

**FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**

**DIRECTORS' REPORT AND  
STATEMENT OF ACCOUNTS**

**YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**REGISTERED CHARITY : 1020725**

**COMPANY NUMBER : 2797811**

**TUESDAY**



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**21/03/2023**

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**COMPANIES HOUSE**

**FURNITURE RECLAMATION AND DELIVERY ENTERPRISE  
REPORT OF THE TRUSTEES FOR  
THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

The trustees present their annual report and the unaudited accounts for the year ended 31<sup>ST</sup> March 2022. The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "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 Ireland (FRS 102)" (effective 1<sup>st</sup> January 2019).

**REFERENCE AND ADMINISTRATIVE INFORMATION**

Charity name:	Furniture Reclamation and Delivery Enterprise	
Operating name	F.R.A.D.E.	
Charity registration number	1020725	
Company registration number	2797811	
Registered office and Stockton operational address	68-69 Brunswick Street STOCKTON TS18 1DY	
Other locations	14-16 Leadenhall Street DARLINGTON DL1 1RD	426 Marton Road MIDDLESBROUGH TS4 2PT
	159-160 High Street NORTHALLERTON DL7 8JZ	31 Westgate GUISBOROUGH TS14 6SG

**DIRECTORS**

The directors (who are trustees of the charity) who served during the year and up to the date of approval of the accounts were:

D Cosstick	Chairman
K Shaw	Company Secretary
S Nelson	
M Brown	
P Locke	
M Ferguson	
L Dawson	
J Farmer	

**CHIEF OFFICER**

M Bertram

**INDEPENDENT EXAMINER**

Mr J Gresham FCCA  
Azets  
New Garth House  
Upper Garth Gardens  
GUISBOROUGH  
TS14 6HA

**BANKERS**

Santander Business Banking  
Bridle Road  
BOOTLE  
Merseyside  
L30 4GB

CAF Bank Limited  
PO Box 289  
West Mailing  
KENT  
ME19 4TA

## **FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

#### **STRUCTURE GOVERNANCE AND MANAGEMENT**

##### Governing document

The organisation is a charitable company limited by guarantee, incorporated on 9<sup>th</sup> March 1993 and registered as a charity on 7<sup>th</sup> May 1993. It is established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. The objects of the Charity were amended by Special Resolution dated 14<sup>th</sup> September 2004 and again by Special Resolution dated 28<sup>th</sup> July 2011. In the event of the company's being wound up, members are required to contribute an amount not exceeding £1.

##### Recruitment and appointment of Trustees

The number of trustees shall be not less than 5 and, until otherwise determined by a general meeting, not more than 10. The trustees, who are directors of the company, are known, under the company's Articles, as the Council of Management. The Council may from time to time and at any time appoint a member of the company as a member of the Council. Any member so appointed must retire at the next AGM but can put themselves forward for re-election. At each AGM one third of the members of the Council retire from office, but may put themselves forward for re-election. Those retiring are those who have been longest in office since their last election or reappointment.

The council have not recruited any trustees during the period under review, and we have not bid farewell to any trustees.

##### Trustee Induction and Training

The Council remains aware of the need for their members to keep up to date with developments in the sector. They regularly undertake a self-assessment process, aimed at identifying existing skills available and highlighting areas where new skills would be desirable. Trustee recruitment can then be targeted accordingly.

Any new trustees are given copies of the Memorandum and Articles of Association, the most recent set of audited accounts, budgets and management accounts. They are also encouraged to attend any external courses which are relevant to their appointment.

##### Risk management

The trustees regularly review and identify the major risks to which the charity is exposed, and establish systems to mitigate those risks. The major risk to the charity is the number of new entrants into this market, particularly online where donors now sell via Facebook, gumtree, eBay, esty.com etc. This was identified and steps taken to mitigate this financial risk have included increasing the awareness of FRADE and its activities through social media, improving our networking, as well as extensively increasing our partnerships, whilst ensuring we get value for money on our purchase of goods and service costs.

A key element in the mitigation of Financial Risks is the setting of a suitable reserves policy to ensure reserves are available to cover future funding downturns.

