

**Company Registration Number: 3236897**  
**Registered Charity Number: 1057619**

**FURNITURE RECYCLING PROJECT**  
**(a company limited by guarantee)**

**REPORT OF THE TRUSTEES AND UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**ANDORRAN LIMITED**  
**CHARTERED ACCOUNTANTS**  
**6 Manor Park Business Centre Mackenzie Way Cheltenham Glos GL51 9TX**

**FURNITURE RECYCLING PROJECT  
REPORTS AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

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**FURNITURE RECYCLING PROJECT**  
**OFFICERS, BOARD MEMBERS AND ADVISERS**

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**DIRECTORS/TRUSTEES**

Dawn Melvin (Chair)  
R Andrew Setchell  
Malcolm Watson – resigned 29 June 2021  
Douglas John Rugg (Vice chair)  
James Melvin  
Jan Tappin

**ADDRESS & REGISTERED OFFICE**

Warehouse 5  
West Quay  
The Docks  
Gloucester  
GL1 2EH

**INDEPENDENT EXAMINERS**

Andorran Limited  
Chartered Accountants  
6 Manor Park Business Centre  
Mackenzie Way  
Cheltenham  
Glos GL51 9TX

**BANKERS**

Lloyds Banking Group  
19 Eastgate Street  
Gloucester  
GL1 1NU

**SOLICITORS**

Tayntons Solicitors  
8-12 Clarence Street  
Gloucester  
GL1 1DZ

**FURNITURE RECYCLING PROJECT**  
**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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We present our report and consolidated financial statements for the year ended 31 March 2021. We 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 2015) – (Charities SORP (FRS102)), and the Companies Act 2006.

**(1) STRUCTURE, GOVERNANCE and MANAGEMENT**

This is the twenty-fourth annual report since the Furniture Recycling Project (“FRP”) was established in August 1996 as a company limited by guarantee and a charity registered in England with the Charity Commission.

Our governing document is our Memorandum and Articles of Association. In the event of FRP being wound up our liability as Trustees is limited to a sum not exceeding £1. As existing Trustees we elect new trustees in accordance with the Articles of Association. On appointment, all new Trustees receive a copy of the Memorandum and Articles of Association; an induction pack, which includes information on their role, disclosure and declaration of interests form, together with the Charity Commissions booklet ‘Essential Trustee’. Training is made available to all Trustees as required. As Trustees we meet as a Board on a regular basis to set strategy and monitor performance. We delegate to the management team the task of day-to-day management of FRP, which they carry out to a high standard. Gloucestershire County Council is invited to send a representative to Board meetings. FRP has a wholly owned trading subsidiary called NFP Trading Limited (“NFP”) and the profits of this company are transferred to FRP under covenant to support our key objectives.

The pay and benefits of the management team are benchmarked against the annual salary survey conducted by the Furniture Re-use Network. The management team’s salary are below the median salary rates for their respective roles.

**(2) OBJECTIVES AND ACTIVITIES**

FRP’s core objective is “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”.

Our mission is to improve the lives of people most in need in Gloucestershire by offering for sale affordable furniture and electrical items. To assist us in our mission we provide training and personal development opportunities to the young and the unemployed.

During the year under review FRP continued with its main activities as follows:

- We collected second-hand furniture and electrical goods donated by households in Gloucestershire, and sold these items at low cost from our shops in Gloucester and Lydney.
- We repaired and tested donated electrical goods and this enabled a number of electrical goods to be made re-usable and available at low cost to customers through our shops
- NFP, the subsidiary of FRP, offered for sale new beds, mattresses and electrical appliances (including the installation of cookers) at competitive prices to statutory bodies and charities. This supported the clients referred through their offices and others who wished to benefit from this service, providing a complementary service to FRP and helping to improve the lives of many.
- We loaned riser/recliner chairs to individuals in need (especially those requiring palliative care support) throughout Gloucestershire at low cost, offering an affordable alternative to the purchase of these expensive items.
- We provided structured work experience and training programmes in our workshop and retail outlets to people looking to gain experience and work related qualifications, thus building their confidence and employability.

