

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 2022**

**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 2022**

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<b>CONTENTS</b>	<b>Page</b>
List of officers, Board members and advisers	1
Trustees Report	2 - 5
Report of the Independent Examiners	6
Consolidated Statement of Financial Activities	7
Consolidated Statement of Financial Position	8
Statement of Financial Position	9
Consolidated Statement of Cash Flows	10
Notes to the Financial Statements	11 - 19

**FURNITURE RECYCLING PROJECT**

**OFFICERS, BOARD MEMBERS AND ADVISERS**

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**DIRECTORS/TRUSTEES**

Dawn Melvin (Chair)  
Richard Andrew Setchell - Resigned 23 August 2022  
Douglas John Rugg (Vice chair)  
James Melvin  
Jan Tappin  
Malcolm Watson - Resigned 29 June 2021

**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 2022**

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We present our report and consolidated financial statements for the year ended 31 March 2022. 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 2019) – (Charities SORP (FRS102)), and the Companies Act 2006.

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

This is the twenty-fifth 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 2022**

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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 5,364 hours. If we had to employ staff, instead, the payroll costs would be £47,793.

**(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 2022 FRP had three principal sources of unrestricted funding. The main source was from sales of donated second-hand furniture and household goods, which at £213,022 is significantly higher than the total of £77,670 achieved in the Covid-19 affected year to 31 March 2021. To support the re-opening of the project following the Winter 20/21 lockdown, the Charity claimed Government Coronavirus Reopening Grants of £19,334 and £18,213 of Coronavirus Job Retention Scheme Grants. The third income stream was from the covenanted profits of sale of new household goods through the subsidiary company, NFP Trading Ltd. In the year to 31 March 2022 sales of new goods were £38,686.
- b) After taking into account the relevant expenditure of £347,088 the net movement in the unrestricted fund as at 31 March 2022 was a decrease of £38,678, leaving the amount of unrestricted reserves carried forward to 2022/23 at £118,080.
- c) Restricted funds, which relate to funding received for capital expenditure and other specific purposes, decreased by £4,307 with £5,167 carried forward into 2022/23. The charity did not apply for any grant funding during the financial year apart from the Government Coronavirus Grants.

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 2022 the free reserves were £106,850, which is within the reserves policy of FRP.

**FURNITURE RECYCLING PROJECT  
TRUSTEES' REPORT - CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2022**

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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. 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 2022 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 re-opened both shops on April 13 2021 following the move to Step 2 of the Coronavirus road-map out of the 20/21 winter lockdown. The workshop re-opened to volunteers on 19<sup>th</sup> July 2021 when the remaining legal social distancing restrictions were abolished and the charity finally returned to close normal working conditions.

During the year to 31 March 2022 we used our fleet of three vehicles to collect donated second-hand furniture and electrical items from 2,850 local households and, as a result, we were able to deliver 6,551 items at low cost through our shops in Gloucester and Lydney to 2,338 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 eight months of operation, 464 electrical items supplied to our customers through our shops. The workshop manager up-cycled 86 items of furniture which were subsequently sold under the 'Cotswold Collection' brand in our shops.

During the year 25 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 2022**

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**(8) FUTURE PLANS**

FRP has signed a lease for a shop on Eastern Avenue, Gloucester. It has four times the floor space of the existing shop on Kings Square which we plan to close when the new shop opens in May 2022.

The increase in floor space will enable us to display a greater range of re-use and new furniture which will generate a significant increase in sales.

Sales in the Lydney shop did not increase as much as hoped for following the opening of the Aldi supermarket directly behind our store. In July 22 we decided to permanently close the store on the last trading day before the Christmas break. Further details on the anticipated financial impact and accounting treatment are detailed in the post balance sheet events note on page 19.

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 second shop within the region.

**(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: 5/12/22 .

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

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I report to the charity trustees on my examination of the consolidated financial statements of Furniture Recycling Project (FRP) for the year ended 31 March 2022 on pages 7 to 19.

**Responsibilities and basis of report**

As the charity's trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent Examiner's report**

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

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

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the financial statements do not accord with those accounting records; or
- (3) the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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