##### Organisational structure

The Council of Management meets monthly and is responsible for the strategic direction and policy of the charity. The day-to-day operation of the charity is delegated to the Chief Officer and his team, but the Council oversee the operation through the reports made by the managers to the council meetings and by regular consultation with the Board on an on-going basis.

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##### Related parties

The charity has no related parties other than Council members and their immediate families and associates.

## **FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

#### **OBJECTIVES AND ACTIVITIES**

##### **Public Benefit**

The trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

The company is a registered charity whose principle object is the Relief of Poverty through the provision of furniture and other household items to people in need, and resident within the Tees Valley sub-region of North East England and neighbouring council areas.

It does this by facilitating the donation of suitable items of furniture from members of the public and commercial enterprises, which are then made available for sale to people in need at a reasonable cost. The charity operates its own in-house discount scheme which provides a discount of up to 25% to customers meeting certain eligibility criteria. In the current year, we supported 10,132 households, down slightly from last year figure of 10,662.

Discounted sales, supporting those most in financial need, cost the charity £34868. Sales through referrals from partner organisations including Housing Associations and Local Authority Social Funds increased from 51% and now represents 60% of total sales. This activity not only provides a service to the public but ensures the efficient use of resources by reusing furniture and other household goods and contributing to a more sustainable lifestyle and reduces waste going to landfill. In the year under review 175 tonnes were diverted away from landfill.

A key measure of environmental performance is the diversion of goods from landfill and during the past year of operation Frade enabled the reuse of 175 tonnes of furniture, furnishings, and white goods. This is slightly better than last year where we diverted 162 tonnes from landfill.

This equates to a carbon saving of 172 tonnes using the most recent basis from the Reuse Network.

In addition, the charity creates employment (10 full-time and 8 part time staff) and opportunities for volunteering and work experience for job seekers, especially those who are marginalised in society such as ex-offenders. FRADE was supported by 58 volunteers donating 11,405 hours in 2021/22 up from last year's 9,599 hours. The main challenge during Covid was that many of our normal volunteers had to self-isolate and that has negatively affected the numbers of available hours given to the Charity.

The volunteer roles are tailored to needs such as building self-confidence, getting ready for work or to reduce isolation. Three volunteers have moved on to employment and feedback from the team is that they feel valued, supported and they enjoy the work opportunity.

#### **ACHIEVEMENTS AND PERFORMANCE**

Frade has five key performance areas. Last year at our annual strategic review, we added two further areas of financial security and carbon neutrality to our traditional areas of poverty alleviation, waste reduction and employability.

We work with local partners to provide furniture and home furnishings to those in furniture poverty. The charity supported 10,132 households. On the green agenda of keeping waste out of landfill, we encourage reuse as a way of life. We make donations saleable either through repair, refurbishment, cleaning and testing the collection second hand goods.

A large part of the charity is dependent on our volunteers and we had 58 volunteers and if these 11,405 donated hours of work are calculated at not less than the National Minimum Wage then this contribution should be valued at not less than £89,529.

Revenue is at £711,508 which is 10.21% up on last year's figure of £645,606. The revenue improvement is due to a combination of the partnerships we have nurtured, and stores continue to improve the experience for our customers, improving the display of our goods, lighting, and heating. Feedback from customers is positive. We have utilized our EPOS software to capture Gift Aid data and invested in training for all staff. There was a deficit of £71,207 on unrestricted reserves with total funds carried forward of £162,142

## **FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**

### **REPORT OF THE TRUSTEES (continued) YEAR ENDED 31<sup>ST</sup> MARCH 2022**

Remedial works to the stores have continued during the period such as painting, roofs, lighting and heating has been completed. The biggest issue we have managed due to the Covid pandemic is staff welfare and morale and we have introduced an employee assistance program [EAP].

As highlighted last year, communication has once again been a key focus in the year both internally and externally. We have introduced three Board Committees, covering key performance areas of 'Audit, Finance and Risk'; 'Human Resources and Remuneration', and a final committee to deal with 'Special Projects'.

