

COMPANY REGISTRATION NUMBER: SC225920

CHARITY REGISTRATION NUMBER: SC032833

Furniture Plus Limited
Company Limited by Guarantee
Financial Statements
31 March 2022

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Company Limited by Guarantee
Financial Statements

Year Ended 31 March 2022

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Furniture Plus Limited
Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report)

Year Ended 31 March 2022

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2022 .

Reference and administrative details

Registered charity name	Furniture Plus Limited
Charity registration number	SC032833
Company registration number	SC225920
Principal office and registered office	7 - 21 Alexander Street Dysart Fife KY1 2XX

The trustees

Geoffrey Cartwright
Stuart Lynch (Company Secretary)
Paula Ritchie (Chair)
Martin Denholm
Alan Mutter (Vice Chair) (Resigned 10 May 2021)

Honorary Patron Lady Elgin
Key management personnel
General Manager Colin Bruce
Auditor

Paterson Boyd & Co Limited
Chartered Accountants & Statutory Auditor
18 North Street
Glenrothes
Fife
KY7 5NA

Bankers

Bank of Scotland
60 High Street
Leven
Fife
KY8 4NA

Solicitors

Wright, Johnston & MacKenzie LLP
Crescent House
Carnegie Campus
Enterprise Way
Dunfermline
Fife
KY11 8GR
Blackadders LLP
40 Torphichen Street
Edinburgh
Scotland
EH3 8JB

Structure, governance and management**Governing document**

The charity is a company limited by guarantee without share capital and is a Scottish registered charity. The document governing the charity is the Memorandum and Articles of Association.

Organisational Structure

The Board of Directors are responsible for the strategic direction of the charity. Full operational powers are delegated to the General Manager, who reports monthly to the Board on all activities, proposals for consideration and also the financial position of the charity.

Recruitment and Training of Directors

As regards the recruitment of new directors, interested parties are invited to complete an application form to outline their background, what they can bring to the charity in terms of time and skills and for the Board to determine whether this meets with the charity's strategic direction. If appropriate, an informal meeting with the Secretary, Chair and General Manager will take place before Board approval is sought. After attending several meetings, the appropriate notification form is completed and returned to Companies House. Any appointment made by the Board during the year is then confirmed at the next AGM when the appointment is ratified by those in attendance.

Any new Board members are given the background and objectives of the charity, verbally and in writing, as well as a list of policies in place at the time of their election/appointment. Details of any training activities, particularly in relation to legislation and responsibilities of charity trustees, are circulated to all Board members.

Investment Powers

Under the memorandum and articles of association, the charity has the power to make any investment which the directors see fit.

Risk Management

The directors consider the following to be the main risks facing the charity:

1. Loss of income and business instability due to Coronavirus COVID 19, particularly if closures are mandated. This includes staffing problems and/or shortages due to self isolation.
2. Loss of income due to the end of the Scotland XL contract, or at least much reduced orders.
3. Potential increase in demand for low cost second hand goods as unemployment and poverty potentially rises, but coupled with a drop in donations due to restrictions or low consumer confidence.

The directors are taking the following steps to mitigate these risks:

1. Close monitoring to costs of the business. Looking for opportunities for funding. Risk assessments in place for emergency staff cover. Move to a much more online presence including web store.
2. To an extent this is beyond our control but we continue to try to explain the benefits of re-use to the Council.
3. Look to enhance our other income streams such as house clearances, and look for new outlets such as housebuilders.

Objectives and activities

Objects of the Charity

The charity's mission statement and principles are:-

- To provide low cost, quality goods, and furnishings and service to low income households in Fife, thereby alleviating poverty.
- To provide employment and training opportunities to strive to alleviate social exclusion.

All policies and business plans are based on this statement.

Achievements and performance

2021/22 saw our gradual emergence from the COVID restrictions of last year meaning we returned to a more regular way of operating. Our shops remained open for the whole of the year. We made strong inroads into recovery, and our results, outlined in this report, show we have managed to improve on our pre-pandemic results.

