/A	£0	N/A
Total	£4,370,000	£2,848,000		£4,633,000	



Financial Review

2021-2022



Financial Performance

2021-22 saw a continuation of the growth experienced in recent years with total group income increasing for the fifth consecutive year and up 18.54% on 2020-21 to £15.62m. Expenditure increased by 16.46% compared to 2020-21 to give total expenditure of £14.99m, leaving a group net surplus of £624,900, an increase of 207% compared to the 2020-21 surplus of £301,188.

The demand for the group's services has never been so high and this is reflected in the growth experienced over recent years and the increase in net surplus. This has been achieved despite the many challenges faced by the group during the year, including issues with the availability of certain key stock lines and the national shortage of drivers. These issues, along with other external challenges such as the national Covid-19 pandemic have created difficult trading conditions which were successfully navigated in order to produce this strong financial performance.

Principal Funding Sources

The principal source of funding for the charity and group is the revenue generated from the sales of high-quality furniture, fittings and accessories to social landlords and local authorities. In addition to this, revenue is generated through contracts with local authorities for the collection of furniture, from the sale of 'pre-loved' furniture, from the sale of waste collection services and also through grant income.

Grants and Donations

The group continues to expand the social impact it creates through the effective use of the grants and donations it receives. During 2021-22, grants and

donations were received from the Government's Kickstart training scheme along with Covid-19 Financial support from the Government's Coronavirus Job Retention Scheme. In addition, a donation was also received from a member of the public towards our Bulky Bob's Furniture World retail store. 0.57% of our income was from grants.

Reserves Policy

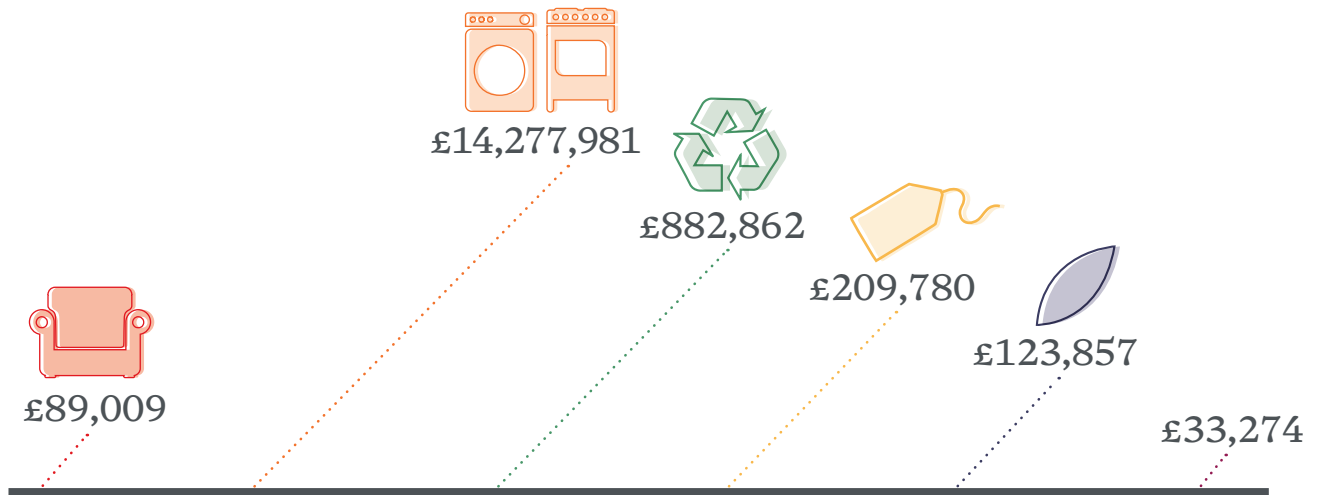
The trustees have considered the level of free reserves (those funds not tied up in fixed assets and restricted funds) required by the group to be at least six months' operational expenditure plus sufficient cash for future plans, which amounts to at least £4,000,000. In the trustees' view, this level of reserves should provide adequate financial stability and enable the group to continue to meet its charitable objectives for the foreseeable future.

In arriving at this figure, the trustees have considered potential future changes in income streams and likely future cash flow requirements. The trustees will continue to monitor the Reserves Policy at least annually in trustee meetings.

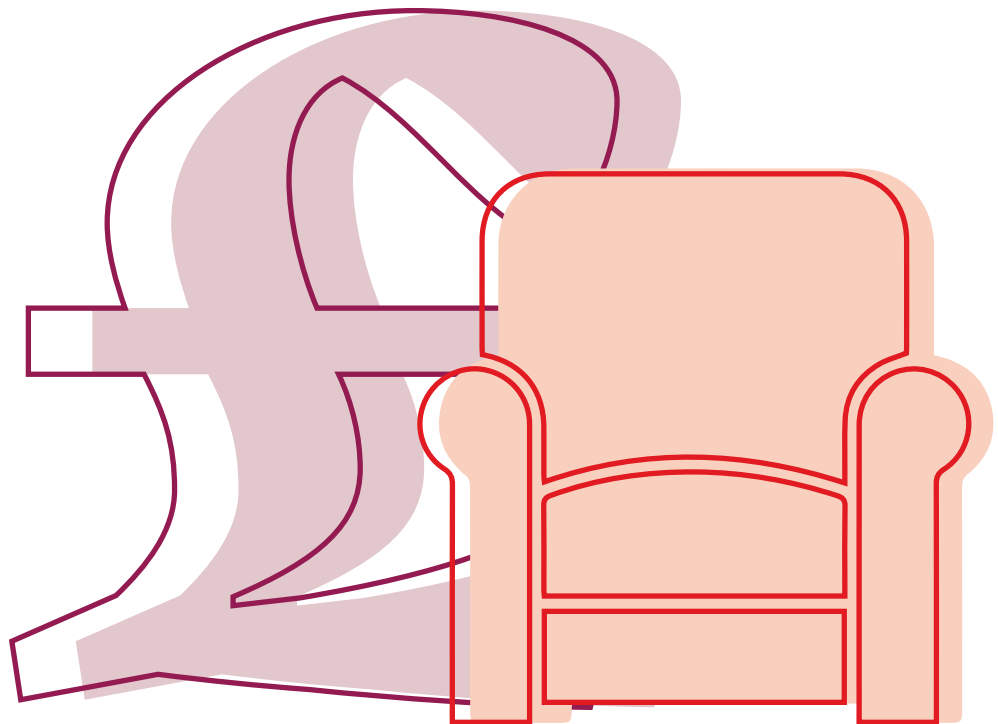
At 31 March 2022, consolidated free reserves of £3,031,199 were held, which is £968,801 short of the required consolidated total of £4,000,000. In order to increase the amount of free reserves held, the trustees are looking at ways of improving the profitability of the charity and group.

As at 31 March 2022, the group holds restricted reserves of £nil (2021: £8,810) and total reserves of £3,495,470 (2021: £2,870,570).

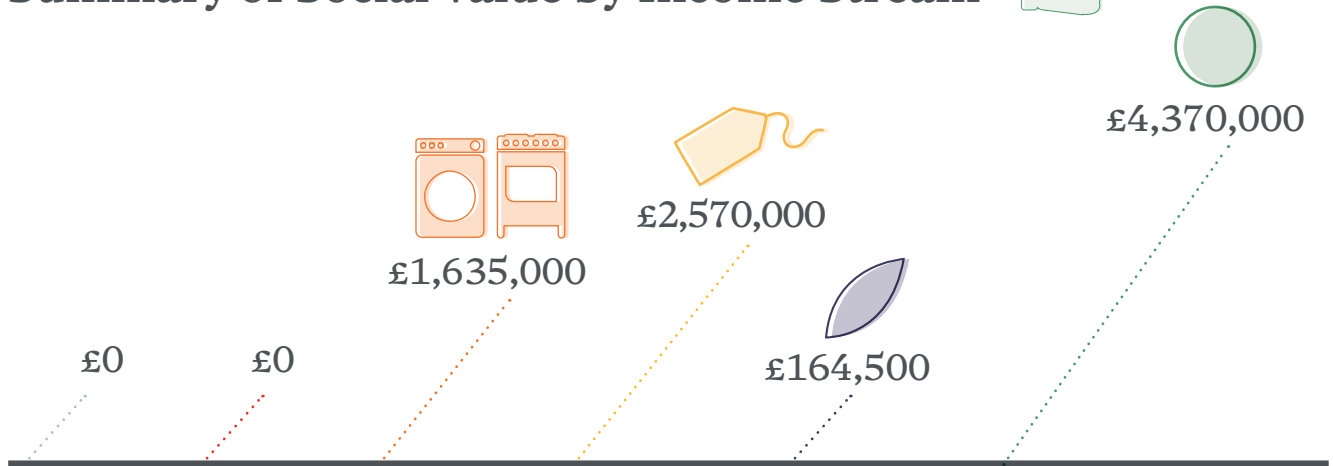
FRC Group Income 2021 – 2022 (£15,616,763)



- Donations and legacies (grants and donations received)
- Provision of furniture and furniture packages
- Provision of bulky household waste collection and recycling services
- Charity Shop Sales
- Provision of other recycling services
- Other charitable income

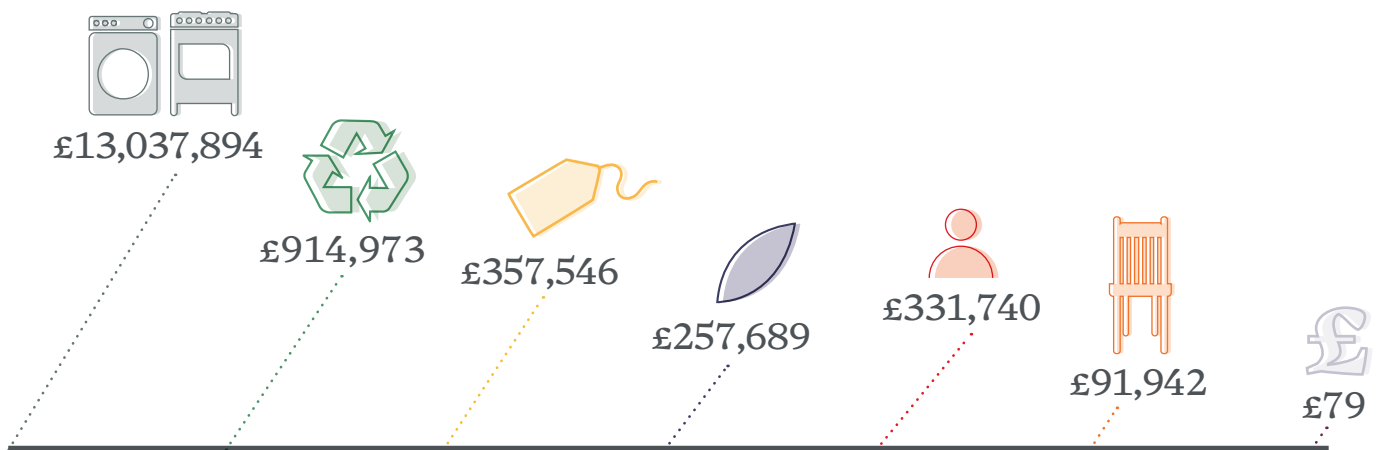


Summary of Social Value by Income Stream



- Social value by income stream
- Donations and legacies (grants and donations received)
- Provision of furniture and furniture packages
- Charity Shop Sales
- Provision of other recycling services
- Total income

FRC Group Expenditure 2021 – 2022 (£14,991,863)



- Provision of furniture and furniture packages
- Provision of bulky household waste collection and recycling services
- Charity Shop Sales
- Provision of other recycling services
- People development
- End Furniture Poverty
- Other expenditure

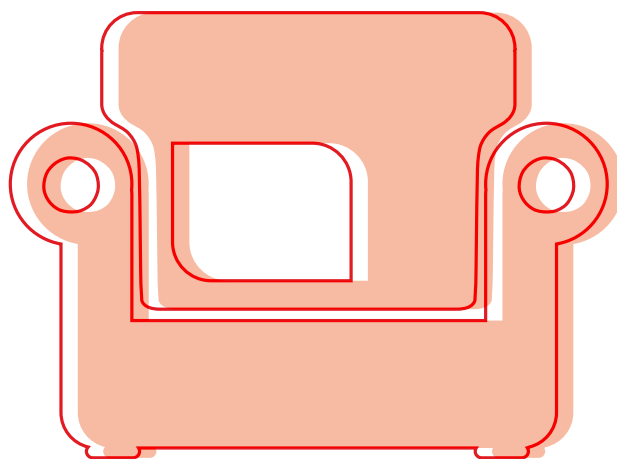
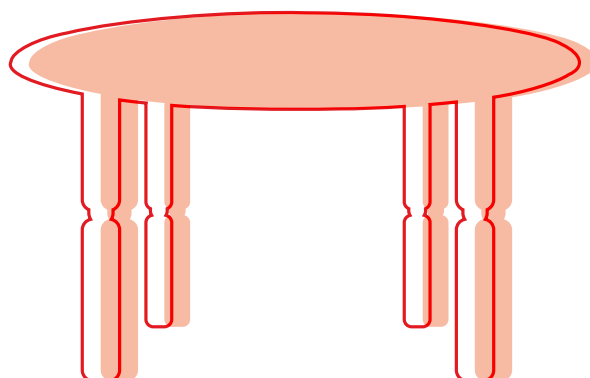
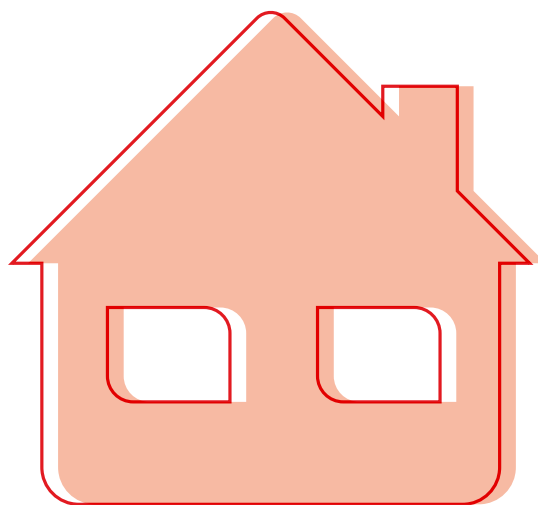
Plans for the Future

We will continue to grow our customer base in Furniture Resource Centre, particularly through the provision of furniture to social landlords and Local Authorities and through large scale refurbishments of shared living environments. We are implementing SAP Business One in late 2022 as our core system to facilitate our business processes and this will further improve our efficiency and the high level of customer service already provided. Our aim is to remain the leading provider of furniture to furnished tenancy providers and to continue to grow our customer base as we continue to work towards our mission of ending furniture poverty. We are also working to introduce preloved furniture into our offer to customers who traditionally purchase new furniture.

Bulky Bob's contract for the collection, recycling and reuse of bulky household furniture in Liverpool ended on 7 November 2022 and so the service ended on that date. This will reduce the availability of furniture for reuse and so alternative ways of obtaining suitable furniture are being explored.

The Reuse-IT business in Bulky Bob's Office and Commercial Waste will continue to grow and provide affordable refurbished PCs to schools, charities and other organisations with 20% of PCs being given away free of charge to people who can't afford a new PC.

We will continue to work with long-term unemployed people and people on relatively low income through our training programme so that our assistance continues to reach those most in need.



Risk

Each quarter, we fully review the commercial and social impact risks faced by the group. Each risk is rated and we consider what mitigating actions are available. Key residual risks to which the group is exposed are set out in the following table.

Risk	Mitigation
Retention of key new furniture contracts	<ul style="list-style-type: none"> • Focus on world-class customer service and value for money for customers • Introduction of innovative ideas to contracts • Growth of other contracts and businesses to possibly take the place of any contracts not retained
Negative impact of Brexit e.g. supplier price increases higher than anticipated or shortages of certain stock items	<ul style="list-style-type: none"> • Dual sourcing of key stock items • Building up supplies of various stock lines to ensure continuity of supply in the event of shortages • Purchasing large volumes of key stock lines if they become available at a favourable price
Stock supply issues due to Covid-19 pandemic causing manufacturing and export delays	<ul style="list-style-type: none"> • Dual sourcing of key stock items • Building up supplies of various stock lines to ensure continuity of supply in the event of shortages • Purchasing large volumes of key stock lines if they become available at a favourable price
Availability of pre-loved furniture decreases through contract changes or loss of contracts that provide pre-loved furniture	<ul style="list-style-type: none"> • Identification of alternative sources of pre-loved furniture • Continued development of innovative ideas to refurbish pre-loved furniture e.g. mattress cleaning machine • Work with Local Authority customers to develop services that utilise pre-loved furniture to address furniture poverty

The directors are satisfied that reasonable steps have been taken to identify all commercial and social impact risks to which the group is exposed and that action has been taken to mitigate these risks where necessary.

Trends and Factors

Trends and Factors

The continuing economic downturn and the impact of the Covid-19 pandemic has left more people in furniture poverty – the inability to afford or access the basic household goods that establish a decent quality of life. To address this issue, FRC Group runs its End Furniture Poverty campaign which aims to research furniture poverty, increase understanding of this hidden but widespread issue and encourage organisations to adopt practical solutions to furniture poverty. The goal is to ensure that everyone in society can afford or access the furniture they need for a decent quality of life.

The continuing economic downturn has also resulted in a reduction in the budgets of various customers despite increases in demand for furniture caused by the Covid-19 pandemic. As a result, the demand for more cost-effective furniture has increased, which the group is addressing through continued innovation in finding ways to offer good quality refurbished furniture at a more affordable price.

The long economic downturn and Covid-19 pandemic has put more people in less well-paid work than they might have aspired to in the past. This trend has been a key motivation behind FRC Group's new Driving Change programme, which offers salaried employment and training to the long-term unemployed and those in low-paid or otherwise insecure jobs. Its aim is to equip people to move on to more secure, higher paid work and give those relatively disadvantaged people an opportunity to move out of poverty.

Research and Development

FRC Group continues to investigate new and innovative ways of re-using furniture items collected. This has included developing the world's first bespoke mattress cleaning machine, which cleans structurally sound mattresses to a high standard, ready for reuse. This machine can clean mattresses (and also rugs) that may otherwise have been broken down for recycling before they're either sold in our Bulky Bob's Furniture World store or donated to people who need them.

Work is continuing in identifying further innovative ways of reusing furniture in order to maximise the reuse of the pre-loved furniture items collected in Ending Furniture Poverty.

Code of Governance Statement

The board continue to work towards fully adopting the Charity Commission Code of Governance with those areas for improvement identified following an internal and external review. The following is a summary of those areas of compliance against the Code along with areas for improvement.

- **Organisational Purpose**

The charity produces an annual impact report which is audited under the AA1000AS framework and is included in the annual integrated report. In addition, the charity quantifies the social value generated from its activities in order to ensure that this is as intended. The objects of the charity were last reviewed in 2022. Work is ongoing in relation to the sustainability of the charity's income base.

- **Leadership**

The charity has a very strong values culture with the board regularly seeing evidence as to how well this values culture is integrated in the group. Board discussions focus on strategic issues with the role of the board being a 'critical friend' when providing feedback to staff, with staff encouraged to bring issues to the board for discussion. The board has a good understanding of current group structure and why this is important, having previously received

expert advice from a charity lawyer. Terms of reference for all committees were updated in 2021 along with job descriptions for the role of chair and trustee. Whilst regular meetings take place between the Chair and CEO, formal appraisals are also being introduced. Attendance of trustees at the various meetings is monitored and is good with all trustees attending a majority of the meetings.

- **Integrity**

The board ensures that the charity operates ethically and with integrity at all times, are keen to use the Charity Commission Code of Governance as a tool to assist with improving governance in the charity and have also adopted the Nolan Principles as a code of conduct. The board manage conflicts of interest well and have agreed a formal Conflict of Interest Policy. In addition, a register of interests is maintained for all trustees and senior staff.

- **Decision Making, Risk and Control**

A Scheme of Delegation has been agreed between the board, committees and senior staff, which was last reviewed in 2021. Key policies and procedures are circulated to the board annually along with recommendations for changes. The board actively monitors performance against a range of targets and a risk matrix is maintained, which is reviewed by trustees at least twice a year. A meeting takes place each year between at least one trustee and the auditors with no staff present in order to obtain honest feedback following the conclusion of the annual financial audit.

- **Board Effectiveness**

The board meets five times a year with further committee meetings also taking place. Each board meeting has a theme with the themes being finance (discussing and agreeing the annual financial and social value budget), people, social value and commercial. Other agenda items are discussed at these meetings but the theme allows for greater time to discuss that particular topic. The fifth annual board meeting has a varied agenda, which is agreed in advance. Ways of monitoring the effectiveness of the board are to be discussed. Discussions take place with potential new trustees in order to ensure that they understand the time commitment necessary and they are then invited to attend two meetings as an observer before being invited to join the board if they wish to. A third of trustees retire by rotation every three years and there is no maximum length of office although this is currently being reviewed with a maximum length of office being considered

for introduction. A programme of learning and development for trustees is not currently in place but is to be discussed with a suitable programme then implemented.

- **Diversity**

A skills matrix has been produced which identified gaps for trustees in certain areas. Suitable trustees have been recruited with applications for trustees from diverse backgrounds encouraged. The board do not currently have any specific diversity objectives but this is to be considered by the board.

- **Openness and Accountability**

Stakeholders have been identified with their feedback sought as part of the production of the annual impact report. This feedback is reviewed by the board and ways of increasing this range of feedback are to be investigated. The salaries of all staff are agreed by the Remuneration Committee and are set using an external consultant to provide benchmark data showing the salaries of similar roles regionally.

Fundraising

The charity did not actively fundraise from individuals during the year but did engage with charitable funding organisations and the Government for the receipt of charitable grants. The charity has not signed up for any voluntary fundraising standard or schemes and no complaints regarding fundraising were received.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to remain in office.

Creating Social Value

- 30 To understand and highlight the reality of living in furniture poverty
- 34 To lobby and campaign for the eradication of furniture poverty
- 37 Developing and running successful social businesses that tackle furniture poverty
- 43 Training people out of poverty
- 46 Using our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group





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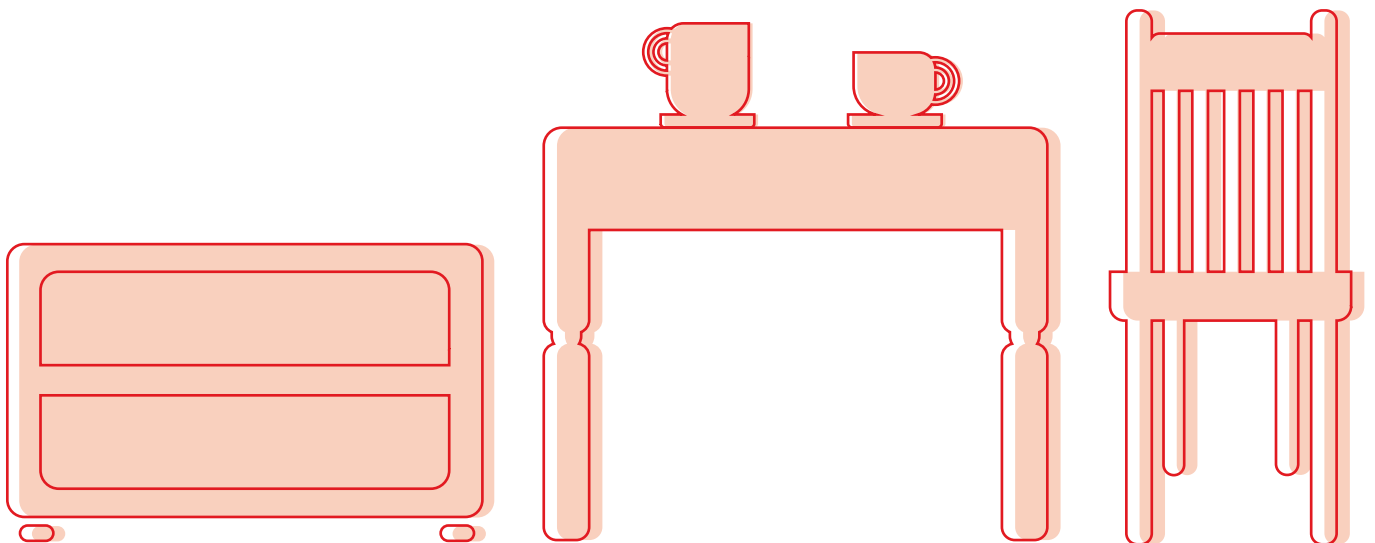
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Creating Social Value

To understand and highlight the reality of living in furniture poverty.

End Furniture Poverty focuses on two key objectives, to understand and highlight the reality of living in furniture poverty; and to lobby and campaign for the eradication of furniture poverty. Both of these objectives feed into each other. We carry out in-depth research, producing robust data and thorough analysis to highlight the issue, and then we promote the practical solutions through our campaigning and lobbying work to drive change.



Local Welfare Assistance Research

During 2021/22, our research focused on Local Welfare Assistance (LWAS) provision across the UK. These are schemes delivered by local authorities, which provide vital crisis support for people through a range of items, such as food and fuel, but also furniture and white goods. For someone who needs one or two essential furniture items, LWAS should be the first port of call, and ideally, it should also help people to access other forms of support too. Our first report, The Postcode Lottery of Crisis Support, was published in April 2021. This had been delayed to tie in with a film that we had worked on with the BBC to highlight the issue, and also so it could be used at an All Party Parliamentary Group on Ending the Need for Food Banks, a local welfare roundtable.

The key findings were:

- Per capita spend on crisis support in 2019/20 in England stood at £0.64, compared with £6.88 in Scotland
- As of 2019/20, there has been an 87% real terms decline in expenditure on crisis support since 2010/11.
- The number of awards given has also fallen by 86%.
- At least 25 upper tier local authorities in England now have no scheme, leaving approximately 11.4 million people in England (around 1 in 5) without any access to crisis support. A further 8.11 million people are living in an area with minimal crisis support.
- In 2019/20, although £129.6 million was allocated for local welfare assistance by the Government, only £35.8 million was actually spent on it by local authorities; 95% of schemes spent less than their allocated local welfare assistance funding.
- Around 1 in 4 people in England were living in an area where they cannot get any help obtaining furniture and white goods in 2019/20.

The report received excellent media coverage, including a film on the BBC website, a segment on BBC2, every hour on the BBC News Channel throughout publication day, and we were interviewed on PM on Radio Four. In each case we found a case study, someone living in furniture poverty, to talk about their situation. We were also interviewed on BBC Radio London, UCB Radio, BBC South West which led to a piece on the BBC1 lunchtime news. All of which helped to significantly raise awareness of the issue of furniture poverty, and what can and should be done to tackle it in relation to local authority crisis support – increased, ring-fenced funding for LWAS schemes.

The report was so well-received that the other charities who had been looking at this issue said that they would step back and will use our research in the future. This means that we can ensure that local crisis support research always includes a focus on essential furniture items. It also led to a meeting with Paul Maynard MP, who we are now working closely with to push for increased Government funding.

The report focused on the figures from 2019/20 so of course we need to then examine the figures from 2020/21 which led to the publication of a second report in February 2022 – The State of Crisis Support. This was a much more challenging piece of research and therefore took much longer to complete than anticipated, partly due to the number of local authorities who missed the statutory deadline to respond to our Freedom of Information requests.

There was further delay because the Government had provided a number of Covid grants to local authorities so we had to ensure that we unpicked what funding was used for different types of support. This meant we needed to issue a second Freedom of Information request to local authorities to follow up on missing information. This focus is vital to ensure that LWAS does not become seen as part of a response to the pandemic, meaning that once the Covid support ends, LWAS could also end.

The key findings of the second report were:

- 32 (1 in 5) local authorities in England did not operate a Local Welfare Assistance Scheme as of 2020/21. This is an increase on the previous year, when 1 in 7 did not have a scheme.
- Following an additional scheme closure in July 2021, we estimate 13.06m people in England did not have any recourse to crisis support at that point in time. This is a 2.2m increase on 2019/20 levels, when an estimated 11.4m lived in an area without a scheme.
- Despite £233m of additional Government funding for Local Welfare Assistance in England in 2020/21, our analysis suggests most of this funding was not channeled into LWA schemes as anticipated. On the contrary, the funding was spread across 24 different categories of support, (notably Free School Meals, local foodbanks, and other voluntary and community sector organisations).
- Although overall expenditure on LWA schemes in 2020/21 increased by 106% on the previous fiscal year, this increase was funded entirely by additional Government funding, as opposed to local authorities' core spending power.
- As of July 2021, almost 1 in 4 (approximately 13.28m) people in England were unable to get any help with furniture and appliances from LWA, despite the fact that the cost of furniture and appliances has increased by 32% and 17% respectively.
- In 2020/21, the provision of furniture and appliances through LWA schemes accounted for 32.7% of the total amount spent; this is a fall on last year, when such provision accounted for 42.7% of total LWA expenditure.

We also found that the additional Covid support provided by the Government, through the form of several large grants to local authorities, was typically announced at short notice with a time-limited period to spend the money, so many local authorities struggled to spend it.

This report received even greater media coverage and we found it tied in to the 'Cost of Living' coverage that was starting to dominate the news. For example, we had articles in the Guardian, Mirror, Express, and we were interviewed on Women's Hour on Radio Four. We were invited to Westminster to meet with Jonathan Ashworth MP, Shadow Secretary of State for the Department for Work and Pensions, which allowed us to explain the issue of furniture poverty and the range of solutions.

We have continued with this work in 2022/2023, meeting with Ian Byrne MP with whom we prepared an Early Day Motion to call for additional LWA funding, and our ongoing work with Paul Maynard MP. Both MPs have invited us to Westminster in the coming year to meet with Government ministers and other MPs with interest and influence in this field.

Furnished Tenancies Research

Although our report, No Place Like Home, examining furniture provision in social housing, was published in early 2021, the work to promote the findings and to persuade more social landlords to provide essential furniture items continued at a pace in 2021/2022.

We met with dozens of social landlords to present our findings, and to present a guide to creating a sustainable furnished tenancy scheme. This included presentations through the Chartered Institute of Housing, Birmingham Social Housing Partnership, the CIH Housing Management Summit, TPAS, (Tenant Participation Advisory Service), Homes for Cathy, and many more.

This helps to raise awareness of the issue of furniture poverty with their tenants, as well as presenting the findings of our research with possible solutions.

Planning Ahead


During early 2022, we also scoped out the project plan for our main research project for 2022/2023, exploring the extent of furniture poverty. The most recent figures were gathered by Turn2Us in 2019 and focused on appliance poverty only. Our research will provide robust data showing how many people in the UK are living without essential furniture items and which items they are lacking. It will also look at the impact of living in furniture poverty, on people's mental and physical health, and their social and financial wellbeing.

We are also returning for our now annual examination of Local Welfare Assistance. It is vital that we keep a close eye on this, and we are also looking at the Household Support Fund, which will ultimately be a £1.5b investment in crisis support, to ensure that it is reaching those who most need support.

We are also taking a closer look at the provision of furnished tenancies in social housing. Thanks to funding from the Fusion 21 Foundation, we are working closely with the social housing sector to find out what questions they need answered to help them to get furnished tenancy schemes off the ground and we will be publishing a blueprint furnished tenancies business case/guide in the coming year.

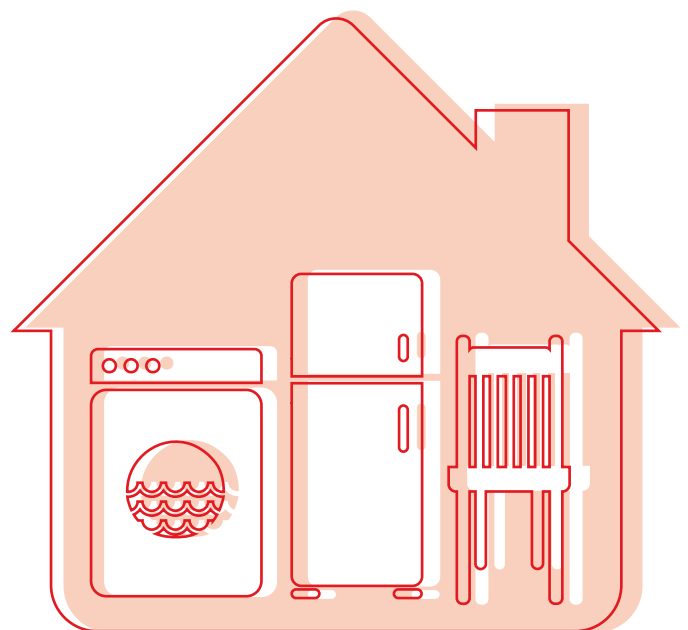
These are all significant pieces of research and given our small team, we need to be realistic about the time involved. When we publish our research, there is a great deal of work to be done to disseminate the findings, and to capitalise on these to promote the recommendations. We have talked for the past two years about reviewing our Essential Items list. While this would be a worthwhile task, we have found again and again that there are other more pressing priorities that will do more to help to end furniture poverty, so we are putting it to one side until we have the necessary resource to deliver it in our usual robust manner.

Performance against targets 2021-2022

- Publication of LWAS research 
- Publication of Furniture Poverty Research 
- Publication of LWAS 2020/2021 Research Update 
- Review Essential Items list 

Priorities / Targets for 2021-2022

- Publication of LWAS 2022/2022 Research Update
- Publication of Extent of Furniture Poverty Research
- Publication of Furnished Tenancies Blueprint



Creating Social Value

To lobby and campaign for the eradication of furniture poverty

The period 2021 to 2022 saw the seeds of the cost of living crisis starting to take root, with the ongoing impact of the pandemic, the challenges with Brexit, the upcoming increase to energy bills and rising inflation. People who are living in furniture poverty, are fundamentally living in poverty. They have not got enough money to live on - to pay the rent, to pay their bills, and to buy items like furniture and white goods. We work hard to ensure that furniture poverty remains a key part of the overall conversation around poverty, because essential furniture is likely to be some of the most expensive items that someone on a low income needs to purchase. As the spotlight rightly shines strongly on food and fuel poverty, we work with a range of partners to keep access to essential furniture items next on the list of priorities.

Partnership Working

We continue to be active members of a number of key bodies:

- Liverpool's Poverty Action Group
- Liverpool City Region's Social and Solidarity Economy Reference Panel
- The Grant-Makers Alliance
- End Child Poverty Coalition
- The Reuse Network – End Furniture Poverty's Head of Policy, Research and Campaigns is now a trustee.
- Keep the Lifeline Network
- Crisis and Destitution Policy Group

Digital Presence

Visitors to our website: rose from 47K visitors a year to 21k visitors in Quarter 1, 25k in Quarter 2, 33k in Quarter 3, and 54.5k in Quarter 4, a total of 133.5k visitors to the website over the year. A rise of 184%

Twitter following: rose from 1562 to 1892, a rise of 21%

Mailing list subscribers: rose from 1171 to 2658, a rise of 127%

We are particularly proud of our huge increase in website traffic. Typically, social media activity is aimed at driving traffic to the website so while we have missed our target to increase the number of twitter followers, the website increase shows that the profile of the campaign, and therefore awareness of furniture poverty, is growing at a tremendous rate.

Speaking Events

We have spoken and exhibited at a wide variety of events over the year. We exhibited at both the Reuse Network annual conference, and the main social housing conference, Housing 2021. We negotiated a free stand at both events and it was an excellent opportunity to raise awareness of the issue of furniture poverty and discuss possible solutions.

We also hosted a discussion group at the Reuse Network conference to talk about 12-month warranties for white goods. Due to ongoing challenges of the Covid pandemic and the continuing challenges facing the reuse sector, we decided not to launch a full campaign and the importance of our work in other areas, which we believe will have a much greater impact, means we are unlikely to return to this as a full campaign in the near future.