**FURNITURE RECYCLING PROJECT**  
**TRUSTEES' REPORT - CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**(2) OBJECTIVES AND ACTIVITIES - CONTINUED**

FRP has a small number of hard-working and enthusiastic staff and a number of willing volunteers. The volunteers comprise a wide range of people, including some who are actively looking for employment, some on Government training schemes, and retired people giving their time and experience to FRP. The total number of volunteer hours was 2,113 hours. If we had to employ staff, instead, the payroll costs would be £18,425.

**(3) TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS**

The purpose of this statement is to distinguish our responsibilities in relation to financial statements and accounting records from those of the independent examiners as stated in their report.

Charity and company law requires us as Trustees to prepare financial statements for each financial period, which give a true and fair view of the state of affairs and of the incoming resources and application of resources of the company for that period. In preparing those financial statements we are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity Commission's Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- prepare financial statements on a going concern basis, unless it is inappropriate to assume that the company will continue to operate.

As Trustees we are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company, and also for ensuring that the financial statements comply with relevant legislation. We are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

**(4) FINANCIAL RESULT AND RESERVES**

The consolidated statement of financial activities on page 7 shows the incoming resources and the application of those resources for the Furniture Recycling Project ("FRP") and its subsidiary company NFP Trading Limited ("NFP"). The charity was forced to cease operations throughout each of the three national lockdowns which had a significant impact on the trading performance as follows:

- a) During the year ended 31 March 2021 FRP had three principal sources of unrestricted funding. In this exceptional year, the charity claimed £97,955 from the Coronavirus Job Retention Scheme to assist with paying the staff salaries and £151,390 in Government Retail Support Grants. Both are recorded in Other Income. In a normal year retail sales is the prime source of income, but due to the enforced closure of the shops during lockdown, this fell significantly compared to earlier years. Sales of donated second-hand furniture and household goods totalled £77,670 which was 73% lower than the value of sales in the previous year and the sale of new goods, via the trading subsidiary NFP Trading Ltd, fell by 67% to £22,307. The Charity also received a total of £10,710 of unrestricted grant funding, which is also significantly lower than earlier years.
- b) After taking into account the relevant expenditure of £289,247 the net movement in the unrestricted fund as at 31 March 2021 was an increase of £83,610, leaving the amount of unrestricted reserves carried forward to 2021/22 at £156,758.

b) Restricted funds, which relate to funding received for capital expenditure and other specific purposes, received income during the year of £10,000. After taking into account the relevant expenditure of £20,010 the restricted fund decreased by £10,010 with £9,474 carried forward into 2021/22.

It is the policy of FRP to maintain undesignated, unrestricted funds excluding fixed assets, which are free reserves, at a level that equates to between three and twelve months of the unrestricted resources expended. This would provide a cushion against fluctuations in income and would enable FRP to continue with its current activities. At 31 March 2021 the free reserves were £146,786, which is within the reserves policy of FRP.

**FURNITURE RECYCLING PROJECT  
TRUSTEES' REPORT - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

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**(5) RISK MANAGEMENT**

As Trustees we review the major risks that FRP faces on a regular basis and carry out periodic reviews of the controls over key financial systems. We also consider other financial, operational and business risks faced by FRP, especially the maintenance of adequate reserves, and have ensured that insurance cover has been reviewed and updated. As Trustees we confirm that systems have been established to mitigate, as far as possible, any significant risks.

FRP is facing increasing competition from other charities and commercial operators in the provision of our core product on the high street. We monitor the sales prices in our shops and aim to keep our prices, on average, below the market rate.