Our core business activity of re-using, recycling and repairing furniture and other household goods that may otherwise have gone to landfill continues, despite the previous pandemic challenges. This benefits local communities - socially and environmentally - whilst generating core income to sustain the business and its staff. We work in a targeted way throughout Fife and beyond - to Tayside, Stirlingshire, Clackmannanshire, Perthshire and even Edinburgh, operating from our two locations in Dysart and Dunfermline.

Over the year we provided employment for around 28 people over the year and hosted 7 volunteers. We also created opportunities for work experience and job placements through various out of work programmes, such as Scottish Government "Community Jobs Scotland" scheme, the government Kickstart scheme, Fife Job Contract, Young Person's Guarantee and Long-Term Unemployed. All our permanent staff received the Real Living Wage and we are committed to this going forward.

We continued to carry out our commitments to the Scotland XL contract as part of the Circular Communities Scotland consortium. This provides white goods (i.e. fridges, freezers etc.) and some furniture to people who have qualified for Community Care Grant assistance. This contract still delivers significant savings to Fife council when compared to buying new, and also has a positive environmental impact by reducing landfill.

We maintain our membership of the national "Re-use network" and "Revolve" - the Scotland quality Standard for second-hand stores in Scotland which is awarded to stores that meet high standards in safety, cleanliness and service, giving shoppers that extra reassurance to shop second-hand first. We also were listed once again in the 2022 NatWest SE100 Index - an annual listing of the UK's top 100 social enterprises.

In August 2021 we relaunched our workshops where we were able to offer woodworking courses with the aim of helping those who may have suffered mental issues, particularly in trying to reintegrate after COVID closures. We were delighted to receive some funding to aid us in this work from Fife Voluntary Action and their Mental Wellbeing funds, and also the Bank Of Scotland Reach Fund.

Other multiyear funding we received has continued to help us in all our work, particularly retaining some staff after core job funding (such as Kickstart) had expired.

We are pleased to report the following achievements for the 2021/22 period:

- Achieved an income of £988,291 (inclusive of grants).
- Carried out 3,798 deliveries low cost items to households.

- Diverted 533.4 tonnes of useable furniture and other household waste from landfill.
- Recycled 37 tonnes that otherwise would have gone to landfill.
- Made 5,577 collections which resulted in 15,246 items being collected totalling 539.65 tonnes.
- Cleared 939 items from 37 properties through our house clearance service.
- Assisted 294 families with completely free goods, supplying 831 items helped via direct self-referral to our improved "Get Help" tool, with a value of £28,182.

-
Provided 7 volunteering opportunities for dedicated volunteers, Provided 6 Kickstart scheme work placements including some for those with additional needs.

None of these achievements would be possible without our dedicated workforce. We are pleased to maintain our commitment to paying the Real Living Wage.

We extend our thanks to our kind donors of furniture and cash, in particular those who also boost our funds by signing up to Gift Aid.

The Board wishes to thank Lady Elgin for her continued patronage and support. The Chair wishes to thank our total Furniture Plus team for their great efforts to achieve these successes despite the ongoing challenges of the worldwide COVID 19 pandemic.

Financial review

The statement of financial position of the charity as detailed on page 14 shows net assets of £713,423 at 31 March 2022. The surplus for the year as detailed in the Statement of Financial Activities on page 13 is £210,329.

Reserves

The directors have adopted a policy whereby the unrestricted reserves (the free reserves) held by the charity should amount to 3 and 6 months of expenditure, which equates to between £240,000 and £480,000 of general funds. At this level the directors feel that they would be able to continue the current level of activities of the charity in the event of a significant drop in funding. As at 31 March 2022 these free reserves amount to £475,831, inclusive of designated funds of £339,189.

Plans for future periods

We anticipate a difficult year due to the ongoing COVID 19 pandemic. Risks include local and national lockdowns, staff illness and shortages, and financial loss and resulting impacts. We believe we have robust risk assessments and procedures in place to enable us to tackle these issues as best we can.

Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period. 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 applicable Charities SORP; - make judgments and accounting estimates that are reasonable and prudent; - state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business. The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and - they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report (incorporating the directors' report) was approved on 23 December 2022 and signed on behalf of the board of trustees by:

Paula Ritchie Chair

Furniture Plus Limited
Company Limited by Guarantee

Independent Auditor's Report to the Members of Furniture Plus Limited

Year Ended 31 March 2022

Opinion

We have audited the financial statements of Furniture Plus Limited (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report, included within the trustees' annual report. We have nothing to report in respect of the following matters where the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005, and the Charity Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion: - adequate and proper accounting records have not been kept; or - the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of trustees' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit; or - the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report, included within the trustees' annual report, and from the requirements to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so. Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: Based on our understanding of the charity and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulations and prohibited business practices, and we considered that the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override controls), and determined that the principal risks were related to the potential posting of inappropriate journal entries to manipulate financial results and management bias in accounting estimates. Audit procedures performed by the engagement team included: - Enquiry of management and those charged with governance around actual and potential litigation and claims. - Reviewing minutes of meetings of those charged with governance including the Board. - Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities. - Identifying and testing journal entries based on risk criteria. - Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing. - Testing transactions entered into outside of normal course of business. - Investigated the rationale behind significant or unusual transactions. - Reviewed accounting estimates for evidence of bias. - Performed analytical review and sample testing of income. - Agreed financial statement disclosures to supporting documentation. There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees. - Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. A further description of our responsibilities is available on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Craig Wallace B.Acc.(Hons), F.C.C.A.

(Senior Statutory Auditor)

For and on behalf of

Paterson Boyd & Co Limited

Chartered Accountants & Statutory Auditor

18 North Street

Glenrothes

Fife

KY7 5NA

23 December 2022

Furniture Plus Limited
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)

Year Ended 31 March 2022

			2022		2021
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	3,313	—	3,313	434
Charitable activities	6	913,114	13,939	927,053	633,041
Other trading activities	7	43,335	—	43,335	24,683
Investment income	8	14,590	—	14,590	4,647
Total income		974,352	13,939	988,291	662,805
Expenditure					
Expenditure on charitable activities	9,10	744,441	15,834	760,275	682,782
Total expenditure		744,441	15,834	760,275	682,782
Net income/(expenditure)		229,911	(1,895)	228,016	(19,977)
Transfers between funds		6,886	(6,886)	—	—
Other recognised gains and losses					
Gains/(losses) on investments		(17,687)	—	(17,687)	50,747
Net movement in funds		219,110	(8,781)	210,329	30,770
Reconciliation of funds					
Total funds brought forward		475,831	27,263	503,094	472,324
Total funds carried forward		694,941	18,482	713,423	503,094

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Furniture Plus Limited
Company Limited by Guarantee
Statement of Financial Position

31 March 2022

		2022	2021
	Note	£	£
Fixed Assets			
Tangible fixed assets	16	14,711	21,597
Investments	17	242,825	245,963
		-----	-----
		257,536	267,560
Current Assets			
Stocks	18	10,732	5,991
Debtors	19	70,600	63,545
Cash at bank and in hand		419,128	212,289
		-----	-----
		500,460	281,825
Creditors: amounts falling due within one year	20	44,573	46,291
		-----	-----
Net Current Assets		455,887	235,534
		-----	-----
Total Assets Less Current Liabilities		713,423	503,094
		-----	-----
Net Assets		713,423	503,094
		-----	-----
Funds of the Charity			
Restricted funds		18,482	27,263
Unrestricted funds		694,941	475,831
		-----	-----
Total charity funds	22	713,423	503,094
		-----	-----

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on 23 December 2022 , and are signed on behalf of the board by:

Paula Ritchie Chair

Furniture Plus Limited
Company Limited by Guarantee
Statement of Cash Flows

Year Ended 31 March 2022

	2022	2021
	£	£
Cash Flows from Operating Activities		
Net income/(expenditure)	228,016	(19,977)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	7,230	11,422
Dividends, interest and rents from investments	(14,549)	(4,304)
Other interest receivable and similar income	(41)	(343)
Interest payable and similar charges	157	485
Accrued (income)/expenses	(1,967)	1,099
<i>Changes in:</i>		
Stocks	(4,741)	1,492
Trade and other debtors	(7,055)	(11,117)
Trade and other creditors	249	8,430
	-----	-----
Cash generated from operations	207,299	(12,813)
Interest paid	(157)	(485)
Interest received	41	343
	-----	-----
Net cash from/(used in) operating activities	207,183	(12,955)
	-----	-----
Cash Flows from Investing Activities		
Dividends, interest and rents from investments	14,549	4,304
Purchase of tangible assets	(344)	—
Purchases of other investments	(14,549)	(4,304)
	-----	-----
Net cash used in investing activities	(344)	—
	-----	-----
Net Increase/(Decrease) in Cash and Cash Equivalents	206,839	(12,955)
Cash and Cash Equivalents at Beginning of Year	212,289	225,244
	-----	-----
Cash and Cash Equivalents at End of Year	419,128	212,289
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Furniture Plus Limited
Company Limited by Guarantee
Notes to the Financial Statements

Year Ended 31 March 2022

1. General Information

The charity is a public benefit entity and a private company limited by guarantee, registered in Scotland and a registered charity in Scotland. The address of the registered office is 7 - 21 Alexander Street, Dysart, Fife, KY1 2XX.

2. Statement of Compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting Policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis, assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policies.

Going Concern

The Trustees are of the opinion that the Charitable company can continue to meet its obligations as they fall due for the foreseeable future due to the current level of financial reserves and expectations of future income. As a consequence the Trustees have prepared the financial statements on the going concern basis.

Judgements and Key Sources of Estimation Uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Taxation

The charity is exempt from tax on income and gains falling within section 505(1) of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Fund Accounting

Funds held by the charity are either:- Unrestricted general funds - are donations and other incoming resources receivable or generated for the objects of the charity without specified purpose; Restricted funds - are funds that can only be used for a particular restricted purpose within the objectives of the charity; Designated funds - are funds that are set aside by the trustees out of unrestricted general funds for specific future purposes or projects as follows: Contingency reserve - this represents the trustees' current estimate of the amounts that should be held in reserve to meet contingencies such as a fall in income or an increase in costs. Dysart upgrade - this fund was used for property improvements which were treated as fixed assets and the balance remaining at the year end represents the net book value of those assets, which will be depreciated. Workshop costs - this fund was used for the running of the workshop. Pandemic emergency - this represents the trustees' current estimate of the amounts that should be held in reserve to meet the potential loss in income or additional costs incurred because of the COVID-19 pandemic. Upper showroom heating - this fund is for the upgrading the heating system in the upper showroom. The remaining balance represents the net book value of the asset, which will be depreciated over subsequent years. Goodwill sales - this fund is to provide funds to cover free of charge sales to those in need. PPE - this fund is for provision of PPE to employees and volunteers due to the current pandemic. Redundancy costs - this fund is for the provision of redundancy costs, should these be incurred in the future.

Income and Endowments

Income All income is included in the statement of financial activities when the charity is entitled to the income, any performance related conditions attached have been met or are fully within the control of the charity, the income is considered probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income: - Donations and legacy income is received by way of donations, grants and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. - Investment income is included when receivable. - Income from charitable trading activity is accounted for when earned. - Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred:

- Costs of raising funds comprise the costs associated with attracting donations, grants and legacies and the costs of trading for fundraising purposes.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, as set out in the notes to the accounts.

Tangible Assets

Tangible fixed assets are stated at cost less depreciation. The charity capitalises items of equipment where the purchase price exceeds £500.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	-	25% reducing balance and straight line over 3 years
Motor vehicles	-	25% reducing balance
Office equipment	-	25% reducing balance
Leasehold improvements	-	20% straight line

Investments

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. It should be noted that the charity holds many items of donated goods for resale, the cost of which to the charity is Nil. The stock included in the statement of financial position relates to goods purchased for resale.

Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at the carrying value plus accrued interest less repayments. The financing charge to expenditure is at a constant rate calculated using the effective interest method.

Defined Contribution Pension Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Limited by Guarantee

The charity is a company limited by guarantee without share capital. Each member of the charity has undertaken to contribute an amount not exceeding £1 towards any deficit arising in the event of the charity being placed in liquidation.