Here are some speaking highlights:

- Chartered Institute of Housing webinar – this was a solely End Furniture Poverty event, explaining how to create a new furnished tenancy scheme with lots of advice and support.
- Homes for Cathy webinar – a group of social housing providers that focuses on providing homes for people moving from homelessness
- Birmingham Social Housing Partnership – we were invited back so have presented twice to this group of major social housing providers in the West Midlands
- Chartered Institute of Housing's Housing Management Summit – keynote speaker
- Zero Carbon Tour – ahead of COP 26, we outlined how sustainability goals can also deliver social benefits too, focusing on furniture reuse
- TPAS - Tenant Participation Advisory Service, which includes both housing professionals and tenants.

Grant Makers Alliance (GMA)

We continue to be an active member of the Grant Makers Alliance and have provided considerable support to our collective data project, looking at where their grants are going in the UK to find out if any areas are missing out. We were able to supply our LWA data to give a more comprehensive picture of the crisis support available across the country. Ultimately, the GMA will use this data to target local authorities and work with them to try to end the current postcode lottery of crisis support.

Through our membership of this group, we are working closely with Longleigh Foundation on a three-year research project looking at the provision of flooring in social housing. End Furniture Poverty has been invited to sit on the steering group for this major piece of research.

Social Innovation Council

End Furniture Poverty is one of the founding members of the Social Innovation Council, a group of charities working with a digital fintech company (finance technology) to create a digital portal for grant applications. Our vision is: 'People in financial hardship are able to apply for multiple sources of support through a single portal when they need it'. This really is a ground-breaking project that will help people access a range of support in one place and in a single application, rather than having to make multiple




applications to different organisations. The portal is now live and a number of grant givers are signed up to offer grants through the portal, and local authorities are interested in providing access to the Local Welfare Assistance scheme and other benefits through the portal too.

So far 4,000 people have signed up to access support, with 91% saying they are satisfied or very satisfied with the process, and over £1m of grants have been provided through the portal.

Tackling Wider Poverty Issues

While our focus always remains firmly on ending furniture poverty, we cannot ignore the fact that furniture poverty sits within the wider poverty landscape. Therefore, we are involved a small number of campaigns to help people in ways that will help them to access essential furniture. This includes the Keep the Lifeline campaign, headed up the Joseph Rowntree Foundation, which campaigned to stop the removal of the £20 uplift to Universal Credit. We have gone on to collectively campaign for benefits to rise with inflation at the end of March 2022 and continue to work together, particularly around budget time.

Performance against targets 2021-22

- Deliver the data project as part of the Grant Makers Alliance – we have completed our element but the final publication will be when the full data set is provided by the membership 
- Deliver a campaign to promote furniture reuse with social landlords to tackle asset stripping – part delivered through flooring campaign with Longleigh Foundation 
- Deliver the White Goods 12-Month Warranty campaign – part delivered through event at Reuse Network conference 
- Increase End Furniture Poverty mailing list by 20% - exceeded the target 
- Increase End Furniture Poverty social media following by 30% - missed the target 

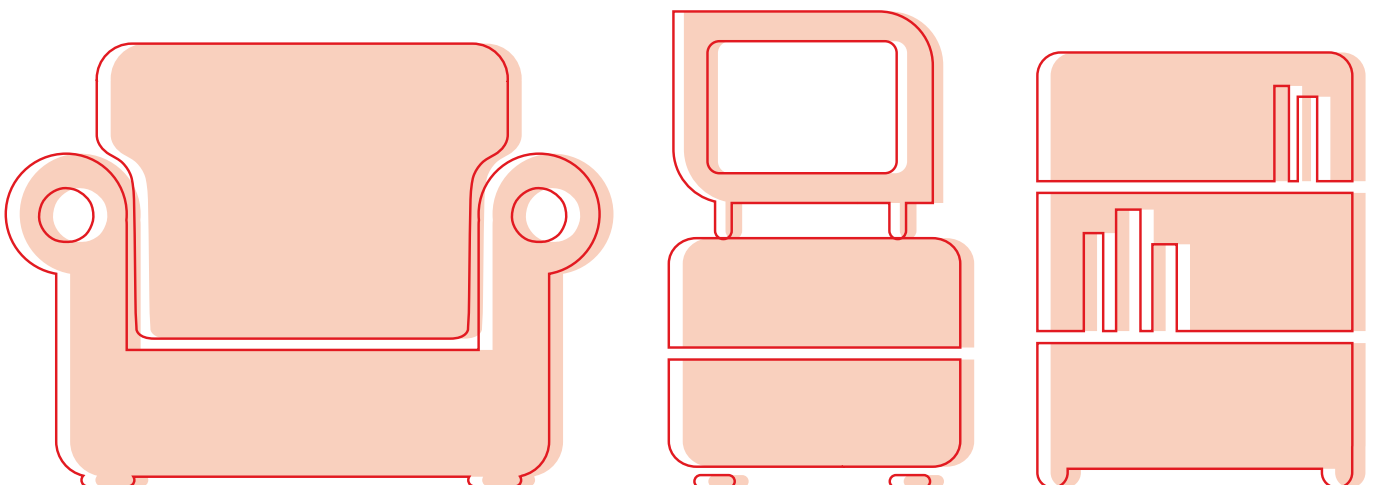
Priorities / Targets for 2022 – 2023

- Launch a Furnished Tenancies campaign using the findings of the Furnished Tenancies Research project
- Increase End Furniture Poverty social media following by 20%
- Maintain traffic to the End Furniture Poverty at over 100K visitors a year

Creating Social Value

Developing and running successful social businesses that tackle furniture poverty

At FRC Group, all of our businesses are social enterprises and registered charities that exist to tackle furniture poverty. Although all of our businesses are social enterprises, they create social value in different ways. In this section, we look at the businesses that create inherent social value.



Furniture Resource Centre Limited

FRC Living

Furniture Resource Centre rebranded as FRC Living early 2021-22 with a new website being launched. Operationally it was a demanding year as we were still working and living with the negative impacts of the pandemic on staff availability, supply chain and recruitment challenges and increasing costs. We continued to make covid safe deliveries to protect both customers and staff making 26,231 deliveries of essential furniture to people's homes during the year.

During the year FRC Living retained existing contracts and won new contracts with new customers across the UK.

FRC Living's strong stock holding and dual supply procurement approach ensured that we were able to ensure continuity of supply on the majority of lines throughout the year. Stock availability was vital to our customers who were continuing to support the most vulnerable at a time of real crisis.

Furniture Resource Centre distributed 56,117 items of essential furniture to people in need

Performance against targets 2021-22

- Retain existing contracts 
- Bring on new customers/contracts 
- Explore new markets relevant to FRC products and services 
- Continue to develop our range and offer sustainable products 
- Increase sales team capacity to drive increase in sales (N.B.Account Executives) 

Priorities / Targets for 2022-23

- Retain existing contracts
- Bring on new customers/contracts
- Explore new markets relevant to FRC Living products and services
- Continuous development and improvement of our range and offer to meet the changing needs of our customers
- Improve our understanding of our supply chain and the impacts that we make

Bulky Bob's

Bulky Bob's, our bulky household collection service is still driven by our mission to end furniture poverty 21 years on. In 2021-2022 Bulky Bob's teams in Liverpool and Oldham performed fantastically well in spite of collection complexities caused by Covid, Covid illnesses and isolations, staff departures and an extremely difficult and competitive Labour Market. Towards the end of 2020-2021, Bulky Bob's Furniture World was closed due to Covid so there was no outlet for many items of great quality, reusable furniture that were collected. We rented a warehouse from Liverpool Council for a short-term period on preferential rates to allow the storage of these items. This year, we wanted to do all that we could to ensure that great quality furniture was not being stored in a warehouse, so we made changes in our store to ensure that we had the same amount of furniture 'going out' as we did 'coming in.' The aim was no storage. This meant that we gave away more furniture than we previously had, helped more people, and created additional social value. This also meant that the operation ran more effectively as it removed a layer of delivery and collection from storage.

Throughout the year, we have been talking with Liverpool City Council regarding the contract payment to Bulky Bob's to explore measures we can take to ensure that this essential service is sustainable. These negotiations continue into 2022-2023.

Oldham Borough Council begun 'market testing' the integration of the contracts to collect and reuse bulky household waste and the provision of essential furniture via the Local Welfare Assistance Scheme. Any changes that occur as a result of this will be seen on 2022-2023.

Throughout the year work continued on the reuse of preloved mattresses. The team continued to improve the process and introduced efficiencies that mean that we can clean more mattresses and quality measures which improve the quality of the UltraCleaned mattresses.

We also continued to work on the supply side of preloved mattresses and entered into 2 significant partnerships with bed manufacturers to manage mattresses from their showrooms, research and development work and customer takebacks.

This provided more mattresses to be UltraCleaned, created PR for the service and gave Bulky Bob's an even greater understanding of the service required by the bed industry.



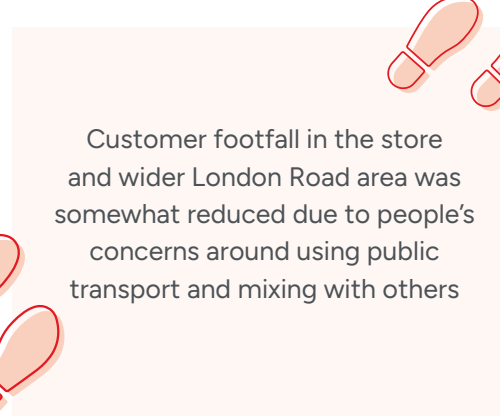
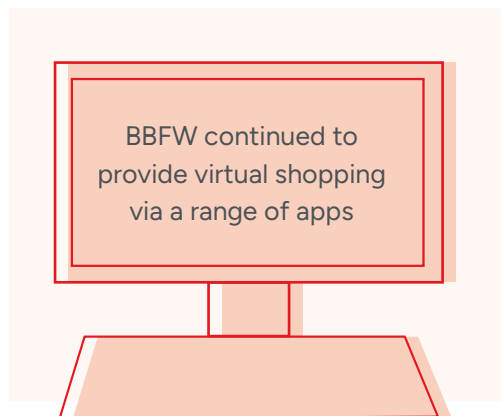
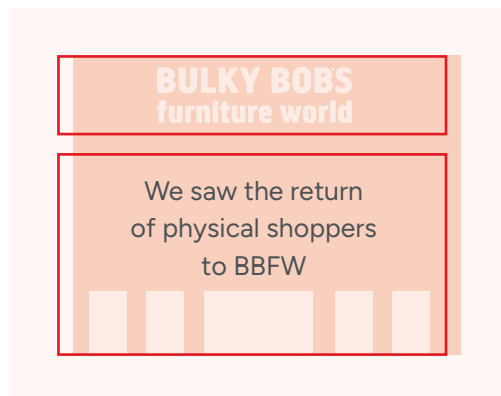
Year	2019-2020	2020-2021	2021-2022	Comentry
Collections on behalf of Local Authorities	56,744	42,484	51,992	The impact of Covid was felt in 2021-22, especially during the winter months, however collections remained operational throughout the year and returned to near pre-covid levels
Reused & recycled tonnes of furniture, appliances and other bulky waste	1,956	1574	1,176	A commercial decision to cease wood recycling, along with collections not quite back to pre-covid levels, has resulted in a reduced reuse and recycling in tonnage.

Supply of refurbished items through Bulky Bob's Mattresses and Bed bases

Year	2019-2020	2020-2021	2021-2022	Comentry
Number of Mattresses	8,335	2,501	3,194	The completion of installation of mattress machine has allowed for a more efficient operation in 221/22. The availability of mattresses is now the challenge to allow us to return to the volumes seen in 2019-20
Tonnes Mattresses diverted from landfill	292	87.5	111.8	
Mattresses Cleaned	941	538	910	
Financial Value of mattresses cleaned	£4,820	£4,680	£23,275	

Bulky Bob's Furniture World

Our Bulky Bob's store was hugely impacted by the Covid 19 lockdown in 2020-21 and continued to be affected by limitations in 2021-22. BBFW was closed to paying customers for 18% of Q1 due to government restrictions and staff self isolating. The store stayed open throughout for crisis referrals – mainly due to the support and commitment of the wider team who stood up and stood in for staff who were isolating.

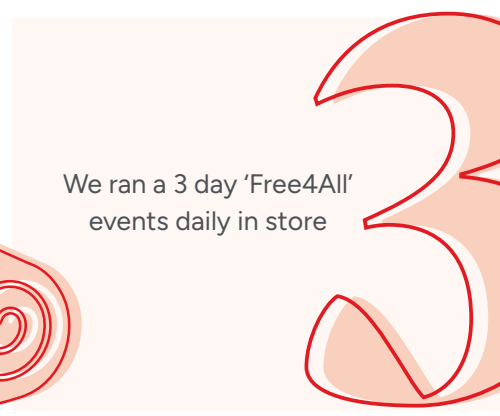
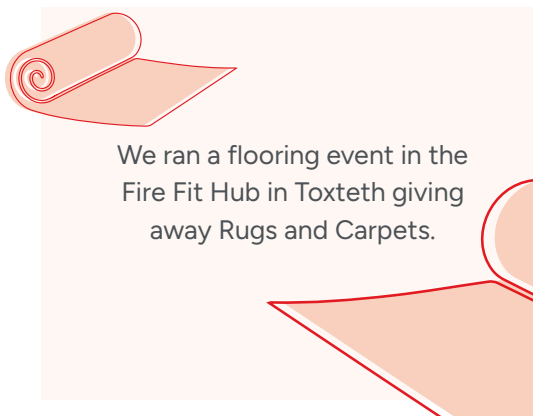


The world of retail has changed and we will face many challenges in the coming year:

- It seems probable that footfall will simply not return to pre-pandemic levels
- A number of stores in Liverpool closed during the pandemic and many of the small market traders went out of business also
- The imminent closure of the TJ Hughes store will deepen this challenge
- The shape of the Bulky Bob's collection service on contract expiry in November 22 is uncertain

This means that we will need to explore new ways to ensure that we are able to help people living in furniture poverty to have access to great quality, low prices furniture.

In all, notwithstanding the challenges faced by BBFW, a change in our approach to getting furniture to those who need it most meant that performance was very positive.





Year	2019-2020	2020-2021	2021-2022	Comentry
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Total Number of sales to BFFW customers

Liverpool	4,141	2,369	4,157	The lifting of covid restrictions on non-essential retail has allowed store and warehouse sales operations to return to a near covid level in both Liverpool and Oldham. Increased operational demand on North east crews has restricted the opportunities to deliver the crisis referral scheme iin this area during 2021/22
Oldham	197	344	351	
North East	101	58	12	

Sales to BFFW Customer Groups

Crisis – Liverpool	395	305	317	See above
Crisis – Oldham	55	103	153	
Crisis – North East	101	58	12	
20% Discount – Liverpool	28	19	7	
20% Discount – Oldham	0	0	0	
10% Discount – Liverpool	2,500	1,320	2,086	
10% Discount – Oldham	97	149	271	
LWP – Liverpool	534	247	510	
LWP – Oldham	45	92	100	
Standard – Liverpool	684	424	1,204	
Standard – Oldham	0	0	198	

Financial value of crisis referrals

Liverpool	£5,2411	£3,7021	£43,466	See above
Oldham	£3,364	£10,270	£13,917	
North East	£12,458	£6,933	£1,824	

Training people

Our Driving Change programme runs across all our businesses, training people who were previously unemployed or in precarious employment to gain the skills, behaviours and qualifications



Performance against targets 2021–2022

	2021-2022				
	Target Items	Performance	Target Customers	Performance	
All BBFW Customers	9065	11,773	3130	4,891	
Retail sales	6764	7,191	2843	3,766	
Crisis Donations	1260	1,614	427	482	
Community Events	158	605	31	605	
LWP Preloved	883	1,790	282	1,790	

Priorities/Targets for 2022-23

	Target Essential Items
All BBFW Customers	7,250
Retail sales	3,450
Crisis Donations	1,200
Community Events	800
LWP Preloved	1,800



Creating Social Value

Training people out of poverty

Driving Change

Driving Change is our training and employment programme. It aspires to move people into higher-paid employment when they have finished their FRC Group training. Driving Change recruits both long-term unemployed people and those in vulnerable employment such as zero-hours contracts and low wages. The programme focuses on behaviours and skills and is tailored to each individual so that they gain the experience that will allow them to move on to better paid, more secure roles. We recruit people who already have driving licences and their main training objective is the LGV Class 2 licence.

This year, our programme continued to be severely impacted by Covid-19. Although training school re-opened, the waiting lists for training delayed and impacted our programmes.

8 people took part in Driving Change.



7 people left during the year.



We had 8 Driving Change places
3 x Bulky Bob's,
2 x FRC and
2 x Manchester
1 x North Tyneside



6 of all leavers went into jobs.



Performance against targets 2021–2022

- 70% of people completing Driving Change will go into employment, training or further education (87.5%)
- 100% working towards their LGV Class II Licence (62.5%)* We made a conscious decision to recruit warehouse trainees in some areas



Targets for 2022–2023

- 70% of people completing Driving Change will go into employment, training or further education
- 75% working towards LGV Class 2

ViP (Volunteers, Interns, Placements and Students)

ViP is our volunteering programme. Through this scheme, people can work towards their own goals or give to charity by volunteering their time and skills. Volunteering opportunities are available in all parts of FRC Group, however the majority of volunteers work in our Bulky Bob's workshop or in our store. Our work with volunteers was another area impacted by the Covid-19 pandemic. In March 2020 we paused our programme and did not reopen fully until March 2021. Our existing volunteers were welcomed back, however, we made the decision not to recruit any additional volunteers. The decision was taken as our People and Culture team had to focus in on recruiting staff to deal with shortages created by covid isolations and the great resignation. We also found that there was a higher sense of nervousness of people willing to return to the workplace and take up volunteering opportunities. This means that in 2022-23 we will reassess the role of volunteers in FRC Group. Volunteers have been an important part of our past and will always be an important part of our culture going forward.

Performance against 2021-22 performance and targets

- Recruit 3 cell leaders.
- Recruit 8 ViPs
- Set up a social media campaign to aid recruitment.



Targets for 2022-2023

Re-evaluate the volunteering programme to assess where opportunities are and the correct number of opportunities we have. This will be in line with Bulky Bob's structure and service going forward.

Apprenticeships

Apprenticeships combine practical training in a job with study. Our apprentices earn a wage, work alongside experienced staff, get time for training and study related to the role. This year we had two apprentices working in Finance and in Project Management. We aimed to recruit additional apprentices, but due to having a limited workforce at time, we made the decision to recruit one apprentice and backfill other roles with experienced staff.

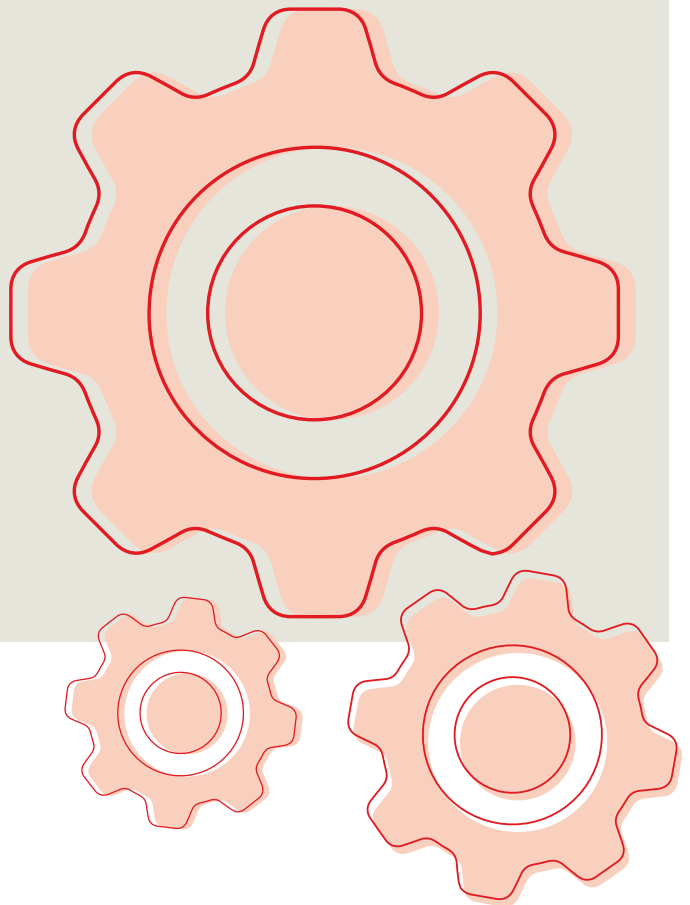
Performance against 2021-22

- Recruit 3 apprentices



Targets for 2022-23

- 2 Apprentices on Programme



Kickstart

The Government's Kickstarter scheme continued in the year and was a great opportunity for us to create 6-month placements for talented young people, and get Government support to do it. However, the reality of having fantastic opportunities for people did not match up to the process of recruiting them. We had to work with Job Centre Plus (JCP) on recruitment, and once JCP interviewed a candidate, they would tell us that they had a person interested in a vacancy. They would then refer the person by name. However, with that name, came no other details – we had to wait for that person to contact us. The system was very hit and miss, sometimes candidates made contact and we could interview, other times they did not get in touch. The lack of control over the process made it very frustrating and time consuming. However, we did see some success.



14 kick starters
on programme



10 of were these
recruited in the year



7 remained at FRC on
temporary contracts



1 was employed permanently as
Customer Service Assistant and
was promoted to a Customer
Service Specialist.

Performance against 2021-22 performance and targets

- Recruit 15 Kickstarters –
we recruited 10

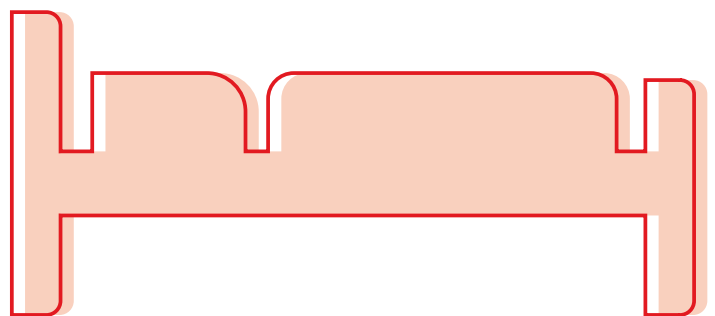
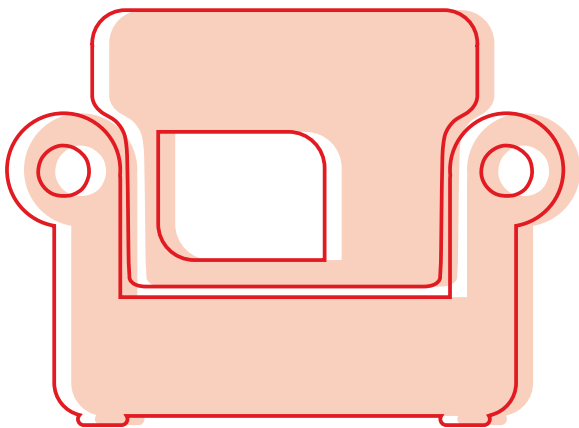


Targets for 2022–2023

No targets set

Creating Social Value

Using our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group








Using our skills to develop commercially successful businesses that create social value and using profits to support our social objectives is a key strategy for FRC Group. The main aim of these businesses is to create profit, although social value is created in these businesses through employment of trainees on the Driving Change programme and through the furniture we provide.

Buckingham Interiors

At the start of the financial year Buckingham Interiors continued to adopt the pandemic processes we had implemented completing scheme tours and consultations using Teams and Zooms. This method allowed us to actively and safely engage with our customers and their residents and complete scheme refurbishments on time. As restrictions lifted, access to schemes was permitted and we were able to visit in person to complete consultations with managers and residents. This in person interaction was welcomed by all.

2021-22 was Buckingham Interiors most successful sales year. The introduction of more capacity into the sales team enabled this growth with us retaining current customers and winning contracts with new. During the year we updated our website and exhibited in person at the CIH Housing conference in September and the CIH North East conference in November as a means of networking with existing and new customers.

Performance against targets for 2021–2022

- Retain existing customers and bring on new customers. 
- Explore new markets relevant to Buckingham Interiors products and services. 
- Continue to develop our range and offer. 
- Sustainable products. 
- Increase sales team capacity to drive increase in sales 

Priorities / Targets for 2022–23

- Retain existing contracts
- Bring on new customers/contracts
- Explore new markets relevant to Buckingham Interiors products and services
- Continuous development and improvement of our range and offer to meet the changing needs of our customers
- Improve our understanding of our supply chain and the impacts that we make



Bulky Bob's For Business (BBFB)

BBFB provides waste collection and recycling services to local businesses, including the collection of unwanted furniture and PCs. Services have also previously included the collection of confidential paper waste but due to the large number of businesses not occupying their office space throughout 2020-2021 due to the Covid-19 pandemic, a decision was taken to cease this service in February 2021.

During 2021/22, 1,408 unwanted PCs were collected from businesses with 1,061 of these being electronically data wiped. The remainder were either crushed or do not contain a hard drive so no data wiping is required. Once data wiped, PCs are refurbished and 637 were sold to local charities / schools / colleges and a further 104 were donated to charities and individuals who were referred to us for a PC.

The main area of future growth for Bulky Bob's For Business is to continue to develop the collection, data wiping and sale / donation of PCs and this is expected to grow further in 2022/23 with schools and colleges having a high demand for the purchase of refurbished PCs. In addition, there is a strong demand for donated PCs from various local charities and a greater number of PCs should be donated to these causes during 2022/23.

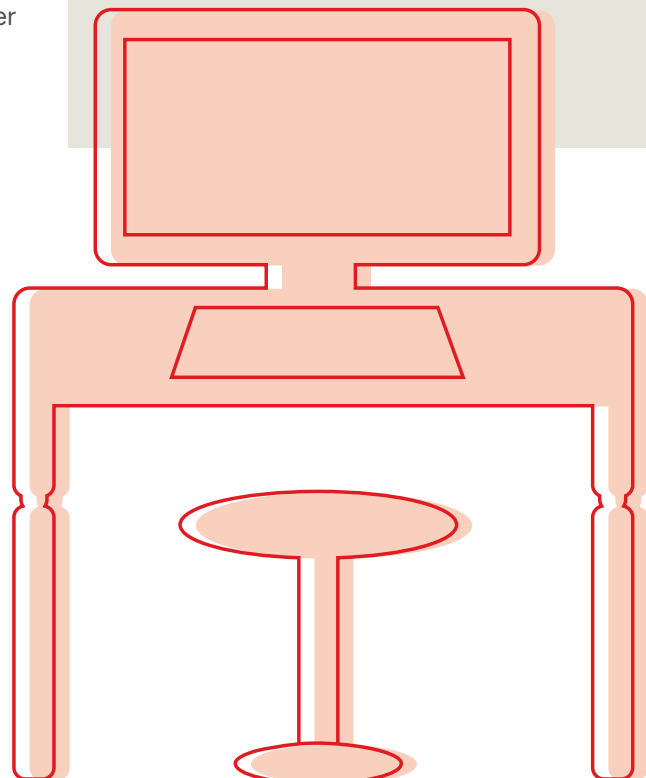
Performance against Targets for 2021-22

- Increase PC Collections
- Increase commercial furniture collections



Priorities/Targets for 2022-23

- Increase the sales of refurbished PCs
- Increase the number of PCs donated to charities
- people who otherwise can't afford a new PC
- Improve the profitability of the services provided



People

In 2021-22, like organisations in many industries, we were dealing with the aftermath of Covid-19. The COVID-19 pandemic left little untouched and people from all walks of life were affected. Whether furloughed or working – people felt the impacts of Covid – and the while we all waited for things to get back to normal, we now know – that the old normal has gone forever.

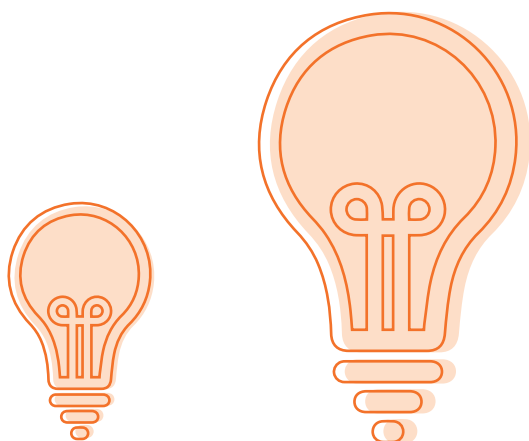


Our staff have all dealt with so many issues at work including Staff shortages, supplier issues, stress, new ways of working to protect staff, new ways of working to protect customers, working remotely and managing staff remotely, isolation after isolation after isolation, mixed views on vaccinations, managing people's mental health, there's been a lot going on. And on top of that – staff were trying to do this whilst balancing work with home. Covid changed everything and also led to lots of other problems affecting work – one such problem we have seen affect our businesses and many business across the world – The Great Resignation.

In 2021-2022 we have started to work even harder to be a great employer to help us to recruit and retain the best people. We started the accreditation process for Investors in People in an effort to make FRC Group not only a great place to work but a company whereby our employees can learn, develop and be successful within their roles. There are a series of standards that as a business we need to work towards to allow us to 'pass' and as a result gain accreditation.

In 2021-22 the standards FRC Group have met are:

- Living the Organisations Values and Behaviours
- Recognising and Rewarding High Performance
- Empowering and Involving People
- Structuring Work
- Delivering Continuous Improvement



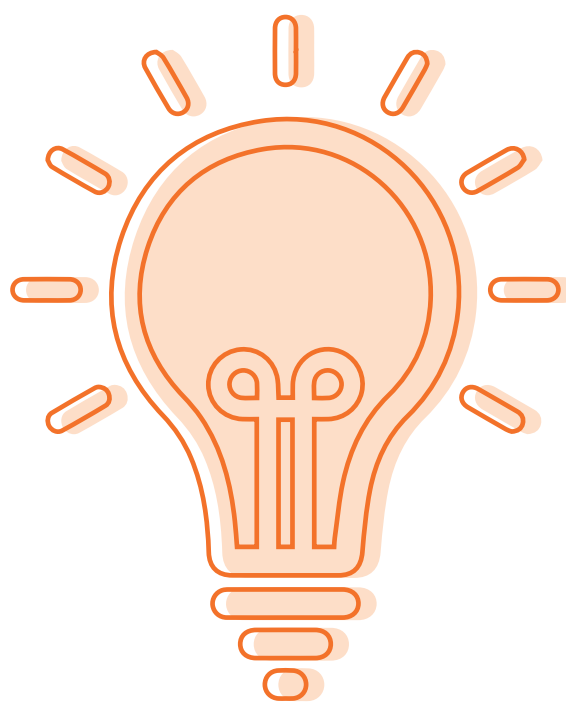
Key strengths noted by assessors

The assessment clearly revealed a number of key strengths within the company. These include:

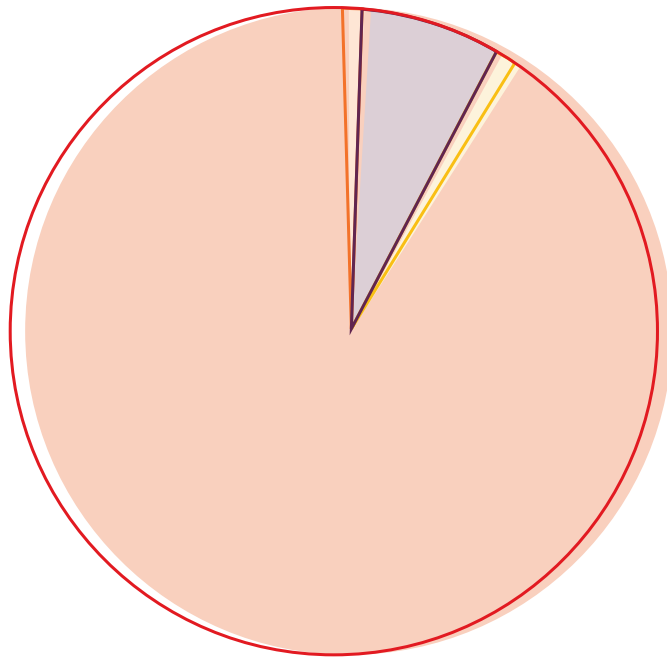
- People across FRC are led, managed, developed and encouraged to behave in line with the company's values;
- Recognition and reward is clear and appropriate, where people are recognised for their performance and behaviour on a formal and informal basis creating a culture of appreciation where people are motivated to perform at their best; and
- People's roles have been designed to help FRC deliver on its vision "to end furniture property" by identifying clear accountability for people to make decisions within their role

In 2022-23 the standards FRC Group are working towards are:

- Leading and Inspiring People
- Managing Performance
- Building Capability
- Creating Sustainable Success



Ethnic Diversity Chart



Ethnicity	Leadership	Board
White British	100%	100%
White Irish	0%	0%
Caribbean/Mixed	0%	0%
Other	0%	0%
Gender		
Male	50%	71%
Female	50%	29%
Disability	0%	0%

Health, Safety and Wellbeing

At FRC Group we take health, safety and wellbeing extremely seriously and make this clear to all of our staff, trainees, volunteers, customers, suppliers and members of the general public.

We have a Health, Safety and Wellbeing Committee made up of key representatives from across FRC Group, including satellite sites. The group holds a number of external health and safety accreditations including:

- SMAS (Safety Management Advisory Services)
- CHAS (Contractor Health & Safety Assessment Scheme)
- ISO9001 (Quality Management Standard)

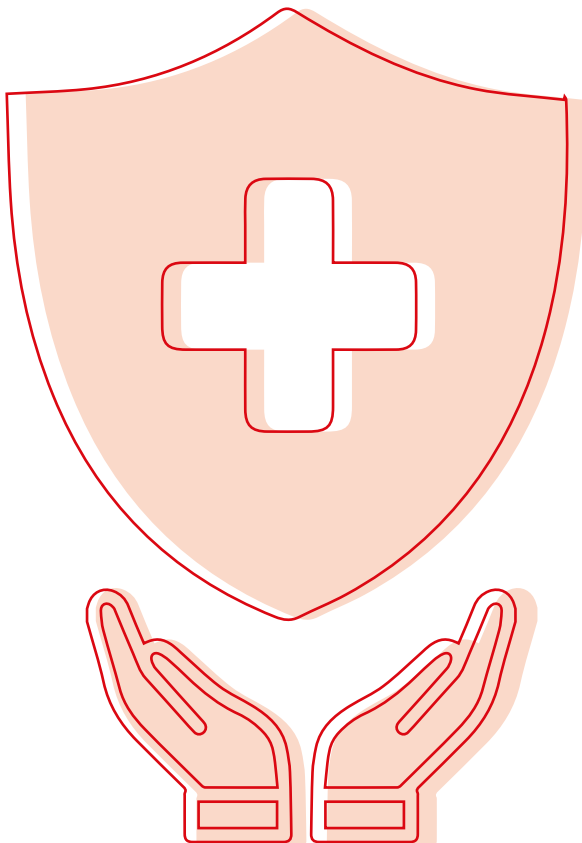


We have two trained health and safety advisors with NEBOSH (National Examination Board in Occupational Safety and Health)

During the period Furniture Resource Centre Ltd were accredited with ISO14001

We use IHasco (online training provider for Health and Safety Courses)

44 accidents (compared to 41 in 2020-21)
1 was Riddor reportable due to the nature of the injury (compared to 6 in 2020-21 were period of absence from work exceeded 7 days including weekends)



A number of accidents related to manual handling injuries which is not unusual given the nature of the main operation. As a result of these accidents, we secured a new external training provider for practical manual handling training which now forms part of the induction process along with practical banksman and FLT training. The practical training is supported by on-line training.

Staff who have reported manual handling related accidents are assigned to the next scheduled practical training as a refresher.

We continue to offer annual refresher training for all operational staff, routine reminders for correct manual handling techniques and operational manual handling controls continue to form part of team briefings. We continue with our 'Train the Trainer' approach whereas team leaders are trained to train team members in manual handling techniques which will allow for more practical manual handling demonstrations.

We recognise that we are 'Living with Covid' and have included a section on 'Living with Covid' in all of our risk assessments.