The Middlesbrough Manshed project has been very successful, we were initially awarded a two-year grant from the National Lottery Community Fund from 1 January 2019 which extended to 31 March 2021.

We too would like to thank Middlesbrough Council, Awards for All, and Middlesbrough Voluntary Development City for their help and support along with the small grants.

We had been operating workshops, which are free of charge however with the disruptions of the Covid pandemic the program was severely interrupted due to the shedder's participants having too self-isolate.

We had forty-eight shedders attending our sessions and eight remain regular participants. We utilise the Edinburgh-Warwick measure and the evidence confirms an overall improvement in confidence, health and wellbeing with some participants returning to employment. The Lottery grant funding allowed us to invest in machinery, heating and storage capacity allowing us to improve the breadth of the work.

We also reached out into the community and run workshops at our hub, where we built bird/bat boxes and outdoor bird feeding tables for Tees Hospice and Zoey's Place and a table for our retiring Chairperson Mike Tomlin. We also created two quality garden benches made totally from reclaimed garden fencing for Mike Tomlin and Patrick Joyce, our longest serving Mens Shed volunteer, who both sadly passed away this past year.

We are the preferred charity for a range of quality retailers including Ikea, John Lewis, David Philips Furniture [London], Barkers Furniture [Northallerton] and Cleva Industries [Newcastle]. As part of the work of the Middlesbrough Manshed project, we deconstruct bed and sofa frames and use these to create workable merchandise from our donors listed above, if they are needing repairs.

We also receive donations of food from Greggs, Middlesbrough for our Mens Shed participants and returns from Tesco's Distribution Centre, Stockton. We are eternally grateful for all the donations we reduced on a regular basis from these organisations.

Our Men's Shed participants also renovated the shop next door to our Frade Middlesbrough operation [424 Martin Road], where we created a unique hub to retail our repaired and upcycled donations from under the banner of the 'Community Emporium'.

One of the main projects undertaken this past year and has the revitalization of the gardens behind our Middlesbrough shop, with the permission of our landlord, we have created a safe and welcoming environment.

The initial clearance work was carried out by our volunteers. The bulky goods left behind included cars, car engines, large calor gas bottles and barbeques, large oil drums and overgrown brambles. Assistance was sought and provided by Middlesbrough Environmental City and the Royal Navy volunteers. Without their support we could not have moved forward with our vision to create a welcoming garden for our volunteers and participants.

We recognise and value our volunteers and host an annual garden party for volunteers and their families in our Middlesbrough gardens. During the covid pandemic we also made good use of the newly built Frade website and developed new leaflets and banners to promote FRADE across the community. We attended several Job Centre consumer trade shows [in Middlesbrough, Stockton, and Darlington] as well as helping with the opening of the Darlington Youth Job Centre, where we provided all their donated furniture from our donations.

## **FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**

### **REPORT OF THE TRUSTEES (continued) YEAR ENDED 31<sup>ST</sup> MARCH 2022**

The largest issues around grants during the period under review were related to Covid, with the granting of local government support grants due to our stores being closed during the pandemic. The total grants received from local government were £ 17,115. Central government grants [furlough payments] totalled £ 3,847

We continue to build our social media presence, with all stores having their individual Facebook pages, we have also received excellent exposure on the local BBC radio and in the local newspapers.

Our latest partnership development is working in providing training support with University Centre Quayside, located conveniently at the Brunswick Business Centre, Stockton to create a 'Frade Training Academy'.

We are now able to provide a suite of training courses and qualifications for our staff and volunteers. The courses cover retail [1&2], supervisory [level 3], first aid training, manual handling and production and management operations [PMO]. Frade has also trained staff in electrical PAT testing and IOSH health and safety training, and fire marshalling.

We have also implemented a new electronic point of sale system [EPOS – by Charity Suite] which provides a much-improved front and back-office functionality that also dovetails with our Xero accounting software.

The new EPOS also assist in our management and financial reporting, is compliant with VAT reporting [as required from 1 April 2019] and automatically manages our Gift Aid transactions and HMRC reporting.

#### **CHAIRS STATEMENT**

The global Covid-pandemic has had a significant impact on a number of businesses in the charity sector including the reuse charity sector.