5. Donations and Legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations				
Donations	3,313 -----	3,313 -----	434 -----	434 -----

6. Charitable Activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Furniture sales: Dysart	375,528	—	375,528
Furniture sales: Dunfermline	227,862	—	227,862
Online sales	19,047	—	19,047
Housing vouchers	113	—	113
House clearances	25,577	—	25,577
Free of charge sales	28,000	—	28,000
Tax reclaimed - Gift aid	31,120	—	31,120
Fife Council XL sales	80,288	—	80,288
Robertson Trust	24,000	—	24,000
HMRC - Job Retention Scheme	5,887	—	5,887
Fife Council - Business Support	—	—	—
Business Gateway - Covid-19 Support	15,000	—	15,000
John Lewis Partnership	5,140	—	5,140
Co-op Community Fund	—	—	—
Foundation Scotland	—	4,654	4,654
STV Fund	—	—	—
Bank of Scotland	—	—	—
Corra Foundation	—	—	—
WEEE Fund	—	—	—
Zero Waste	—	—	—
FVA Mental Health	—	9,285	9,285
HMRC - SSP Grant	713	—	713
Adapt & Thrive	74,839	—	74,839
	<u>913,114</u>	<u>13,939</u>	<u>927,053</u>

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Furniture sales: Dysart	163,712	—	163,712
Furniture sales: Dunfermline	100,478	—	100,478
Online sales	15,753	—	15,753
Housing vouchers	—	—	—
House clearances	15,075	—	15,075
Free of charge sales	20,381	—	20,381
Tax reclaimed - Gift aid	15,359	—	15,359
Fife Council XL sales	63,912	—	63,912
Robertson Trust	24,000	—	24,000
HMRC - Job Retention Scheme	125,931	—	125,931
Fife Council - Business Support	24,000	—	24,000
Business Gateway - Covid-19 Support	12,000	—	12,000
John Lewis Partnership	2,997	—	2,997
Co-op Community Fund	—	1,243	1,243
Foundation Scotland	—	9,136	9,136
STV Fund	—	2,000	2,000
Bank of Scotland	—	8,300	8,300
Corra Foundation	—	23,764	23,764
WEEE Fund	—	4,000	4,000
Zero Waste	—	1,000	1,000
FVA Mental Health	—	—	—
HMRC - SSP Grant	—	—	—
Adapt & Thrive	—	—	—
	-----	-----	-----
	583,598	49,443	633,041
	-----	-----	-----

7. Other Trading Activities

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Community Cafe income	—	—	—
Employee training support	43,335	—	43,335
	-----	-----	-----
	43,335	—	43,335
	-----	-----	-----
	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Community Cafe income	5	—	5
Employee training support	—	24,678	24,678
	-----	-----	-----
	5	24,678	24,683
	-----	-----	-----

8. Investment Income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Income from listed investments	14,549	14,549	4,304	4,304

Bank interest receivable	41	41	343	343
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>
	14,590	14,590	4,647	4,647
	<u>-----</u>	<u>-----</u>	<u>-----</u>	<u>-----</u>

9. Expenditure on Charitable Activities by Fund Type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2022 £
Furniture sales	684,467	15,834	700,301
Support costs	59,974	—	59,974
	744,441	15,834	760,275
	Unrestricted Funds £	Restricted Funds £	Total Funds 2021 £
Furniture sales	580,982	51,040	632,022
Support costs	50,760	—	50,760
	631,742	51,040	682,782

10. Expenditure on Charitable Activities by Activity Type

	Activities undertaken directly £	Support costs £	Total funds 2022 £	Total fund 2021 £
Furniture sales	700,301	42,675	742,976	669,433
Governance costs	—	17,299	17,299	13,349
	700,301	59,974	760,275	682,782

11. Analysis of Support Costs

	Analysis of support costs £	Total 2022 £	Total 2021 £
General office	42,518	42,518	36,926
Finance costs	157	157	485
Governance costs	17,299	17,299	13,350
	59,974	59,974	50,761

12. Net Income/(Expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	7,230	11,422
Operating lease rentals	96,831	84,932

13. Auditor's Remuneration

	2022 £	2021 £
Fees payable for the audit of the financial statements	4,725	4,500

14. Staff Costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	403,601	368,076
Social security costs	22,675	17,488
Employer contributions to pension plans	6,565	6,207
	-----	-----
	432,841	391,771
	-----	-----

The average head count of employees during the year was 25 (2021: 25).

