

**REGISTERED COMPANY NUMBER: SC280302**  
**REGISTERED CHARITY NUMBER: SC036545**

**SPRUCE CARPETS LTD.**

**AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2025**

	<b>Page</b>
<b>Reference and Administrative Details</b>	<b>3</b>
<b>Report of the Trustees</b>	<b>4 to 9</b>
<b>Report of the Independent Auditors</b>	<b>9 to 12</b>
<b>Statement of Financial Activities</b>	<b>13</b>
<b>Balance Sheet</b>	<b>14</b>
<b>Cash Flow Statement</b>	<b>15</b>
<b>Notes to the Cash Flow Statement</b>	<b>16</b>
<b>Notes to the Financial Statements</b>	<b>17 to 22</b>
<b>Detailed Statement of Financial Activities</b>	<b>23 to 24</b>

**SPRUCE CARPETS LTD.**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 MARCH 2025**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

SC280302

**Registered Charity number**

SC036545

**Registered office**

30, Woodhead Road  
Nitshill  
Glasgow  
G53 7WA

**Trustees**

J D Molyneux  
Ms C A Garmory  
K Laing  
Ms C Jandt  
A. Hardie

**Senior Statutory Auditor**

Sandy Fyfe

**Auditors**

Morris & Young  
Chartered Accountants  
6 Atholl Crescent  
Perth  
PH1 5JN

**Solicitors**

Gillespie MacAndrew  
5 Atholl Crescent  
Edinburgh  
EH3 8EJ

**Bank**

Unity Trust Bank Plc  
4 Brindley Place  
Birmingham  
B1 2JB

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 MARCH 2025**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of 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).

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The objects of Spruce are:

- to preserve and conserve the natural environment through the reuse and recycling of flooring coverings diverted from landfill.
- to raise awareness of the related and prevailing environmental issues through education and promotion of reuse, recycling, and repair activity.
- to relieve poverty through the provision of low-cost floor coverings to low income/no income individuals and families.
- to advance citizenship and community development through the provision of volunteering opportunities, work experience and training placements which contribute to the development of greater self-worth, skills and ultimately increase the individual's chances of securing employment.

**Strategies for Achieving our Objectives**

Spruce Carpets relies on flooring donations from a range of commercial donors, including carpet and vinyl manufacturers, wholesalers, and retailers. All donations to Spruce are post manufacture end of line/roll new materials which our donors have opted to dispose of via Spruce's reuse provision rather than the conventional landfill disposal option. Spruce in-turn retail the donated floor coverings at affordable prices to assist individuals and families on low incomes.

In addition, we also divert carpet tiles from landfill by uplifting (for a range of construction sector customers), refurbishing and selling these to customers looking for re-useable floor coverings. The process of carpet-tile reclamation involves our early involvement with contractors and subcontractors on-site to agree uplifts at the earliest possible stage to ensure the best possible chance of obtaining the best quality of materials for reuse. All donated materials are then sorted, and quality graded at our warehouse prior to being sold-on to new customers.

Our work is carried out by employing staff and engaging volunteers to undertake the work as part of a training programme, providing a positive working environment and assisting volunteers to move into permanent employment, education, or further volunteering. Spruce Carpets provides volunteer and training placements for a variety of people with different needs and barriers that combine to make the journey into work more difficult.

Our primary customers for both re-use and new floor coverings include domestic consumers, housing associations, voluntary sector organisations and commercial businesses - including construction sector businesses undertaking a range of office refurbishment projects.

REPORT OF THE TRUSTEES CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2025

ACHIEVEMENT AND PERFORMANCE

During 24-25 Spruce diverted a total of 103 tonnes of domestic grade reusable flooring cover from its landfill destination. This material was donated from a wide range of flooring distributors and manufacturers across Scotland, a number with whom we have worked with for many years. The flooring we receive at our warehouse in Southwest Glasgow is processed, cut re-rolled and stored for use.

Our flooring donations are provided mainly to low-income households at a peppercorn costs, on many occasions this will be free.

In tandem with our reuse activities, we also operate more commercial flooring activities to support the costs associated with the reuse activity. We work with a number of Housing Associations and Local Authorities, all of whom understand that our commercial activities exist to support the charitable aims of Spruce Carpets Limited.