The Trustees consider that Frade [the Company] has been well placed throughout the pandemic after implementation of our risk management processes and this has minimised the impact of Covid.

The receipt of local government grants and furlough payments were a welcome addition to our cashflows at the beginning of the pandemic as we were not aware of this vital government support. We took additional measures to protect the Charity, Staff and Volunteers and to ensure continuity of services. The length of the pandemic took its toll and we've invested in mental health support through Assured Health, which provides an Employee Assisted Programme for our staff, volunteers and their families.

The Trustees having assessed the potential impacts of this crisis on the charity, determined that charity had a reasonable expectation that we had adequate resources to continue for the foreseeable future and as a result continue to adopt the going concern basis of accounting in preparing the financial statements.

Frade adopted continuous assessment of the impact of the virus on employees, volunteers, and customers and were in regular contact with our supply chain to minimise disruption. Procedures were put in place to quarantine stock and donations, with a robust cleaning regime and minimal numbers of customers allowed in our stores during the height of the pandemic.

The Company also had the assistance of an external agency, Peninsula Group, and in conjunction, we developed procedures for staff to continue working from home, where possible.

We have had a very good year with income rising to £711,508. Over 51% of our sales are to customers who are suffering material poverty and our mission is to help them turn their 'house' into a 'home'.

We have strengthened our Board, and I am pleased to report that we had no trustees leaving the Charity, during the period under review. This was vital to ensure continuity especially in managing through the covid-pandemic and I would like to thank the trustees for their strategic support of FRADE.

We sadly lost our longest serving Men's Shed volunteer Mr. Patrick Joyce during the pandemic. We send our sincere condolences to their family and friends.

Finally, I would like to thank all members of staff and volunteers for their dedication and contribution over the last twelve months, which have been the most challenging we have encountered.

## **FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**

### **REPORT OF THE TRUSTEES (continued) YEAR ENDED 31<sup>ST</sup> MARCH 2022**

#### **FINANCIAL REVIEW**

The statement of financial activities on page 8 shows the results for the year. There is a deficit for the year of £71,207.

##### Investment policy

FRADE will retain a prudent amount in reserves each year to ensure it has sufficient funds if there were to be a structural change in the charities performance. Given the improved performance of the charity the reserves are healthy.

The CEO together with Board develop an annual business plan for our consideration and potential investment to ensure FRADE's longevity. We are reviewing our longer-term investment which currently covers any potential redundancy, set up as a designated fund of £41371 (page 11). Any surplus funds are held in a deposit account with the CAF Bank Limited, where they are immediately available. However interest rates continue to be very low and we are therefore prudent in our investment.

##### Reserves Policy

The charity's reserves policy states that it should hold sufficient free reserves (i.e. reserves not restricted or tied up in fixed assets) to cover 3 months budgeted expenditure plus contingent redundancy liabilities. At 31 March 2022 the free reserves were £162842 which does not meet the targeted figure of £176,000.

#### **PLANS FOR FUTURE PERIODS**

The trustees recognise that these are challenging times for all charities and they have therefore decided on the following future strategy:

- The CEO will work closely with staff and trustees on implementing our three-year Business Plan.
- Grant applications will be pursued with vigour for funding for charity's needs, with particular focus on developments identified in the Business Plan
- The CEO will carry out an annual review of the Organisational Structure in line with the Business Plan
- We aim to develop and improve our market share of Darlington region and continue to grow our presence in the Richmond and Hambleton, through our new stores.
- We will continue to maintain and develop the Man Shed concept and the work it carries out in and for the community.
- We will continue to promote an online sales presence and how we can improve our performance in this area thereby increasing awareness of FRADE.
- We will review our marketing and PR strategy with emphasis on social media.
- We will review ways of improving donations, sales, and gift aid revenue.
- We will review logistics and identify smarter ways of working investing in IT solutions.
- We will develop EPOS software implemented 1 April 2021.
- To work towards a living wage employer by 2025.
- To work towards being carbon neutral by 2030.

The trustees remain confident of the charity's future and look forward to the challenges ahead.