Our targets for next year are to:

- Carry out an analysis of accidents and benchmark against similar operations
- Introduction of SharePoint – Launch Health, Safety & Wellbeing site
- Raise safety awareness by putting more staff through IOSH training

Carbon Footprint

We monitor our environmental impact through FRC Group's Environmental Management System and includes a number of controls. These include the carbon footprint of the vehicle fleet and premises, waste and recycling, and the impacts of the FRC Group supply chain. The generation of electricity from photovoltaic panels at our head office site saved 3.8 tonnes of carbon during 2021-22. Our Bulky Bob's model also reduces carbon emissions through mattress and furniture reuse.

We base calculation of FRC Group's carbon footprint on the vehicle fleet's use of fuel and gas and electricity consumption in its buildings. The Department for Food & Rural Affairs publishes standard carbon conversion factors in its Environmental Reporting Guidelines and we use these to calculate our environmental impacts.

Unfortunately, vehicle performance data could not be obtained from our Manchester and North East sites for 2021-22 and so the reported carbon footprint does not include the vehicle fleet from these locations. In 2021-22, FRC Group had a carbon footprint of 208 of CO2 emissions, compared to 262 tonnes of CO2 emissions in 2020-21 from all sites including all vehicles.

Excluding Manchester and North East vehicle performance from the 2020-21 results gives a total carbon footprint of 161 tonnes, which means that the 2021-22 carbon footprint of 208 tonnes is an increase of 29%. This is explained as follows:

- An increase in vehicle activity arising from the increase in sales in the year.
- An increase in the number of buildings occupied by the group causing an increase in electricity and gas usage.
- An increase in the number of staff returning to the office having worked from home during much of 2020-21.

Total CO2 (Tonnes)

2017 – 18	230
2018 – 19	265
2019 – 20	271
2020 – 21	262
2021 – 22	208*

*excluding Manchester and North East logistics

Our calculations are based on government conversion factors from the Department for Business, Energy & Industrial Strategy.

Suppliers

FRC Group has a range of trusted suppliers, both local and national in order to provide the wide range of services and stock required. Preference is always given to using suppliers who are proactive in managing social and environmental change and new large suppliers must provide a range of information before being accepted as a supplier. In addition, FRC Group has signed up to the Prompt Payment Code to recognise the importance placed on its suppliers and its policy of always paying suppliers on time, especially small suppliers.



Stakeholder Section

FRC Group's Materiality and Stakeholder Engagement Policy, which can be found on our website at www.frcgroup.co.uk explains the relationships between the different stakeholder groups and how the different relationships and levels of engagement are prioritised.

Our End Furniture Poverty campaign works to raise awareness of the issue of Furniture Poverty, carries out research to understand the consequences of Furniture Poverty and explores possible solutions. End Furniture Poverty lobbies for change, and works with partners to help get furniture to those who need it.



This is an overview of how we have engaged with our stakeholders this year:

End Furniture Poverty

We published our first Local Welfare Assistance report, The Postcode Lottery of Crisis Support, in April 2021. This had involved sending Freedom of Information requests to 410 local authorities across the UK. The final report was emailed out to our mailing list of 1831 recipients, and we also hosted a webinar to share our findings which was attended by 33 housing, local authority and charity professionals.

We published our second Local Welfare Assistance report, The State of Crisis Support, in February 2022. To gather the data for this report, we issued a Freedom of Information request to 151 upper tier local authorities in England, these are the county, city and metropolitan councils. The complex situation created by the provision additional Covid Government grants, meant we needed to return to issue a second Freedom of Information request to the same group of stakeholders. This report was emailed out to our now increased mailing list of 2152 recipients and we held another webinar to share our findings which was attended by 40 housing, local authority and charity professionals.

The numbers of people living in furniture poverty who reached out to us for help and advice during 2021/2022 rose greatly over the course of the year, rising from 224 in Quarter 1, to 1979 in Quarter 4. In total 4035 people emailed us for help. We started the year taking phone calls and received 360 calls in Quarter 1. We continued this in Quarter 2 but after a further 113 phone calls, we acknowledged that this was taking us away from our core objectives of developing scaled national solutions to furniture poverty, so we took the decision to have a recorded message asking people to email us instead, or text us so we could respond with a template text directing them to sources of support.

We engaged with dozens of housing associations over the course of the year. For example, we delivered a webinar arranged by the Chartered Institute of Housing which was attended by 40 housing professionals, and presented at the CIH Housing Management Summit which had over 100 attendees.

Responsiveness

We collected data on responsiveness from our Leaders

Our people

We carried out a staff survey

Bulky Bob's Customers

- 117 surveys completed

Crisis Furniture Worker

- 14 surveys completed

Bulky Bob's Furniture World Survey

- 18 surveys completed

Furniture Voucher Client Questionnaire

- 1 survey completed

Liverpool John Moores Furniture Survey

- 32 surveys completed

FRC Customer

- 10 surveys completed

Survey for Social Landlords by End Furniture Poverty

- 2 surveys completed

End Furniture Poverty Survey

- 40 surveys complete March 2022



Strategic Report Approved
by the Board of Directors
and signed on its behalf
by Secretary A Rowan.
7th December 2022

Appendix 1: Independent Limited Assurance Report to FRC Group

We have been engaged by the FRC Group to provide independent limited assurance on the selected aspects of the Furniture Resource Centre Limited Integrated Report 2021-22 as included on pages 6-57 (“the Report”) for the year ended 31 March 2022.

Our conclusion

On the basis of our procedures nothing has come to our attention that causes us to conclude that the selected aspects of the information included within the FRC Group’s Integrated Report 2021-22 – Social Value Review 2021/22: Creating Social Value has not been prepared in all material respects in line with the Reporting Criteria. This conclusion is to be read in the context of what we say below.

Selected information

The data included within the scope of our assurance report appears in the “FRC Group’s Integrated Report 2021-22.” This is information denoted with the

Professional standards applied and level of assurance

We conducted a limited assurance review in accordance with International Standard on Assurance Engagements 3000 – “Assurance Engagements other than Audits and Reviews of Historical Financial Information” (‘ISAE 3000’) issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. It does not include detailed testing of source data nor the operating effectiveness of processes and internal controls.

Our review has also been conducted in line with the principles of the AA1000 Assurance Standard and AA1000 Accountability Principles.

Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales (‘ICAEW’) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Control (UK&I) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was conducted by an independent and multi-disciplinary team with experience in impact reporting and assurance.

Understanding reporting and measurement methodologies

The Selected Information needs to be read and understood together with FRC Group’s broader reporting on both Social Value and Financial Impact. The absence of a significant body of established practice on which to draw, and hence to evaluate and measure non-financial information, allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Work done

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. In doing so, our procedures consisted primarily of:

- a. Interviews with FRC Group Management;
- b. Review of the FRC Group Approach to stakeholder engagement in the report and assessment of the outputs from the materiality process relating to stakeholder and FRC Group's engagement;
- c. Review of the FRC Group Approach to stakeholder engagement through interviews with employees responsible for managing engagement activities and review of selected associated documentation;
- d. Review of the approach of FRC Group in determining material issues to be included in the Report;
- e. Review of the coverage of material issues within the Report against the topics discussed by the FRC Group Board; and,
- f. Engagement with a sample of stakeholders to obtain feedback as to the operations of Bulky Bob's Furniture World.

Specifically, for the disclosures on pages 17-19 and 22 our assurance is on the basis / limited to the following:

- a) Reviewed the approach to the application of both deadweight and attribution for the calculation.
- b) Re-performed the calculation undertaken by the FRC Group.
- c) Sample testing undertaken to support the calculation (no errors were noted on the basis of sample selection.)
- d) Our work does not extend to the provision of assurance for the values attributed to the social value calculated by the consultant.

FRC Group's responsibilities

The Directors of the FRC Group are responsible for:

- a) Designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information as designated by the, that is free from material misstatement, whether due to fraud or error;
- b) Establishing objective Reporting Criteria for preparing the selected information.

Our responsibilities

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the FRC Group.

This report has been prepared to assist the FRC Group in reporting its Social Value. We permit this report to be disclosed in the FRC Group's Integrated Report 2021-22.

The procedures that we have performed are solely to assist you in reporting the Furniture Resource Centre's social impact. Our report is not to be used for any other purpose and is solely for your information.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the FRC Group, for our work, for this report, or for the opinions we have formed.

Richard Evans

Richard Evans
For and on behalf of
Crowe U.K. LLP
December 2022

Financial Review

Consolidated Financial Statements

- 61 Directors' Report
- 62 Auditor's Report
- 66 Consolidated statement of financial activities
- 67 Balance sheets
- 68 Consolidated cash flow statement
- 69 Notes to the Accounts



Directors' Responsibilities Statement.

Directors' Responsibilities

The Directors are responsible for preparing the Strategic Report, Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Small Companies' Exemption

In preparing this directors' report, advantage has been taken of the small companies' exemption.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006. Crowe U.K. LLP has indicated its willingness to remain in office.

Statement as to disclosure of information to auditor

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information (as defined by the Companies Act 2006) of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by the Board of Directors
on and signed on its behalf by



Secretary
A Rowan

Date: 7 December 2022

Independent Auditor's Report To Members Of Furniture Resource Centre Limited

Opinion

We have audited the financial statements of Furniture Resource Centre Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise

appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 4, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Health & Safety and Waste Carriers Regulations.

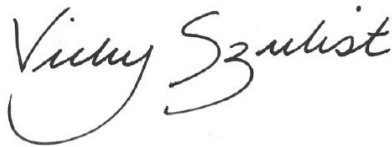
Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reading minutes of meetings of those charged with governance and sample testing on revenue to supporting information.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

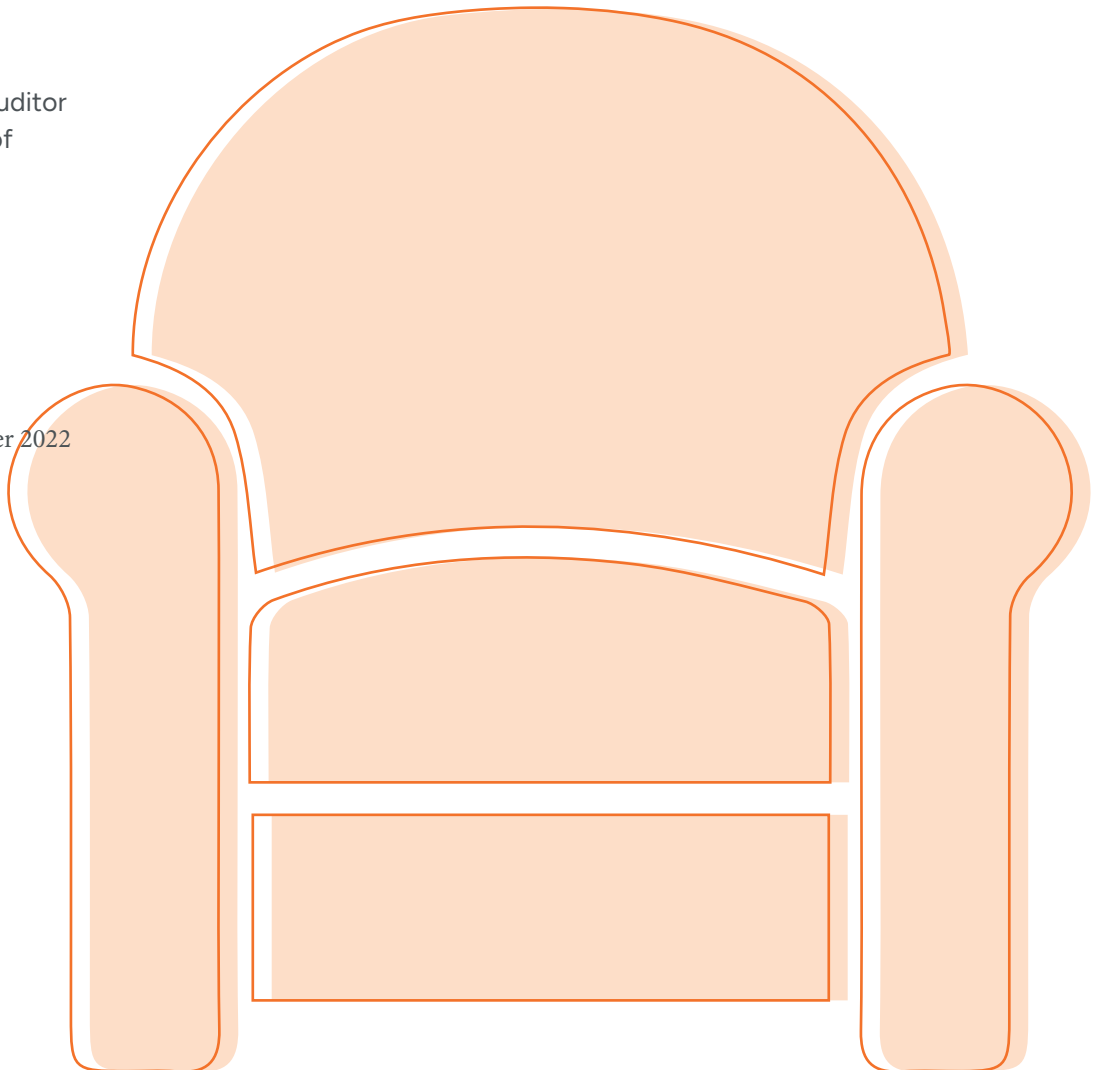
Use of our report

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



Vicky Szulist
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
The Lexicon
Mount Street
Manchester
M2 5NT

Date 23rd December 2022



Furniture Resource Centre Limited Consolidated Statement of Financial Activities

(including income and expenditure account)
for the year ended 31 march 2022

	Note	Total Unrestricted Funds	Total Restricted Funds	Total Funds 31 March 2022	Total Funds 31 March 2021
		£	£	£	£
Income and endowments from:					
Donations and legacies	4	6,467	82,542	89,009	224,291
Charitable activities	5	15,496,153	-	15,496,153	12,850,360
Investments		686	-	686	820
Other		30,915	-	30,915	99,210
Total		15,534,221	82,542	15,616,763	13,174,681
Expenditure on:					
Charitable activities	6	14,900,511	91,352	14,991,863	12,873,493
Total resources expended		14,900,511	91,352	14,991,863	12,873,493
Net incoming/(outgoing) resources before transfers		633,710	(8,810)	624,900	301,188
Balances brought forward at 1 April		2,861,760	8,810	2,870,570	2,569,382
Balances carried forward at 31 March		3,495,470	-	3,495,470	2,870,570

The notes on pages 69 to 100 form part of these financial statements.

Furniture Resource Centre Limited Consolidated and Charity Balance Sheets

at 31 March 2022

	Notes	Group		Charity	
		2022	2021	2022	2021
		£	£	£	£
Fixed assets					
Intangible assets	12	-	7,500	-	7,500
Tangible assets	13	464,271	540,108	418,255	472,167
Investments	3	-	-	-	1
		464,271	547,608	418,255	479,668
Current assets					
Stock	14	1,190,923	996,342	1,187,291	992,945
Debtors	15	3,575,531	3,028,668	3,433,494	3,001,110
Investments	16	182,479	181,793	182,479	181,793
Cash at bank and in hand		975,100	585,237	937,528	514,022
		5,924,033	4,792,040	5,740,792	4,689,870
Creditors: amounts falling due within one year	17	(2,549,084)	(1,969,078)	(2,347,984)	(1,815,037)
Net current assets		3,374,949	2,822,962	3,392,808	2,874,833
Total assets less current liabilities		3,839,220	3,370,570	3,811,063	3,354,501
Creditors: amounts falling due after more than one year	17	(343,750)	(500,000)	(343,750)	(500,000)
Net Assets		3,495,470	2,870,570	3,467,313	2,854,501
Funds					
Unrestricted		3,495,470	2,861,760	3,467,313	2,845,691
Restricted	19	-	8,810	-	8,810
Total Funds	20	3,495,470	2,870,570	3,467,313	2,854,501

The notes on pages 69 to 100 form part of these financial statements.

Exemption has been taken from presenting an unconsolidated parent charity profit and loss account under section 408 of the Companies Act 2006.

The financial statements were approved by the Board of Directors and authorised for issue on 7th December 2022 and signed on their behalf by



N Wilson
Director

Company Registration Number 02296329.
A Charity registered in England and Wales (700731).

Furniture Resource Centre Limited Consolidated Cash Flow Statement

For The Year Ended 31 March 2022

	Note	2022	2021
		£	£
Cash flows from operating activities:			
Cash generated / (reduction in cash) from operations	25	503,995	(246,453)
Interest received		686	820
Net cash inflow / (outflow) from operating activities		504,681	(245,633)
Cash flows from investing activities:			
(Purchase of) fixed assets		(87,082)	(338,322)
Sale of fixed assests		4,200	428
(Purchase of) cash investments		(686)	(820)
Net cash (outflow) from investing activities		(83,568)	(338,714)
Cash flows from financing activities			
Net cash (outflow) / inflow from borrowing		(31,250)	481,726
Net cash (outflow) / inflow from financing activities		(31,250)	481,726
Increase / (decrease) in cash and cash equivalents in the year		389,863	(102,621)
Cash and cash equivalents at the beginning of the year		585,237	687,858
Cash and cash equivalents at the end of the year		975,100	585,237

The notes on pages 69 to 100 form part of these financial statements.

Furniture Resource Centre Limited Notes To The Accounts

For The Year Ended 31 March 2022

1 Accounting policies

a) General Information

Furniture Resource Centre Limited is a private charitable company limited by guarantee, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is shown on the company information page. The nature of the company's operating and financial activities are outlined in the Directors' Report.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the 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 trustees confirm that the charity 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).

c) Basis of consolidation

The financial statements consolidate the results of the charity, Bulky Bob's Office and Commercial Waste and Bulky Bob's 2015, charities for which it is the sole member and also its wholly owned trading subsidiary Bulky Bob's Limited. The results of these companies are consolidated on a line-by-line basis. A separate Statement of Financial Activities for the charity itself has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

d) Going Concern

The financial position on pages 64 to 98 demonstrates that the group is operating within its available cash funds and has net current assets at the year end. As a result of the Covid-19 pandemic, the trustees reviewed detailed cash flow projections covering a range of scenarios and after careful consideration, were of a view that the charity has sufficient cash balances to continue to trade despite the difficult economic climate. As a contingency, the charity also secured a loan under the Cononavirus Business Interruption Loan Scheme, which was drawn down in December 2020.

After reviewing financial projections for the group and taking account of new contracts recently won, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The trustees have concluded that it is appropriate to prepare the accounts on a going concern basis.

e) Incoming resources

Voluntary income and donations are accounted for as received by the group. All other income is accounted for on an accruals basis.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided). Income from charitable activities includes income received under contract (as the related goods and services are provided).

Investment income is recognised on a receivable basis. Income from grants receivable which support people development is credited to the income and expenditure account in the period to which the grants relate.

f) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Expenditure is directly attributable to specific activities and has been included in those cost categories.

Costs of generating funds are those costs incurred in the trading activities of the subsidiary companies that raise funds.

Charitable activities include expenditure associated with the supply of furniture and other household accessories to social landlords, the retailing of reused goods to economically disadvantaged groups, provision of bulky household waste collection services, logistics and other recycling services and the costs of providing training programmes to socially excluded groups. These include both the direct costs and support costs relating to those activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation are apportioned by income generated.

g) Irrecoverable VAT

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

h) Operating leases

Where the group is lessee, rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are included in 'resources expended' on a straight line basis over the term of the lease.

i) Investments

Current asset investments concern cash held on deposit with a maturity date of less than one year from the maturity date. Investments are initially and subsequently measured at the amount of the cash deposit.

j) Tangible fixed assets and depreciation

Tangible fixed assets for use by the group are stated at cost less depreciation subject to impairment review in accordance with FRS 102.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Improvements to leasehold property	10% on cost
Plant & machinery	10%-25% on cost
Fixtures, fittings and equipment	25% on cost
Computer equipment	20%-33% on cost

k) Goodwill

On acquisition of a business, fair values are attributed to the assets, liabilities and contingent liabilities of the acquired business at the date of acquisition. Goodwill arises when the fair value of the consideration given for a business exceeds the fair value of the net assets. Goodwill is capitalised and amortised over its useful economic life. The useful economic life of goodwill is considered to be 2 years.

l) Stocks

Stocks of new and donated goods are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

m) Pension costs

The charity and group operates a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions in respect of the company's Group Personal Pension Plan are included in 'resources expended' for the year in which they are payable to the scheme.

n) Funds structure

The group's funds consist of unrestricted and restricted amounts. The group may use unrestricted amounts at its discretion. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes.

o) Financial Instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group 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.

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.

Creditors and provisions are recognised where the group 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.

p) Judgements in applying accounting policies

and key sources of estimation uncertainty
In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.

Other key sources of estimation uncertainty:

- Tangible fixed assets are depreciated over their useful lives taking into account residual lives, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Debtors are provided against when there is objective evidence that the debt will not be recoverable.
- The charity is required to test, on an annual basis, whether any goodwill recognised has suffered any impairment. Estimation is required in determining the recoverable amounts giving consideration to its value in use.

2 Financial activities of the charity

A summary of the financial activities undertaken by the charity is shown below.

	Unrestricted funds	Restricted funds	2022 Total Funds	Unrestricted funds	Restricted funds	2021 Total Funds
	£	£	£	£	£	£
Incoming Resources	14,712,870	40,908	14,753,778	12,217,500	168,280	12,385,780
Resources Expended	(14,091,248)	(49,718)	(14,140,966)	(11,912,119)	(167,946)	(12,080,065)
Net incoming / (outgoing) resources for the year	621,622	(8,810)	612,812	305,381	334	305,715

Legal Status

The charity is a company limited by guarantee and has no share capital.
The liability of each member in the event of winding up is limited to £1.

3 Subsidiary companies and other group charities

The financial activities shown in the consolidated financial statements include the results of Bulky Bob's and Bulky Bob's For Business, charities for which Furniture Resource Centre Limited is the sole member.

The information and financial data for each company is included below. The registered office of Bulky Bob's and Bulky Bob's For Business is the same as stated on the company information page of these accounts.

(i) Bulky Bob's

The charity is the sole member of Bulky Bob's, a company limited by guarantee and registered in England. Bulky Bob's is also a registered charity (charity number 1167068) and operates contracts for various councils within the North West for the collection, reuse and recycling of bulky household waste and for the provision of training. Bulky Bob's changed its name from Bulky Bob's Limited on 10 January 2022 and was previously called Bulky Bob's 2015 until 22 December 2021.

At 31 March 2022, the capital and reserves of Bulky Bob's were £153,908 (2021: £143,613). The charity made a surplus of £10,295 in the year ended 31 March 2022 (2021: £7,722).

(ii) Bulky Bob's For Business

The charity is the sole member of Bulky Bob's For Business, a company limited by guarantee and registered in England. Bulky Bob's For Business is also a registered charity (charity number 1168088) and provides a business waste collection service including the collection, data wiping and reuse of PCs.

At 31 March 2022, the capital and reserves of Bulky Bob's For Business were in deficit by £125,749 (2021: deficit of £127,542). The charity made a surplus of £1,793 in the year ended 31 March 2022 (2021: deficit of £12,250).

(iii) Bulky Bob's Limited (Company number 3759102)

Bulky Bob's Limited was a wholly owned subsidiary of Furniture Resource Centre Limited, whose contracts, assets and liabilities were transferred to Bulky Bob's 2015 on 1 April 2017. The company ceased trading on that date and was dissolved on 7 September 2021.

3 Subsidiary companies and their activities (continued)

A summary of the results of Bulky Bob's for the year is shown below

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Incoming Resources	1,181,091	40,402	1,221,493
Resources Expended	(1,170,796)	(40,402)	(1,211,198)
Net incoming resources for the year	10,295	-	10,295

A summary of the results of Bulky Bob's For Business for the year is shown below.

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Incoming Resources	155,109	1,232	156,341
Resources Expended	(153,316)	(1,232)	(154,548)
Net incoming resources for the year	1,793	-	1,793

4 Income from donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2022	Unrestricted Funds	Restricted Funds	Total 2021
	£	£	£	£	£	£
Kickstart	-	82,392	82,392	-	5,784	5,784
Coronavirus Job Retention Scheme Grant	6,467	-	6,467	153,121	-	153,121
Donation to purchase a bed	-	150	150	-	-	-
Sefton at Work	-	-	-	-	(1,228)	(1,228)
Made Smarter Grant	-	-	-	-	21,564	21,564
Charity Shop	-	-	-	-	50	50
Liverpool City Council Covid-19 support	-	-	-	-	35,000	35,000
Wirral Council Covid-19 support	-	-	-	-	10,000	10,000
Total donations and legacies	6,467	82,542	89,009	153,121	71,170	224,291

5 Income from Charitable activities

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Provision of furniture / furniture packages	14,277,981	-	14,277,981	11,759,024
Provision of bulky household waste collection and recycling services	882,862	-	882,862	882,487
Charity shop sales	209,780	-	209,780	104,165
Provision of other recycling services	123,857	-	123,857	104,684
Other income	1,673	-	1,673	-
Total charitable activities	15,496,153	-	15,496,153	12,850,360

6 Expenditure on Charitable activities

	Direct Costs	Support	Total 2022	Total 2021
	£	£	£	£
Provision of furniture / furniture packages	11,676,839	1,361,055	13,037,894	10,783,371
Charity shop sales	340,462	17,084	357,546	285,839
People Development	265,654	66,086	331,740	368,153
Provision of bulky household waste collection and recycling services	873,322	41,651	914,973	947,690
Provision of other recycling services	242,654	15,035	257,689	406,076
Other	91,942	79	92,021	82,364
Total charitable activities expenditure	13,490,873	1,500,990	14,991,863	12,873,493

7 Allocation of support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation costs are apportioned by income generated.

	Provision of Furniture and furniture packages	Charity Shop Sales	People Development	Provision of bulky household waste collection and recycling services	Provision of other recycling services	Other	2022 Total	2021 Total
Support Cost	£	£	£	£	£		£	£
Property cost	198,259	-	66,086	-	-	-	264,345	334,316
Staff costs	584,202	8,583	-	25,867	7,684	49	626,385	616,514
Vehicle costs	-	-	-	-	307	-	307	5,371
ICT costs	144,217	2,119	-	-	-		146,336	96,232
Governance	25,272	371	-	2,744	3,250	5	31,642	34,494
General office	303,748	4,463	-	13,040	3,794	25	325,070	274,549
Depreciation	105,357	1,548	-	-	-		106,905	81,687
	1,361,055	17,084	66,086	41,651	15,035	79	1,500,990	1,443,163

8 Governance costs

	2022	2021
	£	£
Social Audit	7,000	5,000
Audit and accountancy	18,000	24,209
Directors insurance	6,644	5,285
	31,644	34,494

9 Analysis of staff costs and the cost of key management personnel

	2022	2021
	£	£
Staff costs:		
Wages and salaries	3,341,948	3,038,338
Social security costs	244,431	234,282
Pension costs	143,834	124,257
	3,730,213	3,396,877

The emoluments of higher paid employees fell within the following ranges:

	2022	2021
	Number	Number
£60,000 - £70,000	1	1
£70,001 - £80,000	1	1
£100,001 – 110,000	1	1

9 Analysis of staff costs and the cost of key management personnel (continued)

3 employees had emoluments (excluding pension contributions) of more than £60,000 in the year (2021: 3).

The key management personnel of the charity and group comprise the trustees, Chief Executive Officer, Director of Finance and Social, Director of FRC and the Director of People and Culture. The total employee cost of the key management personnel was £361,354 (2021: £354,756).

During the year, redundancy costs of £5,512 (2021: £1,544) were paid by the group. Redundancy costs of £nil were paid by the charity (2021: £772).

The average number of employees analysed by function, was:

	2022	2021
	Number	Number
Provision of furniture and furniture packages	68	57
Training	6	9
Retail	8	6
Bulky Bob's – collection, recycling and reuse of unwanted furniture	25	22
Bulky Bob's For Business	1	4
Management, Finance, Administration and ICT	14	11
End Furniture Poverty	2	2
	124	111

10 Trustee Remuneration & Related Party Transactions

No trustee received any remuneration during the year ended 31 March 2022 (2021: £nil).

No travel costs were reimbursed to trustees in the year (2021: £nil).

Related party transactions are shown in note 23 to the accounts.

11 Net incoming / (outgoing) resources for the year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
This is stated after charging/(crediting):				
Auditors' remuneration: Audit services	18,000	18,000	12,000	12,000
Non-audit services	7,000	5,000	7,000	5,000
Depreciation and amortisation	144,637	180,068	120,769	141,420
Loss on disposal	21,581	780	23,502	-
Operating lease rentals:-				
Other	744,290	805,028	560,033	585,726

12 Intangible Assets

	Group		Charity	
	Goodwill	Total	Goodwill	Total
	£	£	£	£
Cost or valuation				
At 1 April 2021	97,600	97,600	90,000	90,000
At 31 March 2022	97,600	97,600	90,000	90,000
Amortisation				
At 1 April 2021	90,100	90,100	82,500	82,500
Charge for the year	7,500	7,500	7,500	7,500
At 31 March 2022	97,600	97,600	90,000	90,000
Net book value				
At 31 March 2022	-	-	-	-
At 31 March 2021	7,500	7,500	7,500	7,500

All intangible fixed assets are used for or to support charitable purposes.

Goodwill of £90,000 arose on the acquisition of contracts on 25 June 2019 from a competitor organisation to supply furniture to customers, predominantly in the Greater Manchester region. This goodwill is amortised over a 2 year period.

13 Tangible fixed assets

Group	Improvements to leasehold property	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Assets Under Construction	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2021	947,370	302,106	246,802	457,607	125,708	2,079,593
Additions	2,724	32,680	10,950	20,103	21,752	882,092
Disposals	-	(21,948)	-	(8,850)	(24,446)	(55,244)
Reclassification of fixed assets	(32,825)	(3,558)	37,147	363	-	-
At 31 March 2022	917,269	308,153	294,899	469,223	123,014	2,112,558
Accumulated Depreciation						
At 1 April 2021	824,766	134,854	214,219	365,646	-	1,539,485
Charge for the year	14,803	38,163	32,693	51,478	-	137,137
Disposals	-	(21,512)	-	(6,823)	-	(28,335)
At 31 March 2022	839,569	151,505	246,912	410,301	-	1,648,287
Net book value						
At 31 March 2022	77,700	156,648	47,987	58,922	123,014	464,271
At 31 March 2021	122,604	167,252	32,583	91,961	125,708	540,108

All tangible fixed assets are used for or to support charitable purposes.

13 Tangible fixed assets (continued)

Group	Improvements to leasehold property	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Assets Under Construction	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2021	925,732	219,396	220,339	439,907	125,708	1,931,082
Additions	-	31,380	10,950	20,103	21,753	84,186
Disposals	-	(499)	-	-	(24,446)	(24,945)
Reclassification of fixed assets	(32,825)	(4,685)	37,147	363	-	-
At 31 March 2022	892,907	245,592	268,436	460,373	123,015	1,990,323
Accumulated Depreciation						
At 1 April 2021	819,672	80,790	204,508	353,945	-	1,458,915
Charge for the year	12,393	26,154	26,243	48,479	-	113,269
Disposals	-	(116)	-	-	-	(116)
At 31 March 2022	832,065	106,828	230,751	402,424	-	1,572,068
Net book value						
At 31 March 2022	60,842	138,764	37,685	57,949	123,015	418,255
At 31 March 2021	106,060	138,606	15,831	85,962	125,708	472,167

All tangible fixed assets are used for or to support charitable purposes.

14 Stock

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Finished goods	1,190,923	996,342	1,187,291	992,945

Stock recognised as an expense in the year for the group was £9,051,858 (2021: £7,626,843) and for the charity was £9,034,392 (2021: £7,611,725).

15 Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	3,233,998	2,759,941	2,953,047	2,594,558
Prepayments	281,457	234,188	245,263	196,878
Amounts due from subsidiary undertakings	-	-	177,446	175,137
Other debtors	60,076	34,539	57,738	34,537
	3,575,531	3,028,668	3,433,494	3,001,110

The amount due from subsidiary undertaking relates to an amount due from Bulky Bob's For Business. The balance is due on demand and incurs interest at a rate of 4% per annum, compounded daily. The impairment loss recognised in the SOFA for the year in respect of bad and doubtful trade debtors was £nil (2021: £nil).

16 Investments

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Cash held on deposit	182,479	181,793	182,479	181,793
	182,479	181,793	182,479	181,793

The amount shown under cash held on deposit above relates to cash held in fixed term deposits maturing prior to 31 March 2023.

17 Creditors: amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	1,538,374	1,165,179	1,506,067	1,086,196
Amount owed to subsidiary undertaking	-	-	4,950	19,152
Other taxation and social security	290,177	399,786	246,773	363,835
Other creditors	69,472	66,668	65,641	63,154
CBILS loan	125,000	-	125,000	-
Accruals and deferred income	526,061	337,445	399,553	282,700
	2,549,084	1,969,078	2,347,984	1,815,037

Loan due after more than one year

CBILS loan	343,750	500,000	343,750	500,000
	343,750	500,000	343,750	500,000

The CBILS loan relates to a loan of £500,000 received on 16 December 2020 from the Government's Coronavirus Business Interruption Loan Scheme. Interest is payable on the loan at a rate of 1.88% above base rate with repayments commencing January 2022 and the final repayment being due December 2026. The loan is secured by a fixed and floating charge over the assets of the charity.

18 Deferred Income

Deferred income comprises income received in advance of delivery of service.

	Group	Charity
	£	£
Balance at 1 April 2021	12,306	-
Amount released to incoming resources	(513,978)	-
Amounts deferred in the year	595,385	-
Balance at 31 March 2022	93,713	-

19 Restricted Funds

Group		Balance at 1 April 2021	Movement in resources		Balance at 31 March 2022
			Incoming	Outgoing	
		£	£	£	£
Made Smarter Grant	(i)	8,810	-	(8,810)	-
Kickstart	(ii)	-	82,392	(82,392)	-
Donation to purchase a bed	(ii)		150	(150)	-
		8,810	82,542	(91,352)	8,810

19 Restricted Funds (continued)

Charity		Balance at 1 April 2021	Movement in resources		Balance at 31 March 2022
			Incoming	Outgoing	
		£	£	£	£
Made Smarter Grant	(i)	8,810	-	(8,810)	-
Kickstart	(i)	-	40,758	(40,758)	-
Donation to purchase a bed	(i)		150	(150)	-
		8,10	40,908	(49,718)	-

Those funds with balances at 31 March 2022 or 31 March 2021 represent funds received and used for the following purposes.

- (i) Funding for the development of mattress cleaning machinery received by Bulky Bob's but transferred to Furniture Resource Centre Limited on 31 March 2021 along with the mattress cleaning machinery

Those funds which were received and defrayed in the year were received for the following purposes.

- (ii) Funding for staff development and training
- (iii) Funding from a member of the public to purchase a bed for someone in need

19 Restricted Funds (continued)

Movement in restricted funds for the year ended 31 March 2021 are shown below.

Group		Balance at 1 April 2020	Movement in resources		Balance at 31 March 2021
			Incoming	Outgoing	
		£	£	£	£
Community Sustainable Energy Programme	(i)	2,256	-	(2,256)	-
Low Carbon Buildings Programme	(i)	4,385	-	(4,385)	-
Foundation	(i)	1,835	-	(1,835)	-
Kickstart	(iii)	-	5,784	(5,784)	-
Liverpool City Council Covid 19 funding		-	35,000	(35,000)	-
Wirral Council Covid-19 funding	(iv)	-	10,000	(10,000)	-
Sefton at Work	(iii)	-	(1,228)	1,228	-
Made Smarter Grant	(ii)	2,039	21,564	(14,793)	8,810
Charity shop donation	(v)	-	50	(50)	-
		10,515	71,170	(72,875)	8,810

19 Restricted Funds (continued)

Charity		Balance at	Movement		Balance at
		1 April 2020	Incoming	Outgoing	31 March 2021
		£	£	£	£
Community Sustainable Energy Programme	(i)	2,256	-	(2,256)	-
Low Carbon Buildings Programme	(i)	4,385	-	(4,385)	-
Foundation	(i)	1,835	-	(1,835)	-
Kickstart	(iii)	-	3,806	(3,806)	-
Liverpool City Council Covid 19 funding	(iii)	-	35,000	(35,000)	-
Made Smarter Grant	(vi)	-	12,879	(4,069)	8,810
Charity shop donation	(viii)	-	50	(50)	-
		8,476	51,735	(51,401)	8,810

Those funds with balances at 31 March 2021 or 31 March 2020 represent funds received and used for the following purposes.