07 December 2022

**FURNITURE RECYCLING PROJECT**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	31 MARCH 2022			2021
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
<b>INCOME</b>				
Income from charitable activities (note 2)	219,724	-	219,724	106,364
<b>Other activities</b>				
Donations and legacies (note 3)	12,442	-	12,442	4,483
Other trading activities (note 3)	38,686	-	38,686	22,307
Income from investments	11	-	11	28
Other income (note 4)	37,547	-	37,547	249,675
	<u>88,686</u>	<u>-</u>	<u>88,686</u>	<u>276,493</u>
<b>Total Income</b>	308,410	-	308,410	382,857
<b>EXPENDITURE</b>				
Raising funds (note 6)	31,247	-	31,247	17,457
Charitable activities (note 7)	315,841	4,307	320,148	291,800
	<u>347,088</u>	<u>4,307</u>	<u>351,395</u>	<u>309,257</u>
<b>Total Expenditure</b>	347,088	4,307	351,395	309,257
<b>Net Income/(Expenditure)</b>	(38,678)	(4,307)	(42,985)	73,600
<b>Balances transferred between funds</b>	-	-	-	-
<b>Funds brought forward at 1 April 2021</b>	156,758	9,474	166,232	92,632
<b>Funds carried forward at 31 March 2022</b>	<u>118,080</u>	<u>5,167</u>	<u>123,247</u>	<u>166,232</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 2022

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
<b>FIXED ASSETS</b>				
Tangible assets (note 10)	11,230	5,167	16,397	19,446
<b>CURRENT ASSETS</b>				
Stock	7,465	-	7,465	7,933
Debtors (note 12)	33,860	-	33,860	34,487
Bank and cash in hand	88,204	-	88,204	125,959
	129,529	-	129,529	168,379
<b>CREDITORS: amounts falling due within one year</b>				
Creditors (note 14)	22,679	-	22,679	21,593
<b>NET CURRENT ASSETS</b>	106,850	-	106,850	146,604
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	118,080	5,167	123,247	166,232
<b>FUNDS OF THE CHARITY</b>				
<b>Unrestricted funds:</b> (note 8)				
- General funds	118,080	-	118,080	156,758
<b>Restricted funds</b> (note 8)	-	5,167	5,167	9,474
	118,080	5,167	123,247	166,232

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022. The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

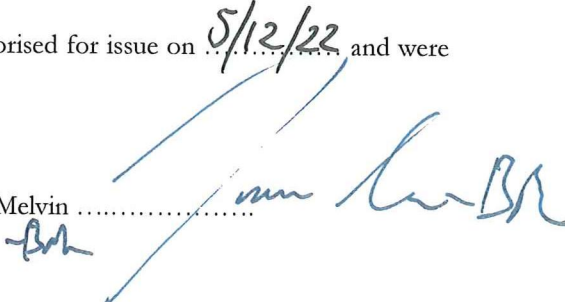
The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 5/12/22 and were signed on its behalf by:

Dawn Melvin 

James Melvin  5/12/22

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

**FURNITURE RECYCLING PROJECT**  
**STATEMENT OF FINANCIAL POSITION**  
**31 MARCH 2022**

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
<b>FIXED ASSETS</b>				
Tangible assets (note 10)	11,230	5,167	16,397	19,446
Investments (note 11)	2	-	2	2
	<u>11,232</u>	<u>5,167</u>	<u>16,399</u>	<u>19,448</u>
<b>CURRENT ASSETS</b>				
Debtors (note 13)	41,079	-	41,079	51,842
Bank and cash in hand	83,153	-	83,153	115,296
	<u>124,232</u>	<u>-</u>	<u>124,232</u>	<u>167,138</u>
<b>CREDITORS: amounts falling due within one year</b>				
Creditors (note 15)	17,384	-	17,384	20,354
	<u>106,848</u>	<u>-</u>	<u>106,848</u>	<u>146,604</u>
<b>NET CURRENT ASSETS</b>				
	<u>118,080</u>	<u>5,167</u>	<u>123,247</u>	<u>166,232</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>				
<b>FUNDS OF THE CHARITY</b>				
<b>Unrestricted funds (note 8)</b>				
- General Funds	118,080	-	118,080	156,758
<b>Restricted funds (note 8)</b>				
	<u>-</u>	<u>5,167</u>	<u>5,167</u>	<u>9,474</u>
	<u>118,080</u>	<u>5,167</u>	<u>123,247</u>	<u>166,232</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 2022**

	2022 £	2021 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Net movement in funds (as per the statement of financial activities)</b>	(42,985)	73,600
Adjustments for:		
Depreciation charges	5,993	10,457
Loss/(Profit) on sale of fixed assets	-	(330)
(Increase)/decrease in stock	468	1
(Increase)/decrease in debtors	627	(5,622)
Increase /(decrease) in creditors	1,086	(910)
<b>Net cash used in operating activities</b>	<b>(34,811)</b>	<b>77,196</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds from sale of plant and equipment	-	417
Purchases of plant and equipment	(2,944)	-
<b>Net cash used in investing activities</b>	<b>(2,944)</b>	<b>417</b>
Increase /(decrease) in cash in the year	(37,755)	77,613
<b>Cash balance at 1 April 2021</b>	<b>125,959</b>	<b>48,346</b>
<b>Cash balance at 31 March 2022</b>	<b>88,204</b>	<b>125,959</b>

**FURNITURE RECYCLING PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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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 2019) – (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**

Once the lease on the new Gloucester shop was signed, the Trustees forecasted a surplus of £16,000 for the year to 31 March 2023. Since opening, sales of both re-use and new goods in the new Gloucester shop have comfortably exceeded expectations and the management accounts for the six months to 30 September 2022 show this budgeted surplus has already been reached halfway through the financial year.