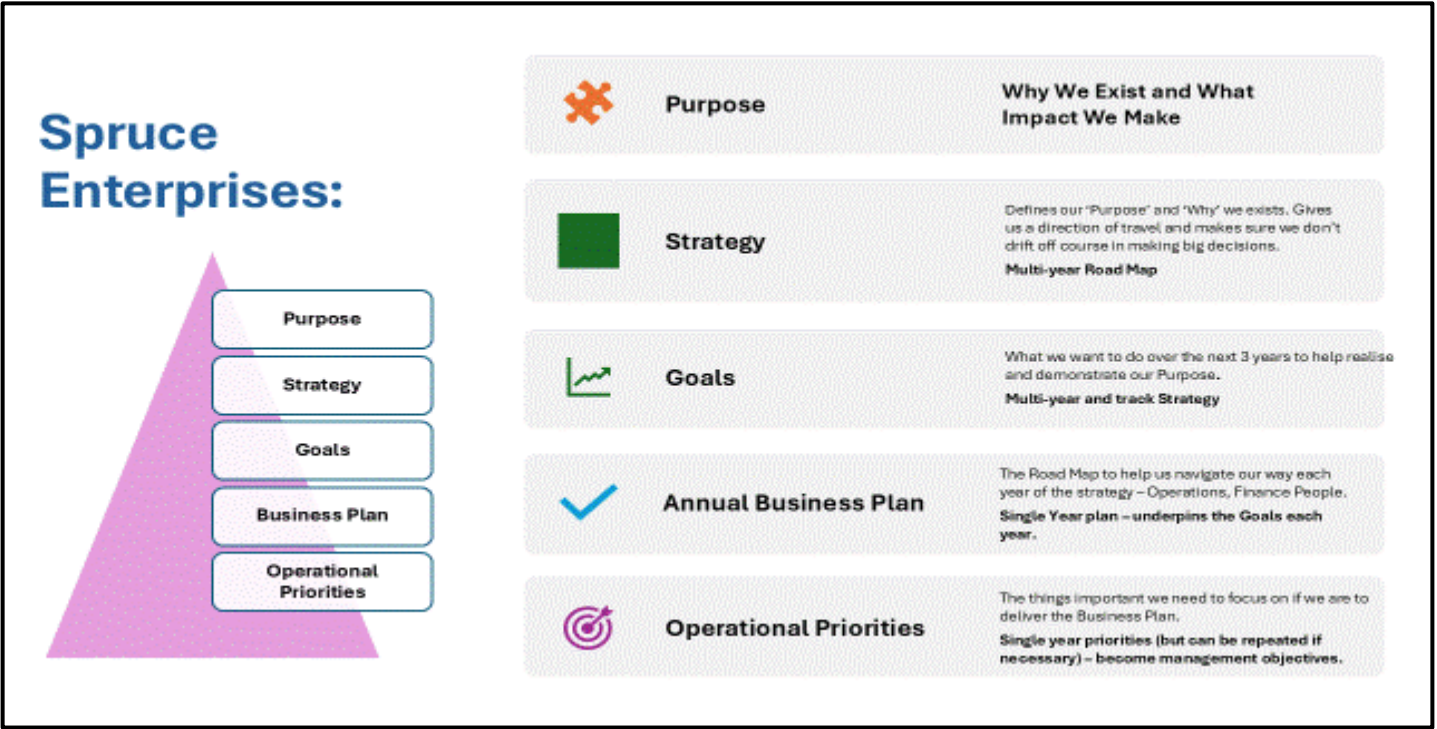
The focus for us this year has been to work through the post-merger process for integrating the Second Opportunities Company’s into the Spruce model. This has presented a wide range of challenges for all concerned throughout the year. However, we have

- Collocated all four companies at the Spruce premises in the Sout West of Glasgow
- Successfully retenders and obtained a place of the Scotland Excel Framework for both Spruce, Second Opportunities and New Two Limited,
- Secured ISO accreditation for New Two Limited under 9001, 14001 and 45001
- Initiated a staff consultation group covering the four Company’s made-up of a wide cross-section of colleagues,
- Agreed with our Parent Board a new set of Strategic Goals and objectives – noted below – covering the period 2025-30

Strategic Development and Future Plans

During November 2024 our strategic dialogue between board and management produced a strategic framework along with seven strategic goals which we would pursue and develop over the next five-years and against which we would plot our success or failure. The strategic framework is reproduced in table 1 below and the Goals and Objectives are shown along with a current update as of March 2025 in table 2 below.