Our potential customers are finding it increasingly easy to purchase items via social media platforms. We are embracing the challenges this presents and now have a strong online presence. Pictures of new stock at our shops are posted regularly on our shop's Facebook pages as well as in local buy/sell Facebook groups. Our vibrant new website went live in 2018. Re-use office furniture is offered for sale online via 'click and collect'. We are reviewing the option to expand this service to our core products, however, we recognise the additional operational costs would almost certainly outweigh the increased revenue.

We are aware that risk is not fixed and that everyone should be aware of their environment for changes as and when they may occur. For this reason, FRP continues to invest and involve staff in developing future plans, ensuring risks of any nature are formerly explained and understood by all. Training of staff continues to be a priority as does recruiting staff with the skills to cover roles and mitigate any risk to themselves, volunteers and customers/visitors to any FRP site.

**(6) INVESTMENT POLICY**

As there is a relatively low level of funds available for investment, we consider that bank deposits provide a satisfactory return to FRP. In the year to 31 March 2021 these have been short term deposits with FRP's banker and other UK regulated banks and Building Societies for periods not exceeding 12 months.

**(7) ACHIEVEMENTS AND PERFORMANCE**

The charity ceased all operations for seven months of the financial year during the three national lockdowns imposed by the Government to mitigate the spread of covid-19. For the remaining five months of the year our shops were open and a full collection and delivery service was offered. Social distancing regulations meant it was impractical to re-open the workshop to volunteers or offer any training programmes. In addition opportunities for people to volunteer their services in other areas was much more limited than normal.

During the year to 31 March 2021 we used our fleet of three vehicles to collect donated second-hand furniture and electrical items from 1,311 local households and, as a result, we were able to deliver close to 1,611 items at low cost through our shops in Gloucester and Lydney to 1,432 households. This re-use of domestic items helped many people in need, hardship or distress. It also assisted local council services by reducing the waste going to landfill and, therefore, helped to reduce the costs associated with their bulky item collection service. It improved the environment for the benefit of all.

The workshop in Gloucester is set up for the repair and testing of donated electrical items. In the five months of operation, 143 electrical items supplied to our customers through our shops. The workshop manager up-cycled 28 items of furniture which were subsequently sold under the 'Cotswold Collection' brand in our shops.

During the year 26 new customers used our low cost hire of riser-recliner chairs. This service is considerably cheaper than purchasing a brand new chair or hiring from a commercial operator.

As Trustees we are very grateful to all those who made donations and grants during the year, as without that help it would not have been possible for FRP to maintain and develop its operating activities and its training and volunteer programmes.

**FURNITURE RECYCLING PROJECT  
TRUSTEES' REPORT - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021**

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**(8) FUTURE PLANS**

FRP will endeavour to take advantage of the influx of retail space which has become available and will continue to increase in the aftermath of the Covid 19 pandemic and will look to expand the retail part of the Charities activities in to the wider area of Gloucestershire. We look forward to the ongoing regeneration of Gloucester town centre coming to fruition in the latter part of the year with the predicted increase in foot fall hopefully bringing sales back to the levels of 2017/18.

We also look forward to the Lydney shop sales increasing now that the approval has been given and works commenced to build the new supermarket directly behind our store. This will be completed by late 2021 and is expected to increase footfall by some 70% on the high street.

We will continue to build on the cost saving measures put in place during 2019/20 to ensure we are as efficient as we can be.

We will continue to explore new revenue streams including monitoring our suppliers to ensure they offer best value. We will ensure that our range of new furniture remains current and competitive.

We are looking to open a third shop within the county.

**(9) PUBLIC BENEFIT**

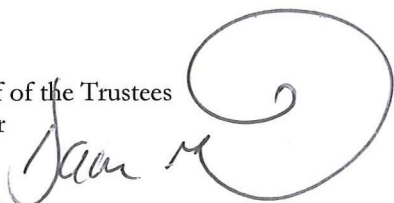
As Trustees we have kept in mind the Charity Commission's guidance on public benefit. The focus of our charitable activities during the year is set out above in our statements on "Objectives and Activities" and "Achievements and Performance", and these explain how as a charity we have delivered public benefit.