For the year to December 2023, the charity has budgeted for a 10% rise in the living wage plus a fall in the value of the energy support scheme for business from April 2023. In spite of these cost increases the Trustees forecast the charity's cash balances will be maintained and 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. The revenue for both donated goods and new stock is recognised on the dates the goods are purchased in store, or for credit sales, when the physically delivered to the customer.

**(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.

**FURNITURE RECYCLING PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**1. ACCOUNTING POLICIES (CONTINUED)**

**(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

**(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	2022 Total Funds	2021 Total Funds
	£	£	£	£
Income from sales of Donated Furniture	213,022	-	213,022	77,670
Gloucester Brewery	-	-	-	10,000
Big Lottery – Awards For All	-	-	-	10,000
Hire of Riser Recliner Chairs	6,226	-	6,226	7,984
Marsh Trust	-	-	-	300
Other grants and donations	476	-	476	410
	-----	-----	-----	-----
	219,724	-	219,724	106,364
	=====	=====	=====	=====

**3. INCOME FROM OTHER ACTIVITIES**

	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	£	£	£	£
Gift aid	12,442	-	12,442	4,483
Income from sales of new furniture	38,686	-	38,686	22,307
	=====	=====	=====	=====

**FURNITURE RECYCLING PROJECT**  
**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED**  
**FOR THE YEAR ENDED 31 MARCH 2022**

<b>4. OTHER INCOME</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Coronavirus Job Retention Scheme	18,213	97,955
Coronavirus Retail Support Grants	19,334	151,390
Profit on disposal of plant & machinery	-	330
	<hr/>	<hr/>
	37,547	249,675
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<b>5. NET INCOME/(EXPENDITURE)</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) is stated after charging:-		
Depreciation of tangible fixed assets		
- owned assets	5,993	10,457
Rent (operating lease)	42,965	48,062
Independent Examiners' remuneration		
- charity	1,425	1,550
- group	1,765	1,860
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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 2022 was a net deficit in funds of £42,985 (2021: £73,600 surplus).

**Staff costs:**

No remuneration was paid to the Trustees and no expenses were re-imbursed to them in either the year to 31 March 2022 or 2021. The staff costs were:-

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>2022 Total Funds</b>	<b>2021 Total Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Salaries and wages	173,991	-	173,991	169,284
Social security costs	8,545	-	8,545	7,796
Pension costs	3,687	-	3,687	3,236
	<hr/>	<hr/>	<hr/>	<hr/>
	186,223	-	186,223	180,316
	<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>
Administration and management	1	1
Volunteer support and workshops	1	1
Shops and distribution	7	7
	<hr/>	<hr/>
	9	9
	<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 £1,207 (2021 - £1,400).

FURNITURE RECYCLING PROJECT  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2022

6. RAISING FUNDS

	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
<i>Fundraising expenses:</i>				
Salaries	730	-	730	1,825
Printing, postage & stationery	-	-	-	85
Telephone	-	-	-	125
<i>Trading expenses:</i>				
Purchases for resale	30,084	-	30,084	15,023
Accountancy	340	-	340	310
Bank charges	93	-	93	89
	31,247	-	31,247	17,457
	31,247	-	31,247	17,457

7. CHARITABLE ACTIVITIES

Disposal of waste	-	418	418	575
Salaries	-	185,493	185,493	178,491
Volunteers expenses	-	7,925	7,925	3,097
Training & travel	-	793	793	323
Sundry staff costs	-	1,378	1,378	1,193
Rent	-	42,965	42,965	48,062
Rates & water	-	7,901	7,901	1,405
Premises insurance	-	2,131	2,131	2,608
Light, heat & power	-	18,473	18,473	12,687
Premises, maintenance & cleaning	-	11,905	11,905	2,714
Depreciation	4,307	1,686	5,993	10,457
Van running costs	-	11,912	11,912	7,244
Riser-recliner hire expenditure	-	332	332	429
Workshop & office	-	674	674	5,066
<b>Support Costs</b>				
Printing, postage & stationery	-	1,711	1,711	1,295
Telephone	-	3,281	3,281	3,103
Legal, accounting & other professional fees	-	7,642	7,642	5,864
General insurance	-	6,037	6,037	4,832
Bank charges	-	593	593	547
Subscriptions	-	1,166	1,166	258
Accountancy – Independent examination	-	1,425	1,425	1,550
	4,307	315,841	320,148	291,800
	4,307	315,841	320,148	291,800