Table1: Strategic Framework



**Table 2: Strategic Goals and Objectives**

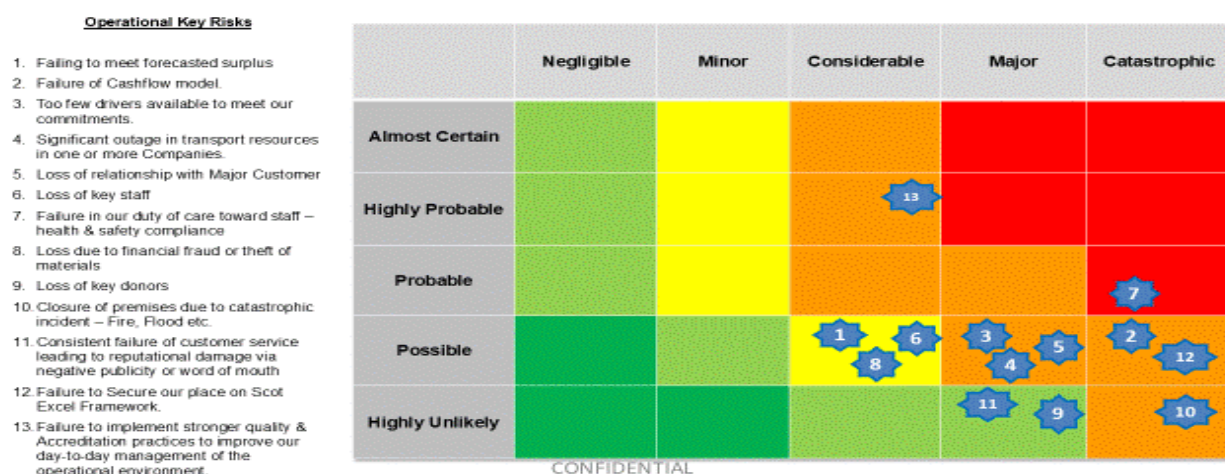
1.	Grow Our Environmental and Social Impact	1.1 Collaboration, Merger, or Joint Venture	Establish, via Collaboration, merger or Joint Venture, Spruce Enterprise activity in at least one location outside Glasgow within the next 18-months.	Potential to develop strong collaborative venture with Castle Furniture over the next 12-18 months. Further potential, although at very early stage to include one other Fife-based organisation.	
		1.2 Community Foundation.	Establish the Spruce Enterprises Social Foundation within 18-months.	No progress.	
2.	Expand Outreach and Accessibility	2.1 Increase Access	We want to increase the number of low-income families and individuals accessing household goods by 20% annually.	This outcome needs some work to better define what we mean.	
		2.2 Partnerships	We will establish further partnerships with local councils and community organisations to identify and reach more low-income individuals and households.	<ul style="list-style-type: none"> <li>Pilot programme with Fife Council over Oct 25 through Mar 26 will allow us to work with 250-350 households.</li> <li>Additional contract work secured with SSHA, Queens Cross and West Dunbartonshire Council.</li> <li>Kick-off discussions took place in early February with Blue Triangle Housing.</li> </ul>	
3.	Enhance Sustainability Practices	3.1 Diversion Rates	We will increase our current rates of diversion by increasing the volume of reused flooring and white goods donated or collected by 25% each year.	<ul style="list-style-type: none"> <li>Proposed stage 2 merger structure will place a greater emphasis on reuse activities for both flooring &amp; white goods.</li> <li>Likely that white goods tonnage will drop over the next year unless we secure additional customers in the form of HA/LA's.</li> <li>Flooring donations are in the pipeline with a large donation received during early February.</li> </ul>	
		3.2 Carbon Footprint	We will establish the individual and collective carbon footprint for operating companies by the end of 2024 and put in-place a carbon reduction plan covering each company during 25/26.	Baseline footprint for Nitshill site has been worked out at (79rCOe) using the data x Emission Factor. We have only applied Scope 1 and 2 emissions at present and are working on scope 3 utilising the Greenhouse Gas Emissions Protocol guidance – its likely that scope 3 will increase our tonnage significantly.	
4.	Strengthen Financial Stability	4.1 Revenue Growth	We will grow annual revenue by at least 10% per annum over the next three years.	Over the next three years this based on the 25/26 budget represents an increase of 26/27 - £4.3m, 27/28 - £4.7m and 28/29 - £5.2m, representing £1.3m over three years or an average of £433k each year.	
		4.2 Cost Ratios	We will establish baseline cost ratio's across all operating companies by April 2025 that ensure efficient use of Op-Ex resources.	Our focus is on securing the equivalent of one additional LA customer (s/m) each year for three years – providing SXL services in addition to growing our waste management services income by £50k per annum.	
		4.3 Fundraising Strategy	We will within Spruce and Second Opportunities develop a fundraising strategy for 2025, including grants, donations, and corporate sponsorships.	With the appointment of our new finance manager, we can now look at making some progress in the outcome.	
		4.4 Scotland Excel	We will secure our place on new Scotland Excel Framework for Spruce, New Two, Second Opportunities and Total Homes.	No progress.	
5.	Improve Operational Efficiency	5.1 Training	Invest in staff training and development.	Completed.	
		5.2 Certification	Attain ISO 9001 and 14001 certifications.	On-going.	
		5.3 Culture	Build and strengthen organisational culture.	Completed.	
		5.4 Synergies	Identify and build operational synergies.	Work-in-progress with some wins but still much to do.	
6.	Employability	6.1 Work Experience and Volunteering	Plan and launch a Work Experience and Volunteering Programme.	We are starting to see closer cooperation between Companies with lots of resource sharing allied to better management communication on a day-to-day basis. Still a lot of work to get people out of their mental silo's around one organisation working.	
7.	Measure and Communicate Impact	7.1 Metrics Development	Develop specific metrics for each operating company.	No progress.	
		7.2 Impact Reports	Publish annual impact reports:	On hold until stage two mergers completed.	
				Initial thinking is underway – we will seek some support in terms of determining what we publish, where and how.	