**(10) INDEPENDENT EXAMINERS**

Andorran Limited have indicated their willingness to continue in office and will be proposed for reappointment.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For and on behalf of the Trustees  
D Melvin – Chair



Date: 29/11/21

**REPORT OF THE INDEPENDENT EXAMINERS  
TO THE TRUSTEES OF  
FURNITURE RECYCLING PROJECT**

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I report on the consolidated financial statements of Furniture Recycling Project (FRP) for the year ended 31 March 2021 on pages 7 to 19.

**Respective Responsibilities of Trustees and Examiner**

As described on page 3 the Trustees are responsible for the preparation of FRP's financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. FRP's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England and Wales.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

**Basis of Independent Examiner's report**

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

**Independent Examiner's statement**

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

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with sections 386 and 387 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records, comply with the accounting requirements of sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard 102 applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.



**ROGER DOWNES FCA**  
For and on behalf of  
**ANDORRAN LIMITED**  
Chartered Accountants

**6 Manor Park Business Centre**  
**Mackenzie Way**  
**Cheltenham**  
**Glos**

*06 December 2021*

**FURNITURE RECYCLING PROJECT**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	31 MARCH 2021			2020
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
<b>INCOME</b>				
Income from charitable activities (note 2)	96,364	10,000	106,364	348,360
<b>Other activities</b>				
Donations and legacies (note 3)	4,483	-	4,483	18,977
Other trading activities (note 3)	22,307	-	22,307	67,938
Income from investments	28	-	28	617
Other income (note 4)	249,675	-	249,675	2,927
	<u>276,493</u>	<u>10,000</u>	<u>275,493</u>	<u>90,459</u>
<b>Total Income</b>	<u>372,857</u>	<u>10,000</u>	<u>382,857</u>	<u>438,819</u>
<b>EXPENDITURE</b>				
Raising funds (note 6)	17,457	-	17,457	58,009
Charitable activities (note 7)	271,790	20,010	291,800	448,181
	<u>289,247</u>	<u>20,010</u>	<u>309,257</u>	<u>506,190</u>
<b>Total Expenditure</b>	<u>289,247</u>	<u>20,010</u>	<u>309,257</u>	<u>506,190</u>
<b>Net Income/(Expenditure)</b>	83,610	(10,010)	73,600	(67,371)
<b>Balances transferred between funds</b>	-	-	-	-
<b>Funds brought forward at 1 April 2020</b>	73,148	19,484	92,632	160,003
<b>Funds carried forward at 31 March 2021</b>	<u><u>156,758</u></u>	<u><u>9,474</u></u>	<u><u>166,232</u></u>	<u><u>92,632</u></u>

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

*The notes on pages 11 to 19 form part of these financial statements.*

FURNITURE RECYCLING PROJECT  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
31 MARCH 2021

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
<b>FIXED ASSETS</b>				
Tangible assets (note 10)	9,972	9,474	19,446	29,990
<b>CURRENT ASSETS</b>				
Stock	7,933	-	7,933	7,934
Debtors (note 12)	34,487	-	34,487	28,865
Bank and cash in hand	125,959	-	125,959	48,346
	168,379	-	168,379	85,145
<b>CREDITORS: amounts falling due within one year</b>				
Creditors (note 14)	21,593	-	21,593	22,503
<b>NET CURRENT ASSETS</b>	146,604	-	146,604	62,642
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	156,758	9,474	166,232	92,632
<b>FUNDS OF THE CHARITY</b>				
<b>Unrestricted funds:</b> (note 8)				
- General funds	156,758	-	156,758	73,148
<b>Restricted funds</b> (note 8)	-	9,474	9,474	19,484
	156,758	9,474	166,232	92,632

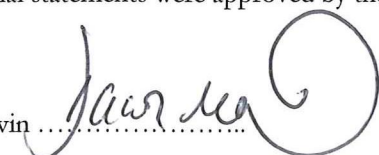
The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