- (i) Partial funding for solar panels at the property occupied by the charity
- (ii) Funding for the development of mattress cleaning machinery received by Bulky Bob's but transferred to Furniture Resource Centre Limited on 31 March 2021 along with the mattress cleaning machinery

Those funds which were received and defrayed in the year were received for the following purposes.

- (iii) Funding for staff development and training
- (iv) Funding for organisations affected by the Covid-19 pandemic
- (v) Funding for charity shop

20 Analysis of net assets between funds

Group	Fixed assets	Net current assets	Creditors falling due after more wthan one year	2022 Total	Fixed assets	Net current assets (Restated)	Creditors falling due after more than one year	2021 Total
	£	£	£	£	£	£	£	£
Restricted funds	-	-	-	-	8,810	-	-	8,810
Unrestricted funds	464,271	3,374,949	(343,750)	3,495,470	538,798	2,822,962	(500,000)	2,861,760
Net assets	464,271	3,374,949	(343,750)	3,495,470	547,608	2,822,962	(500,000)	2,870,570

The amount of £nil (2021: £8,810) included under Restricted Funds represents the following:

	2022 Total	2021 Total
	£	£
Mattress cleaning machinery, which was part-funded by grants	-	8,810
Total	-	8,810

20 Analysis of net assets between funds (continued)

Charity	Fixed assets	Net current assets	Creditors falling due after more than one year	2022 Total	Fixed assets	Net current assets (Restated)	Creditors falling due after more than one year	2021 Total
	£	£	£	£	£	£	£	£
Restricted funds	-	-	-	-	8,810	-	-	8,810
Unrestricted funds	418,255	3,392,808	(343,750)	3,467,313	470,858	2,874,833	(500,000)	2,845,691
Net assets	418,255	3,392,808	(343,750)	3,467,313	479,668	2,874,833	(500,000)	2,854,501

The amount of £nil (2021: £8,810) included under Restricted Funds represents the following:

	2022 Total	2021 Total
	£	£
Mattress cleaning machinery	-	8,810
Total	-	8,810

21 Commitments

Operating leases commitments

At 31 March 2022, the commitments under non-cancellable operating leases are as follows:

	Land & buildings	Other	2022 Total	2021 Total
	£	£	£	£
Charity				
Expiry within:				
Under one year	351,508	51,989	403,497	356,903
Two to five years	462,890	26,646	489,536	411,310
Over five years	-	-	-	-
	814,398	78,635	893,033	768,213
Group				
Expiry within:				
Under one year	363,241	87,605	450,846	448,243
Two to five years	462,890	32,493	495,383	438,319
Over five years	-	-	-	-
	826,131	120,097	946,228	886,562

22 Pension commitments

The charity and group operates a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity and group in an independently administered fund. Contributions are paid based upon the recommendations of a qualified actuary. The annual contributions under this scheme were as follows:

	2022		2021	
	Group	Charity	Group	Charity
	£	£	£	£
Pension contributions	143,834	126,193	124,257	103,536

Contributions amounting to £26,074 (2021: £21,437) were payable at the year end and are included in group creditors. Contributions amounting to £22,929 (2021: £18,243) were payable at the year end and are included in charity creditors.

23 Related Parties

Group Undertakings

In the year ended 31 March 2022, the following transactions took place between Furniture Resource Centre Limited and Bulky Bob's, a charity for which Furniture Resource Centre Limited is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's:

- Recharge for staff costs: £65,082 (2021: £38,825)
- Recharge for shared services: £118,776 (2021: £175,005)
- Recharge for premises costs: £21,593 (2021: £43,164)
- Recharge for logistics costs: £61,256 (2021: £95,541)
- Recharge for general costs: £62,917 (2021: £46,070)
- Recharge for fixed asset purchases: £nil (2021: £9,679)
- Recharge for staff training costs: £1,705 (2021: £4,205)
- Donation: £374,000 (2021: £374,000)

Transactions from Bulky Bob's to Furniture Resource Centre Limited:

- Recharge for staff costs: £102,397 (2021: £75,351)
- Recharge for logistics services: £4,699 (2021: £4,896)
- Recharge for general costs: £118,750 (2021: £29,983)
- Recharge for staff training: £nil (2021: £140)
- Recharge for premises costs: £25 (2021: £1,607)
- Sale of fixed assets: £5,240 (2021: £122,073)
- Transfer of balance of Made Smarter Grant for purchase of mattress cleaning machinery: £nil (2021: £12,879)

The amount owed by Furniture Resource Centre Limited to Bulky Bob's at 31 March 2022 was £4,951 (2021: £19,152).

In the year ended 31 March 2022, the following transactions took place between Furniture Resource Centre Limited and Bulky Bob's For Business, a charity for which Furniture Resource Centre Limited is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's For Business:

- Recharge for staff costs: £35,625 (2021: £34,161)
- Recharge for shared services: £19,559 (2021: £29,188)
- Recharge for logistics costs: £10,281 (2021: £20,524)
- Recharge for general costs: £13,564 (2021: £17,551)
- Recharge for fixed asset purchases: £nil (2021: £1,930)
- Recharge for staff training costs: £5 (2021: £1,285)
- Donation: £nil (2021: £128,125)

Transactions from Bulky Bob's For Business to Furniture Resource Centre Limited

- Recharge for logistics costs: £12,523 (2021: £9,559)
- Recharge for general costs: £1,293 (2021: £12,653)

The amount owed by Bulky Bob's For Business to Furniture Resource Centre Limited at 31 March 2022 was £177,447 (2021: £175,137)



23 Related Parties (continued)

Group Undertakings

In the year ended 31 March 2022, the following transactions took place between Bulky Bob's and Bulky Bob's For Business. Both companies are charities for which Furniture Resource Centre Limited is the sole member.

Transactions from Bulky Bob's to Bulky Bob's For Business:

- Recharge for staff costs: £23,532 (2021: £75,101)
- Recharge for logistics costs: £7,302 (2021: £18,049)
- Recharge for general costs: £13,015 (2021: £33,928)

Transactions from Bulky Bob's For Business to Bulky Bob's:

- Recharge for staff costs: £nil (2021: £1,798)
- Recharge for logistics costs: £1,318 (2021: £3,508)
- Recharge for general costs: £1,167 (2021: £2,018)

The amount owed by Bulky Bob's For Business to Bulky Bob's was £2,562 (2021: £3,638).

There were no transactions between Bulky Bob's Limited and Furniture Resource Centre Limited, Bulky Bob's and Bulky Bob's For Business in the years ended 31 March 2022 and 31 March 2021. Bulky Bob's Limited was a wholly owned trading subsidiary of Furniture Resource Centre Limited and was dissolved on 7 September 2021.

During the year, sales of £nil (2021: £15,989) were made to Gentoo Group Limited, an organisation whose Chief Executive Officer and director is also a trustee of the charity.

During the year, sales of £609 were made by Bulky Bob's For Business to PSS (UK), a charity whose Chief Executive Officer is also a trustee of the charity.

During the year, sales of £9,347 (2021: £nil) were made to Regenda Homes, an organisation with a director who is also a trustee of the charity.

24 Capital Commitments

There were no capital commitments at 31 March 2022 (2021: £nil).

25 Reconciliation of net incoming resources to net cash flow from operating activities

	Group	
	2022	2021
	£	£
Net incoming resources for the year	624,900	301,188
Depreciation and amortisation	144,637	180,068
Loss on disposal of assets	21,581	780
Financial income	(686)	(820)
(Increase) in stock	(194,581)	(240,789)
(Increase) in debtors	(546,863)	(474,941)
Increase / (decrease) in creditors	455,007	(11,939)
Cash generated / (reduction in cash) from operations	503,995	(246,453)

26 Net Debt Reconciliation

	1 April 2021	Cash Flows	31 March 2022
	£	£	£
Cash at bank and in hand	585,237	389,863	975,100
Bank Loans	(500,000)	156,250	(343,750)
Net Cash	85,237	546,113	631,350

27 Post Balance Sheet Events

Bulky Bob's contract for the collection, recycling and reuse of bulky household furniture in Liverpool ended on 7 November 2022 and so the service ended on that date. This will reduce the availability of furniture for reuse and so alternative ways of obtaining suitable furniture are being explored.

28 Ultimate Controlling Party

Furniture Resource Centre Limited has no controlling party.

29 Comparative SOFA Information

	Total Unrestricted Funds	Total Restricted Funds	Total Funds 31 March 2021
	£		£
Income and endowments from:			
Donations and legacies	153,121	71,170	224,291
Charitable activities	12,850,360	-	12,850,360
Investments	820	-	820
Other	99,210	-	99,210
Total	13,103,511	71,170	13,174,681
Expenditure on:			
Charitable activities	12,800,618	72,875	12,873,493
Total resources expended	12,800,618	72,875	12,873,493
Net incoming / (outgoing) resources	302,893	(1,705)	301,188
Balances brought forward at 1 April	2,558,867	10,515	2,569,382
Balances carried forward at 31 March	2,861,760	8,810	2,870,570



Phil

BUCKINGHAM
Interiors FURNITURE



frcgroup.co.uk  

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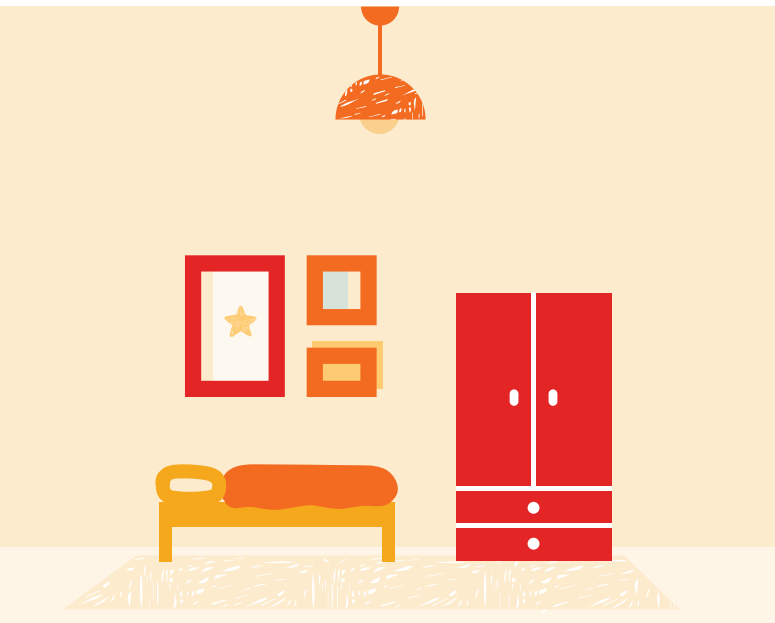
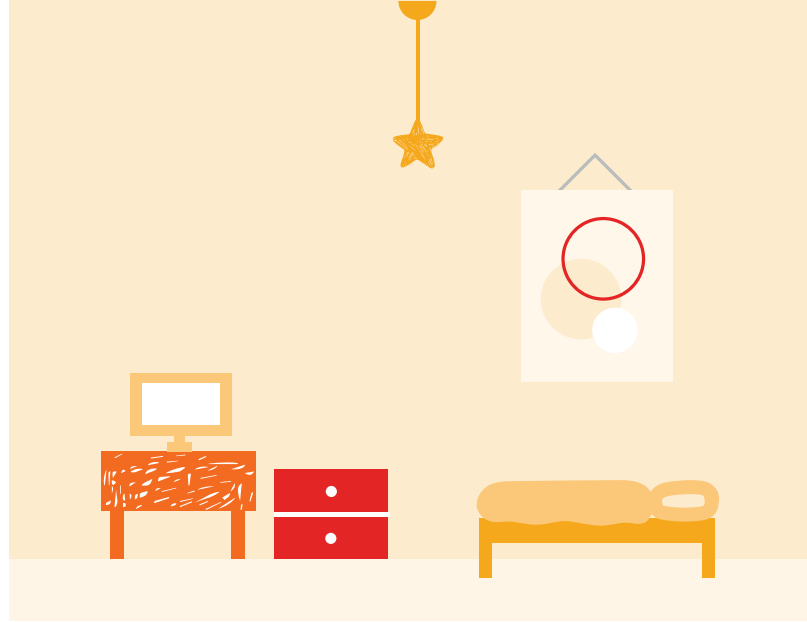
Unit 12-14, Atlantic Way, Brunswick Dock, Liverpool. L3 4BE



FURNITURE RESOURCE CENTRE LIMITED

England & Wales - Charity number 700731

Accounts



CONTENTS

05	Glossary
06	Strategic Report
10	Overview of 2020/21
12	Social Value
14	Company information as of 31 March 2021
16	Our Aims, Objectives and Achievements
18	Structure, Governance and Management
19	Methodology
20	Social Value Review 2021/21
22	Financial Review 2020/21
28	Code of Governance Statement
30	Creating Social Value
31	To understand and highlight the reality of furniture poverty
33	To lobby and campaign for the eradication of furniture poverty
35	Developing and running successful social businesses that tackle furniture poverty
42	Training people out of poverty
44	Using our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group
46	People
47	Health and Safety
48	Carbon Footprint
50	Stakeholders
52	Independent Assurance Report to the Board of Directors of Furniture Resource Centre Limited
56	Directors' Responsibilities Statement
57	Independent Auditors Report to the Members of Furniture Resource Centre Limited
60	Consolidated Statement of Financial Activities
61	Consolidated Balance Sheets
62	Consolidated Cash Flow Statements
63	Notes to the Accounts



GLOSSARY



Our mission

To reduce and ultimately eradicate furniture poverty.

FRC Group

Throughout the document when we reference FRC Group, we mean the group of charities under the control of Furniture Resource Centre Limited and includes all our businesses.

End Furniture Poverty

Our campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it.

Our objectives are:

- To understand and highlight the reality of living in furniture poverty,
- To lobby and campaign for the eradication of furniture poverty
- To develop and run successful social businesses that tackle furniture poverty
- To train and develop people out of poverty and into sustainable, well-paid jobs and careers
- To use our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group.

Our Values:

- Bravery, Creativity, Passion, Professionalism

Furniture Resource Centre Limited

Sells furniture and accessories to turn a house into a home, business-to-business, to a customer base that includes housing associations, local authorities, charities and construction companies.

Providing quality, accredited, contract standard furniture in a range of products and finishes to suit different styles, requirements, timescale needs and budgets. Leading the way in furnishing multiple types of accommodation throughout the UK, from furnishing hostels, refugee, temporary, emergency and next steps accommodation, to furnished tenancies, student accommodation and individual domestic properties.

Buckingham Interiors

Provides design, supply, installation and delivery of furniture and interiors for sheltered living, independent living and extra care accommodations including full dementia schemes. Offering a bespoke full-service package delivering stylish, interior design led projects, and delivering the optimum solution to meet and exceed specific requirements.

Bulky Bob's

Provides a bulky household waste collection service to local authorities, collecting unwanted items from homes and assessing them for reuse and recycling.

Bulky Bob's Furniture World

Sells the good quality preloved furniture collected by the Bulky Bob's collection teams.

Bulky Bob's for Business

Offers IT equipment collections, office furniture collections and mattress cleaning and collection for reuse.

When we talk about 10 Essential Items, we mean:

The essential furniture items that every household should have access to in order to live a decent life.

Driving Change

Driving Change is our training and employment programme with an aim to help people secure higher-paid employment elsewhere when they have finished their training.

ViPs (Volunteers, Interns, Placements and Students)

ViP is our volunteering programme. Through this scheme, people can work towards their own goals or give to charity by volunteering their time and skills.

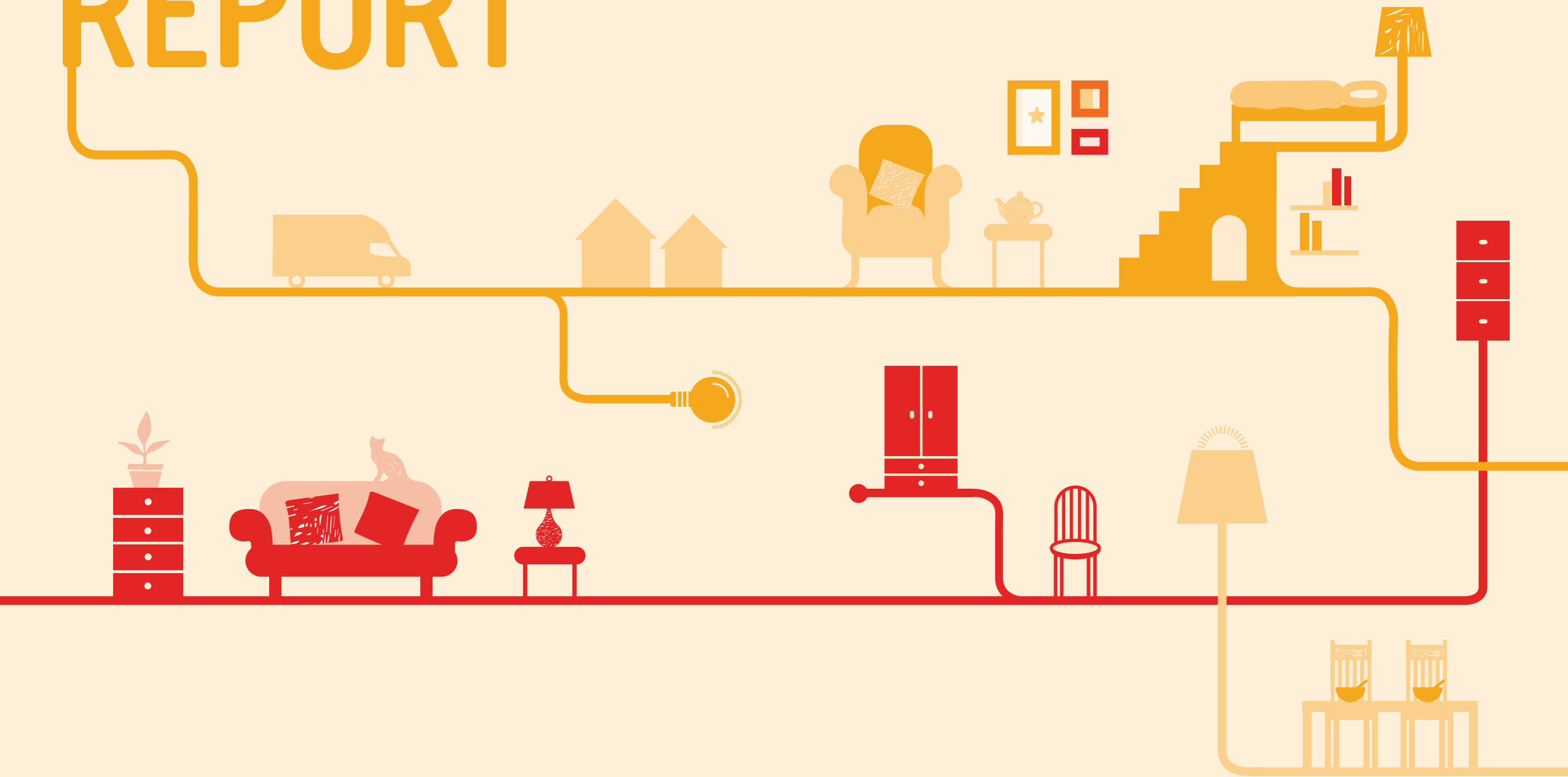
Social Value

Social Value is the quantification of the relative importance that people place on the changes they experience in their lives. At FRC Group we measure the social value we create in all of our furniture related activity. Our qualitative and quantitative statements which are audited are highlighted throughout this report with this symbol.



Data assured, this icon shows which data points have been audited

STRATEGIC REPORT



WELCOME AND ACKNOWLEDGMENTS

This is the eighth integrated report from FRC Group. It tracks our progress through the group's 32nd year of service, a year we are immensely proud of. This report looks at the financial year of April 2020 – March 2021, a year which brought massive challenges and hurdles due to the COVID-19 pandemic. Our FRC Group team were strong, resilient and more determined than ever to continue to deliver a service that helped the people we exist to serve. It was a year of struggles and hardship for many – but also a year of success. We could not have achieved this without our people and for that we are truly thankful.

Our approach to reporting this year has been different. Each year we aim to give a comprehensive view of all of our achievements in the year and also to acknowledge any areas that haven't quite gone to plan. We strive to fully demonstrate the impacts of our operations and programmes, both intended and unintended, on all of our stakeholders and to highlight our targets for creating more impact in the following year.

In response to business needs following the Covid-19 pandemic, our ability to produce such a detailed review as previous years in 2020-21 was impaired. Our report for 2019-20 was shorter, including less case studies and background information but our focus remained the same. It is greatly important to FRC Group that we continue to examine our performance, to understand the outcomes achieved for our stakeholders during the year and to use this information to improve, creating more impact in the areas that most benefit in the future.

This more focused approach to our reporting has been necessary, but it has also provided us with an opportunity to evaluate how we can take this way of thinking, and apply it to the measurement of our social value going forward. In 2021-22 we will be using this more targeted method of measurement to simplify our reporting, and allow us to focus less on the measurement and more on the management of our impact.

Combining this methodology with the results of our study, The Value of Essential Furniture, carried out in conjunction with Liverpool City Council and More Than Outputs, we are provided with an updated measure that gives us real insight into how we and the organisations we work with are supporting those in need of essential items of furniture. This renewed insight will inform and improve our decision making as a social business and much better aligns these decisions with our core mission to end furniture poverty.



OVERVIEW OF 2020/21



2020/21 is year none of us will ever forget, when the World Health Organisation (WHO) declared Covid-19 a pandemic. Since the first case of infection was reported in China in December 2019, millions of people across the world have died. Beginning as an unexplained, pneumonia-like illness, it brought most of the world to a near-standstill for the last year. However, at FRC Group, we refused to standstill and we also worked hard to keep our people safe and to support their welfare through the pandemic. We knew the impact that the pandemic would have on those people most in need of our services, and we worked tirelessly to ensure that where we could legally and safely operate, we did.

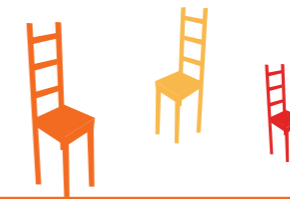
In this report, we look at our performance during a year that changed the world forever. Ending furniture poverty remains the beating heart of FRC Group. This year we have worked to raise awareness of furniture poverty, to educate people about the potential solutions and, ultimately, to ensure that everyone has access to the essential furniture and goods they need to lead a secure life.

Last year, in response to business needs following the Covid-19 pandemic, our ability to produce such a detailed review of the financial year 2019-20 was impaired and we produced a much shorter report. However, feedback from our stakeholders who read the report, told us that the shorter report was easier to read and easier to understand our impact. Therefore, this year, we continue on our journey towards trying to provide a more succinct report which examines our performance, and to use this information to improve and create more impact in the future.

Due to the Covid-19 pandemic, we struggled to be on plan with all of our stakeholder feedback programmes, but used feedback received in previous years to deliver our services, and to improve our offering.

A huge progression this year has been our ability to use the results of our study on The Value of Essential Furniture. This renewed insight has informed and improved our decision-making and social value measurement processes, all with the view to continue on the road to end furniture poverty.

This year we:



Donated free furniture to people who need it to the financial value of **£68,369** (2019-20: £79,283)

This includes

- Crisis donations – **£46,518** (2019-20: £55,775)
- Safety Net – **£4,678** (2019-20: £11,735)
- North Tyneside Furniture Scheme – **£6,933** (2019-20: £12,458)
- Donated beds & mattresses – **£10,240** (2019-20: £11,050)

After the first lockdown, we reopened our store for Crisis donations and donated furniture to the value of **£61,436** (2019-20: £78,560)

Gave discounted furniture to **1,832** customers through Bulky Bob's Furniture World. (2019-20: 3204)

Total number preloved sales to BBFW customers
Liverpool **2068** (2019-20: 4,141)
Oldham **252** (2019-20: 197)
North East **0** (2019-20: 0)

Delivered free furniture to **466** families in crisis situations (2019-20: 551).

We delivered **3** Free Furniture Community Events (2019-20: 0)

Delivered **99** items of free furniture through our new contract in North Tyneside (2019-20: 182)

Bulky Bob's completed **42,484** collection requests on behalf of councils (2019-20: 56,744)

Reused & recycled **1486** tonnes of furniture, appliances and other bulky waste (excluding mattresses) (2019-20: 1,664)

Bulky Bob's recycled in the region of **2501** mattresses (based on average weights) (2019-20: 8,335)



87.5 tonnes of mattresses were diverted from landfill (2019-20: 292)

During 2020/21 we UltraCleaned **538** mattresses. (2019-20: 931)

Of these:

191 were gifted to people in furniture poverty (2019-20: 200)
312 were sold at low cost to families living on low incomes (2019-20: 651)
34 were sold to distributors who sold them at low cost to their own customer living on low incomes (2019-20: 80)

Financial value of donated mattresses and bed bases **£10,240** (2019-20: £11,050)

We sold a total of **158** low cost reuse PCs & laptops to schools and community groups. (2019-20: 0)

Through Furniture Resource Centre Limited we made **24,540** deliveries of furniture to people's homes (2019-20: 22,121)

We distributed **55,308** items of essential furniture. (2019-20: Not recorded)

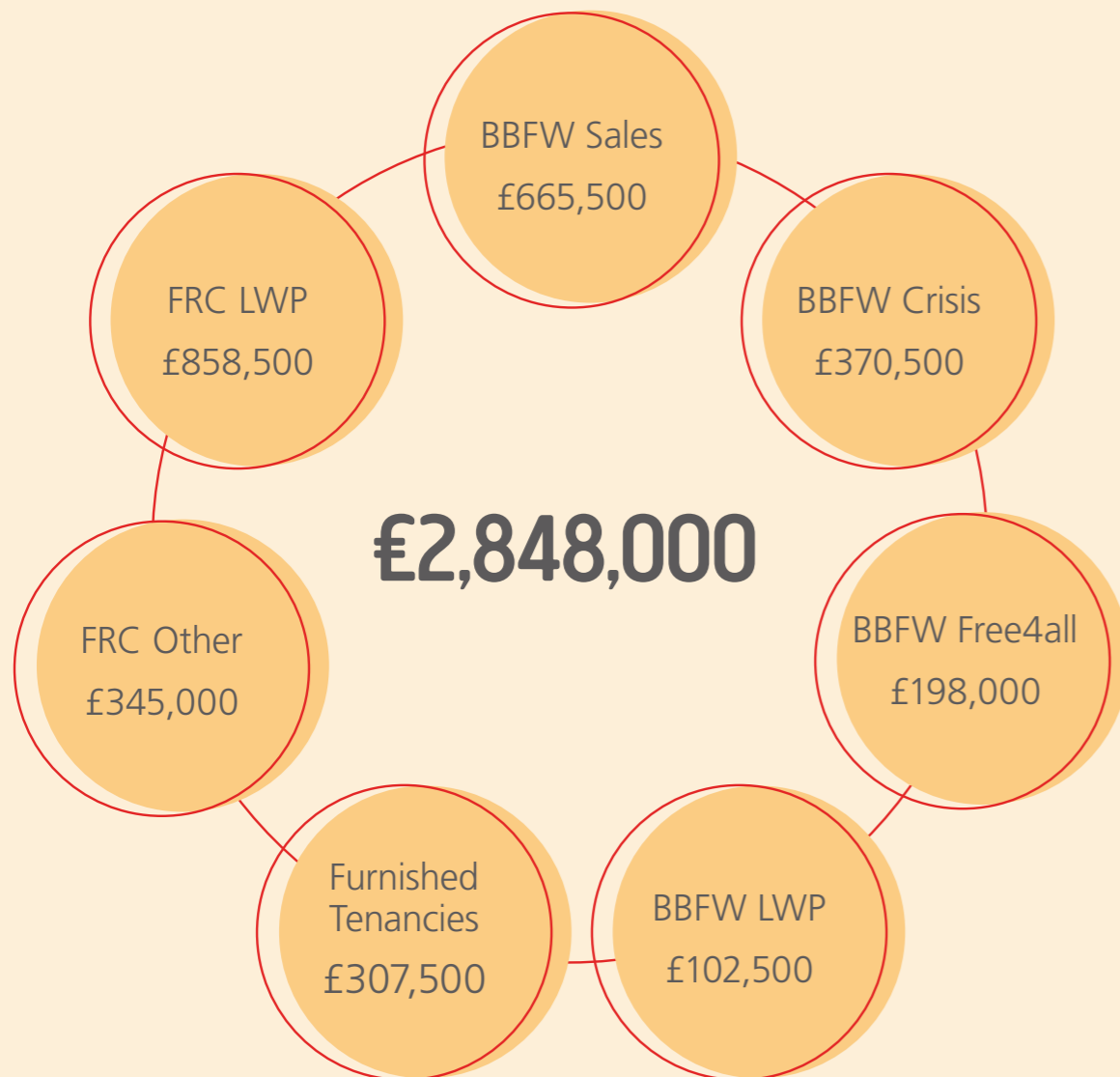
We worked with **15 trainees** (2019-20: 21)

We worked with **5 kickstarters** (2019-20: N/A)

We worked with **1 apprentice** (2019-20: 0)

SOCIAL VALUE

Social Value is the quantification of the relative importance that people place on the changes they experience in their lives. At FRC Group we measure the social value we create in all of our furniture related activity.



COMPANY INFORMATION



AS OF 31 MARCH 2021

Company Number

2296329 (England and Wales)

Charity Number

700731

Directors

N Wilson
E Bichard
L Dixon
J Hines
J Nicholls
J Vernon
E Leach (Appointed 3 March 2021)

Secretary

A Rowan

Chief Executive

S Doran

Registered Office

Atlantic Way
Brunswick Business Park
Liverpool
L3 4BE

Bankers

NatWest Bank
2-8 Church Street
Liverpool
L1 3BG

Auditors

Crowe U.K. LLP
The Lexicon
Mount Street
Manchester
M2 5NL

Solicitors

Brabners
Horton House
Exchange Flags
Liverpool
L2 3YL

Strategic Decision-Making

FRC Group's Board of Trustees sets the strategic direction at an annual planning meeting that establishes the priorities for the year ahead.

The board is informed at its regular meetings of progress against these agreed strategic priorities.

When issues arise during the year that require the board's agreement to a strategic-level response, they are discussed at the next scheduled board meeting or, if necessary, at a specially convened meeting.

The board has three sub-committees which meet as required: Finance, Measuring Social Value and Remuneration. These committees make recommendations to the full board in their areas of specialism.

We also record 'responsiveness' and detail the changes that have been made to policies, procedures, services or products in relation to feedback. Responsiveness is one of the cornerstones of accounting for social value and we record it to drive change.

Trustees

The directors of FRC Group's charitable companies are their trustees for the purpose of charity law and throughout this report are collectively referred to as directors and are listed on page 14. The directors are appointed by the members at the Annual General Meeting but can be co-opted between AGMs by the board pending election. Before being co-opted, prospective trustees are invited to observe meetings to learn more about the charity and to meet the other trustees. During this induction process, the candidate meets the chair of trustees and the senior management team, and visits different parts of the business to meet staff. Trustee training takes place whenever training needs are identified.

Meeting Our Objectives

To ensure that our work always delivers the right benefits for our stakeholders, we constantly monitor and assess activities and outcomes throughout the year.

This helps us both to focus on desired outcomes and consider whether as much social and financial value as possible is being created in all areas of our work.

Regular monitoring means we can continually improve outcomes by adjusting our ways of working and developing new approaches where necessary.

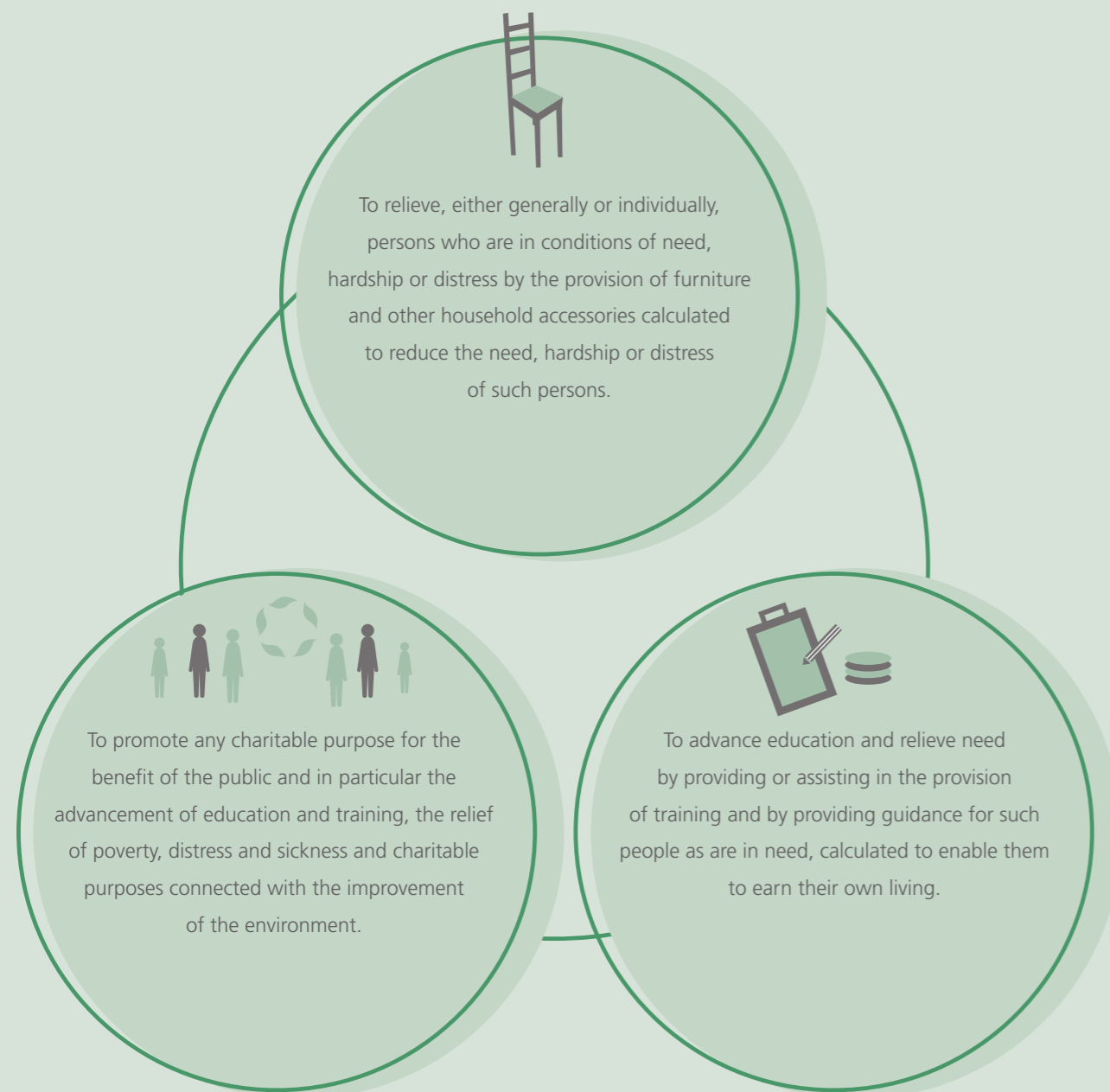
Our financial and social performance is reviewed each quarter at board meetings. This report summarises our annual results in the form of financial statements and quantitative and qualitative social value data.