## **FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**

### **REPORT OF THE TRUSTEES (continued) YEAR ENDED 31<sup>ST</sup> MARCH 2022**

#### **ACKNOWLEDGEMENT WITH THANKS**

National Lottery Community Fund  
Middlesbrough Voluntary Development Agency  
Middlesbrough Environmental City  
Boro Man Can (Public Health)  
Middlesbrough Council [Community Support].  
Yorwaste Recycling Centres  
Haverton Hill Recycling Centre  
Reuse Network  
IKEA  
John Lewis  
Catalyst [Stockton]  
Kirklevington Grange  
Cleva Industries [Newcastle]  
Barkers Furniture [Northallerton]  
David Philips Furniture [London]  
Mears Housing

#### **SERVICE PARTNERS AND REFERRING AGENCIES**

Middlesbrough Borough Council  
Stockton Borough Council  
Redcar & Cleveland Borough Council  
Darlington CAB  
DOT Darlington Organisations Together  
Thirteen Housing Group  
North Star Housing  
Teesside Credit Union  
Community Campus  
Accent Housing  
Infinity  
SSAFA

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## **FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**

### **REPORT OF THE TRUSTEES (continued) YEAR ENDED 31<sup>ST</sup> MARCH 2022**

#### **RESPONSIBILITIES OF THE COUNCIL OF MANAGEMENT**

The trustees (who are also directors of Furniture Reclamation and Delivery Enterprise for the purposes of company law) are responsible for preparing the Trustees' Report 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 the year. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Approved by the Council of Management on 17<sup>th</sup> March 2023 and signed on its behalf by:



K Shaw

**TRUSTEE and Treasurer**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF  
FURNITURE RECLAMATION AND DELIVERY ENTERPRISE  
YEAR ENDED 31<sup>ST</sup> MARCH 2022**

I report on the accounts of the company for the year ended 31<sup>ST</sup> March 2022 which are set out on pages 10 to 20.

**Responsibilities and basis of report**

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

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

**Independent examiner's statement**

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

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

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



Mr J Gresham FCCA  
Azets  
New Garth House  
Upper Garth Gardens  
GUISBOROUGH  
TS14 6HA  
20<sup>th</sup> March 2023

**FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**  
(Limited by Guarantee – not having a share capital)

**STATEMENT OF FINANCIAL ACTIVITIES**  
(INCLUDING INCOME & EXPENDITURE ACCOUNT)

**YEAR ENDED 31<sup>ST</sup> MARCH 2022**

	Note	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
<b>INCOME</b>					
<i>Income from charitable activities</i>					
Sale of furniture					
Stockton		201142	-	201142	150189
Darlington		164470	-	164470	115884
Middlesbrough		181923	-	181923	128099
Northallerton		65148	-	65148	37272
Guisborough		43217	-	43217	-
Online Sales		3275	-	3275	7477
Grants / Donations	3	22492	25641	48133	193480
Gift Aid and Tax recovered		1410	-	1410	12327
Other income		2679	-	2679	68
Investment income		111	-	111	810
<b>TOTAL INCOME</b>		<b>685867</b>	<b>25641</b>	<b>711508</b>	<b>645606</b>
<b>EXPENDITURE</b>					
<i>Expenditure on charitable activities</i>					
Cost of main activity		734309	25641	759950	575549
Other costs		22765	-	22765	16299
<b>TOTAL EXPENDITURE</b>	5	<b>757074</b>	<b>25641</b>	<b>782715</b>	<b>591848</b>
<b>Net (expenditure/income)</b>		<b>(71207)</b>	<b>-</b>	<b>(71207)</b>	<b>53758</b>
Transfer between funds		-	-	-	-
<b>Net movement in funds</b>		<b>(71207)</b>	<b>-</b>	<b>(71207)</b>	<b>53758</b>
Fund balances brought forward		234049	-	234049	180291
<b>TOTAL FUNDS CARRIED FORWARD</b>	13	<b>162842</b>	<b>-</b>	<b>162842</b>	<b>234049</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The value of unrestricted funds includes a designated fund balance of £41371 in respect of a redundancy provision.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**  
**(Limited by Guarantee - not having a share capital)**  
**BALANCE SHEET**