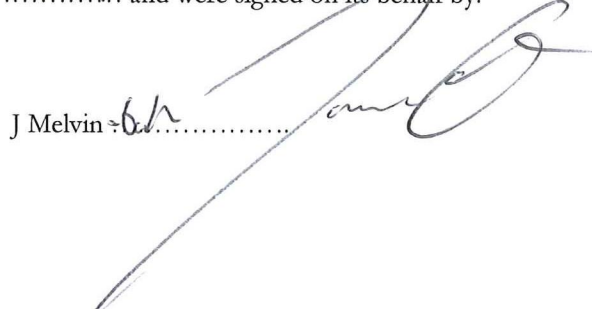
The trustees acknowledge their responsibilities for

- Ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees on 29/11/21 and were signed on its behalf by:

Dawn Melvin 

J Melvin 

The notes on pages 11 to 19 form part of these financial statements.

**FURNITURE RECYCLING PROJECT**  
**STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2021**

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
<b>FIXED ASSETS</b>				
Tangible assets (note 10)	9,972	9,474	19,446	29,990
Investments (note 11)	2	-	2	2
	<u>9,974</u>	<u>9,474</u>	<u>19,448</u>	<u>29,992</u>
<b>CURRENT ASSETS</b>				
Debtors (note 13)	51,842	-	51,842	44,629
Bank and cash in hand	115,296	-	115,296	39,845
	<u>167,138</u>	<u>-</u>	<u>167,138</u>	<u>84,474</u>
<b>CREDITORS: amounts falling due within one year</b>				
Creditors (note 15)	20,534	-	20,354	21,834
	<u>146,604</u>	<u>-</u>	<u>146,604</u>	<u>62,640</u>
<b>NET CURRENT ASSETS</b>				
	<u>156,758</u>	<u>9,474</u>	<u>166,232</u>	<u>92,632</u>
<b>FUNDS OF THE CHARITY</b>				
<b>Unrestricted funds</b> (note 8)				
- General Funds	156,758	-	156,758	73,148
<b>Restricted funds</b> (note 8)	-	9,474	9,474	19,484
	<u>156,758</u>	<u>9,474</u>	<u>166,232</u>	<u>92,632</u>

*The notes on pages 11 to 19 form part of these financial statements.*

**FURNITURE RECYCLING PROJECT**  
**CONSOLIDATED STATEMENT OF CASHFLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	2021	2020
	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Net movement in funds (as per the statement of financial activities)</b>	73,600	(67,371)
Adjustments for:		
Depreciation charges	10,457	15,622
Loss/(Profit) on sale of fixed assets	(330)	336
(Increase)/decrease in stock	1	(2,696)
(Increase)/decrease in debtors	(5,622)	(2,260)
Increase /(decrease) in creditors	(910)	5,785
<b>Net cash used in operating activities</b>	<u>77,196</u>	<u>(50,584)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of plant and equipment	417	1,700
Purchases of plant and equipment	-	(2,318)
<b>Net cash used in investing activities</b>	<u>417</u>	<u>(618)</u>
Increase /(decrease) in cash in the year	77,613	(51,202)
<b>Cash balance at 1 April 2020</b>	48,346	99,548
<b>Cash balance at 31 March 2021</b>	<u><u>125,959</u></u>	<u><u>48,346</u></u>

**FURNITURE RECYCLING PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**1. ACCOUNTING POLICIES**

**(a) Basis of Accounting**

The financial statements are prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Furniture Recycling Project (FRP) meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

**(b) Going Concern**

The government imposed lockdowns in response to Covid-19 forced the closure of entire operation of the charity during each of the three national lockdowns. The Charity claimed all available emergency Government grants, such as the Coronavirus Job Retention Scheme and at the balance sheet date the free reserves are above the minimum level of three months unrestricted expenditure outlined within the reserves policy.