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

Key Management Personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £48,006 (2021:£45,900).

15. Trustee Remuneration and Expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

16. Tangible Fixed Assets

	Fixtures and fittings	Motor vehicles	Equipment	Leasehold improvement	Total
	£	£	£	£	£
Cost					
At 1 Apr 2021	34,357	67,091	34,707	98,693	234,848
Additions	344	—	—	—	344
	-----	-----	-----	-----	-----
At 31 Mar 2022	34,701	67,091	34,707	98,693	235,192
	-----	-----	-----	-----	-----
Depreciation					
At 1 Apr 2021	23,387	62,197	32,508	95,159	213,251
Charge for the year	2,625	1,217	545	2,843	7,230
	-----	-----	-----	-----	-----
At 31 Mar 2022	26,012	63,414	33,053	98,002	220,481
	-----	-----	-----	-----	-----
Carrying amount					
At 31 Mar 2022	8,689	3,677	1,654	691	14,711
	-----	-----	-----	-----	-----
At 31 Mar 2021	10,970	4,894	2,199	3,534	21,597
	-----	-----	-----	-----	-----

17. Investments

	Other investments £
Cost or valuation	
At 1 Apr 2021	245,963
Additions	14,549
Fair value movements	(17,687)

At 31 Mar 2022	242,825

Impairment	
At 1 Apr 2021 and 31 Mar 2022	—

Carrying amount	
At 31 Mar 2022	242,825

At 31 Mar 2021	245,963

All investments shown above are held at market value at the period end date.

18. Stocks

	2022 £	2021 £
XL goods for resale	8,204	5,991
General stock	2,528	—
	-----	-----
	10,732	5,991
	-----	-----

19. Debtors

	2022 £	2021 £
Trade debtors	35,170	25,367
Prepayments and accrued income	24,246	30,032
Other debtors	11,184	8,146
	-----	-----
	70,600	63,545
	-----	-----

20. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	22,155	27,560
Accruals and deferred income	9,630	11,597
Social security and other taxes	7,571	4,071
Other creditors	5,217	3,063
	-----	-----
	44,573	46,291
	-----	-----

21. Pensions and Other Post Retirement Benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £ 6,565 (2021: £ 6,207).

22. Analysis of Charitable Funds

Unrestricted funds

	At 1 Apr 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2022
	£	£	£	£	£	£
General funds	136,642	974,352	(743,671)	(25,114)	(17,687)	324,522
Contingency reserve	—	—	—	240,000	—	240,000
Dysart upgrade	189	—	—	—	—	189
Pandemic						
Emergency	220,000	—	—	(220,000)	—	—
Upper showroom						
heating	20,000	—	—	—	—	20,000
Goodwill sales	24,000	—	—	12,000	—	36,000
PPE	25,000	—	(770)	—	—	24,230
Redundancy costs	50,000	—	—	—	—	50,000
	475,831	974,352	(744,441)	6,886	(17,687)	694,941
	At 1 Apr 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
General funds	128,957	588,684	(631,742)	(4)	50,747	136,642
Contingency reserve	—	—	—	—	—	—
Dysart upgrade	189	—	—	—	—	189
Pandemic						
Emergency	220,000	—	—	—	—	220,000
Upper showroom						
heating	20,000	—	—	—	—	20,000
Goodwill sales	24,000	—	—	—	—	24,000
PPE	25,000	—	—	—	—	25,000
Redundancy costs	50,000	—	—	—	—	50,000
	468,146	588,684	(631,742)	(4)	50,747	475,831