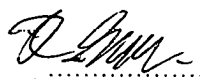
**AS AT 31<sup>ST</sup> MARCH 2022**

	Note	2022	2021
		£	£
<b>FIXED ASSETS</b>			
Tangible assets	9	32023	42697
<b>CURRENT ASSETS</b>			
Stock		18471	10455
Debtors	10	26356	42710
Cash at Bank and in Hand		119301	159659
		<u>164128</u>	<u>212824</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	11	(33309)	(21472)
<b>NET CURRENT ASSETS</b>		<u>130819</u>	<u>191352</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>162842</u>	<u>234049</u>
<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	11	-	-
<b>NET ASSETS</b>		<u><u>162842</u></u>	<u><u>234049</u></u>
<b>UNRESTRICTED FUNDS</b>			
- General Fund		121471	200487
- Designated Fund		41371	33562
<b>RESTRICTED FUNDS</b>		-	-
<b>TOTAL FUNDS</b>	13	<u><u>162842</u></u>	<u><u>234049</u></u>

For the year ending 31<sup>st</sup> March 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts
- These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

 K Shaw

Approved by the Board: 17<sup>th</sup> March 2023

The notes on pages 13 to 20 form part of these accounts

**FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**  
(Limited by Guarantee - not having a share capital)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2022**

	Note	2022 £	2021 £
<b>Net cash flow from operating activities</b>	14	(40469)	39641
<b>Cash flow from investing activities</b>			
Payments to acquire tangible fixed assets		-	(35371)
Interest received		111	810
<b>Net cash flow from investing activities</b>		111	(34561)
<b>Net increase/(decrease) in cash and cash equivalents</b>		(40358)	5080
Cash and cash equivalents at 1 <sup>st</sup> April 2019		159659	154579
Cash and cash equivalents at 31 <sup>st</sup> March 2020		119301	159659
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		119301	159659

**FURNITURE RECLAMATION AND DELIVERY ENTERPRISE**  
(Limited by Guarantee - not having a share capital)

**NOTES TO THE ACCOUNTS**  
**YEAR ENDED 31<sup>ST</sup> MARCH 2022**

**1. ACCOUNTING POLICIES**

**Charity Information**

Furniture Reclamation and Delivery Enterprise is a private company limited by guarantee incorporated in England and Wales. The registered office is The Green House , 68-69 Brunswick Street, Stockton on Tees, TS18 1DY.

**Accounting convention**

These accounts have been prepared in accordance with the charities governing document, the Companies Act 2006 and "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 (FRS102) effective 1<sup>st</sup> January 2019. The charity is a public benefit entity as defined by FRS 102.

The accounts are prepared in sterling which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

**Charitable Funds**

Unrestricted funds are available for use at the discretion of the trustees in the furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of restricted funds are set out in the notes to the accounts.

**Incoming Resources**

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that the income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require the deferral of the amount. Income tax recoverable in relation to donations received under gift aid or deeds of covenant is recognised at the time of donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of VAT and other sales related taxes.

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**Tangible Fixed Assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Motor Vehicles	-	25% per annum
Computers	-	25% per annum
Equipment and Phone System	-	20% per annum

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the net income for the year.

Recoverable amount is the higher of fair value, less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset

for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than the carrying amount, the carrying amount of the asset is reduced to the recoverable amount immediately in income/expenditure for the year, unless the relevant asset is carried in at a revalued amount, in which case the impairment loss is treated as revaluation decrease.

Recognised impairment losses are reversed if and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined if no carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as revaluation increase.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at cost. Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**Basic Financial Assets**

Basic financial assets which include debtors, cash and bank balances, are initially measured at transaction price including transaction costs and subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of future receipts discounted at a market rate of interest. Financial assets classified as receivable within 1 year are not amortised.

**Basic Financial Liabilities**

Basic Financial Liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within 1 year are not amortised. Debt instruments are subsequently measured at amortised cost, using the effective interest method.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled

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**2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying value 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 those estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision effects only that period, or in the period of revision and future periods where the provision effects both current and future periods.