## Risk Management

Spruce operates a dynamic risk register and heatmap which is reviewed quarterly as a standing agenda item at each Board Meeting. Key risks are highlighted and discussed as a matter of course as are new and emerging risks. This process also covers the merged entities of Second Opportunities and its subsidiary companies.

Noted below are the key risks at the time of publication.

### Strategic Risk



**REPORT OF THE TRUSTEES CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2025**

**ACHIEVEMENT AND PERFORMANCE CONTINUED**

**FINANCIAL REVIEW**

**Financial position**

Spruce Carpets had total incoming resources of £738,094 in the year to 31 March 2025 (2024 - £836,198), and net outgoings of £845,510 (2024 - £825,737) resulting in net outgoing resources of £107,416 (2024 - £10,461).

The organisation's funds position was £460,324 (2024 - £567,651). £27,214 (2024 - £27,214) related to restricted funds.

**Principal risks and uncertainties**

Principle risks have been identified by the board and management team). Spruce have initiated a revised process for managing risk which will manage risk associated with performance, funding, restrictions, workforce planning, Health & Safety and General Data Protection Regulation (GDPR). Risks are reviewed quarterly as a standing item within the governance and board agenda.

**Salary Levels**

Salary levels for key management personnel are agreed by the trustees whose ambition is to attract high calibre staff. Management personnel are paid in line with affordability and market salary levels.

**Reserves policy**

At 31st March 2025 the total amount of unrestricted funds in our reserves was £433,020 and there were no designated funds. The purpose of the reserves policy is to ensure the stability and ongoing operation of the business and to provide a source of internal funds to support growth and diversification in line with our charitable objectives. Reserves are also held to provide funds for unforeseen property maintenance and future capital expenditure in the way of IT and vehicles to ensure effective operation of the business alongside potential future contractual obligations of the business such as potential redundancy costs.

The board has over the last few years taken the decision to increase the level of reserves within the business to provide stability to the business and allow the board to consider a more ambitious growth strategy funded both internally and externally. The board aims to have reserves to cover costs for between 3 and 6 months and are we currently compliant with that.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**  
**Governing Document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Spruce Carpets is a company limited by guarantee, with charitable status. The company is governed by its Articles of Association. A board of 6 trustees oversaw the strategic development and management of the organisation for the financial year 2024-25. Where skills, experience or knowledge gap is identified at board level, the existing trustees will recruit and collectively select suitable candidates based on the skills, experience, and knowledge that a prospective trustee would bring to the organisation. The positions would be advertised externally as well as discussions taking place with the networks of the current board and following full board agreement be invited to serve as a director of Spruce. Currently, there is no fixed term of office for trustees. The Chief Executive oversees the operational aspects of the organisation, and the Board of Trustees hold regular meetings to review all aspects of the operations of the Charity. In addition, the Board of Trustees work alongside the team on activities to provide guidance, direction, and expertise.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;  
and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Morris & Young, will be proposed for re-appointment at the forthcoming Trustee Meeting.

Approved by order of the Board of Trustees on 23 December 2025 and signed on its behalf by:



.....  
Ms Carron A Garmory – Chair of the Trustee Board



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRUCE CARPETS LTD.**

### **Opinion**

We have audited the financial statements of Spruce Carpets Ltd. (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, comprising Charities SORP (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its results 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.
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

### **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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRUCE CARPETS LTD.**

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustee's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustee's Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustee's 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 Statement of Trustee's Responsibilities [set out on page 3], the trustees 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 aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

### **Extent to which the audit was considered capable of detecting irregularities, including Fraud**

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

### **Identifying and assessing potential risks related to irregularities**

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

- the nature of the sector, control environment and understanding of the entity including the group structure and nature of transactions with group entities;
- results of our enquiries of the trustees about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SPRUCE CARPETS LTD.**

- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities that may exist within the organization for fraud and identified the greatest potential for fraud in relation to revenue recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included Companies Act 2006 and various charity-specific legislation, including The Charities and Trustee Investment (Scotland) Act 2005.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of relevant parties and legal advisors concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- tested a sample of income for understatement and other relevant audit procedures while consideration was given to revenue recognition;
- tested a sample of expenditure for overstatement and other relevant audit procedures.
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

Due 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, 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 controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with 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](http://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 charity's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and Regulation 10 of the Charities Accounts (Scotland) Regulations 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.