Both shops re-opened on 12 April 2021 and the Trustees anticipate sales will revert to pre-pandemic levels by early Winter. Cash flow forecasts based on this assumption indicate the charity's reserves will remain above the minimum threshold of the reserves policy of three months unrestricted expenditure.

On this basis the Trustees believe the charity remains a going concern and the financial statements have been prepared on that basis.

**(c) Income**

Income is recognised in the period to which it relates, once FRP has entitlement to the income and once the directors are certain that the income will be received and when the monetary value can be measured with sufficient reliability.

Income from grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Where FRP benefits from work carried out by volunteers, without charge, no value is placed on this work for accounting purposes.

No value is placed on a donated item until it is sold, then the income is recognised.

**(d) Expenditure**

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing FRP to the expenditure. Costs of raising funds are those costs incurred in providing services for which FRP received a direct income. Expenditure on charitable activities represents the cost of supporting FRP's objectives. Support costs are those costs incurred directly in support of expenditure on the objects of FRP.

**(e) Stocks**

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

**(f) Tangible Fixed Assets**

Individual fixed assets costing more than £1,000 are capitalised at cost. Where fixed assets are donated to the Charity, they are included at the Trustee's valuation. Impairment reviews are carried out only when there is an indication that the recoverable amount of an asset is below its net book value.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected economic useful life to its estimated realisable value, as follows:-

Fixtures, fittings and equipment	- at varying rates
Motor vehicles	- 20% straight line

**FURNITURE RECYCLING PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**1. ACCOUNTING POLICIES (CONTINUED)**

**(g) Taxation**

As a recognised charity, the Charity is exempt from Corporation Tax so far as it relates to its charitable objects. It is not, however, exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates

**(h) Basis of Consolidation**

The consolidated financial statements comprise Furniture Recycling Project and its trading subsidiary, NFP Trading Limited.

**2. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Income from sales of Donated Furniture	77,670	-	77,670	289,907
Gloucester Brewery	10,000	-	10,000	-
Big Lottery – Awards For All	-	10,000	10,000	-
Hire of Riser Recliner Chairs	7,984	-	7,984	9,317
Marsh Trust	300	-	300	-
Other grants and donations	410	-	410	16,902
Police Commissioner	-	-	-	1,210
Barnwood Trust	-	-	-	1,000
GEM Project	-	-	-	13,593
Souter Charitable Trust	-	-	-	1,000
Nature save	-	-	-	650
Zurich	-	-	-	2,750
Notgrove Trust	-	-	-	2,000
Langtree	-	-	-	525
Hasluck Trust	-	-	-	2,000
Gloucestershire County Council	-	-	-	5,650
Jack Lane	-	-	-	1,000
Training Income	-	-	-	856
	<u>96,364</u>	<u>10,000</u>	<u>106,364</u>	<u>348,360</u>

**3. INCOME FROM OTHER ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Gift aid	4,483	-	4,483	18,977
Income from sales of new furniture	22,307	-	22,307	67,938
	<u>26,790</u>	<u>-</u>	<u>26,790</u>	<u>86,915</u>

**FURNITURE RECYCLING PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

<b>4.</b>	<b>OTHER INCOME</b>	<b>2021</b>	<b>2020</b>
		£	£
	Coronavirus Job Retention Scheme	97,955	2,927
	Coronavirus Retail Support Grants	151,390	-
	Profit on disposal of plant & machinery	330	-
		<hr/>	<hr/>
		249,675	2,927
		<hr/> <hr/>	<hr/> <hr/>
<b>5.</b>	<b>NET INCOME/(EXPENDITURE)</b>	<b>2021</b>	<b>2020</b>
		£	£
	Net income/(expenditure) is stated after charging:-		
	Depreciation of tangible fixed assets		
	- owned assets	10,457	15,622
	Rent (operating lease)	48,062	23,988
	Independent Examiners' remuneration		
	- charity	1,550	1,400
	- group	1,860	1,705
		<hr/>	<hr/>

As permitted by Section 404 of the Companies Act 2006, the parent company's statement of financial activities has not been included in these financial statements. The net movement in funds in the parent company for the year to 31 March 2021 was a net surplus in funds of £73,600 (2020: £67,371 deficit).