**3. GRANTS/DONATIONS RECEIVED**

	Unrestricted	Restricted	2022 Total	2021 Total
	£	£	£	£
Teesside Emergency Relief Fund	-	875	875	-
Job Retention Scheme Grants	3847	-	3847	48624
Other Coronavirus Funding	17115	-	17115	107697
Big Lottery	-	8823	8823	19972
Community Action Fund	-	-	-	15692
DWP Kick Start	-	6238	6238	-
Ikea Founders Fund	-	2358	2358	-
MBC Community Chest	-	1460	1460	-
Rothley Trust	-	750	750	-
Hambleton DC	-	875	875	-
Jack Brunton	-	2000	2000	-
William Leech	-	2262	2262	-
Other donations	1530	-	1530	1495
	<u>22492</u>	<u>25641</u>	<u>48133</u>	<u>193480</u>

Of the total grants received of £48133 (2021: £193480), £25641 (2021:£35664) related to restricted funds £22492 (2021: £157816) to unrestricted funds.

**4. SERVICES PROVIDED BY VOLUNTEERS**

Volunteers from the community across Darlington, Stockton, Middlesbrough and Northallerton gave approximately 9,750 hours to the Charity. The past year due to the Covid Pandemic lock-down we did not receive any services provided by volunteers from HMP Kirklevington Grange. The 'shedders' provided 1,655 hours in the Man Shed. If these donated hours of work are calculated at not less than the National Minimum Wage then this contribution should be valued at not less than £89529



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**5. TOTAL EXPENDITURE**

	<b>Basis of Allocation</b>	<b>Charitable Costs</b>	<b>Other costs</b>	<b>Total 2022</b>	<b>Total 2021</b>
<b>Costs directly allocated</b>					
<b>To activities</b>		£	£	£	£
Direct Supplies and services	Direct	233928	-	233928	189738
Premises	Direct	118256	-	118256	76086
Independent Examination	Direct	-	2075	2075	915
Legal and HR	Direct	3976	-	3976	3194
Depreciation/loss on sale	Direct	10674	-	10674	14233
<b>Support costs allocated to activities</b>					
Management salaries & on costs	Time	364175	19167	383342	281157
Office running costs	Usage	28941	1523	30464	26525
		<u>759950</u>	<u>22765</u>	<u>782715</u>	<u>591848</u>

Of the total expenditure of £782715 (2021: £591848), £25641 (2021: £35664) was charged to restricted funds and £757074 (2021: £556184) to unrestricted funds.

**6. NET INCOME/(EXPENDITURE) FOR THE YEAR**

This is stated after charging:	<b>2022</b>	<b>2021</b>
	£	£
Depreciation of owned assets	10674	14233
Trustees' remuneration	-	-
Independent Examiner's fee	2075	915
	<u>12749</u>	<u>15148</u>

**7. STAFF COSTS AND NUMBERS**

	<b>2022</b>	<b>2021</b>
Staff costs were as follows:	£	£
Wages and Salaries	355340	260136
Social Security Costs	19223	14624
Pension costs	8779	6397
	<u>383342</u>	<u>281157</u>

No employee received emoluments of more than £60,000 in either the current or previous year.

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

	<b>2022</b>	<b>2021</b>
	No	No
Manager	1	1
Others	17	14
	<u>18</u>	<u>15</u>

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**NOTES TO THE ACCOUNTS**  
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**8. TAXATION**

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

**9. FIXED ASSETS**

	Computers £	Equipment £	Motor Vans £	Total £
<b>COST</b>				
At 1 <sup>st</sup> April 2021				
and				
At 31 <sup>st</sup> March 2022	24400	9861	84243	118504
<b>DEPRECIATION</b>				
At 1 <sup>st</sup> April 2021	15407	8784	51616	75807
Charge for the Year	2248	269	8157	10674
At 31 <sup>st</sup> March 2022	17655	9053	59773	86481
<b>NET BOOK VALUE</b>				
At 31 <sup>st</sup> March 2022	6745	808	24470	32023
At 31 <sup>st</sup> March 2021	8993	1077	32627	42697

There were no commitments to capital expenditure at 31<sup>st</sup> March 2022 or at 31<sup>st</sup> March 2021.