.....  
Alexander Fyfe M.A.A.T., C.A., DChA (Senior Statutory Auditor)  
For and on behalf of Morris & Young, Statutory Auditor  
Chartered Accountants  
6 Atholl Crescent  
PERTH  
PH1 5JN

Date: 23 December 2025

**SPRUCE CARPETS LTD**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**For the year ended 31<sup>st</sup> March 2025**

		Notes	Unrestricted	Restricted	2025	2024
			£	£	£	£
<b>Income</b>						
Income from:						
Donations and Legacies		<b>2</b>	13		13	10,564
Charitable Activities		<b>4</b>	720,111		720,111	819,052
Rental Income			11,667		11,667	
Investment Income		<b>3</b>	6,303		6,303	6,582
<b>Total Income</b>			<b>738,094</b>	<b>-</b>	<b>738,094</b>	<b>836,198</b>
<b>Expenditure</b>						
Direct Charitable Costs		<b>5</b>	845,510	-	845,510	825,737
<b>Total Expenditure</b>			<b>845,510</b>	<b>-</b>	<b>845,510</b>	<b>825,737</b>
<b>NET INCOME(EXPENDITURE)</b>			<b>(107,416)</b>	<b>-</b>	<b>(107,416)</b>	<b>10,461</b>
<b>Net Movement in Funds</b>			<b>(107,416)</b>	<b>-</b>	<b>(107,416)</b>	<b>10,461</b>
<b>Reconciliation of Funds</b>						
<b>Funds at 31 March 2024</b>			<b>540,437</b>	<b>27,214</b>	<b>567,651</b>	<b>557,190</b>
<b>Funds at 31 March 2025</b>			<b>433,021</b>	<b>27,214</b>	<b>460,235</b>	<b>567,651</b>

The results come from continuing operations.



**SPRUCE CARPETS LTD**  
**BALANCE SHEET**  
**As at 31<sup>st</sup> March 2025**

					2025	2024
		Notes	£	£	£	£
			Unrestricted	Restricted	Total	Total
<b>Fixed Assets</b>						
Intangible Assets		11	4,143		4,143	8,286
Tangible Assets		11a	21,299		21,299	17,001
			<b>25,442</b>		<b>25,442</b>	<b>25,287</b>
<b>Current Assets</b>						
Stocks		12	9,108		9,108	6,311
Debtors		13	223,937	27,214	251,151	239,886
Cash at Bank and in Hand			288,230		288,230	368,655
			<b>521,275</b>	<b>27,214</b>	<b>548,489</b>	<b>614,852</b>
<b>Creditors:</b> amounts falling due within one year		14	(113,697)		(113,697)	(72,488)
<b>Net Current Assets</b>			<b>407,578</b>	<b>27,214</b>	<b>434,792</b>	<b>542,364</b>
<b>Total assets less current liabilities</b>			<b>433,020</b>	<b>27,214</b>	<b>460,234</b>	<b>567,651</b>
<b>Net Assets</b>			<b>433,020</b>	<b>27,214</b>	<b>460,234</b>	<b>567,651</b>
<b>Reserves</b>		16				
Unrestricted Fund			433,020		433,020	540,437
Restricted Fund				27,214	27,214	27,214
<b>Total Funds</b>			<b>433,020</b>	<b>27,214</b>	<b>460,234</b>	<b>567,651</b>

The notes on pages 15 to 22 form part of these financial statements.

The financial statements on pages 13 to 22 which have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies' regime were approved by the Board on and signed on its behalf.



Austin Hardie - Trustee

Date: **30<sup>TH</sup> March 2026**

Company Number: SC280302

**SPRUCE CARPETS LTD**  
**Statement of Cash Flows**  
**For the year ended 31<sup>st</sup> March 2025**

		Note		2025		2024
			£	£	£	£
<b>Cash used in operating activities</b>		<b>1</b>		<b>(76,592)</b>		<b>(14,143)</b>
<b>Cash flows from investing activities</b>						
Payments for intangible and fixed asset purchases				(10,135)		(21,949)
Sale of tangible fixed assets						933
Interest received				6,303		6,582
<b>Cash provided by (used in) investing activities</b>						
<b>Cash used in financing activities</b>						
Increase (decrease) in cash and cash equivalents in the year				(80,424)		(28,577)
Cash and cash equivalents at the beginning of the year				368,655		397,232
<b>Total cash and cash equivalents at the end of the year</b>				<b>288,231</b>		<b>368,655</b>