For instance, recent training has covered the principles used to calculate the social value that FRC Group generates. A Scheme of Delegation agreed between the trustees and the senior management team details which decisions the senior management team are authorised to take and which must be referred to the trustees. Decisions can be taken by trustees by email if a decision is needed before the next scheduled trustee meeting. All of the directors give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are shown in note 10 to the accounts.



OUR AIMS, OBJECTIVES AND ACHIEVEMENTS

FRC Group is a collection of social businesses run by Furniture Resource Centre Limited, a registered charity. The purposes of the charity are set out in the company's memorandum of association as follows:



In the day-to-day running of the organisation, we use these words to describe what we do:

FRC Group's vision is of a society where people can obtain good quality, affordable furniture without experiencing the devastating impacts of furniture poverty – no bed to sleep on or unmanageable debts.

Our mission is to reduce and ultimately eradicate furniture poverty. We campaign to raise awareness of furniture poverty and create practical solutions to get furniture to people who need it. Our work also helps create sustainable employment and better futures for people.

To deliver on these objectives, FRC Group is made up of the following businesses / initiatives:

End Furniture Poverty, Furniture Resource Centre Limited, Buckingham Interiors, Bulky Bob's for Business, Bulky Bob's Furniture World, Bulky Bob's Office and Commercial Waste Services and Reuse IT.

Statement of Public Benefit

FRC Group ensures that its aims and objectives are achieved through a variety of ways as detailed in the Creating Social Value section of this report on pages 30 to 44.

This includes lobbying and campaigning for the eradication of furniture poverty, providing furniture packages to a variety of customers, giving furniture free of charge to people in need and also by the provision of a training programme for formerly long-term unemployed people or people on low income. The trustees therefore confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

Structure, Governance and Management Governing Document

Furniture Resource Centre Limited is a charitable company limited by guarantee and does not have any share capital. It was incorporated on 14 September 1988 and registered as a charity on 17 November 1988. The company is governed by its Memorandum and Articles of Association dated 8 August 2014.

Related Parties

Bulky Bob's 2015 is a charity with Furniture Resource Centre Limited as its sole member. The assets, liabilities and trade of Bulky Bob's Limited was transferred to Bulky Bob's 2015 with effect from 1 April 2017 with the charity commencing trading from that date. Bulky Bob's 2015 provides services, mainly to local authorities, for the collection and recycling of bulky household waste. Bulky Bob's 2015 provides training and employment opportunities for people from long term unemployment and low paid jobs whilst protecting the environment through the reuse and recycling of collected items.

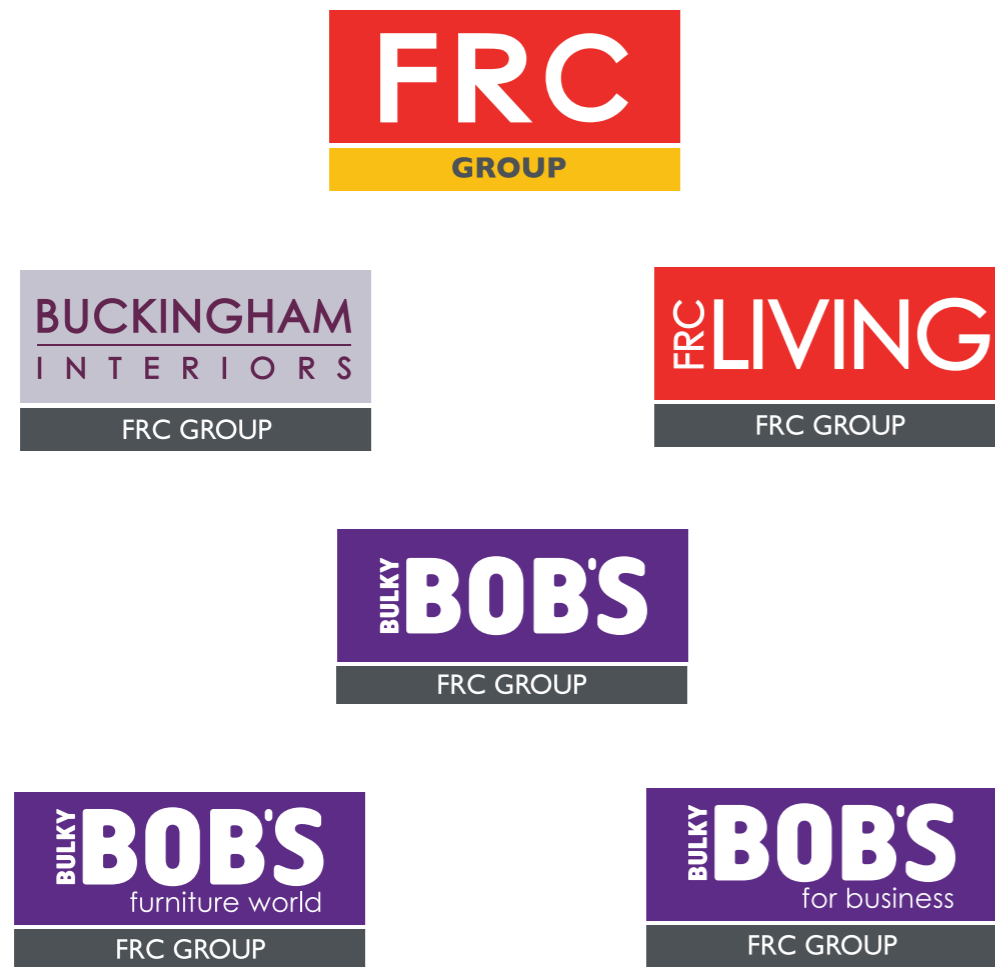
Bulky Bob's Office and Commercial Waste, trading as Bulky Bob's for Business commenced trading on 2 May 2017 and provides an office and commercial bulky furniture item, IT and mattress collection service, collecting, reusing and recycling waste items from businesses. Bulky Bob's Office and Commercial Waste changed its name from FRC Developments on 15 June 2017. Bulky Bob's Limited is a wholly owned subsidiary of Furniture Resource Centre Limited and provided bulky household waste collection services to local authority customers. The assets, liabilities and trade of Bulky Bob's Limited were transferred to Bulky Bob's 2015 on 1 April 2017 and Bulky Bob's Limited ceased trading on that date.

Investment powers and policy

The company has the power to invest monies not immediately required in investments, securities or property as may be thought fit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The structure of FRC Group is as follows:



METHODOLOGY

Report covers 1 April 20 to 31 March 21.	FRC Group's financial and social impacts from all parts of organisation.	Feedback from FRC Group's stakeholders is also collected, although the collection of data was limited this year due to the Covid-19 pandemic. Full details of this stakeholder consultation starts on page 50.
Report is published on FRC Group's website (frcgroup.co.uk)	The annual report is independently audited so that our performance measurement is supported by robust systems and processes. The auditors of this report, Crowe U.K. LLP, have provided assurance.	The financial elements of this report are compiled and written in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the social elements are written in accordance with the principles of the AA1000 AS (2008): those of inclusivity, materiality and responsiveness.

To communicate clearly how performance in this report compares to targets and priorities agreed for the year, the following symbols are used:



Met or exceeded target.



Made some progress but needs to improve further. For numerical targets, this symbol indicates achievement of at least 90% of the performance target.



Missed the mark and will plan to improve performance.

SOCIAL VALUE REVIEW 2020-2021

We completed our study on the social value created when distributing the essential items of furniture.

Social value is the quantification of the relative importance that people place on the changes they experience in their lives. End Furniture Poverty had previously developed the definition of furniture poverty above to assist in defining what the 'essential furniture' items are that a household needs to have in order to be in furniture security.

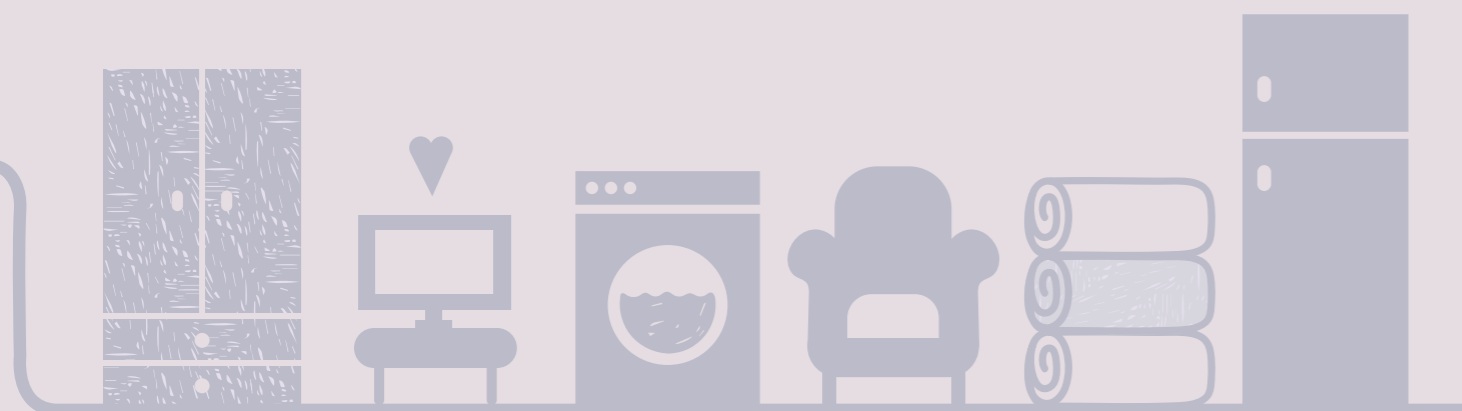
The items on this list are:

- Bed, bedding and mattress
- Table and chairs
- Sofa and/or easy chairs
- Wardrobe/drawers
- Carpets in living rooms and bedrooms
- Curtains or blinds
- Washing machine
- Refrigerator and freezer
- Cooker/oven
- TV
- PC

This study allowed us to measure the social return on the investment on furniture items, to identify the most valuable outcomes and to design a simple monitoring system (or calculator) to measure the value created by providing essential furniture going forward.

Our research told us of the changes that happened as a result of receiving furniture. Recipients told us that they were:

- Feeling Safer
- Had more freedom and increased independence
- Were able to provide for the family
- Had improved mental health
- Worried less about money
- Had improved relationships
- Felt less isolated
- Has improved physical health
- Felt proud of Liverpool



In 2020-2021 we distributed **55,308** essential items of furniture to people and created a social value of **£2,848,000**.

Items	Total 2020-21 Value Created	Total 2019-20 Value Created	Commentary on differences	2021-22 Target	Plans to achieve target
1. BBFW Sales	£665,500	£1,308,500	Extended periods of store closure due to Covid restrictions severely impacted results.	£1,752,500	Return to normal sales level expected due to removal of Covid-19 restrictions. Planned increase in items made available for sale from restoration activities.
2. BBFW Crisis	£370,500	£509,000	Restrictions and social distancing measures reduced our capacity to safely administer similar volumes of referrals.	£586,000	Return to normal sales level expected due to removal of Covid-19 restrictions. Planned increase in items made available for sale from restoration activities.
3. BBFW Free4All	£198,000	£0	No events took place in 2019-20.	£59,000	One off in-store events due to essential retail closures not expected to repeat but smaller scale events planned.
4. BBFW LWP	£102,500	£176,500	Restrictions and social distancing measures reduced our capacity to follow up on, and safely administer, similar volumes of awards.	£116,000	Increase on 20-21 expected due to removal of Covid-19 restriction but offset by expected reduced awards.
5. FT (EFP)	£0	Not recorded	N/A	£0	Activity unpredictable, can take many years to establish, so no planned value in this category.
6. FT (Existing)	£307,500	Not recorded	N/A	£305,000	Maintain activity as in prior year, no significant change expected.
7. FRC Other	£345,000	Not recorded	N/A	£418,000	Expected to increase slightly in line with sales expectations but no significant change.
8. FRC LWP	£858,500	Not recorded	N/A	£637,500	Reduction in awards anticipated in 2021/22, following higher than usual levels in previous year.
9. Buckingham Interiors	£0	N/A	N/A	£0	N/A
Total	£2,848,000	£1,994,000		£3,874,500	

FINANCIAL REVIEW 2020 –2021

Financial Performance

2020-21 saw a continuation of the growth experienced in recent years with total group income increasing for the fourth consecutive year and up 7.0% on 2019-20 to £13.17m. Expenditure increased by 7.5% compared to 2019-20, leaving a group net surplus of £301,188 (2019-20: £338,494).

Whilst the Covid-19 pandemic has presented many challenges to organisations and individuals, the overall financial performance of the group has not been significantly impacted due to the essential nature of the majority of the group's services, which have continued throughout the majority of 2020-21.

Principal Funding Sources

The principal source of funding for the charity and group is the revenue generated from the sales of high-quality furniture, fittings and accessories to social landlords and local authorities. In addition to this, revenue is generated through contracts with local authorities for the collection of furniture, from the sale of 'pre-loved' furniture, from the sale of waste collection services and also through grant income.

Grants and Donations

The group continues to expand the social impact it creates through the effective use of the grants and donations it receives. During 2020-21, grants and donations were received from Made Smarter and the Government's Kickstart training scheme along with Covid-19 Financial support from the Government's Coronavirus Job Retention Scheme, Liverpool City Council and Wirral Council. In addition, a donation was also received towards our Bulky Bob's Furniture World retail store. 1.7% of our income was from grants.

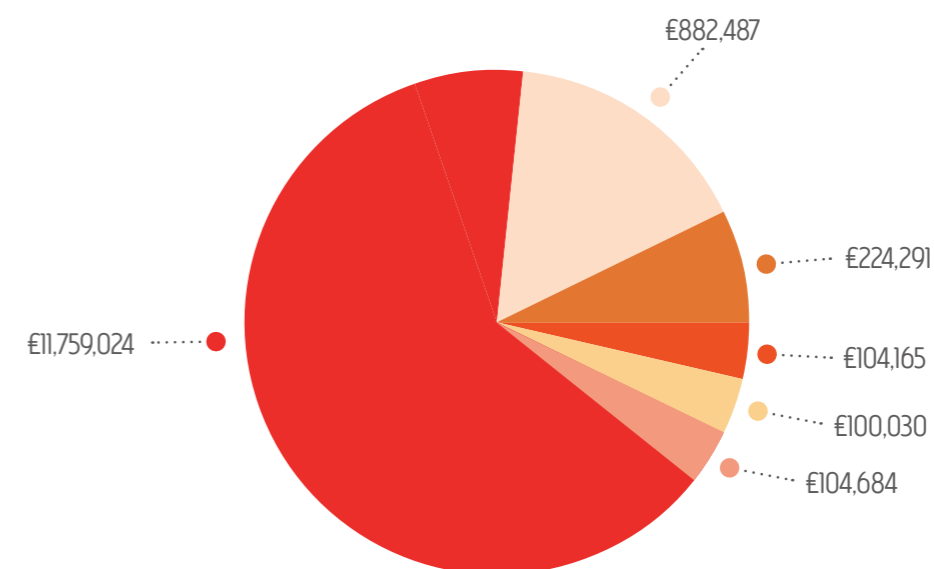
Reserves Policy

The trustees have considered the level of free reserves (those funds not tied up in fixed assets and restricted funds) required by the group to be at least six months' operational expenditure plus sufficient cash for future plans, which amounts to at least £3,800,000. In the trustees' view, this level of reserves should provide adequate financial stability and enable the group to continue to meet its charitable objectives for the foreseeable future.

In arriving at this figure, the trustees have considered potential future changes in income streams and likely future cash flow requirements. The trustees will continue to monitor the Reserves Policy at least annually in trustee meetings. At 31 March 2021, consolidated free reserves of £2,321,652 were held, which is £1,478,348 short of the required consolidated total of £3,800,000. Restricted reserves amount to £8,810 and total reserves of £2,870,570.

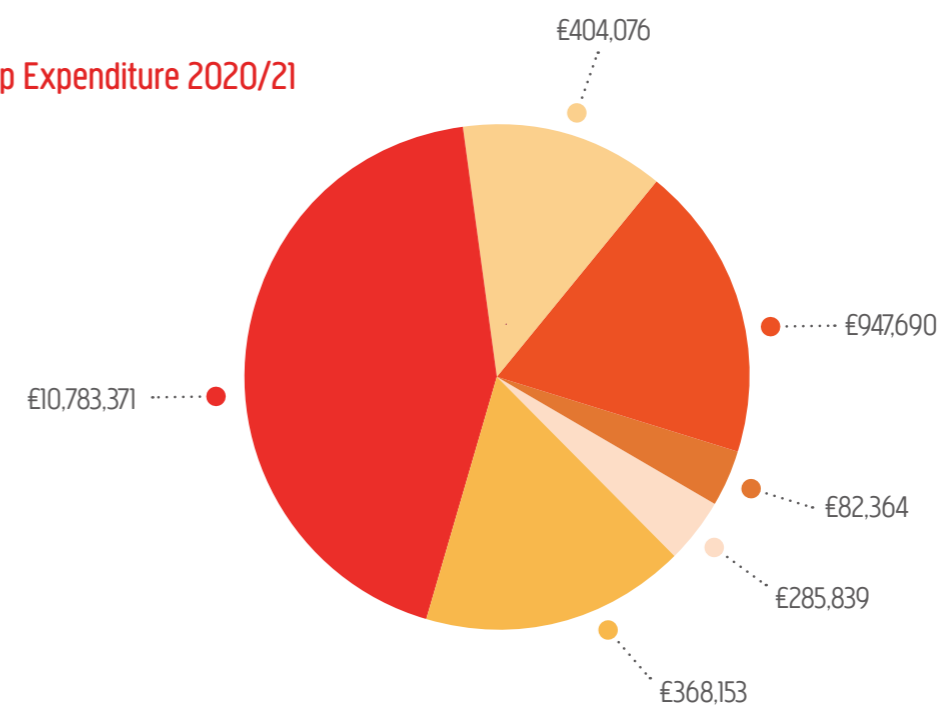


FRC Group Income 2020/21



- Provision of furniture and furniture packages
- Provision of other recycling services
- Provision of bulky household waste collection and recycling services
- Donations and legacies (grants and donations received)
- Charity Shop Sales
- Other charitable income

FRC Group Expenditure 2020/21



- Provision of furniture and furniture packages
- Provision of other recycling services
- Provision of bulky household waste collection and recycling services
- Other expenditure
- Charity Shop Sales
- People Development

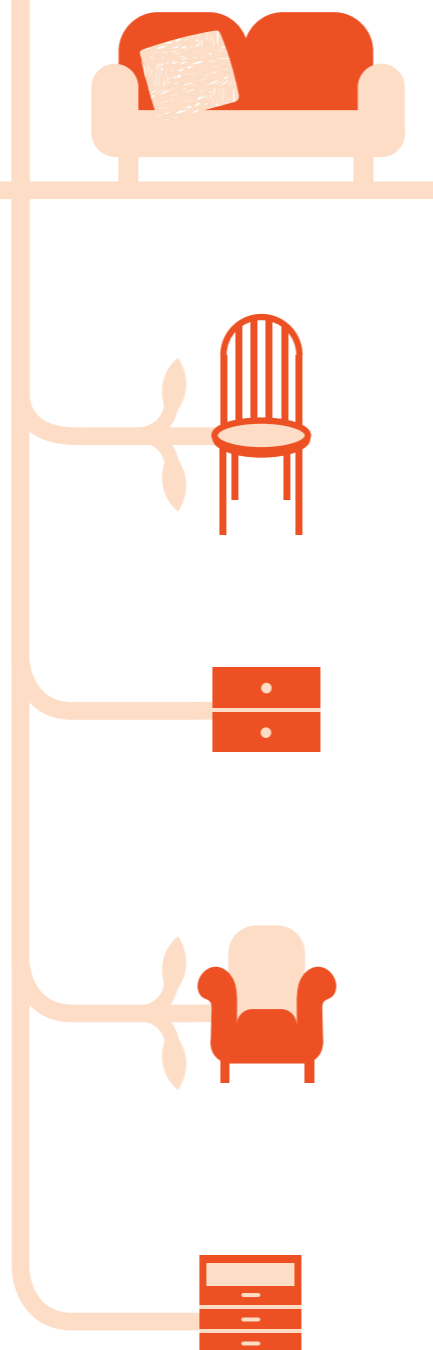
Plans for the future

We will continue to grow our customer base in Furniture Resource Centre, particularly through the provision of furniture to social landlords and Local Authorities and through large scale refurbishments of shared living environments. We are implementing SAP Business One as our core system to facilitate our business processes and this will further improve our efficiency and the high level of customer service already provided. Our aim is to remain the leading provider of furniture to furnished tenancy providers and to continue to grow our customer base as we continue to work towards our mission of ending furniture poverty. We are also working to introduce preloved furniture into our offer to customers who traditionally purchase new furniture.

At Bulky Bob's Furniture World, our retail outlet, we will continue to provide a wide range of essential furniture at affordable prices to disadvantaged groups such as those on relatively low income. We will also strive to reach more people with free or affordable furniture through increasing our links with referral agencies and raising the profile of the store. Ways of making greater use of the good quality affordable furniture collected will continue to be investigated with more innovative processes introduced.

The Reuse-IT business in Bulky Bob's for Business will continue to grow and provide affordable refurbished PCs to schools, charities and other organisations with 20% of PCs being given away free of charge to people who can't afford a new PC.

We will continue to work with long-term unemployed people and people on relatively low income through our training programme so that our assistance continues to reach those most in need.



Risk

Each quarter, we fully review the commercial and social impact risks faced by the group. Each risk is rated and we consider what mitigating actions are available. Key residual risks to which the group is exposed are set out in the following table.

RISK	MITIGATION
Retention of key contracts.	<p>Focus on world-class customer service and value for money for customers.</p> <p>Introduction of innovative ideas to contracts.</p> <p>Growth of other contracts and businesses to possibly take the place of any contracts not retained.</p>
Negative impact of Brexit e.g. supplier price increases higher than anticipated or shortages of certain stock items.	<p>Dual sourcing of key stock items.</p> <p>Building up supplies.</p>
Stock supply issues due to Covid-19 pandemic causing manufacturing and export delays.	<p>Dual sourcing of key stock items.</p> <p>Building up supplies of various stock lines to ensure continuity of supply in the event of shortages.</p>
Availability of pre-loved furniture.	<p>Identification of alternative sources of pre-loved furniture.</p> <p>Continued development of innovative ideas to refurbish pre-loved furniture e.g. mattress cleaning machine.</p>

The directors are satisfied that reasonable steps have been taken to identify all commercial and social impact risks to which the group is exposed and that action has been taken to mitigate these risks where necessary.

Trends and Factors

The continuing economic downturn and the impact of the Covid-19 pandemic has left more people in furniture poverty – the inability to afford or access the basic household goods that establish a decent quality of life. To address this issue, FRC Group runs its End Furniture Poverty campaign which aims to research furniture poverty, increase understanding of this hidden but widespread issue and encourage organisations to adopt practical solutions to furniture poverty. The goal is to ensure that everyone in society can afford or access the furniture they need for a decent quality of life.

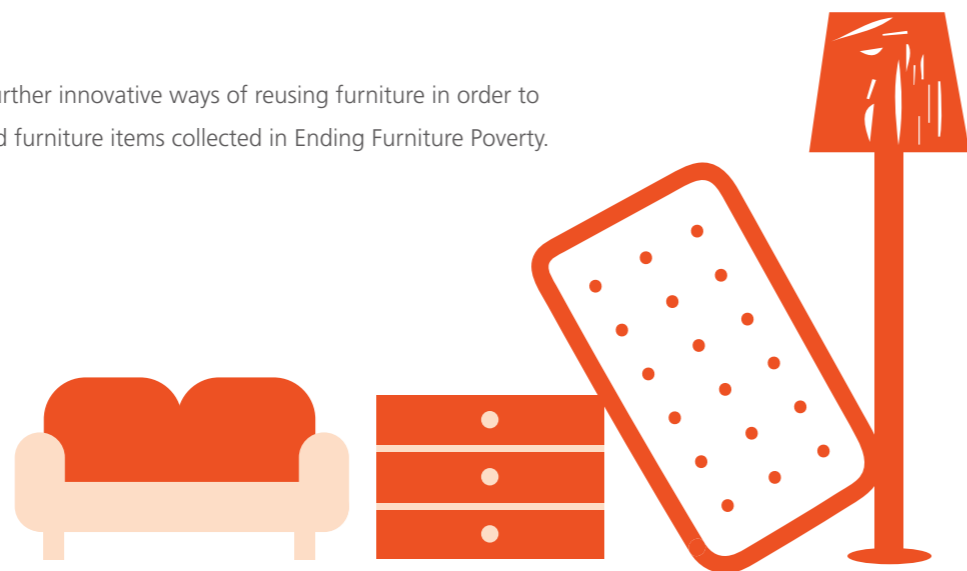
The continuing economic downturn has also resulted in a reduction in the budgets of various customers despite increases in demand for furniture caused by the Covid-19 pandemic. As a result, the demand for more cost-effective furniture has increased, which the group is addressing through continued innovation in finding ways to offer good quality refurbished furniture at a more affordable price.

The long economic downturn and Covid-19 pandemic has put more people in less well-paid work than they might have aspired to in the past. This trend has been a key motivation behind FRC Group's Driving Change programme, which offers salaried employment and training to the long-term unemployed and those in low-paid or otherwise insecure jobs. Its aim is to equip people to move on to more secure, higher paid work and give those relatively disadvantaged people an opportunity to move out of poverty.

Research and Development

FRC Group continues to investigate new and innovative ways of re-using furniture items collected. This has included developing the world's first bespoke mattress cleaning machine, which cleans structurally sound mattresses to a high standard, ready for reuse. This machine was launched in 2020-21 and can clean mattresses that may otherwise have been broken down for recycling before they're sold in our Bulky Bob's Furniture World store and in other retail outlets.

Work is continuing in identifying further innovative ways of reusing furniture in order to maximise the reuse of the pre-loved furniture items collected in Ending Furniture Poverty.



CODE OF GOVERNANCE STATEMENT

The board continue to work towards fully adopting the Charity Commission Code of Governance with those areas for improvement identified following an internal review and also an external review in December 2020. The following is a summary of those areas of compliance against the Code along with areas for improvement.



Organisational Purpose

The charity produces an annual impact report which is audited under the AA1000AS framework and is included in the annual integrated report. In addition, the charity quantifies the social value generated from its activities in order to ensure that this is as intended. The governing document was last reviewed in 2014 and is timetabled or review again during 2021/22. Work is ongoing in relation to the sustainability of the charity's income base.

Leadership

The charity has a very strong values culture with the board regularly seeing evidence as to how well this values culture is integrated in the group. Board discussions focus on strategic issues with the role of the board being a 'critical friend' when providing feedback to staff, with staff encouraged to bring issues to the board for discussion. The board has a good understanding of current group structure and why this is important, having previously received expert advice from a charity lawyer. Terms of reference for all committees were updated in 2021 along with job descriptions for the role of chair and trustee. Whilst regular meetings take place between the Chair and CEO, formal appraisals are also being introduced. Attendance of trustees at the various meetings is monitored and is good with all trustees attending a majority of the meetings.

Integrity

The board ensures that the charity operates ethically and with integrity at all times, are keen to use the Charity Commission Code of Governance as a tool to assist with improving governance in the charity and have also adopted the Nolan Principles as a code of conduct. The board manage conflicts of interest well and have agreed a formal Conflict of Interest Policy. In addition, a register of interests is maintained for all trustees and senior staff.

Decision Making, Risk and Control

A Scheme of Delegation has been agreed between the board, committees and senior staff, which was last reviewed in 2021. Key policies and procedures are to be circulated to the board annually along with recommendations for changes. The board actively monitors performance against a range of targets and a risk matrix is maintained, which is reviewed by trustees at least twice a year. A meeting takes place each year between at least one trustee and the auditors with no staff present in order to obtain honest feedback following the conclusion of the annual financial audit.

Board Effectiveness

The board meets five times a year with further committee meetings also taking place. Each board meeting has a theme with the themes being finance (discussing and agreeing the annual financial and social value budget), people, social value and commercial. Other agenda items are discussed at these meetings but the theme allows for greater time to discuss that particular topic. The fifth annual board meeting has a varied agenda, which is agreed in advance. Ways of monitoring the effectiveness of the board are to be discussed. Discussions take place with potential new trustees in order to ensure that they understand the time commitment necessary and they are then invited to attend two meetings as an observer before being invited to join the board if they wish to. A third of trustees retire by rotation every three years and there is no maximum length of office although this is currently being reviewed with a maximum length of office being considered for introduction. A programme of learning and development for trustees is not currently in place but is to be discussed with a suitable programme then implemented.

Diversity

A skills matrix has been produced which identified gaps for trustees in certain areas. Suitable trustees have been recruited with applications for trustees from diverse backgrounds encouraged. The board do not currently have any specific diversity objectives but this is to be considered by the board.

Openness and Accountability

Stakeholders have been identified with their feedback sought as part of the production of the annual impact report. This feedback is reviewed by the board and ways of increasing this range of feedback are to be investigated. The salaries of all staff are agreed by the Remuneration Committee and are set using a CIPD job evaluation tool and Salary Search by Croner – the UK's most comprehensive online salary database to benchmark roles.

Fundraising

The charity did not actively fundraise from individuals during the year but did engage with charitable funding organisations and the Government for the receipt of charitable grants. The charity has not signed up for any voluntary fundraising standard or schemes and no complaints regarding fundraising were received.

Appointment of Auditor

The directors decided to appoint a new auditor for the year ended 31 March 2021 onwards and so Crowe U.K. LLP were appointed as auditor following a tender process.

CREATING SOCIAL VALUE

In the next section of this report you can read in more detail progress on each of our objectives.

- To understand and highlight the reality of living in furniture poverty
- To lobby and campaign for the eradication of furniture poverty
- Developing and running successful social businesses that tackle furniture poverty
- Training people out of poverty
- Using our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group



Creating Social Value

To understand and highlight the reality of living in furniture poverty

End Furniture Poverty has two main objectives, to understand and highlight the reality of living in furniture poverty, and to lobby and campaign for the eradication of furniture poverty. The two objectives are closely intertwined with in-depth research forming the backbone of our work, raising awareness of the issue and promoting practical solutions which we then use as part of our lobbying and campaigning activity.



No Place like Home

Our major research project for 2020/21 was an examination of the provision of furniture in social housing. The project helped to refine our understanding of the reality of living in Furniture Poverty, and to better understand the barriers to social landlords providing more furnished tenancies. Our research reveals that only 2% of social rented properties are let as furnished or partly furnished (i.e. floor coverings/curtains) in comparison to 29% of private rented properties.

Key Findings

The social housing sector houses some of the poorest and most vulnerable people in our society, a situation compounded by austerity and the pandemic.

Furniture provision can have a positive impact on tenants' lives. We found that living without furniture and appliances has a negative impact on tenants' mental, social, and financial wellbeing.

Tenants and social landlords currently rely on a highly uneven patchwork of options for acquiring furniture, which includes local welfare assistance, high cost credit, and friends and family.

Barriers to the creation of furnished tenancies, include a lack of awareness and understanding of relevant policy, a perceived 'poverty trap', financial pressures facing the sector, and the need to convince their respective management structures that providing furniture is financially viable.

Furniture provision is likely to increase tenancy sustainability as it remediates the harmful effects of living without the essential items of furniture and appliances.






Local Welfare Assistance Research

Our research into the provision of furniture in social housing revealed that less than 2% of social housing properties are let as furnished, and it also revealed that there is currently an inadequate patchwork of support. In light of this, we took the decision to delay our planned review of the Essential Items list and bring forward a research project looking at the provision of furniture through Local Welfare Assistance Schemes, (LWAS), a vital lifeline of support for people living in Furniture Poverty.

Our analysis of the data revealed that 25 local authorities in England have closed their LWAS schemes leaving one in five people unable to access crisis support. Several more local authorities also no longer offer furniture through their LWAS which means one in four people in England cannot access furniture through a LWAS. We also discovered that some upper tier local authorities were telling us, and previous researchers, that crisis schemes were being provided by their district councils. However, because we had approached every local authority, we were able to demonstrate that this is not the case, further highlighting the gaps in support.

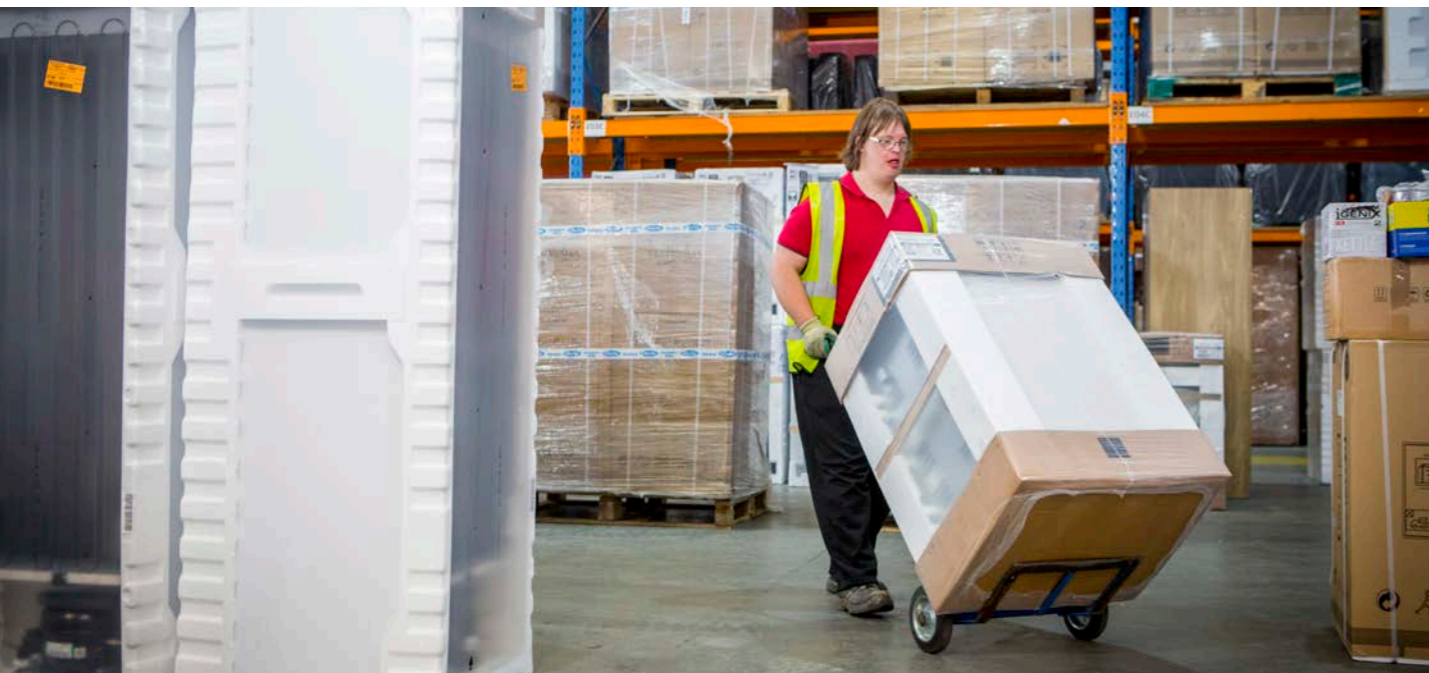
We had planned to publish this report, The Postcode Lottery of Crisis Support in March 2021, however we had also been in discussions with the BBC about producing a film examining Furniture Poverty and they wanted to use the publication of the report as a news hook so we agreed to delay publication until April 2021.

Performance against targets 2020–2021

-  Review essential items list.
-  Publish Furnished Tenancies Research.
-  Publish Social Return on Investment analysis on the 10 essential items.
-  Explore the provision of furniture for hard-to-reach groups such as rough sleepers and ex-offenders.
-  Understand the social value we create under this objective.