Restricted funds

	At 1 Apr 2021	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2022
	£	£	£	£	£	£
Asset purchases	—	—	—	—	—	—
Maintenance Plus	1,324	—	(328)	—	—	996
Dysart reorganisation	380	—	(96)	—	—	284
Dysart heating upgrade	366	—	—	(366)	—	—
Community Cafe	546	—	(89)	(187)	—	270
Business Gateway	370	—	(122)	—	—	248
Scottish Community Alliance	319	—	—	(319)	—	—
Co-op Community Fund	1,243	—	(1,243)	—	—	—
Foundation Scotland	4,401	4,654	(9,055)	—	—	—
STV Fund	—	—	—	—	—	—
Bank of Scotland	8,300	—	(901)	—	—	7,399
Corra Foundation	5,014	—	—	(5,014)	—	—
WEEE Fund	4,000	—	(4,000)	—	—	—
Zero Waste	1,000	—	—	(1,000)	—	—
FVA Mental Health	—	9,285	—	—	—	9,285
	27,263	13,939	(15,834)	(6,886)	—	18,482

	At 1 Apr 2020	Income	Expenditure	Transfers	Gains and losses	At 31 Mar 2021
	£	£	£	£	£	£
Asset purchases	—	24,678	(24,678)	—	—	—
Maintenance Plus	1,764	—	(440)	—	—	1,324
Dysart reorganisation	504	—	(124)	—	—	380
Dysart heating upgrade	375	—	(9)	—	—	366
Community Cafe	664	—	(118)	—	—	546
Business Gateway	552	—	(182)	—	—	370

Scottish Community Alliance	319	—	—	—	—	319
Co-op Community Fund	—	1,243	—	—	—	1,243
Foundation Scotland	—	9,136	(4,735)	—	—	4,401
STV Fund	—	2,000	(2,004)	4	—	—
Bank of Scotland	—	8,300	—	—	—	8,300
Corra Foundation	—	23,764	(18,750)	—	—	5,014
WEEE Fund	—	4,000	—	—	—	4,000
Zero Waste	—	1,000	—	—	—	1,000
FVA Mental Health	—	—	—	—	—	—
	4,178	74,121	(51,040)	4	—	27,263

Restricted funds represent funds received which can only be used for a particular purpose as stipulated by the donor.

The charity has received funds from various sources such as Fife Council, Zero Waste Scotland, The Robertson Trust, Greener Kirkcaldy, NHS, Awards for All, Community Interventions Fund over the last few years.

Many of these donations were to assist with the purchase of assets for use in the charity to deliver particular projects or to assist with general charitable activities.

In these cases, the purchased assets are included in the Statement of Financial Position of the charity at their cost, and each year, depreciation is charged against income to reflect the use of those assets by the charity in the year.

The balances on several of the restricted funds above effectively reflects the net book value of the assets purchased and yet to be fully depreciated.

23. Analysis of Net Assets Between Funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022
	£	£	£
Tangible fixed assets	12,913	1,798	14,711
Investments	242,825	—	242,825
Current assets	483,776	16,684	500,460
Creditors less than 1 year	(44,573)	—	(44,573)
Net assets	694,941	18,482	713,423
	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Tangible fixed assets	19,164	2,433	21,597
Investments	245,963	—	245,963
Current assets	256,995	24,830	281,825
Creditors less than 1 year	(46,291)	—	(46,291)
Net assets	475,831	27,263	503,094

24. Financial Instruments

The carrying amount for each category of financial instrument is as follows:

	2022	2021
	£	£
Financial assets measured at fair value through income and expenditure		
Financial assets measured at fair value through income and expenditure	500,460	281,825
	-----	-----
Financial liabilities measured at fair value through income and expenditure		
Financial liabilities measured at fair value through income and expenditure	44,573	46,291
	-----	-----

25. Analysis of Changes in Net Debt

	At 1 Apr 2021	Cash flows	At 31 Mar 2022
	£	£	£
Cash at bank and in hand	212,289	206,839	419,128
	-----	-----	-----

26. Operating Lease Commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	41,272	97,064
Later than 1 year and not later than 5 years	195,500	236,772
Later than 5 years	8,500	59,500
	-----	-----
	245,272	393,336
	-----	-----

27. Related Parties

For the whole of the financial year the charity was controlled by its board of directors.

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