**Staff costs:**

No remuneration was paid to the Trustees and no expenses were re-imbursed to them in either the year to 31 March 2021 or 2020. The staff costs were:-

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2021 Total Funds</b>	<b>2020 Total Funds</b>
	£	£	£	£
Salaries and wages	158,380	10,904	169,284	258,759
Social security costs	7,332	464	7,796	14,487
Pension costs	3,004	232	3,236	5,782
	<hr/>	<hr/>	<hr/>	<hr/>
	168,716	11,600	180,316	279,028
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

FRP employed the following full time equivalent staff during the year

	<b>No.</b>	<b>No.</b>
Fundraising	0	0.5
Administration and management	1	2
Volunteer support and workshops	1	3
Shops and distribution	7	8.5
	<hr/>	<hr/>
	9	14
	<hr/> <hr/>	<hr/> <hr/>

No employee received remuneration of more than £60,000. All staff are entitled to a Death in Service benefit of twice their final salary. The cost to FRP is £1,400 (2020 - £1,091).

FURNITURE RECYCLING PROJECT  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021

6. RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
<i>Fundraising expenses:</i>				
Salaries	1,825	-	1,825	9,509
Printing, postage & stationery	85	-	85	333
Telephone	125	-	125	439
<i>Trading expenses:</i>				
Purchases for resale	15,023	-	15,023	47,322
Accountancy	310	-	310	305
Bank charges	89	-	89	101
	17,457	-	17,457	58,009
	17,457	-	17,457	58,009

7. CHARITABLE ACTIVITIES

Disposal of waste	575	-	575	881
Salaries	166,881	11,610	178,491	269,519
Recruitment expenses			-	-
Volunteers expenses	3,097	-	3,097	9,554
Training & travel	323	-	323	1,687
Sundry staff costs	1,193	-	1,193	2,389
Rent	48,062	-	48,062	23,988
Rates & water	1,405	-	1,405	33,374
Premises insurance	2,608	-	2,608	2,569
Light, heat & power	12,687	-	12,687	22,217
Premises, maintenance & cleaning	2,714	-	2,714	14,622
Depreciation	2,057	8,400	10,457	15,622
Loss on disposal of asset	-	-	-	336
Van running costs	7,244	-	7,244	13,662
Riser-recliner hire expenditure	429	-	429	424
Workshop & office	5,066	-	5,066	10,279
<b>Support Costs</b>				
Printing, postage & stationery	1,295	-	1,295	2,438
Telephone	3,103	-	3,103	4,831
Legal, accounting & other professional fees	5,864	-	5,864	10,627
General insurance	4,832	-	4,832	5,843
Bank charges	547	-	547	595
Subscriptions	258	-	258	1,324
Accountancy – Independent examination	1,550	-	1,550	1,400
	271,790	20,010	291,800	460,877
	271,790	20,010	291,800	460,877

**FURNITURE RECYCLING PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

**8. CONSOLIDATED FUNDS MOVEMENT**

	<b>Brought forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers &amp; Capital costs £</b>	<b>Carried forward £</b>
<b>Unrestricted funds:</b>					
General Fund	73,148	372,857	289,247	-	156,758
	<u>73,148</u>	<u>372,857</u>	<u>289,247</u>	<u>-</u>	<u>156,758</u>

The funds of the charity include all restricted funds comprising the following unexpended balances of grants to be applied to specific purposes, summarised by department:

	<b>Brought forward £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Carried forward £</b>
<b>Restricted funds by Department:</b>					
Operations	18,984	10,000	19,760	-	9,224
Electrical	500	-	250	-	250
	<u>19,484</u>	<u>10,000</u>	<u>20,010</u>	<u>-</u>	<u>9,474</u>