**SPRUCE CARPETS LTD**  
**Notes to the Statement of Cash Flows**  
**For the year ended 31<sup>st</sup> March 2025**

<b>1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2025</b>		<b>2024</b>
	<b>£</b>		<b>£</b>
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>(107,416)</b>		<b>10,461</b>
<b>Adjustments for:</b>			
Depreciation charges	5,837		6,656
Amortisation	4,143		4,143
Interest received	(6,303)		(6,582)
(Increase)/decrease in stocks	(2,797)		7,916
Increase in debtors	(11,265)		(20,543)
Increase/(decrease) in creditors	41,209		(16,194)
Net cash provided by/(used in) operations	<b>(76,592)</b>		<b>(14,143)</b>

<b>2. ANALYSIS OF CHANGES IN NET FUNDS</b>	<b>At 1/4/24</b>	<b>Cash Flow</b>	<b>At 31/3/25</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Net cash			
Cash at bank and in hand	<b>368,655</b>	<b>(80,425)</b>	<b>288,230</b>

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

### **Going concern**

The financial statements have been prepared on a going concern basis. After assessing all potential impacts and future commitments, the trustees have confirmed that there is a reasonable expectation that the charity can continue in operation existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

### **Judgements**

The charity considers on an annual basis the judgements that are made by management when applying its significant accounting policies that would have the most significant effect on amounts that are recognised in the financial statements. The trustees consider that there are no such significant judgements.

### **Information and key sources of estimation uncertainty**

In the application of the charity's accounting policies, the trustees are required to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

The charity does not have any key assumptions concerning the future, or Other key sources of estimation uncertainty in the reporting year that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from government or other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions applying have been met, it is probable that the income will be received and the amount can be measured reliably.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources,

### **Charitable activities**

Costs of the charitable activity are incurred on achieving the charity's objectives, including the support costs and costs relating to the governance of the charity apportioned to charity activities.

### **Allocation and apportionment of costs**

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back-office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated to expenditure on charitable activities.

## **1. ACCOUNTING POLICIES CONTINUED**

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and property	.. 5% on cost
Plant and machinery	.. 25% on cost
Fixtures and fittings	- 8.5% on cost
Computer equipment	- 25 % on cost
Motor vehicles	- 25% on cost

Tangible fixed assets are included in the balance sheet at cost less accumulated depreciation and impairment losses.

### **Intangible fixed assets**

Amortisation is provided at -33.33 on cost

### **Impairment of non-financial assets**

At each reporting date non-financial assets not carried at fair value like plant, property and equipment are reviewed to determine whether there is an indication that an asset may be impaired. If there is an indication of possible impairment, the recoverable amount which is the higher of value in use and the fair value less cost to sell, is estimated and compared with the carrying amount. If the recoverable amount is lower, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in profit and loss.

### **Stocks**

Stocks are valued at the lower of cost and estimated selling price less costs to sell, after making due allowance for obsolete and slow-moving items.

### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

### **Financial instruments**

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

Debt instruments like other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and trade creditors, are measured, initially and subsequently, at the undiscounted amount of cash or other consideration expected to be paid or received.

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for evidence of impairment and if found, an impairment loss is recognised in profit or loss.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

**Spruce Carpets Ltd.**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 March 2025**

**ACCOUNTING POLICIES CONTINUED**

**Presentation currency, rounding and country of incorporation**

The financial statements are presented in pounds sterling (£) which is the functional and presentation currency of the company.

Amounts in the financial statements are rounded to the nearest pound, unless otherwise stated.

The company is incorporated and registered in Scotland.

<b>2. DONATIONS AND LEGACIES</b>	<b>2025</b>		<b>2024</b>
Grants	13		10,564

Grants received, included in the above, are as follows:

Glasgow Communities Fund			
Other grants	13		10,564
	<b>13</b>		<b>10,564</b>

<b>3. INVESTMENT INCOME</b>	<b>2025</b>		<b>2024</b>
Interest receivable	<b>6,303</b>		<b>6,582</b>

<b>4. INCOME FROM CHARITABLE ACTIVITIES</b>			
Reuse, Volunteer & Placement Development Training	<b>721,361</b>		<b>812,752</b>

<b>5. CHARITABLE ACTIVITIES COSTS</b>	<b>Direct</b>	<b>Support</b>	<b>Totals</b>
Charitable activity	<b>836,820</b>	<b>8,690</b>	<b>845,510</b>