**10. DEBTORS**

	2022 £	2021 £
Trade Debtors	20476	27387
Prepayments and other Debtors	5880	15323
	26356	42710

**11. CREDITORS: Amounts falling due within one year**

	2022 £	2021 £
Other Creditors and accruals	24834	15941
Social Security and other taxes	8475	5531
	33309	21472

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**12. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>General Funds £</b>	<b>Restricted Funds £</b>	<b>Total Funds £</b>
Tangible Fixed Assets	32023	-	32023
Net Current Assets	130819	-	130819
	<u>162842</u>	<u>-</u>	<u>162842</u>

**13. MOVEMENT IN FUNDS**

	<b>At 1<sup>st</sup> April 2020 £</b>	<b>Incoming Resources £</b>	<b>Outgoing Resources £</b>	<b>Transfers £</b>	<b>At 31<sup>st</sup> March 2021 £</b>
<b>Restricted Funds</b>					
Community Action Fund	-	15692	(15692)	-	-
Big Lottery	-	19972	(19972)	-	-
	<u>-</u>	<u>35664</u>	<u>(35664)</u>	<u>-</u>	<u>-</u>
<b>Unrestricted Funds</b>					
General Fund	144528	609942	(556184)	2201	200487
Designated Fund – Redundancy Provision	35763	-	-	(2201)	33562
	<u>180291</u>	<u>645606</u>	<u>(591848)</u>	<u>-</u>	<u>234049</u>
<b>TOTAL FUNDS</b>	<u>180291</u>	<u>645606</u>	<u>(591848)</u>	<u>-</u>	<u>234049</u>

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13. MOVEMENT IN FUNDS	At 1 <sup>st</sup> April 2021 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 <sup>st</sup> March 2022 £
<b>Restricted Funds</b>					
Teesside Emergency Relief Fund (TERF)	-	875	(875)	-	-
DWP Kickstart	-	6238	(6238)	-	-
MBC Community Chest	-	1460	(1460)	-	-
Big Lottery	-	8823	(8823)	-	-
Ikea Founders Fund	-	2358	(2358)	-	-
Rothley Trust	-	750	(750)	-	-
Hambleton DC	-	875	(875)	-	-
Jack Brunton	-	2000	(2000)	-	-
Big Lottery	-	2262	(2262)	-	-
	-	25641	(25641)	-	-
<b>Unrestricted Funds</b>					
General Fund	200487	685867	(757074)	(7809)	121471
Designated Fund – Redundancy Provision	33562	-	-	7809	41371
<b>TOTAL FUNDS</b>	234049	711508	(782715)	-	162842

**Purposes of restricted funds:**

<b>Big Lottery</b>	Towards costs of the Manshed Project.
<b>Community Action Fund</b>	Towards costs of the Manshed Project.
<b>TERF</b>	This grant financed the administration of the provision of furniture in Emergencies.
<b>Ikea Founders Fund</b>	Towards an emergency furniture fund.
<b>Community Chest</b>	This grant was used towards the Middlesbrough kitchen.
<b>Rothley Trust</b>	Towards website design.
<b>Hambleton DC</b>	Towards costs of IT equipment.
<b>Jack Brunton Trust</b>	This grant was used towards costs of Middlesbrough sensory garden.
<b>William Leach</b>	Towards volunteer management costs
<b>Kickstart</b>	Towards Apprenticeships costs

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**NOTES TO THE ACCOUNTS**  
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**14. RECONCILIATION OF NET INCOME/EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Net expenditure/income for the year	(71207)	53758
Interest Received	(111)	(810)
Depreciation and impairment of tangible fixed assets	10674	14233
Tangible fixed asset donated	-	-
(Increase) in stock	(8016)	(4160)
(Increase)/Decrease in debtors	16354	(18038)
(Decrease)/Increase in creditors	11837	(5342)
	<hr/>	<hr/>
<b>Net cash flow from operating activities</b>	<b>(40469)</b>	<b>39641</b>
	<hr/> <hr/>	<hr/> <hr/>