FURNITURE RECYCLING PROJECT  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
<b>INCOME</b>			
Income from charitable activities (note 2)	317,982	30,378	348,360
<b>Other activities (note 3)</b>			
Donations and legacies	18,977	-	18,977
Other trading activities	67,938	-	67,938
Income from investments	617	-	617
Other income	2,927	-	2,927
	<u>90,459</u>	<u>-</u>	<u>90,459</u>
<b>Total Income</b>	<u>408,441</u>	<u>30,378</u>	<u>438,819</u>
<b>EXPENDITURE</b>			
Raising funds (note 5)	58,009	-	58,009
Charitable activities (note 6)	407,687	40,494	448,181
	<u>465,696</u>	<u>40,494</u>	<u>506,190</u>
<b>Total Expenditure</b>	<u>465,696</u>	<u>40,494</u>	<u>506,190</u>
<b>Net Income/(Expenditure)</b>	(57,255)	(10,116)	(67,371)
<b>Balances transferred between funds</b>	-	-	-
<b>Funds brought forward at 1 April 2019</b>	130,403	29,600	160,003
	<u>73,148</u>	<u>19,484</u>	<u>92,632</u>
<b>Funds carried forward at 31 March 2020</b>	<u><u>73,148</u></u>	<u><u>19,484</u></u>	<u><u>92,632</u></u>

FRP has no recognised gains or losses other than those included in the Statement of Financial Activities.

FURNITURE RECYCLING PROJECT  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021

10. TANGIBLE FIXED ASSETS – PARENT COMPANY AND GROUP

	Plant and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>			
As at 1 April 2020	110,247	76,962	187,209
Additions in year	-	-	-
Disposals in year	(2,604)	-	(2,604)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2021	107,643	76,962	184,605
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
As at 1 April 2020	91,717	65,502	157,219
Charge for year	5,724	4,733	10,457
Eliminated on disposals	(2,517)	-	(2,517)
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2021	94,924	70,235	165,159
	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>			
At 31 March 2021	12,719	6,727	19,446
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2020	18,530	11,460	29,990
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

11. FIXED ASSET INVESTMENTS

	Shares £	Loan £	Total £
Investment in subsidiary			
At 1 April 2020 and 31 March 2021	2	-	2
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12. DEBTORS - GROUP

	2021 £	2020 £
Trade debtors	2,235	4,530
Other debtors & prepayments	22,448	23,729
VAT recoverable	9,804	606
	<hr/>	<hr/>
	34,487	28,865
	<hr/> <hr/>	<hr/> <hr/>

FURNITURE RECYCLING PROJECT  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
<b>13. DEBTORS – PARENT COMPANY</b>		
Trade debtors	2,057	2,570
Other debtors & prepayments	41,109	40,226
VAT recoverable	8,676	1,833
	<u>51,842</u>	<u>44,629</u>
<b>14. CREDITORS - GROUP</b>		
Trade creditors	15,662	6,131
Accruals and deferred income	1,950	12,705
Other creditors	725	101
Tax and social security	3,256	3,566
	<u>21,593</u>	<u>22,503</u>
<b>15. CREDITORS – PARENT COMPANY</b>		
Trade creditors	14,722	5,762
Accruals and deferred income	1,650	12,405
Other creditors	725	101
Tax and social security	3,257	3,566
	<u>20,354</u>	<u>21,834</u>
<b>16. OTHER FINANCIAL COMMITMENTS</b>		
FRP had the following commitments under operating leases, falling due as follows		
<b>Land and buildings</b>		
Within one year	22,709	26,500
Within two to five years	41,671	3,833
	<u>64,380</u>	<u>30,333</u>
<b>17. STATUS</b>		

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being in excess of assets, the liability of a member is limited to £1.

**FURNITURE RECYCLING PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2021**

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**18. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year.