Priorities / Targets for 2021 – 2022

- Publication of LWAS Research
- Publication of Furniture Poverty Research
- Publication of LWAS 2021/2022 Research Update
- Review Essential Items List



Creating Social Value

To lobby and campaign for the eradication of furniture poverty

We know that Furniture Poverty is ultimately about poverty, it's about people not having enough money to live on, an inadequate welfare system, rising housing costs, insecure housing, and too many insecure poorly paid jobs. Providing someone with the essential furniture items that they so desperately need is a vital first step, but it is not going to solve all of their problems. Therefore, End Furniture Poverty works closely with a wide range of groups, organisations and charities to try to collectively tackle the root cause of Furniture Poverty – poverty itself.

We joined the End Child Poverty Coalition in early 2021 and were invited to be a signatory of a letter sent to Boris Johnson and another letter published in the Guardian newspaper, asking for child poverty to be put at the heart of the Government's Covid-19 recovery planning.

Partnership Working

We sit on a number of key bodies:

- Liverpool's Poverty Action Group
- Liverpool City Region's Social and Solidarity Economy Reference Panel
- The Children's Society
- The Grant-Makers Alliance
- End Child Poverty Coalition
- Oldham Coordinated Crisis Support Project

Digital Presence

47K visitors to our website, a 230% increase on the previous year

Our Twitter following rose from 1174 to 1562 followers

Our mailing list subscribers increased from 948 to 1171



Speaking Events

We have been invited to speak at a variety of different events, conferences, webinars and other forums over the past year.

Two speaking events for homelessness charities	Homes for Cathy	Covid-19 Frontline Worker Forum discussion with Frontline Network	Centrepoint online forum for homelessness support
Housemark Scotland event with their Tenancy Sustainability Group	Foundations event	Scottish Housing Network Local Authority Hub	The Association of Charitable Organisations



Grant Makers Alliance

Our membership of the Grant Makers Alliance is proving extremely valuable. The grant giving sector offer crucial support to people living in Furniture Poverty as many of them provide essential furniture items. Our membership of this group ensures that all the members are reminded that their resources should not be diverted to other sources of support and keeps the focus on furniture provision.

Together we are working on an extensive data project and we plan to use data to reach out to local authorities, Government, other charities, social housing providers and the reuse sector to raise awareness of the importance of furniture provision and explore the possibility of targeted local projects, providing additional support to people living in Furniture Poverty.







White Goods 12-Month Warranty Campaign

We had planned to launch this campaign in 2020 however as many of the preloved furniture providers were forced to temporarily close due to Covid-19, and sadly some of them closed, it was clear that it was not the right time. We hope to return to this in 2021/2022 when the sector is back to full strength and ready to consider introducing or extending their white goods warranties.

Asset Stripping by Social Landlords

As with the White Goods Warranty campaign, we took the decision to postpone this work until 2021/22 as social landlords were dealing with Covid-19 challenges and handling preloved furniture would not be viewed positively in the circumstances.

Performance against targets 2020–2021

-  Deliver White Goods 12-Month Warranty campaign.
-  Deliver campaign to reduce asset stripping by social landlords.
-  Research the provision of furniture for former rough sleepers and work with partners to develop solutions.
-  Increase End Furniture Poverty mailing list by 20%.
-  Increase End Furniture Poverty social media following by 30%
-  Understand the social value we create under this objective.

Priorities / Targets for 2021 – 2022

- Deliver the data project as part of the Grant Makers Alliance
- Deliver a campaign to promote furniture reuse with social landlords to tackle asset stripping.
- Deliver the White Goods 12-Month Warranty campaign
- Increase End Furniture Poverty mailing list by 20%
- Increase End Furniture Poverty social media following by 30%

Creating Social Value

Developing and running successful social businesses that tackle furniture poverty

At FRC Group, all of our businesses are social enterprises and registered charities that exist to tackle furniture poverty. Although all of our businesses are social enterprises, they create social value in different ways. In this section, we look at the businesses that create inherent social value.

Furniture Resource Centre Limited





Our year has been dominated by the impact of Covid-19 on how we deliver products and services to our local authority and social housing provider customers and the impact of Covid-19 on our supply chain.

We operated as an essential service throughout all lockdowns and area restrictions. Following the first lockdown announcement, we swiftly adapted our pre-delivery and delivery processes to help ensure that we could complete Covid-19 safe deliveries for both our staff and customers. During the year we made 24,540 deliveries of essential furniture to people's homes. This is an increase of 11% on 2020/21.

Our strong stock holding and dual supply procurement approach ensured that we were able to ensure continuity of supply on the majority of lines throughout the year. Stock availability was vital to our customers who were supporting the most vulnerable at a time of real crisis.

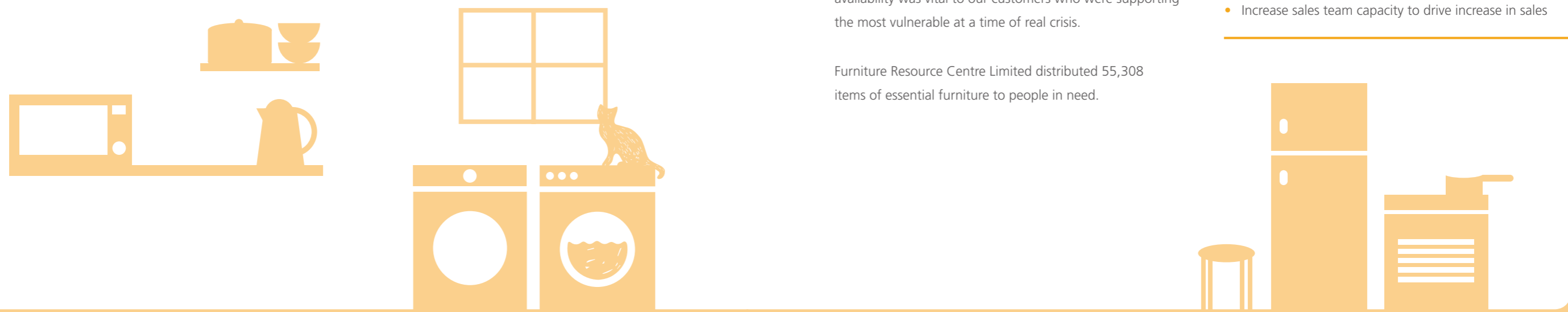
Furniture Resource Centre Limited distributed 55,308 items of essential furniture to people in need.

Performance against targets 2020–2021

-  Retain existing contracts.
-  Bring on new customers/contracts.
-  Explore new markets relevant to FRC products and services.
-  Continue to develop our range and offer sustainable products.

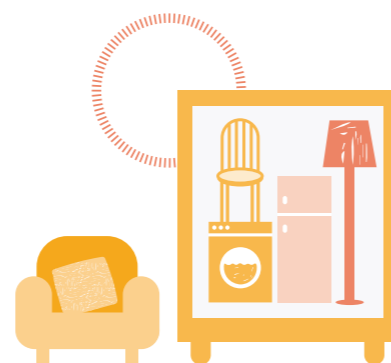
Priorities / Targets for 2021–2022

- Retain existing contracts
- Bring on new customers/contracts
- Explore new markets relevant to FRC products and services
- Continue to develop our range and offer sustainable products
- Increase sales team capacity to drive increase in sales



Bulky Bob's

Bulky Bob's, our bulky household collection service is still driven by our mission to end furniture poverty 21 years on. 2020-2021 was an extremely unusual year for Bulky Bob's and highlights of the year are detailed below.



Bulky Bob's Collection services

Collections suspended in April and May due to covid-19.

Collections resumed in June with full Covid-19 precaution measures in place.

Fewer collections were scheduled due to Covid-19.

Even though collections resumed in June, Bulky Bob's Furniture World remained closed throughout the quarter.

This meant that there was no outlet for any items of great quality, reusable furniture that were collected – and we did not want to dispose of these. We rented a warehouse from Liverpool Council for a short-term period on preferential rates to allow the storage of these items.

The sortation function was transferred to a site and yard at Vandries Street in order to separate the 'dirty' functions from the remanufacturing activities which require a clean and orderly operating environment.

As with any move of this nature, there were anticipated and unanticipated challenges that needed addressing. The site is now working well and allows for a greater and more single-minded focus on reuse and recycling.

We ceased servicing Bolton Council from the Oldham site.

12 month extension to Bulky Bob's Oldham Contract.

Year	2018-2019	2019-2020	2020-2021	Commentary
Collections on behalf of Local Authorities	59,512	56,744	42,484	Reduced due to period of inactivity at start of initial lockdown and effect of distancing on number of collections that could be completed each day
Reused & recycled tonnes of furniture, appliances and other bulky waste	2,035	1,956	1574	In line with reduced collections



Supply of refurbished items through Bulky Bob's

A significant element of our plan has been the introduction of refurbished products into the supply chain – bed bases, mattresses and white goods. This development was placed on hold during lockdown but is now once again a priority for the Bulky Bob's team.

Bulky Bob's started refurbishing bed bases.

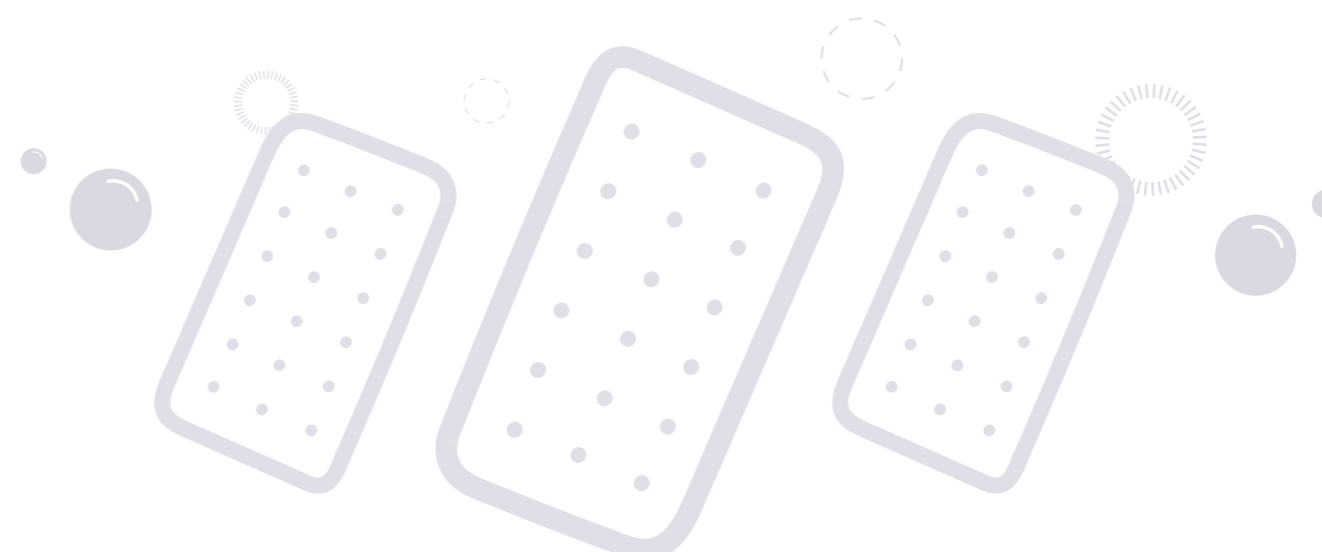
Liverpool City Council agreed to start purchasing refurbished bases from FRC from September.

In December the first phase of the installation of our 'world's first' mattress cleaning line – Mattilda – was completed.

The final build was delayed by suppliers and will now see the machine fully operational in 2021-2022. This will be a gamechanger and will clean mattresses with increased speed, efficiency, consistency and in higher volumes.

This is a significant step forward for FRC Group, the reuse world and people living in furniture poverty and is a testament to FRC Group's ability to identify and understand the terrible life reality for people in desperate need of furniture and to show leadership in identifying and introducing solutions.

Year	2018-2019	2019-2020	2020-2021	Commentary
Number of Mattresses	1,265	8,335	2,501	Downtime in cleaning operations due to installation of machine coupled with period of inactivity whilst staff furloughed has impacted reuse & recycling significantly.
Tonnes Mattresses diverted from landfill	440	292	875	
Mattresses Cleaned	-	941	538	
Financial Value of	-	£4,820	£4,680	





Bulky Bob's Furniture World







Closed in April and May and reopened partway through June 2021.	↓
On reopening, footfall is reduced in Liverpool and Oldham. Additionally, the measures taken to protect staff and customers requires more staff in store than normal and this has led to the store being closed on Saturdays.	↓
Perversely, Covid-19 has also impacted upon the demand for free furniture. At a time when there is more need for support for people in vulnerable situations, fewer referrals were made to the store by front line agencies.	↓
Lockdown restrictions threatened our ability to operate however, we used our learning from the first lockdown and were able to implement solutions quickly.	↓
We allowed Crisis & LWP customers to select furniture in store for free delivery through an appointment system. This allowed us to adhere to restrictions for non-essential retail, manage the flow of people in store safely, and most importantly ensure that people in need of these essential items were able to access them during this period.	↓
We ran a 3 day 'Free4All' furniture giveaway event in Liverpool to help manage surpluses of furniture that had built up from earlier in the year and from large commercial collection jobs. This was very well attended and we were able to giveaway 197 items of essential furniture.	↓
When non-essential retail was no longer allowed to remain open, we were able to take the giveaway model and run alongside crisis & LWP to offer appointments for people to come into store and select free of charge items of essential furniture.	↓
When lockdown restrictions lifted at the beginning of December, we were able to deliver one final Free4All event in Q3 at 'The Commy' in Speke. We were able to provide essential items of furniture to 54 households at this event.	↓
To prepare for reopening in Liverpool in April 2021 we: Developed and agreed a marketing plan, moved Workshop 2 out of the basement into Gildart Street, set up a new workshop in Gildart Street, created a new volunteer area on the shop floor and created additional sales space by opening up the basement as an additional shop floor.	↓

In all, despite the challenges faced by BBFW a quick response and change in our approach to getting furniture to those who need it most meant that performance was very positive. We exist to end furniture poverty, and we are proud that our teams found creative ways to ensure that we were still able to help those most in need.





YEAR	2018 / 2019	2019 / 2020	2020-2021	
Total Number of sales to BBFW customers				
Liverpool	2748	4141	2369	
Oldham	227	197	344	
North East	Not reported	101	58	

Sales to BBFW Customer Groups

Crisis – Liverpool	224	395	305	
Crisis – Oldham	109	55	103	
Crisis – North East	Not reported	101	58	
20% Discount – Liverpool	48	28	19	
20% Discount – Oldham	0	0	0	
10% Discount – Liverpool	1617	2500	1320	
10% Discount – Oldham	168	97	149	
LWP – Liverpool	556	534	247	
LWP – Oldham	0	45	97	
Standard – Liverpool	295	684	424	
Standard – Oldham	0	0	0	

Financial value of crisis referrals

Liverpool	£29,809	£52,411	£37,021	
Oldham	£6,885	£3,364	£10,025	
North East	£19,507	£12,458	£6,933	






Commentary

Retail sales impacted by closure of store/warehouse for sales to public. However, resource was reallocated where possible to ensure furniture was donated instead. Closure of non-essential retail also made way for Free for All events that we previously expected would not be possible in the year.

Training people

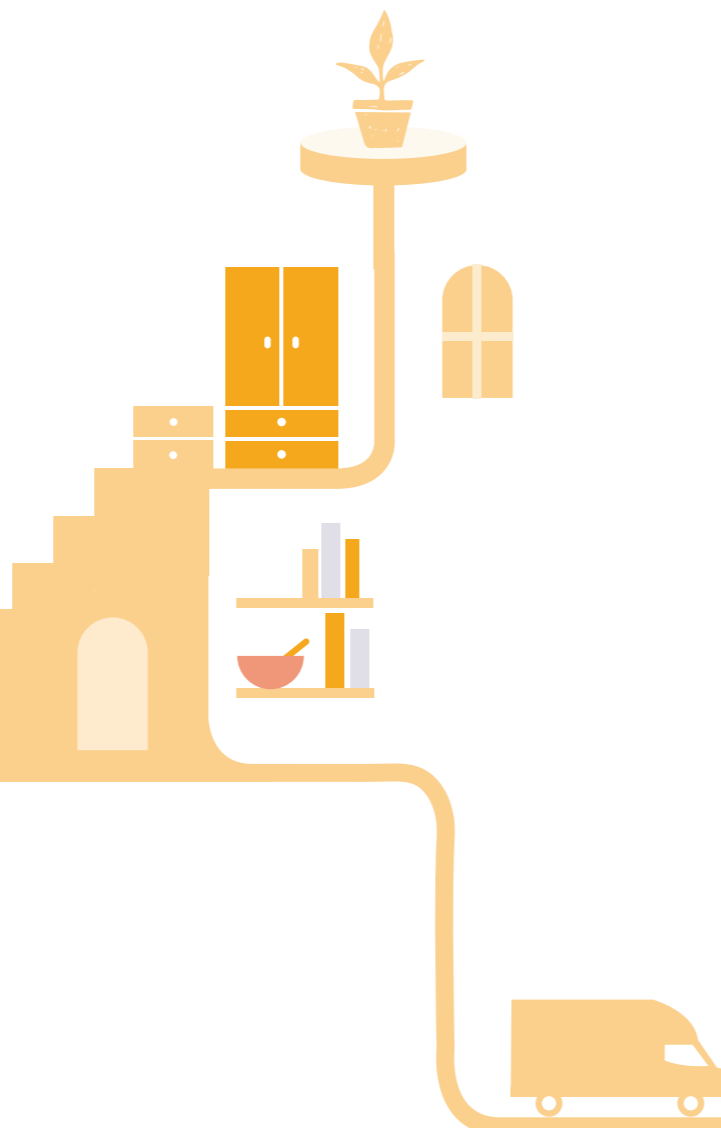
Our Driving Change programme runs across all our businesses, training people who were previously unemployed or in precarious employment to gain the skills, behaviours and qualifications to move on to higher-paid work. The programme is described in more detail on page 42.

Performance against targets 2020–2021

-  Complete creation of a social value model based using the 10 Essential Items list as the basis of measurement.
-  5,300 customer sales in Bulky Bob's Furniture World. Achieved 2369 (4,439 2019-20)
-  4,705 of Bulky Bob's Furniture World customers to receive discounts. Achieved 1954 (3755 in 2019- 20)
-  452 families in crisis to receive furniture. Achieved 466 (551 in 2019-20)
-  No Community events planned for 2020-21. Achieved 3 (0 in 2019-20)

Priorities/Targets for 2021-22

	2021-22	
	Items	Customers
All BBFW Customers	9065	3130
Retail sales	6764	2843
Crisis Donations	1260	427
Community Events	158	31
LWP Preloved	883	282



This year, we didn't meet our sales targets due to the closure of retail during national lockdown. However, we still found a way to get furniture to those most in need, and met and exceeded our targets in relation to free furniture donations.



Training people out of poverty

Driving Change


Driving Change is our training and employment programme. It aspires to move people into higher-paid employment when they have finished their FRC Group training. Driving Change recruits both long-term unemployed people and those in vulnerable employment such as zero-hours contracts and low wages. The programme focuses on behaviours and skills and is tailored to each individual so that they gain the experience that will allow them to move on to better paid, more secure roles. We recruit people who already have driving licences and their main training objective is the LGV Class 2 licence.

This year, our programme was severely impacted by Covid-19. We were unable to move as many people into jobs as in previous years due to the pandemic, furlough and an inability to liaise with employers. We were also unable to book training due to the closure of training sites and services for the majority of the lockdown period.

Driving Change Programme 2020 – 21

- 15 people took part in Driving Change.
- We had 10 Driving Change places
- 4 x Bulky Bob's, 4 x FRC and 2 x Manchester Warehouse
- 8 people left during the year
- 2 of all leavers went into jobs
- Liaised with 0 employers due to Covid-19 restrictions

Performance against targets 2020–2021

 70% of people completing Driving Change will go into employment, training or further education.

We only achieved 25% of leavers into jobs this year. This has been severely impacted by Covid-19 and we expect this number to increase as Covid-19 restrictions ease.

Targets for 2020–2021 ViPs





- 70% of people completing Driving Change will go into employment, training or further education
- 100% working towards their LGV Class II Licence

ViPs (Volunteers, Interns, Placements and Students)

ViP is our volunteering programme. Through this scheme, people can work towards their own goals or give to charity by volunteering their time and skills. Volunteering opportunities are available in all parts of FRC Group, however the majority of volunteers work in our Bulky Bob's workshop or in our store.

Our work with volunteers was another area impacted by the Covid-19 pandemic. In March 2020 we paused our programme and did not reopen fully until March 2021. It was a year where we missed our volunteers greatly and we were overjoyed to see them return. We continue to value the work of volunteers and provide an environment where they can gain new skills and experiences in non-mission critical work. Volunteers will always be an important part of the team at FRC Group and they play a huge role in shaping our culture.

Performance against 2020-21 performance and targets

-  Recruit 5 cell leaders.
-  Recruit 10 ViPs.
-  Set up a ViP Consultation process.
-  Set up a social media campaign to aid recruitment.

Targets for 2020–2021 ViPs

- Recruit 3 cell leaders.
- Recruit 8 ViPs
- Set up a social media campaign to aid recruitment.

Apprenticeships

Apprenticeships combine practical training in a job with study. Our apprentices earn a wage, work alongside experienced staff, get time for training and study related to the role. This year we introduced one apprentice in Finance.

Performance against 2020-21 performance and targets

No targets were set for Apprentices in 2021.

Targets for 2020–2021 ViPs

- Recruit 3 apprentices

Kickstart

The Government's new Kickstarter scheme was launched in the year and was a fantastic opportunity for us to create 6-month placements for talented young people, and get Government support to do it! For each young person (aged 16-24) hired, the Government will pay the employees National Minimum Wage for up to 25 hours per week, plus employer National Insurance contributions and employer minimum pension contributions.

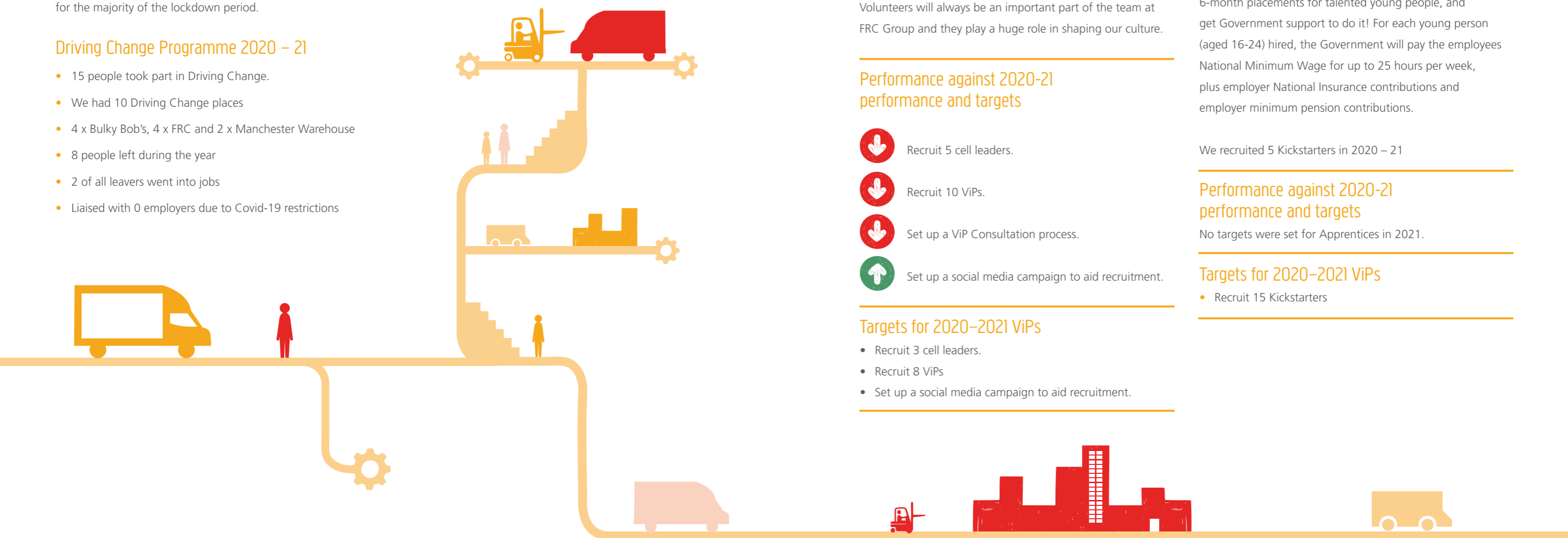
We recruited 5 Kickstarters in 2020 – 21

Performance against 2020-21 performance and targets

No targets were set for Apprentices in 2021.

Targets for 2020–2021 ViPs

- Recruit 15 Kickstarters



Using our core skills to develop and run successful commercial businesses, using the profits to create social value across FRC Group






Using our skills to develop commercially successful businesses that create social value and using profits to support our social objectives is a key strategy for FRC Group. The main aim of these businesses is to create profit, although social value is created in these businesses through employment of trainees on the Driving Change programme and through the furniture we provide.

Buckingham Interiors

Buckingham Interiors had a challenging start to 2020/21 due to the impact of the pandemic as older people living settings where closed to non-essential works. Installations we had scheduled for Q1 and Q2 pre-pandemic were put back to later in the year. Changes to Covid-19 restrictions in the latter part of the year resulted in an increase in Buckingham Interiors activity. We won repeat business from existing customers as well as the introduction of new customers and we ended the year positively with an increase of sales on the previous year.

We adapted and developed our processes to engage with Buckingham Interiors customers using Teams and Zoom to complete scheme tours and consultations. We engaged in online webinars and seminars as well as exhibiting at the virtual CIH Housing 2020 conference as means of networking with customers.

Performance against targets for 2020–2021

-  Retain existing customers.
-  Bring on new customers.
-  Explore new markets relevant to Buckingham Interiors products and services.
-  Continue to develop our range and offer.
-  Sustainable products.

Targets/ Priorities 2021-22

- Retain existing customers and bring on new customers.
- Explore new markets relevant to Buckingham Interiors products and services.
- Continue to develop our range and offer.
- Sustainable products.
- Increase sales team capacity to drive increase in sales



Bulky Bob's for Business

Bulky Bob's for Business provides collection and recycling services to local businesses, including the collection of unwanted furniture and PCs. Due to the large number of businesses not occupying their office space throughout 2020-2021 due to the Covid-19 pandemic, a decision was taken to cease the collection of paper waste in February 2021. In addition, the Covid-19 pandemic resulted in far fewer PCs being collected and refurbished than was hoped but this is expected to catch up during 2021-22. We sold a total of 158 low cost reuse PCs & laptops to schools and community groups.

As more businesses open following the Covid-19 pandemic, a greater number of PCs is expected to be collected for data wiping and refurbishment and this should lead to hundreds of PCs being made available for sale or donation to schools / colleges / charities and donated to individuals who can't afford a PC.

Collection and recycling of unwanted furniture is also expected to increase during 2021-22 as more businesses return to their workspace following the Covid-19 pandemic.

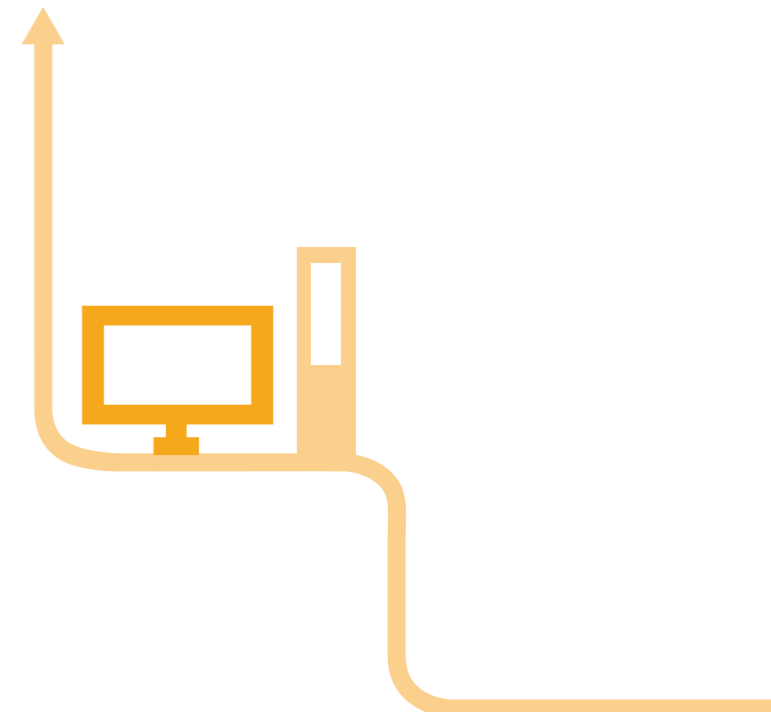
We will also continue to work on the introduction of refurbished products into the supply chain.

Performance against Targets for 2020-21

-  Further the REUSE IT business.

Priorities/Targets for 2021-22

- Increase PC Collections
- Increase commercial furniture collections



PEOPLE

In a year like no other, we were determined to support our staff and our People and Culture Team led the way on this. During the year we:

- Fully supported our people, on any day of the week or at any time of the day needed
- Navigated the business through furlough, Covid symptoms, isolations and changing legislation
- Increased the salaries of our drivers – we didn't press pause on this
- Increased our company pension contributions and introduced a death in service policy
- Introduced an employee assistance service
- Re-wrote our 'Culture Code' and trained all of our managers
- Introduced a new performance management system
- Found creative ways to bring people together – Christmas Party and Awards Film
- Introduced agile working
- Made the workplace safe and made people feel safe in the workplace



Equality	Ethnicity	Leadership	Board
	White British	100%	100%
	White Irish	0%	0%
	Caribbean/Mixed	0%	0%
	Other	0%	0%
Gender			
	Male	50%	71%
	Female	50%	29%
Disability			
	Yes	0%	0%
	No	100%	100%



HEALTH AND SAFETY

At FRC Group we take health and safety extremely seriously and make this clear to all of our staff, trainees, volunteers, customers, suppliers and members of the general public. We have a Health and Safety Committee made up of key representatives from across FRC Group, including satellite sites. The group holds a number of external health and safety accreditations including:

- SMAS (Safety Management Advisory Services)
- CHAS (Contractor Health & Safety Assessment Scheme)

We have two trained health and safety advisers with NEBOSH (National Examination Board in Occupational Safety and Health)

During the period Furniture Resource Centre Limited were re-accredited with ISO9001

We use Litmos, (online training package) for health and safety courses.

37 accidents (compared to 38 in 2019–2020). Six were RIDDOR reportable (period of absence from work exceeding 7 days including weekends.)

A number of accidents related to manual handling injuries which is not unusual given the nature of the main operation. As a result of these accidents, we improved manual handling training for new starter inductions and continued to offer annual refresher training for all operational staff. We also improved our manual handling training with routine reminders for correct manual handling techniques and operational manual handling controls forming part of team.

We have also introduced a 'Train the Trainer' approach where team leaders are trained to train team members in manual handling techniques which will allow for more practical manual handling demonstrations. We continued to demonstrate our commitment to health and safety during the COVID-19 pandemic with the introduction of Special Covid-19 health and safety meetings to discuss and review risk assessments in line with government guidelines. Staff were kept updated through an all staff email and group text. We also continued with remote working across the business to prevent the spread of COVID-19. Restrictions have meant that we have had to find more creative ways to meet our health and safety training requirements.

Our targets for next year are to:

- Reduce the number of accidents across the group
- Introduce benchmarking

Suppliers

FRC Group has a range of trusted suppliers, both local and national in order to provide the wide range of services and stock required. Preference is always given to using suppliers who are proactive in managing social and environmental change and new large suppliers must provide a range of information before being accepted as a supplier. In addition, FRC Group has signed up to the Prompt Payment Code to recognise the importance placed on its suppliers and its policy of always paying suppliers on time, especially small suppliers.

CARBON FOOTPRINT

We monitor our environmental impact through FRC Group's Environmental Management System which includes a number of controls. These include the carbon footprint of the vehicle fleet and premises, waste and recycling, and the impacts of the FRC Group supply chain. The generation of electricity from photovoltaic panels at our head office site saved 4.1 tonnes of carbon during 2020-21. Our Bulky Bob's model also reduces carbon emissions through mattress and furniture reuse.

We base calculation of FRC Group's carbon footprint on the vehicle fleet's use of fuel and gas and electricity consumption in its buildings. The Department for Food & Rural Affairs publishes standard carbon conversion factors in its Environmental Reporting Guidelines and we use these to calculate our environmental impacts.

In 2020-21, FRC Group had a carbon footprint of 263 tonnes of CO2 emissions, compared to 341 tonnes of CO2 emissions in 2019-20.

Despite the addition of 3 new sites during the year, we achieved around 23% lower level of emissions in 2020-21 compared to the previous year. This was driven largely by the effect of Covid-19 restrictions on our businesses.

Vehicle mileage was reduced in the year due to vehicles off the road in April & May of 2020, when our bulky household waste collections were paused. This reduced our fleet emissions by around 34% in these months and overall emissions for the year were around 92% of the levels in the previous year.

Utilities usage did see a higher increase due to the addition of new sites, but the impact is likely smaller than it may have been as office-based staff worked from home where possible for much of the year. Overall emissions for utilities, including offsite hosting of IT systems, were around 9% lower than 2019-20.

Total CO2 (Tonnes)

2017-18	230
2018-19	265
2019-20	341
2020-21	263

Our calculations are based on government conversion factors from the Department for Business, Energy & Industrial Strategy.



STAKEHOLDERS

FRC Group's Materiality and Stakeholder Engagement Policy, which can be found on our website at www.frcgroup.co.uk explains the relationships between the different stakeholder groups and how the different relationships and levels of engagement are prioritised.

Our End Furniture Poverty campaign works to raise awareness of the issue of Furniture Poverty, carries out research to understand the consequences of Furniture Poverty and explores possible solutions. End Furniture Poverty lobbies for change, and works with partners to help get furniture to those who need it.

This is an overview of how we have engaged with our stakeholders this year:

End Furniture Poverty

- We published our report 'Social Return on Investment Study into the Provision of Essential Furniture Items' using data we collected from recipients of furniture over a two-year period. Our research began with interviewing 25 furniture recipients over the phone. The interviews consisted of 10 questions, focused on finding out what had changed for the recipient as a consequence of receiving essential items of furniture. Their responses allowed us to draw up an Outcomes model which was used in the online quantitative survey. The online survey was sent out to a much wider group of LCSS recipients and we received 164 responses. The survey asked them about the outcomes and how the provision of furniture had changed their lives. We shared our findings with Liverpool City Council, it was sent out to the End Furniture Poverty mailing list of 1771 subscribers.
- We published our Furnished Tenancy report interviewing housing professionals from thirteen social landlords and also eight tenants. The findings of this research showed that not only are there only 2% of social housing properties let as furnished compared to 29% in the private rented sector, but also that social housing tenants are currently relying on an inadequate patchwork of support.

This led to our decision to bring forward our planned LWP research, which had originally been due to be carried out after an update of our Essential Items list. The Chartered Institute of Housing had expressed an interest in furnished tenancies in the past but had put their plans on hold due to the pressures of the pandemic, however the publication of our report reignited their interest and they invited us to present a detailed webinar to explain to their members how to create a sustainable furnished tenancy scheme. We continue to have conversations with social landlords who have read our report and are now considering creating furnished tenancy schemes.

- For our LWP research, we sent a survey out, through a Freedom of Information request, to 410 local authorities, (this is every local authority in the UK). This report revealed that 25 local authorities have now closed their LWP schemes leaving one in five people in the UK unable to access crisis support. Previously The Children's Society have carried out acclaimed research into LWP but since the publication of our report, they have now decided to use our report instead and we are part of a lobbying group due to meet with MPs to campaign for a Government review into LWP policy and budgets.
- For our Everybody Out research, looking at the provisions being made for homeless people during the pandemic and what was happening to them afterwards, we had survey responses from seven organisations, a mix of charities, local authorities and other providers, such as a probation officer. The results from this research made us realise just how hard it is for people living in furniture poverty who do not know which organisations may be able to help them so we decided to create our Finding Furniture Guides.