<b>6. SUPPORT COSTS</b>	<b>Management</b>	<b>Finance</b>	<b>Governance</b>
<b>Charitable activity</b>	<b>2,928</b>	<b>2,262</b>	<b>3,500</b>

Support costs, included in the above, are as follows:

	<b>2025</b>		<b>2024</b>
<b>Management</b>			
Wages			
Management fees	2,928		2,841
	<b>2,928</b>		<b>2,841</b>
<b>Finance</b>			
Bank charges	2,262		2,279
	<b>2,262</b>		<b>2,279</b>
<b>Governance Costs</b>			
Auditors' remuneration	3,500		6,500
Legal fees			
Book-keeping fees			
	<b>3,500</b>		<b>6,500</b>

<b>7. NET INCOME/(EXPENDITURE)</b>			
Net income/(expenditure) is stated after charging/(crediting)			
Auditors' remuneration	3,500		6,500
Depreciation – owned assets	5,837		6,656
Loss on disposal of fixed assets			932

**Spruce Carpets Ltd.**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 March 2025**

<b>8. TRUSTEES' REMUNERATION AND BENEFITS</b>			
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One trustee, Austin Hardie, received remuneration during the year in the form of salary amounting to £95,000.

The payment relates to the trustee's role as Managing Director, a position involving the day-to-day management of the charity.

The trustees consider that the services provided are essential to the effective operation of the charity and that the level of remuneration is reasonable and in line with market rates for comparable roles.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

<b>9. STAFF COSTS</b>	<b>2025</b>		<b>2024</b>
Wages and salaries	289,312		233,380
Social security costs	23,212		19,899
Other pension costs	3,986		3,411
	<b>316,510</b>		<b>256,690</b>

The average monthly number of employees during the year was as follows:

Employees	<b>10</b>		<b>11</b>
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No employees received emoluments in excess of £60,000 (2024 – none).

<b>10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES</b>			
	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds</b>
<b>INCOME FROM</b>	<b>2024</b>	<b>2024</b>	<b>2024</b>
Donations and Legacies	10,564	-	10,564
<b>CHARITABLE ACTIVITIES</b>			
Charitable activity	819,052	-	819,052
Investment income	6,582		6,582
<b>TOTAL</b>	<b>836,198</b>	<b>-</b>	<b>836,198</b>
<b>EXPENDITURE ON</b>			
<b>Direct charitable costs</b>			
Charitable activity	825,737	-	825,737
<b>NET INCOME/(EXPENDITURE)</b>	<b>10,461</b>	<b>-</b>	<b>10,461</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	529,976	27,214	557,190
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>540,437</b>	<b>27,214</b>	<b>567,651</b>

**Spruce Carpets Ltd.**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 March 2025**

**11. Intangible Assets**

	<b>Goodwill</b> <b>£</b>
<b>Cost</b>	
As at 1 April 2024	12,429
Additions	-
As at 31 March 2025	<u>12,429</u>
<b>Amortisation</b>	
As at 1 April 2024	4,143
Provided during the period	4,143
As at 31 March 2025	<u>8,286</u>
<b>Net Book Value</b>	
As at 31 March 2025	<u><b>4,143</b></u>
As at 1 April 2024	<u><b>8,286</b></u>

**11a. Tangible Assets**

	<b>Land &amp; Property</b>	<b>Plant &amp; Machinery</b>	<b>Motor Vehicles</b>	<b>Fixtures &amp; Fittings</b>
	<b>Leasehold</b>			
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
As at 1 April 2024	9,520	16,293	32,062	-
Additions	8,901	-	-	1,234
Disposals	-	-	-	-
As at 31 March 2025	<u>18,421</u>	<u>16,293</u>	<u>32,062</u>	<u>1,234</u>
<b>Depreciation</b>				
As at 1 April 2024	476	16,293	25,248	-
Provided during the period	921	-	4,501	105
Disposals	-	-	-	-
As at 31 March 2025	<u>1,397</u>	<u>16,293</u>	<u>29,749</u>	<u>105</u>
<b>Net Book Value</b>				
As at 31 March 2025	<u>17,024</u>	<u>-</u>	<u>2,313</u>	<u>1,129</u>
As at 1 April 2024	<u>9,044</u>	<u>-</u>	<u>6,814</u>	<u>-</u>
			<b>Computer Equipment</b>	<b>Total</b>
			<b>£</b>	<b>£</b>
<b>Cost</b>				
As at 1 April 2024			2,473	60,348
Additions			-	10,135
Disposals			-	-
As at 31 March 2025			<u>2,473</u>	<u>70,483</u>
<b>Depreciation</b>				
As at 1 April 2024			1,330	43,347

...CONTINUED

**Spruce Carpets Ltd.**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 March 2025**

Provided during the period	310	5,837
Disposals	-	
As at 31 March 2025	1,640	49,184