FURNITURE RECYCLING PROJECT  
 NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
 FOR THE YEAR ENDED 31 MARCH 2022

8. CONSOLIDATED FUNDS MOVEMENT

	Brought forward £	Income £	Expenditure £	Transfers & Capital costs £	Carried forward £
<b>Unrestricted funds:</b>					
General Fund	156,758	308,410	347,088	-	118,080
	-----	-----	-----	-----	-----
	156,758	308,410	347,088	-	118,080
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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:

	Brought forward £	Income £	Expenditure £	Transfers £	Carried forward £
<b>Restricted funds by Department:</b>					
Operations	9,224	-	4,307	-	4,917
Electrical	250	-	-	-	250
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	9,474	-	4,307	-	5,167
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FURNITURE RECYCLING PROJECT  
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED  
FOR THE YEAR ENDED 31 MARCH 2022

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
<b>INCOME</b>			
Income from charitable activities (note 2)	96,364	10,000	106,364
<b>Other activities (note 3)</b>			
Donations and legacies	4,483	-	4,483
Other trading activities	22,307	-	22,307
Income from investments	28	-	28
Other income	249,675	-	249,675
	<u>276,493</u>	<u>10,000</u>	<u>276,493</u>
<b>Total Income</b>	<u>372,857</u>	<u>10,000</u>	<u>382,857</u>
<b>EXPENDITURE</b>			
Raising funds (note 6)	17,457	-	17,457
Charitable activities (note 7)	271,790	20,010	291,800
	<u>289,247</u>	<u>20,010</u>	<u>309,257</u>
<b>Total Expenditure</b>	<u>289,247</u>	<u>20,010</u>	<u>309,257</u>
<b>Net Income/(Expenditure)</b>	83,610	(10,010)	73,600
<b>Balances transferred between funds</b>	-	-	-
<b>Funds brought forward at 1 April 2020</b>	73,148	19,484	92,632
<b>Funds carried forward at 31 March 2021</b>	<u>156,758</u>	<u>9,474</u>	<u>166,232</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 2022

10. TANGIBLE FIXED ASSETS – PARENT COMPANY AND GROUP

	Plant and Equipment £	Motor Vehicles £	Total £
<b>Cost</b>			
As at 1 April 2021	107,643	76,962	184,605
Additions in year	2,944	-	2,944
Disposals in year	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2022	110,587	76,962	187,549
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
As at 1 April 2021	94,924	70,235	165,159
Charge for year	4,996	997	5,993
Eliminated on disposals	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2022	99,920	71,232	171,152
	<hr/>	<hr/>	<hr/>
<b>Net Book Value</b>			
At 31 March 2022	10,667	5,730	16,397
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2021	12,719	6,727	19,446
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

11. FIXED ASSET INVESTMENTS

Investment in subsidiary	Shares £	Loan £	Total £
At 1 April 2021 and 31 March 2022	2	-	2
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

12. DEBTORS - GROUP

	2022 £	2021 £
Trade debtors	8,171	2,235
Other debtors & prepayments	19,131	22,448
VAT recoverable	6,558	9,804
	<hr/>	<hr/>
	33,860	34,487
	<hr/> <hr/>	<hr/> <hr/>

FURNITURE RECYCLING PROJECT

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

FOR THE YEAR ENDED 31 MARCH 2022

	2022	2021
	£	£
<b>13. DEBTORS – PARENT COMPANY</b>		
Trade debtors	6,492	2,057
Other debtors & prepayments	28,373	41,109
VAT recoverable	6,214	8,676
	<u>41,079</u>	<u>51,842</u>
<b>14. CREDITORS - GROUP</b>		
Trade creditors	16,239	15,662
Accruals and deferred income	2,905	1,950
Other creditors	802	725
Tax and social security	2,733	3,256
	<u>22,679</u>	<u>21,593</u>
<b>15. CREDITORS – PARENT COMPANY</b>		
Trade creditors	11,260	14,722
Accruals and deferred income	2,590	1,650
Other creditors	802	725
Tax and social security	2,732	3,257
	<u>17,384</u>	<u>20,354</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	20,012	22,709
Within two to five years	40,024	41,671
	<u>60,036</u>	<u>64,380</u>

**17. STATUS**

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 2022**

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**18. RELATED PARTY TRANSACTIONS**

There were no related party transactions in the year.

**19. POST BALANCE SHEET EVENTS**

The trustees agreed to permanently close the Lydney shop at the end of the trading day on 23 December 2022 and terminate the lease.

The trustees consider this to be a 'non adjusting' post balance sheet event under FRS 102 SORP, section 32, as the decision to close the shop, was taken on 11 July 22 and no condition existed at the balance sheet date on that basis.

The trustees estimate the financial effect of the closure to be under £1,000.