These guides explain which organisations can help, who is eligible for their help and how to apply. These guides have been shared far and wide and led to the DWP including our contact details on a list in every job centre in the UK so benefits staff can direct people to us for advice.

- Over 1,000 people got in touch with us for assistance this year, partly due to our inclusion on the DWP advice list, but also because of our increased profile in general. This was a mix of people in furniture poverty and support workers supporting those in furniture poverty. We had 294 emails asking for help and we estimate approximately 800 phone calls. We are now keeping detailed records of everyone who calls us and will be able to evidence this in 2021-22.

Marketing

- Focus Group. A selection of contacts for all FRC Brands were invited to participate in a series of four focus groups held online on 20th January 2021. The aim:
 - Obtain valuable feedback about FRC Group Brand
 - Determine best alignment to End Furniture Poverty mission
 - Obtain generic feedback from crucial contacts about the perceptions of the brands, brand name, brand design and brand value
- Discuss the suggested move to EFP Group as opposed to FRC Group

Responsiveness

- We collected data on responsiveness from our Leaders

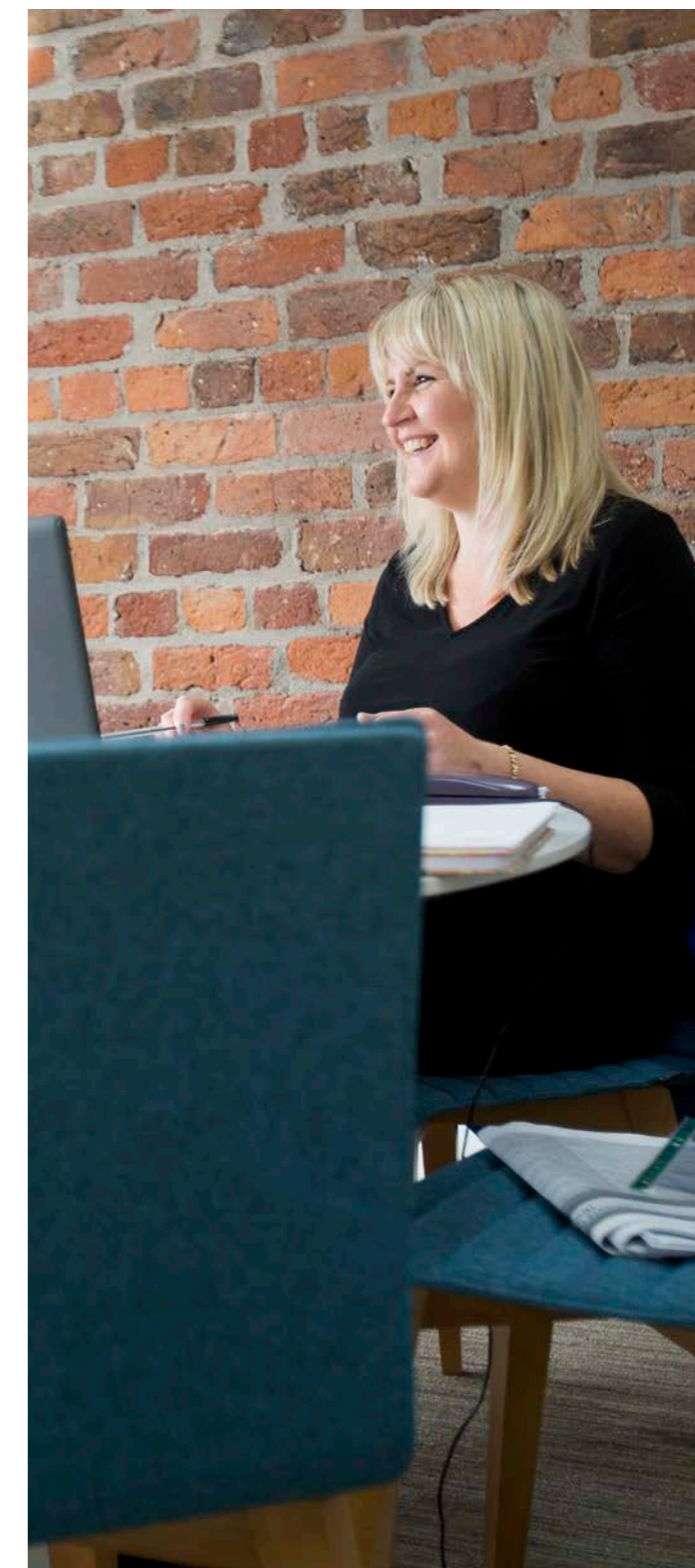
Our people

- We carried out a staff survey
- We reviewed our trainees



Strategic Report Approved by the Board of Directors and signed on its behalf by Secretary A Rowan.

7th December 2021




Appendix 1: Independent Limited Assurance Report to FRC Group

We have been engaged by the FRC Group to provide independent limited assurance on the selected aspects of the Furniture Resource Centre Limited Integrated Report 2020-21 as included on pages 10-51 (“the Report”) for the year ended 31 March 2021.

Our conclusion

On the basis of our procedures nothing has come to our attention that causes us to conclude that the selected aspects of the information included within the FRC Group’s Integrated Report 2020-21 – Social Value Review 2020/21: Creating Social Value has not been prepared in all material respects in line with the Reporting Criteria. This conclusion is to be read in the context of what we say below.

Selected information

The data included within the scope of our assurance report appears in the “FRC Group’s Integrated Report 2020-21.” This is information denoted with the .

Professional standards applied and level of assurance

We conducted a limited assurance review in accordance with International Standard on Assurance Engagements 3000 – “Assurance Engagements other than Audits and Reviews of Historical Financial Information” (‘ISAE 3000’) issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement. It does not include detailed testing of source data nor the operating effectiveness of processes and internal controls.

Our review has also been conducted in line with the principles of the AA1000 Assurance Standard and AA1000 Accountability Principles.

Our independence and quality control

We have complied with the Institute of Chartered Accountants in England and Wales (‘ICAEW’) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Control (UK&I) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our work was conducted by an independent and multi-disciplinary team with experience in impact reporting and assurance.

Understanding reporting and measurement methodologies

The Selected Information needs to be read and understood together with FRC Group’s broader reporting on both Social Value and Financial Impact. The absence of a significant body of established practice on which to draw, and hence to evaluate and measure non-financial information, allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Work done

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. In doing so, our procedures consisted primarily of:


- Interviews with FRC Group Management;
- Review of the FRC Group Approach to stakeholder engagement in the report and assessment of the outputs from the materiality process relating to stakeholder and FRC Group’s engagement;
- Review of the FRC Group Approach to stakeholder engagement through interviews with employees responsible for managing engagement activities and review of selected associated documentation;
- Review of the approach of FRC Group in determining material issues to be included in the Report;
- Review of the coverage of material issues within the Report against the topics discussed by the FRC Group Board.
- In addition, we reviewed all the information relating to the impact of Advice work within the Impact Report to assess whether there are any apparent material misrepresentations, misstatements or inconsistencies with the data we have reviewed.

Specifically, for the disclosures on pages 12 and 20-21 our assurance is on the basis / limited to the following:

- Reviewed the approach to the application of both deadweight and attribution for the calculation.
- Re-performed the calculation undertaken by the FRC Group.
- Sample testing undertaken to support the calculation (no errors were noted on the basis of sample selection.)
- Our work does not extend to the provision of assurance for the values attributed to the social value calculated by the consultant.

FRC Group’s responsibilities

The Directors of the FRC Group are responsible for:

- Designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information as designated by the,  that is free from material misstatement, whether due to fraud or error;
- Establishing objective Reporting Criteria for preparing the selected information.

Our responsibilities

We are responsible for:

- Planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- Reporting our conclusion to the FRC Group.

This report has been prepared to assist the FRC Group in reporting its Social Value. We permit this report to be disclosed in the FRC Group’s Integrated Report 2020-21.

The procedures that we have performed are solely to assist you in reporting the Furniture Resource Centre’s social impact. Our report is not to be used for any other purpose and is solely for your information.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the FRC Group, for our work, for this report, or for the opinions we have formed.

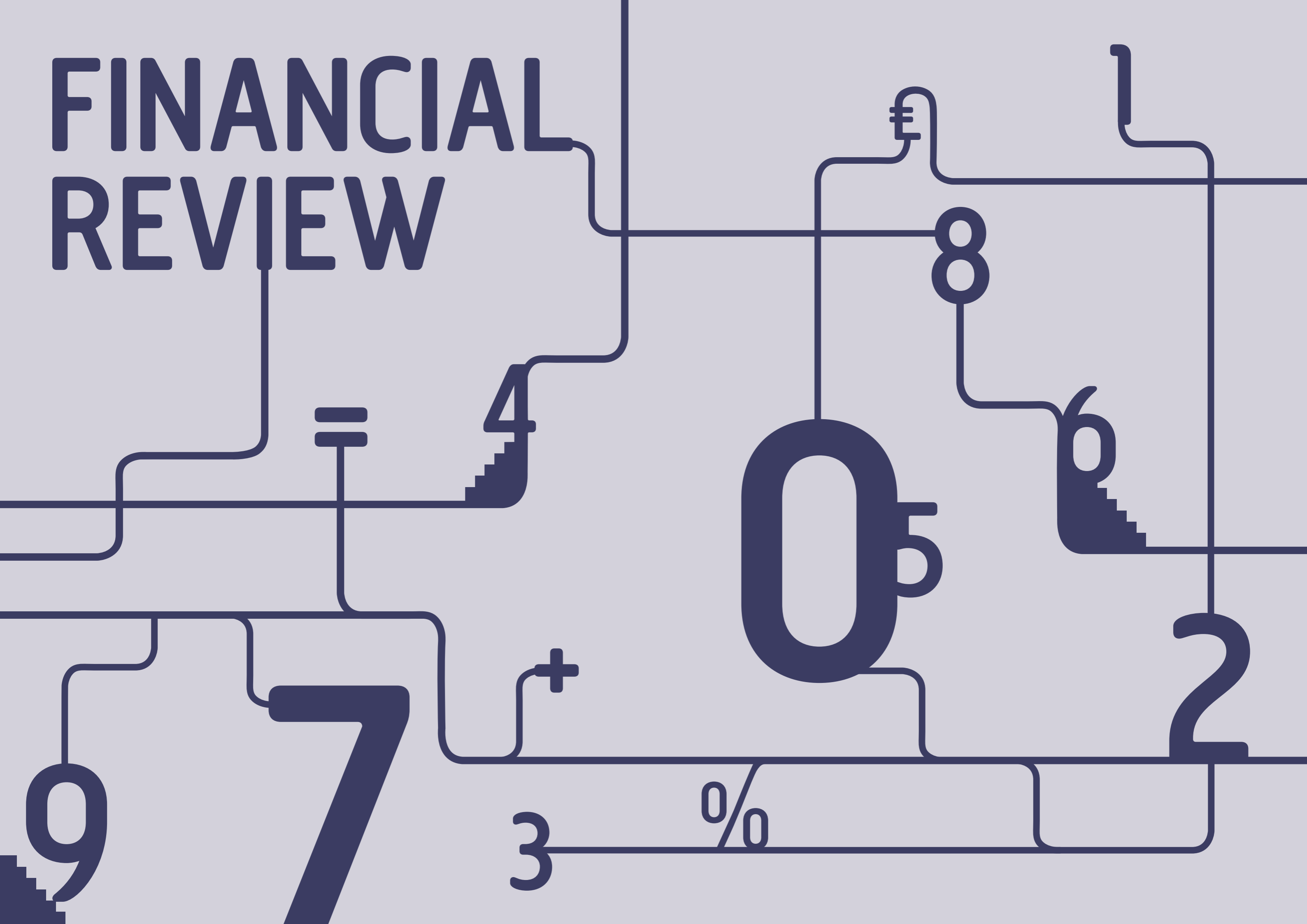


Richard Evans

For and on behalf of
Crowe U.K. LLP

17 December 2021

FINANCIAL REVIEW



Directors' Responsibilities Statement

The Directors are responsible for preparing the Strategic Report, Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- 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 charity will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Small Companies' Exemption

In preparing this directors' report, advantage has been taken of the small companies' exemption.

Auditor

The directors decided to appoint a new auditor for the year ended 31 March 2021 onwards and so Crowe U.K. LLP were appointed as auditor following a tender process.

Statement as to disclosure of information to auditor

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information (as defined by the Companies Act 2006) of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Approved by the Board of Directors on 7 December 2021 and signed on its behalf by



A Rowan
Secretary

Date
7 December 2021

Independent Auditor's Report to members of Furniture Resource Centre Limited

Opinion

We have audited the financial statements of Furniture Resource Centre Limited ('the charitable company') and its subsidiaries ('the group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2021 and of the group's income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate and proper accounting records have not been kept; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 56, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

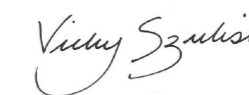
We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were Health & Safety and Waste Carriers Regulations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, reading minutes of meetings of those charged with governance and sample testing on revenue to supporting information.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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



Vicky Szulist
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
The Lexicon
Mount Street
Manchester
M2 5NT
Date: 17th December 2021

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Note	Total Unrestricted Funds	Total Restricted Funds	Total Funds 31 March 2021	Total Funds 31 March 2020
		£	£	£	£
Income and endowments from:					
Donations and legacies	4	153,121	71,170	224,291	63,801
Charitable activities	5	12,850,360	-	12,850,360	12,204,288
Investments		820	-	820	5,631
Other		99,210	-	99,210	38,634
Total		13,103,511	71,170	13,174,681	12,312,354
Expenditure on:					
Charitable activities	6	12,800,618	72,875	12,873,493	11,973,860
Total resources expended		12,800,618	72,875	12,873,493	11,973,860
Net incoming / (outgoing) resources before transfers		302,893	(1,705)	301,188	338,494
Balances brought forward at 1 April		2,558,867	10,515	2,569,382	2,230,888
Balances carried forward at 31 March		2,861,760	8,810	2,870,570	2,569,382

The notes on pages 63 to 94 form part of these financial statements.

CONSOLIDATED AND CHARITY
BALANCE SHEETS AT 31 MARCH 2021

	Notes	Group		Charity	
		2021	2020	2021	2020
		£	£	£	£
Fixed assets					
Intangible assets	12	7,500	52,500	7,500	52,500
Tangible assets	13	540,108	338,062	472,167	242,924
Investments	3	-	-	1	1
		547,608	390,562	479,668	295,425
Current assets					
Stock	14	996,342	755,553	992,945	754,764
Debtors	15	3,028,668	2,553,727	3,001,110	2,578,246
Investments	16	181,793	180,973	181,793	180,973
Cash at bank and in hand		585,237	687,858	514,022	583,602
		4,792,040	4,178,111	4,689,870	4,097,585
Creditors: amounts falling due within one year	17	(1,969,078)	(1,981,017)	(1,815,037)	(1,825,950)
Net current assets		2,822,962	2,197,094	2,874,833	2,271,635
Total assets less current liabilities		3,370,570	2,587,656	3,354,501	2,567,060
Creditors: amounts falling due after more than one year	17	(500,000)	(18,274)	(500,000)	(18,274)
Net Assets		2,870,570	2,569,382	2,854,501	2,548,786
Funds					
Unrestricted		2,861,760	2,558,867	2,845,691	2,540,310
Restricted	19	8,810	10,515	8,810	8,476
Total Funds	20	2,870,570	2,569,382	2,854,501	2,548,786

The notes on pages 63 to 94 form part of these financial statements.

Exemption has been taken from presenting an unconsolidated parent charity profit and loss account under section 408 of the Companies Act 2006.

The financial statements were approved by the Board of Directors and authorised for issue on 7 December 2021 and signed on their behalf by:



N Wilson, Director
Company Registration Number 02296329.
A Charity registered in England and Wales (700731).

FURNITURE RESOURCE CENTRE LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021	2020
		£	£
Cash flows from operating activities:			
(Reduction in cash) / cash generated from operations	25	(246,453)	518,665
Interest received		820	5,631
Net cash (outflow) / inflow from operating activities		(245,633)	524,296
Cash flows from investing activities:			
(Purchase of) fixed assets		(338,322)	(272,008)
Sale of fixed assets		428	600
(Purchase of) cash investments		(820)	(144,805)
Net cash (outflow) from investing activities		(338,714)	(416,213)
Cash flows from financing activities			
Net cash inflows from borrowing		481,726	230,777
Net cash inflow from financing activities		481,726	230,777
(Decrease) / Increase in cash and cash equivalents in the year		(102,621)	338,860
Cash and cash equivalents at the beginning of the year		687,858	348,998
Cash and cash equivalents at the end of the year		585,237	687,858

The notes on pages 63 to 94 form part of these financial statements.

FURNITURE RESOURCE CENTRE LIMITED
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

a) General Information

Furniture Resource Centre Limited is a private charitable company limited by guarantee, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is shown on the company information page. The nature of the company's operating and financial activities are outlined in the Directors' Report.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the 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 trustees confirm that the charity 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).

c) Basis of consolidation

The financial statements consolidate the results of the charity, Bulky Bob's Office and Commercial Waste and Bulky Bob's 2015, charities for which it is the sole member and also its wholly owned trading subsidiary Bulky Bob's Limited. The results of these companies are consolidated on a line-by-line basis. A separate Statement of Financial Activities for the charity itself has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

d) Going Concern

The financial position on pages 60 to 94 demonstrates that the group is operating within its available cash funds and has net current assets at the year end. As a result of the Covid-19 pandemic, the trustees reviewed detailed cash flow projections covering a range of scenarios and after careful consideration, were of a view that the charity has sufficient cash balances to continue to trade despite the difficult economic climate. As a contingency, the charity also secured a loan under the Coronavirus Business Interruption Loan Scheme, which was drawn down in December 2020.

After reviewing financial projections for the group and taking account of new contracts recently won, the trustees have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The trustees have concluded that it is appropriate to prepare the accounts on a going concern basis.

e) Incoming resources

Voluntary income and donations are accounted for as received by the group. All other income is accounted for on an accruals basis.

Income from commercial trading activities is recognised as earned (as the related goods and services are provided). Income from charitable activities includes income received under contract (as the related goods and services are provided).

Investment income is recognised on a receivable basis. Income from grants receivable which support people development is credited to the income and expenditure account in the period to which the grants relate.

f) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis. Expenditure is directly attributable to specific activities and has been included in those cost categories.

Costs of generating funds are those costs incurred in the trading activities of the subsidiary companies that raise funds.

Charitable activities include expenditure associated with the supply of furniture and other household accessories to social landlords, the retailing of reused goods to economically disadvantaged groups, provision of bulky household waste collection services, logistics and other recycling services and the costs of providing training programmes to socially excluded groups. These include both the direct costs and support costs relating to those activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation are apportioned by income generated

g) Irrecoverable VAT

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

h) Operating leases

Where the group is lessee, rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are included in 'resources expended' on a straight line basis over the term of the lease.

i) Investments

Current asset investments concern cash held on deposit with a maturity date of less than one year from the maturity date. Investments are initially and subsequently measured at the amount of the cash deposit.

j) Tangible fixed assets and depreciation

Tangible fixed assets for use by the group are stated at cost less depreciation subject to impairment review in accordance with FRS 102.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Improvements to leasehold property	10% on cost
Plant & machinery	10%-25% on cost
Fixtures, fittings and equipment	25% on cost
Computer equipment	20%-33% on cost

k) Goodwill

On acquisition of a business, fair values are attributed to the assets, liabilities and contingent liabilities of the acquired business at the date of acquisition. Goodwill arises when the fair value of the consideration given for a business exceeds the fair value of the net assets. Goodwill is capitalised and amortised over its useful economic life. The useful economic life of goodwill is considered to be 2 years.

l) Stocks

Stocks of new and donated goods are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

m) Pension costs

The charity and group operates a defined contribution pension scheme which all employees are eligible to join. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions in respect of the company's Group Personal Pension Plan are included in 'resources expended' for the year in which they are payable to the scheme.

n) Funds structure

The group's funds consist of unrestricted and restricted amounts. The group may use unrestricted amounts at its discretion. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes.

o) Financial Instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs). The group 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.

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.

Creditors and provisions are recognised where the group 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.

p) Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether leases entered into by the group as lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the group's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the asset.

Other key sources of estimation uncertainty:

- Tangible fixed assets are depreciated over their useful lives taking into account residual lives, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors. In assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Debtors are provided against when there is objective evidence that the debt will not be recoverable.
- The charity is required to test, on an annual basis, whether any goodwill recognised has suffered any impairment. Estimation is required in determining the recoverable amounts giving consideration to its value in use.

2 Financial activities of the charity

A summary of the financial activities undertaken by the charity is shown below.

	Unrestricted funds	Restricted funds	2021 Total Funds	Unrestricted funds	Restricted funds	2020 Total Funds
	£	£	£	£	£	£
Incoming Resources	12,217,500	168,280	12,385,780	11,477,081	25,675	11,502,756
Resources Expended	(11,912,119)	(167,946)	(12,080,065)	(11,116,870)	(34,910)	(11,151,780)
Net incoming / (outgoing) resources for the year	305,381	334	305,715	360,211	(9,235)	350,976

Legal Status

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3 Subsidiary companies and other group charities

The financial activities shown in the consolidated financial statements include the results of Bulky Bob's 2015 and Bulky Bob's Office and Commercial Waste, charities for which Furniture Resource Centre Limited is the sole member. The results of the charity's wholly owned trading subsidiary, Bulky Bob's Limited is also included.

The information and financial data for each company is included below. The registered office of Bulky Bob's 2015, Bulky Bob's Office and Commercial Waste and Bulky Bob's Limited is the same as stated on the company information page of these accounts

At 31 March 2021, the capital and reserves of Bulky Bob's Office and Commercial Waste were in deficit by £127,542. The charity made a deficit of £12,250 in the year ended 31 March 2021 (2020: deficit of £17,055).

(iii) Bulky Bob's Limited (Company number 3759102)

The charity holds 1 £1 ordinary share in Bulky Bob's Limited, a company registered in England. This holding comprises the whole of the company's share capital. At 31 March 2021, the capital and reserves of Bulky Bob's Limited were £1. The company did not trade in the year ended 31 March 2021.

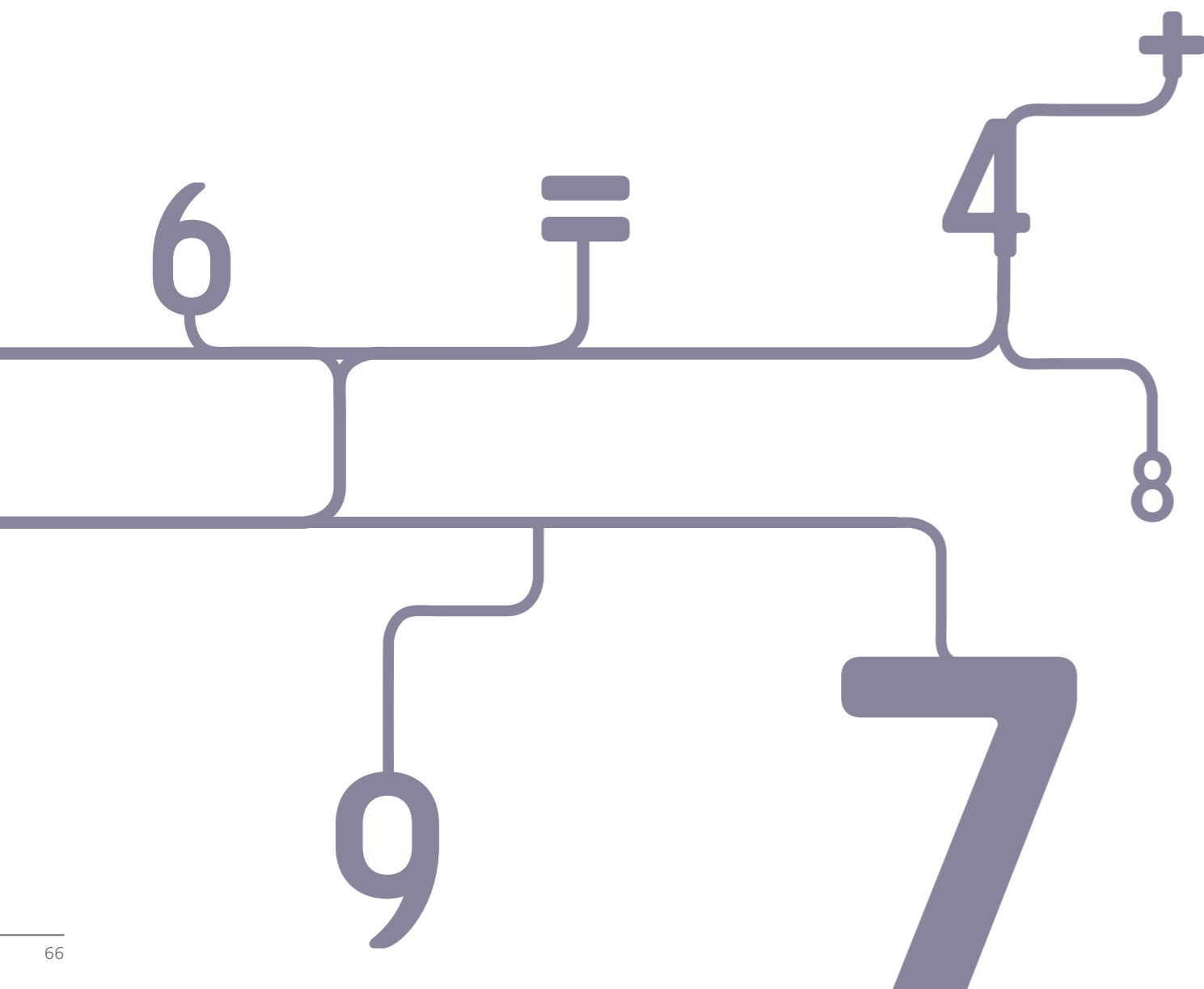
(i) Bulky Bob's 2015

The charity is the sole member of Bulky Bob's 2015, a company limited by guarantee and registered in England. Bulky Bob's 2015 is also a registered charity (charity number 1167068) and operates contracts for various councils within the North West for the collection, reuse and recycling of bulky household waste and for the provision of training.

On 1 April 2017, the assets, liabilities and contracts of Bulky Bob's Limited were transferred to Bulky Bob's 2015 and Bulky Bob's Limited ceased trading on that date. At 31 March 2021, the capital and reserves of Bulky Bob's 2015 were £143,613 (2020: £135,891). The charity made a surplus of £7,722 in the year ended 31 March 2021 (2020: £4,574).

(ii) Bulky Bob's Office and Commercial Waste

The charity is the sole member of Bulky Bob's Office and Commercial Waste, a company limited by guarantee and registered in England. Bulky Bob's Office and Commercial Waste is also a registered charity (charity number 1168088) and provides an office and commercial waste collection service, collecting and recycling waste items.



3 Subsidiary companies and their activities (continued)

A summary of the results of Bulky Bob's 2015 for the year is shown below

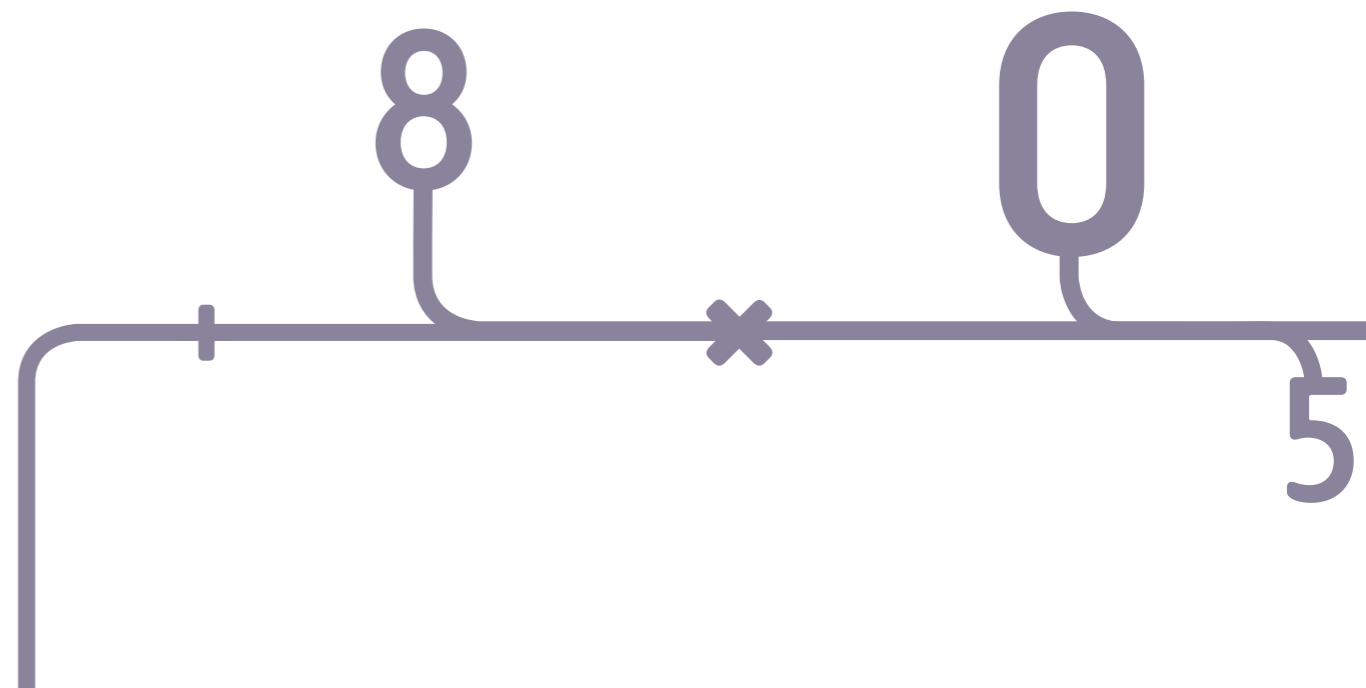
	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Incoming Resources	1,302,890	9,435	1,312,325
Resources Expended	(1,293,129)	(11,474)	(1,304,603)
Net incoming resources for the year	9,761	(2,039)	7,722

A summary of the results of Bulky Bob's Office and Commercial Waste for the year is shown below.

	Unrestricted funds	Restricted funds	Total Funds
	£	£	£
Incoming Resources	281,197	10,000	291,197
Resources Expended	(293,447)	(10,000)	(303,447)
Net incoming resources for the year	(12,250)	-	(12,250)

4 Income from donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2021	Unrestricted Funds	Restricted Funds	Total 2020
	£	£	£	£	£	£
Sefton at Work	-	(1,228)	(1,228)	-	4,874	4,874
Made Smarter Grant	-	21,564	21,564	-	3,428	3,428
Charity Shop	-	50	50	-	200	200
Kickstart	-	5,784	5,784	-	-	-
Liverpool City Council Covid-19 support	-	35,000	35,000	-	-	-
Wirral Council Covid-19 support	-	10,000	10,000	-	-	-
Coronavirus Job Retention Scheme Grant	153,121	-	153,121	-	-	-
Knowsley Works	-	-	-	-	17,287	17,287
Donations for Bed for Kids Campaign	-	-	-	-	150	150
Liverpool City Council	-	-	-	-	28,862	28,862
MRWA Community Fund	-	-	-	-	8,000	8,000
Joseph Rowntree Foundation	-	-	-	-	1,000	1,000
Total donations and legacies	153,121	71,170	224,291	-	63,801	63,801



5 Income from Charitable activities

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	£	£	£	£
Provision of furniture / furniture packages	11,759,024	-	11,759,024	10,978,100
Provision of bulky household waste collection and recycling services	882,487	-	882,487	833,477
Charity shop sales	104,165	-	104,165	185,645
Provision of other recycling services	104,684	-	104,684	206,866
Other income	-	-	-	200
Total charitable activities	12,850,360	-	12,850,360	12,204,288

6 Expenditure on Charitable activities

	Direct Costs	Support	Total 2021	Total 2020
	£	£	£	£
Provision of furniture / furniture packages	9,577,909	1,205,462	10,783,371	9,998,527
Charity shop sales	277,382	8,457	285,839	309,778
People Development	284,574	83,579	368,153	513,200
Provision of bulky household waste collection and recycling services	870,571	77,119	947,690	775,904
Provision of other recycling services	337,530	68,546	406,076	283,399
Other income	82,364	-	82,364	93,052
Total charitable activities expenditure	11,430,330	1,443,163	12,873,493	11,973,860

7 Allocation of support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources. Property costs are apportioned on area utilised, ICT costs, staff costs, general office and depreciation costs are apportioned by income generated.

	Provision of Furniture and furniture packages	Charity Shop Sales	People Development	Provision of bulky household waste collection and recycling services	Provision of other recycling services	2021 Total	2020 Total
Support Cost	£	£	£	£	£	£	£
Property cost	250,737	-	83,579	-	-	334,316	355,961
Staff costs	511,653	4,532	-	47,721	52,608	616,514	542,767
Vehicle costs	-	-	-	-	5,371	5,371	1,107
ICT costs	95,387	845	-	-	-	96,232	70,784
Governance	29,111	258	-	2,894	2,231	34,494	26,434
General office	237,604	2,105	-	26,504	8,336	274,549	345,694
Depreciation	80,970	717	-	-	-	81,687	88,108
	1,205,462	8,457	83,579	77,119	68,546	1,443,163	1,430,855

8 Governance costs

	2021	2020
	£	£
Social Audit	5,000	7,875
Audit and accountancy	24,209	34,994
Directors' insurance	5,285	4,179
	34,494	47,048

9 Analysis of staff costs and the cost of key management personnel

	2021	2020
	£	£
Staff costs:		
Wages and salaries	3,038,338	2,830,659
Social security costs	234,282	221,699
Pension costs	124,257	99,903
	3,396,877	3,152,261

The emoluments of higher paid employees fell within the following ranges:

	2021	2020
	Number	Number
£60,000 - £70,000	1	2
£70,001 - £80,000	1	-
£100,001 - 110,000	1	1

9 Analysis of staff costs and the cost of key management personnel (continued)

3 employees had emoluments (excluding pension contributions) of more than £60,000 in the year (2020: 3).

The key management personnel of the charity and group comprise the trustees, Chief Executive Officer, Director of Finance and Social, Director of FRC and the Director of People and Culture. The total employee cost of the key management personnel was £354,756 (2020: £343,811).

During the year, redundancy costs of £1,544 (2020: £6,000) were paid by the group. Redundancy costs of £772 were paid by the charity (2020: £nil).

The average number of employees analysed by function, was:

	2021	2020
	Number	Number
Provision of furniture and furniture packages	57	51
Training	9	12
Retail	6	5
Bulky Bob's – collection, recycling and reuse of unwanted furniture	22	21
Bulky Bob's Office and Commercial Waste	4	4
Management, Finance, Administration and ICT	11	11
End Furniture Poverty	2	2
	111	106

10 Trustee Remuneration & Related Party Transactions

No trustee received any remuneration during the year ended 31 March 2021 (2020: £nil).

No travel costs were reimbursed to trustees in the year (2020: £nil).

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year (2020: £nil).

11 Net incoming / (outgoing) resources for the year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
This is stated after charging/(crediting):				
Auditors' remuneration: Audit services	18,000	21,250	12,000	15,250
Non-audit services	5,000	21,619	5,000	21,619
Depreciation and amortisation	180,068	164,878	141,420	139,670
Loss on disposal	780	51,438	-	51,438
Operating lease rentals:-				
Other	805,028	722,097	585,726	558,991
Rents receivable on property sub-lease	-	4,000	-	4,000

12 Intangible Assets

	Group		Charity	
	Goodwill	Total	Goodwill	Total
	£	£	£	£
Cost or valuation				
At 1 April 2020	97,600	97,600	90,000	90,000
At 31 March 2021	97,600	97,600	90,000	90,000
Amortisation				
At 1 April 2020	45,100	45,100	37,500	37,500
Charge for the year	45,000	45,000	45,000	45,000
At 31 March 2021	90,100	90,100	82,500	82,500
Net book value				
At 31 March 2021	7,500	7,500	7,500	7,500
At 31 March 2020	52,500	52,500	52,500	52,500

All intangible fixed assets are used for or to support charitable purposes.