**Net Book Value**

As at 31 March 2025	833	21,299
As at 1 April 2024	1,143	17,001

**As at 31 March 2024, the company has Motor Vehicles which are fully depreciated. These assets are still in use despite having reached the end of their assumed useful lives. The gross value of fully depreciated assets still in use is £14,058.**

**12. Stocks**

	2025 £	2024 £
Stock	9,108	6,311

**13. Debtors**

	2025 £	2024 £
<b>Due within one year</b>		
Trade debtors	165,616	157,556
Amounts owed by participating interests	44,153	21,949
Other debtors	41,382	60,381
	<b>251,151</b>	<b>239,886</b>

**14. Creditors: Amounts Falling Due Within One Year**

	2025 £	2024 £
Trade creditors	83,839	61,332
Other creditors	7,046	7,430
Taxation and social security	22,812	3,726
	<b>113,697</b>	<b>72,488</b>

15. LEASING AGREEMENTS	2025			2024
Minimum lease payments under non-cancellable operating leases fall due as follows:				
Within one year	-			497
16. MOVEMENTS IN FUNDS	At 1/4/24	Movement	Transfers	At 31/3/25
<b>Unrestricted Funds</b>				
Net Current Assets	515,150	(107,572)		407,758
Intangible Assets	8,286	(4,143)		4,143
Fixed Assets	17,001	4,298		21,299
	<b>540,437</b>	<b>(107,417)</b>	-	<b>433,020</b>
Glasgow Communities Fund	27,214			27,214
<b>TOTAL</b>	<b>567,651</b>	<b>(107,417)</b>		<b>460,234</b>

**17. Related Party Disclosures**

There were no related party transactions for the year ended 31 March 2025 (2024:none).

**18. Company limited by guarantee**

The company is limited by guarantee and has no share capital.

Every member of the company undertakes to contribute to the assets of the company, in the event of a winding up, such an amount as may be required not exceeding £1.

**Spruce Carpets Ltd.**  
**Detailed Income and Expenditure Account**  
**For The Year Ended 31 March 2025**

	<b>2025</b>		<b>2024</b>	
	£	£	£	£
<b>Expenses</b>				
Purchases	201,070		364,257	
Storage expenses	-		28,175	
Subcontractor costs	67,455		2,791	
Wages and salaries	289,312		233,380	
Employers NI	23,212		19,899	
Employers pensions - defined contribution schemes	3,986		3,411	
Carriage and freight	21,393		20,390	
		(606,428)		(672,303)
<b>Expenses Continued</b>				
Wages and salaries	-		-	
Staff training	3,097		57	
Travel and subsistence expenses	2,283		2,759	
Rent	89,680		48,533	
Property management and service charges	657		320	
Light and heat	30,236		(5,050)	
Water rates	4,541		3,555	
Cleaning	937		1,469	
Hire and leasing of motor vehicles	508		472	
Vehicle running costs	19,201		14,781	
Computer software, consumables and maintenance	546		48	
Repairs, renewals and maintenance	14,788		8,851	
Insurance	14,651		814	
Printing, postage and stationery	2,861		1,455	
Advertising and marketing costs	1,600			
Telecommunications	2,763		1,989	
Audit fees	6,554		6,500	
Accountancy fees	-		-	
Legal fees	-		-	
Professional fees	8,696		5,757	
Consultancy fees	9,060		24,767	
Management fees	2,928		2,841	
Subscriptions	6,716		10,406	
Bank charges	2,262		2,279	
Bad debts written off	-		3,663	
Depreciation	5,836		6,656	
Amortisation	4,143		4,143	
Sundry expenses	3,491		5,437	
		(239,082 )		(152,502 )
				...CONTINUED



**Spruce Carpets Ltd.**  
**Detailed Income and Expenditure Account (continued)**  
**For The Year Ended 31 March 2025**

**Other Operating Income**

Grants and subsidies received	13	10,564	
Reimbursements of costs		6,300	
Rental income	11,667		
Reuse, Volunteer & Placement Development Training	720,111	812,752	
	<u>731,791</u>		<u>829,616</u>

**OPERATING SURPLUS**

	<b>(113,719)</b>		<b>4,811</b>
Deficit on disposal of tangible fixed assets	-	(932)	
		<u>-</u>	<u>(932)</u>

**Other interest receivable and similar income**

Bank interest receivable	6,303	6,582	
	<u>6,303</u>		<u>6,582</u>

**SURPLUS FOR THE FINANCIAL YEAR**

	<b>(107,416)</b>		<b>10,461</b>
	<u><u>(107,416)</u></u>		<u><u>10,461</u></u>