Goodwill of £90,000 arose on the acquisition of contracts on 25 June 2019 from a competitor organisation to supply furniture to customers, predominantly in the Greater Manchester region. This goodwill is amortised over a 2 year period.

13 Tangible fixed assets

Group	Improvements to leasehold property	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Assets Under Construction	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2020	933,193	192,144	226,748	404,050	-	1,756,135
Additions	14,177	122,489	22,391	53,557	125,708	338,322
Disposals	-	(12,527)	(2,337)	-	-	(14,864)
At 31 March 2021	947,370	302,106	246,802	457,607	125,708	2,079,593
Accumulated Depreciation						
At 1 April 2020	800,061	115,567	184,852	317,593	-	1,418,073
Charge for the year	24,705	31,401	30,909	48,053	-	135,068
Disposals	-	(12,114)	(1,542)	-	-	(13,656)
At 31 March 2021	824,766	134,854	214,219	365,646	-	1,539,485
Net book value						
At 31 March 2021	122,604	167,252	32,583	91,961	125,708	540,108
At 31 March 2020	133,132	76,577	41,896	86,457	-	338,062

All tangible fixed assets are used for or to support charitable purposes.

13 Tangible fixed assets (continued)

Charity	Improvements to leasehold property	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Assets Under Construction	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2020	916,095	93,232	208,273	387,819	-	1,605,419
Additions	9,637	126,164	12,066	52,088	125,708	325,663
Disposals	-	-	-	-	-	-
At 31 March 2021	925,732	219,396	220,339	439,907	125,708	1,931,082
Accumulated Depreciation						
At 1 April 2020	796,892	76,751	179,341	309,511	-	1,362,495
Charge for the year	22,780	4,039	25,167	44,434	-	96,420
Disposals	-	-	-	-	-	-
At 31 March 2021	819,672	80,790	204,508	353,945	-	1,458,915
Net book value						
At 31 March 2021	106,060	138,606	15,831	85,962	125,708	472,167
At 31 March 2020	119,203	16,481	28,932	78,308	-	242,924

All tangible fixed assets are used for or to support charitable purposes.

14 Stock

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Finished goods	996,342	755,553	992,945	754,764

Stock recognised as an expense in the year for the group was £7,626,843 (2020: £6,984,877) and for the charity was £7,611,725 (2020: £6,984,088).

15 Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	2,759,941	2,340,582	2,594,558	2,078,745
Prepayments	234,188	189,215	196,878	160,472
Amounts due from subsidiary undertakings	-	-	175,137	315,149
Other debtors	34,539	23,930	34,537	23,880
	3,028,668	2,553,727	3,001,110	2,578,246

The amount due from subsidiary undertaking includes a balance of £175,137 (2020: £157,369) due from Bulky Bob's Office and Commercial Waste. The balance is due on demand and incurs interest at a rate of 4% per annum, compounded daily. All other amounts due from group undertakings are interest free and due on demand.

The impairment loss recognised in the SOFA for the year in respect of bad and doubtful trade debtors was £nil (2020: £nil).

16 Investments

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Cash held on deposit	181,793	180,973	181,793	180,973
	181,793	180,973	181,793	180,973

The amount shown under cash held on deposit above relates to cash held in fixed term deposits maturing prior to 31 March 2022.

17 Creditors: amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	1,165,179	1,072,731	1,086,196	1,032,138
Amount owed to subsidiary undertaking	-	-	19,152	-
Other taxation and social security	399,786	206,311	363,835	173,045
Other creditors	66,668	127,058	63,154	123,571
CAF Venturesome loan	-	212,503	-	212,503
Accruals and deferred income	337,445	362,414	282,700	284,693
	1,969,078	1,981,017	1,815,037	1,825,950

Loan due after more than one year.

CBILS loan	500,000	-	500,000	-
Amount owed to subsidiary undertaking	-	18,274	-	18,274
CAF Venturesome loan	500,000	18,274	500,000	18,274

The CAF Venturesome loan relates to a loan of £400,000 received from CAF Venturesome on 24 May 2019 in order to fund the acquisition of contracts from a competitor organisation to supply furniture to social landlords in the Greater Manchester region.

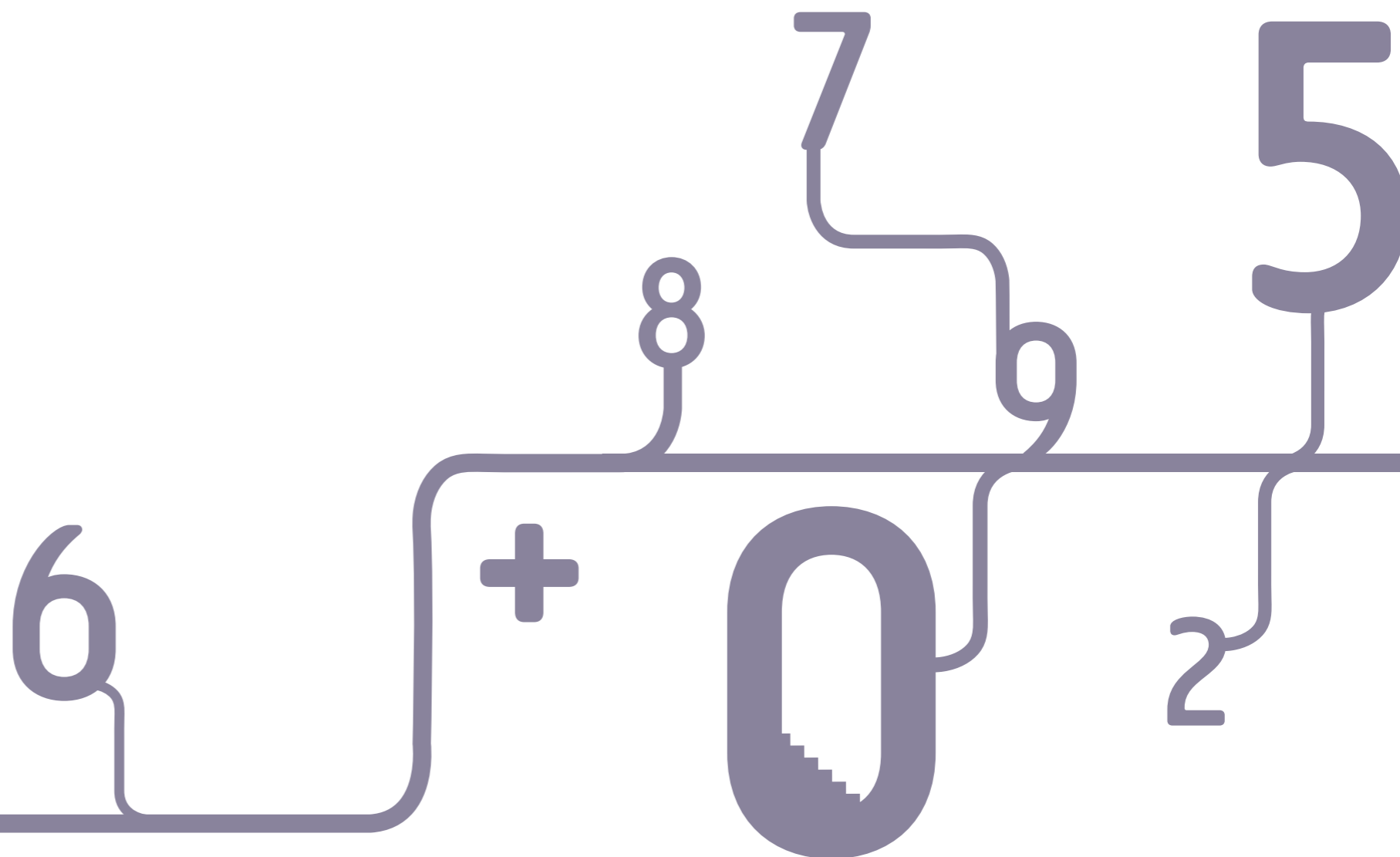
The loan was repaid in full on 26 August 2020.

The CBILS loan relates to a loan of £500,000 received on 16 December 2020 from the Government's Coronavirus Business Interruption Loan Scheme. Interest is payable on the loan at a rate of 1.88% above base rate with repayments commencing January 2022 and the final repayment being due December 2026. The loan is secured by a fixed and floating charge over the assets of the charity.

18 Deferred Income

Deferred income comprises income received in advance of delivery of service.

	Group	Charity
	£	£
Balance at 1 April 2020	51,516	-
Amount released to incoming resources	(496,513)	-
Amounts deferred in the year	457,303	-
Balance at 31 March 2021	12,306	-



19 Restricted Funds

Group		Balance at 1 April 2020	Movement in resources		Balance at 31 March 2021
			Incoming	Outgoing	
		£	£	£	£
Community Sustainable Energy Programme	(i)	2,256	-	(2,256)	-
Low Carbon Buildings Programme	(i)	4,385	-	(4,385)	-
Foundation	(i)	1,835	-	(1,835)	-
Kickstart	(iii)	-	5,784	(5,784)	-
Liverpool City Council Covid-19 funding	(iv)	-	35,000	(35,000)	-
Wirral Council Covid-19 funding	(iv)	-	10,000	(10,000)	-
Sefton at Work	(iii)	-	(1,228)	1,228	-
Made Smarter Grant	(ii)	2,039	21,564	(14,793)	8,810
Charity shop donation	(v)	-	50	(50)	-
		10,515	71,170	(72,875)	8,810

19 Restricted Funds (continued)

Charity		Balance at 1 April 2020	Movement in resources		Balance at 31 March 2021
			Incoming	Outgoing	
		£	£	£	£
Community Sustainable Energy Programme	(i)	2,256	-	(2,256)	-
Low Carbon Buildings Programme	(i)	4,385	-	(4,385)	-
Foundation	(i)	1,835	-	(1,835)	-
Kickstart	(iii)	-	3,806	(3,806)	-
Liverpool City Council Covid-19 funding	(iv)	-	35,000	(35,000)	-
Made Smarter Grant	(ii)	-	12,879	(4,069)	8,810
Charity shop donation	(v)	-	50	(50)	-
		8,476	51,735	(51,401)	8,810

Those funds with balances at 31 March 2021 or 31 March 2020 represent funds received and used for the following purposes.

- (i) Partial funding for solar panels at the property occupied by the charity
- (ii) Funding for the development of mattress cleaning machinery received by Bulky Bob's 2015 but transferred to Furniture Resource Centre Limited on 31 March 2021 along with the mattress cleaning machinery

Those funds which were received and defrayed in the year were received for the following purposes.

- (iii) Funding for staff development and training
- (iv) Funding for organisations affected by the Covid-19 pandemic
- (v) Funding for charity shop

19 Restricted Funds (continued)

Movement in restricted funds for the year ended 31 March 2020 are shown below.

Group		Balance at 1 April 2019	Movement in resources		Balance at 31 March 2020
			Incoming	Outgoing	
		£	£	£	£
Community Sustainable Energy Programme	(i)	4,701	-	(2,445)	2,256
Low Carbon Buildings Programme	(i)	9,219	-	(4,834)	4,385
Foundation	(i)	3,791	-	(1,956)	1,835
Liverpool City Council – WEEE Local Project Fund	(iv)	11,454	-	(11,454)	-
Sefton at Work	(iii)	-	4,874	(4,874)	-
Knowsley Works	(iii)	-	17,287	(17,287)	-
Liverpool City Council	(iii)	-	28,862	(28,862)	-
Fundraising – Beds for Kids Campaign	(v)	-	150	(150)	-
British Council	(vi)	-	1,000	(1,000)	-
Made Smarter Grant	(ii)	-	3,428	(1,389)	2,039
MRWA Community Fund	(vii)	-	8,000	(8,000)	-
Charity shop donation	(viii)	-	200	(200)	-
		29,165	63,801	(82,451)	10,515

19 Restricted Funds (continued)

Movement in restricted funds for the year ended 31 March 2020 are shown below.

Charity		Balance at 1 April 2019	Movement		Balance at 31 March 2020
			Incoming	Outgoing	
		£	£	£	£
Community Sustainable Energy Programme	(i)	4,701	-	(2,445)	2,256
Low Carbon Buildings Programme	(i)	9,219	-	(4,834)	4,385
Foundation	(i)	3,791	-	(1,956)	1,835
Sefton at Work	(iii)	-	3,870	(3,870)	-
Knowsley Works	(iii)	-	6,552	(6,552)	-
Liverpool City Council	(iii)	-	13,903	(13,903)	-
Fundraising – Beds for Kids Campaign	(v)	-	150	(150)	-
British Council	(vi)	-	1,000	(1,000)	-
Charity shop donation	(viii)	-	200	(200)	-
		17,711	25,675	(34,910)	8,476

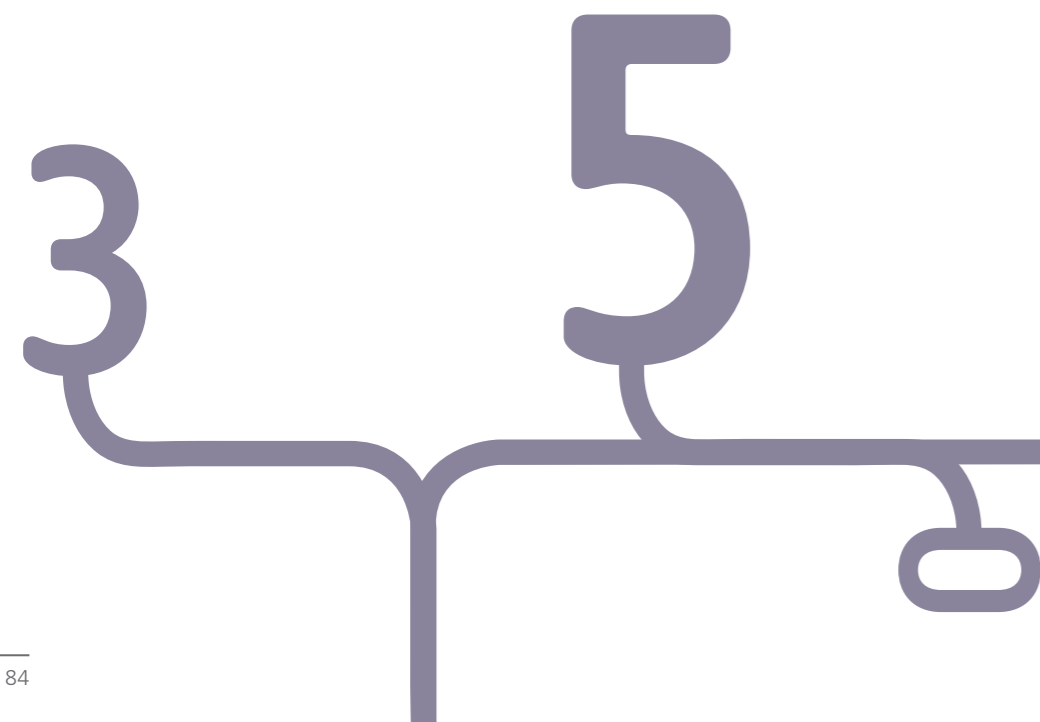
Those funds with balances at 31 March 2020 or 31 March 2019

represent funds received and used for the following purposes.

- (i) Partial funding for solar panels at property occupied by the charity
- (ii) Funding for development of mattress cleaning machinery

Those funds which were received and defrayed in the year were received for the following purposes.

- (iii) Funding for staff development and training
- (iv) Funding for refurbishment of pre-loved electrical goods
- (v) Funding raised to purchase and deliver beds for children without a bed of their own at Christmas
- (vi) Funding towards attending the Social Enterprise World Forum
- (vii) Funding for development of rug cleaning system
- (viii) Funding for charity shop



20 Analysis of net assets between funds

Group	Fixed assets	Net current assets	Creditors falling due after more than one year	2021 Total	Fixed assets (Restated)	Net current assets (Restated)	Creditors falling due after more than one year	2020 Total
	£	£	£	£	£	£	£	£
Restricted funds	8,810	-	-	8,810	10,515	-	-	10,515
Unrestricted funds	538,798	2,822,962	(500,000)	2,861,760	380,047	2,197,094	(18,274)	2,558,867
Net assets	547,608	2,822,962	(500,000)	2,870,570	390,562	2,197,094	(18,274)	2,569,382

The amount of £8,810 (2020: £10,515) included under Restricted Funds represents the following:

	2021 Total	2020 Total
	£	£
Net book value of solar panels, which was funded by grants	-	8,476
Mattress cleaning machinery, which was part-funded by grants	8,810	2,039
Total	8,810	10,515

20 Analysis of net assets between funds (continued)

Charity	Fixed assets	Net current assets	Creditors falling due after more than one year	2021 Total	Fixed assets	Net current assets (Restated)	Creditors falling due after more than one year	2020 Total
	£	£	£	£	£	£	£	£
Restricted funds	8,810	-	-	8,810	8,476	-	-	8,476
Unrestricted funds	470,858	2,874,833	(500,000)	2,845,691	286,949	2,271,635	(18,274)	2,540,310
Net assets	479,668	2,874,833	(500,000)	2,854,501	295,425	2,271,635	(18,274)	2,548,786

The amount of £8,810 (2020: £8,476) included under Restricted Funds represents the following:

	2021 Total	2020 Total
	£	£
Net book value of solar panels, which was funded by grants	-	8,476
Mattress cleaning machinery	8,810	-
Total	8,810	8,476

21 Commitments

Operating leases commitments

At 31 March 2021, the commitments under non-cancellable operating leases are as follows:

	Land & buildings	Other	2021 Total	2020 Total
	£	£	£	£
Charity				
Expiry within:				
Under one year	271,703	85,200	356,903	341,979
Two to five years	373,199	38,111	411,310	468,252
Over five years	-	-	-	-
	644,902	123,311	768,213	810,231
Group				
Expiry within:				
Under one year	310,868	137,375	448,243	394,932
Two to five years	393,199	45,120	438,319	520,975
Over five years	-	-	-	-
	704,067	182,495	886,562	915,907

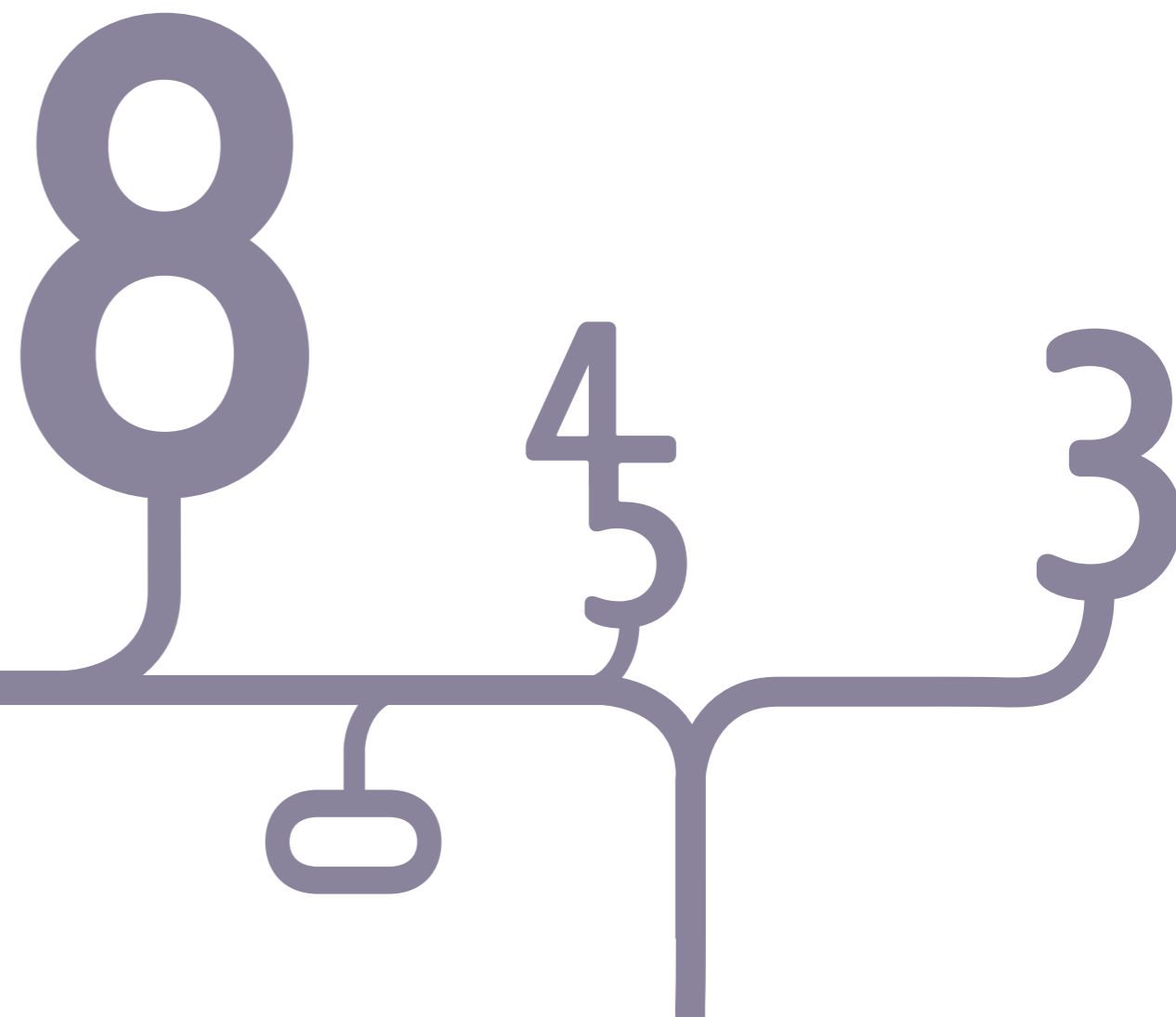
22 Pension commitments

The charity and group operates a defined contribution pension scheme which all employees are eligible to join.

The assets of the scheme are held separately from those of the charity and group in an independently administered fund. Contributions are paid based upon the recommendations of a qualified actuary. The annual contributions under this scheme were as follows:

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Pension contributions	124,257	103,536	99,903	86,433

Contributions amounting to £21,437 (2020: £20,615) were payable at the year end and are included in group creditors. Contributions amounting to £18,243 (2020: £17,629) were payable at the year end and are included in charity creditors.



23 Related Parties

Group Undertakings

In the year ended 31 March 2021, the following transactions took place between Furniture Resource Centre Limited and Bulky Bob's 2015, a charity for which Furniture Resource Centre Limited is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's 2015:

- Recharge for staff costs: £38,825 (2020: £19,806)
- Recharge for shared services: £175,005 (2020: £193,609)
- Recharge for premises costs: £43,164 (2020: £43,164)
- Recharge for logistics costs: £95,541 (2020: £64,300)
- Recharge for general costs: £46,070 (2020: £33,177)
- Recharge for fixed asset purchases: £9,679 (2020: £6,631)
- Recharge for staff training costs: £4,205 (2020: £2,369)
- Donation: £374,000 (2020: £208,500)

Transactions from Bulky Bob's 2015 to Furniture Resource Centre Limited:

- Recharge for staff costs: £75,351 (2020: £122,798)
- Recharge for logistics services: £4,896 (2020: £9,125)
- Recharge for general costs: £29,983 (2020: £43,963)
- Recharge for staff training: £140 (2020: £1,350)
- Recharge for premises costs: £1,607 (2020: £314)
- Sale of fixed assets (mattress cleaning machinery): £122,073 (2020: £nil)
- Transfer of balance of Made Smarter Grant for purchase of mattress cleaning machinery: £12,879 (2020: £nil)

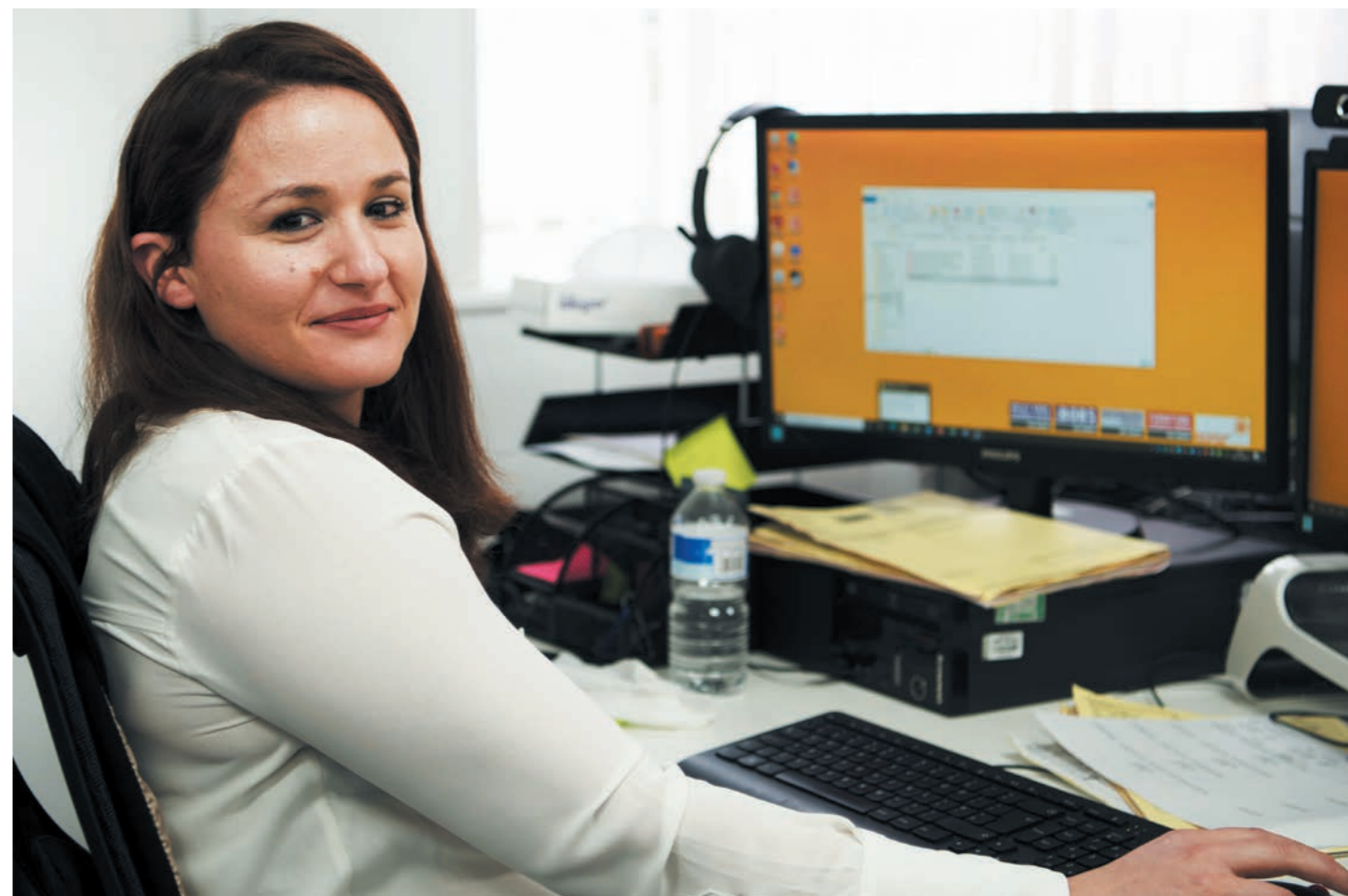
The amount owed by Furniture Resource Centre Limited to Bulky Bob's 2015 at 31 March 2021 was £19,152.

At 31 March 2020, Bulky Bob's 2015 owed Furniture Resource Centre Limited £157,780.

In the year ended 31 March 2020, the following transactions took place between Furniture Resource Centre Limited and Bulky Bob's Office and Commercial Waste, a charity for which Furniture Resource Centre Limited is the sole member.

Transactions from Furniture Resource Centre Limited to Bulky Bob's Office and Commercial Waste:

- Recharge for staff costs: £34,161 (2020: £13,745)
- Recharge for shared services: £29,188 (2020: £22,642)
- Recharge for premises costs: £nil (2020: £5,004)
- Recharge for logistics costs: £20,524 (2020: £12,731)
- Recharge for general costs: £17,551 (2020: £14,905)
- Recharge for fixed asset purchases: £1,930 (2020: £12,715)
- Recharge for staff training costs: £1,285 (2020: £195)
- Donation: £128,125 (2020: £nil)



23 Related Parties (continued)

Group Undertakings

Transactions from Bulky Bob's Office and Commercial Waste to Furniture Resource Centre Limited:

- Recharge for staff costs: £nil (2020: £7,188)
- Recharge for logistics costs: £9,559 (2020: £7,792)
- Recharge for general costs: £12,653 (2020: £nil)

The amount owed by Bulky Bob's Office and Commercial Waste to Furniture Resource Centre Limited at 31 March 2021 was £175,137 (2020: £157,369).

In the year ended 31 March 2021, the following transactions took place between Bulky Bob's 2015 and Bulky Bob's Office and Commercial Waste. Both companies are charities for which Furniture Resource Centre Limited is the sole member.

Transactions from Bulky Bob's 2015 to Bulky Bob's Office and Commercial Waste:

- Recharge for staff costs: £75,101 (2020: £90,083)
- Recharge for logistics costs: £18,049 (2020: £15,135)
- Recharge for general costs: £33,928 (2020: £27,740)

Transactions from Bulky Bob's Office and Commercial Waste to Bulky Bob's 2015:

- Recharge for staff costs: £1,798 (2020: £1,478)
- Recharge for logistics costs: £3,508 (2020: £1,072)
- Recharge for general costs: £2,018 (2020: £2,066)

The amount owed by Bulky Bob's Office and Commercial Waste to Bulky Bob's 2015 was £3,638 (2020: £6,379).

There were no transactions between Bulky Bob's Limited and Furniture Resource Centre Limited, Bulky Bob's 2015 and Bulky Bob's Office and Commercial Waste in the years ended 31 March 2021 and 31 March 2020. Bulky Bob's Limited is a wholly owned trading subsidiary of Furniture Resource Centre Limited.

During the year, sales of £15,989 (2020: £nil) were made to Gentoo Group Limited, an organisation whose Chief Executive Officer and director is also a trustee of the charity.

24 Capital Commitments

There were no capital commitments at 31 March 2021 (2020: £nil).

25 Reconciliation of net incoming resources to net cash flow from operating activities

	Group	
	2021	2020
	£	£
Net incoming resources for the year	301,188	338,494
Depreciation and amortisation	180,068	164,878
Loss on disposal of assets	780	51,438
Financial income	(820)	(5,631)
(Increase) in stock	(240,789)	(317,892)
(Increase) in debtors	(474,941)	(32,639)
(Decrease) / increase in creditors	(11,939)	320,017
(Reduction in cash) / cash generated from operations	(246,453)	518,665

26 Net Debt Reconciliation

	1 April 2020	Cash Flows	31 March 2021
	£	£	£
Cash at bank and in hand	687,858	(102,621)	585,237
Bank Loans	(230,777)	(269,223)	(500,000)
Net Debt	457,081	(371,844)	85,237

27 Post Balance Sheet Events

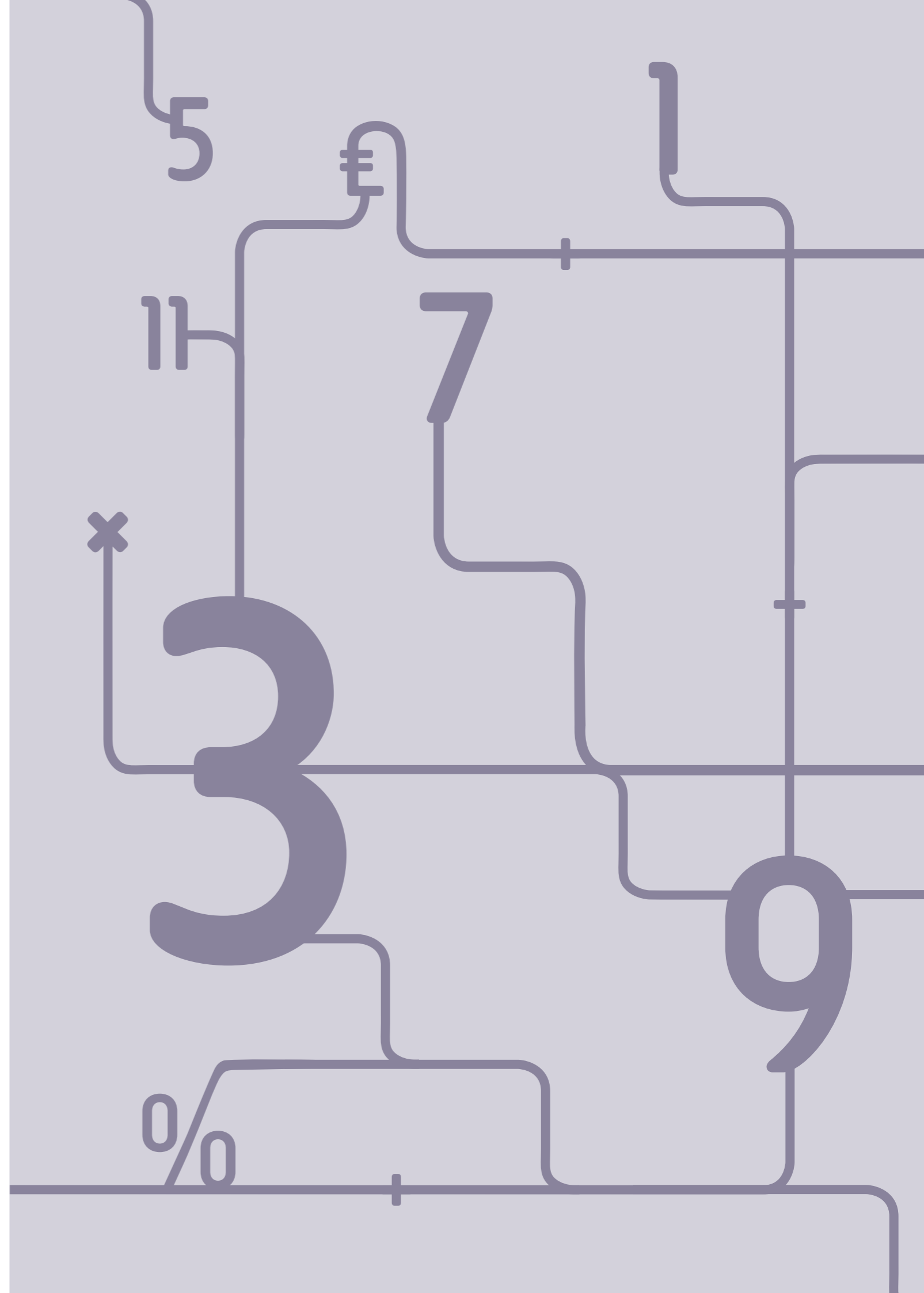
There were no post balance sheet events.

28 Ultimate Controlling Party

Furniture Resource Centre Limited has no controlling party.

29 Comparative SOFA Information

	Total Unrestricted Funds	Total Restricted Funds	Total Funds 31 March 2020
	£	£	£
Income and endowments from:			
Donations and legacies	-	63,801	63,801
Charitable activities	12,204,288	-	12,204,288
Other trading activities	-	-	-
Investments	5,631	-	5,631
Other	38,634	-	38,634
Total	12,248,553	63,801	12,312,354
Expenditure on:			
Raising funds	-	-	-
Charitable activities	11,891,409	82,491	11,973,860
Total resources expended	11,891,409	82,491	11,973,860
Net resources before transfers	357,144	(18,650)	338,494
Taxation – UK corporation tax	-	-	-
Net incoming / (outgoing) resources	357,144	(18,650)	338,494
Balances brought forward at 1 April	2,201,723	29,165	2,230,888
Balances carried forward at 31 March	2,558,867	10,515	2,569,382





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