

REGISTERED COMPANY NUMBER: 5960870 (England and Wales)
REGISTERED CHARITY NUMBER: 1117615

**Report of the Trustees and
Financial Statements for the Year Ended 31st December 2018**

**for
FURNISTORE IN EAST SURREY LIMITED**

FURNISTORE IN EAST SURREY LIMITED

**Contents of the Financial Statements
for the year ended 31st December 2018**

	Page
Reference and administration details	2
Report of the Trustees	3 to 8
Independent Examiner's Report	9
Statement of Financial Activities	10
Balance Sheet	11 to 12
Notes to the Financial Statements	13 to 19
Detailed Statement of Financial Activities	20

FURNISTORE IN EAST SURREY LIMITED

REFERENCE AND ADMINISTRATION DETAILS

Charity Name:	Furnistore in East Surrey Ltd
Company Registration number:	5960870 (England and Wales)
Charity Registration number:	1117615
Date of Incorporation:	9 th October 2006
Registered Office and Operational Address:	34 Holmethorpe Avenue Holmethorpe Industrial Estate Redhill RH1 2NL
Trustees:	E S Baker – Chairman Mrs F Clark J C St A Essex C R Green - resigned (14 th Feb 2018) Mrs E C Smith - resigned (October 2018) D P Wheeler FCCA, Treasurer J G McLaughlin (from 18 th Sept 2018) Gareth Owen (from 20 th November 2018)
Company Secretary:	Mrs F Clark
Bankers:	CAF Bank 25 Kings Hill Avenue West Malling Kent ME10 4JQ
Solicitors:	Segens Glade House 52 Carter Lane London EC4V 6EF
Independent Examiner:	Mrs C. E Braidwood FCA Braidwood and Company Chartered Accountants Lowood The Street Betchworth Surrey RH3 7JE

FURNISTORE IN EAST SURREY LIMITED

Report of the Trustees for the year ended 31st December 2018

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity's objects and principal activities as set out in its memorandum and articles of association continue to be:

- (i) the relief of poverty in East Surrey by means of the provision of good quality owned and other furniture, appliances and household goods at affordable prices to low-income families and individuals in need.
- (ii) the advancement of environmental protection by means of reducing the volume of furniture and household goods disposed of into the waste stream.
- (iii) workplace training by providing work experience, training, support and development of volunteers, including those with special support needs.

The charity's aims are:

- (i) to benefit those less fortunate by providing them with furniture, furnishings and white goods without charge or at low cost, thus giving them self-esteem and enabling them to take their place in society,
- (ii) to re-use goods wherever possible,
- (iii) to train and develop its volunteers, to help some of them back into paid employment and to give its volunteers a sense that they are themselves helping others who are less fortunate, by their activities.

The main objects are the relief of poverty amongst individuals and families in East Surrey by collecting as much donated furniture as possible, carrying out cleaning, minor repairs and where appropriate PAT testing, before delivering it to those having a genuine need; also selling items at discount to individuals and families with proven need and selling to the wider public in order to finance the operations. Further objectives are to reduce the volume of waste going to landfill and to provide training and development opportunities to volunteers and staff.

The strategy is to equip the staff and volunteers to collect, display, sell and deliver as much good quality stock as possible from public donations, in order to cover the running expenses, while supplying the client group free of charge or at discount. This also entails publicising the charity's activities in local media and raising funds through local individuals, churches, businesses and grant making organisations.

Public benefit

As stated above, the charity's primary objective is the provision of furniture to economically and/or socially disadvantaged people in the East Surrey area. The service provided by the charity is therefore directly related to both the particular and often very urgent needs of its beneficiaries and to the charity's aims. The charity carries out its work in a totally non-discriminatory way.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of the governing document and constitution of the charity

The charity is constituted as a company limited by guarantee and is therefore governed by its memorandum and articles of association. The directors of the company are also trustees of the charity. Eligibility for membership of the charity and membership of the board of trustees is governed by the memorandum and articles of association. There are no restrictions in the governing documents on the operation of the charity or on its investment powers, other than those imposed by general law.

FURNISTORE IN EAST SURREY LIMITED

Report of the Trustees for the year ended 31st December 2018

Recruitment and appointment of new trustees

The trustees and staff are constantly seeking new trustees through personal contact, the churches, other agencies and by web advertising. Potential new trustees are invited to the board meeting, fill in application forms and provide references. Subject to satisfactory interview and references, and accepting the responsibilities as defined in the Charity Commission guidelines on the responsibilities of charity trustees, the new member is voted onto the board.

Organisational structure

The paid Manager has operational responsibility for all aspects of running the work of Furnistore, under the direction of the board of trustees. The board meets regularly with the Manager in attendance to monitor and facilitate the work of the charity, approve actions and plan for the development of the work. The Manager meets with the Chairman of the board a week before each of the monthly board meetings to ensure that issues are discussed and decisions taken when appropriate.

The work of the charity is carried out by both paid staff and volunteers. Paid staff roles cover driving/furniture handling, finance, volunteer management, reception and telephone contact work. In addition, the Manager develops and maintains links with the charities and agencies which rely on us to help their clients, develops relationships with statutory agencies and other service providers, and assisted by the trustees works on marketing, fundraising and promoting the charity. Volunteers assist with all these roles, and many others; volunteers who wish are encouraged to develop work skills.

The Board is strengthened by having a Treasurer and by its members with marketing skills.

Induction and training of new trustees

The new trustee is invited to the warehouse, introduced to the staff and some volunteers on the visit, and expected to read the Charity Commission guidelines and memorandum and articles of association. Trustees are invited to avail themselves of relevant trustee training. The board holds an annual strategy and development day.

Membership of a wider network

The charity is a founder member of Surrey Re-use Network. It enjoys good relationships with the local councils and housing agencies and the many agencies working with some of the most needy families and individuals in the East Surrey area. It has directly helped Salvation Army and Welfare clients, local school liaison officers and housing associations, clients via Oxted and Bletchingley charities, the CAB, the Job Centre and the local YMCA. Redhill Volunteer Centre and the Island Partnership have provided some volunteers. The charity enjoys continued support by the Churches Together churches, which provide some finance, volunteers and publicity.

Details of significant activities (including its main programmes, projects and services provided) that contribute to the achievement of the stated objectives.

In fulfilling the aim of relieving poverty amongst families and individuals in East Surrey, the staff and volunteers of the charity have continued to operate all year collecting, cleaning, testing and distributing donated furniture and white goods to those in need and maintaining links with around 20 statutory and support agencies who act for people with social and material needs. Two hundred and ninety households were assessed and qualified for 50% discount and/or FOC provision.

Approximately 93 tonnes were collected or dropped in, 89.5 tonnes of which went directly into homes (4,726 items), and some of the remainder being recycled. Around 466 items were PAT tested and sold on. Over the year 591 items of furniture and appliances have been supplied free of charge to 78 families and individuals. Another 1,940 items were provided at 50% discount to assessed households. In crockery, cutlery, utensils and bedding addition, the charity supplied 124 free emergency packs of essentials including household cleaning equipment and agents, pans, bales. Altogether the free and discounted sales totalled 49.9 tonnes. A further 39.6 tonnes went at full price.

The charity provides a collection service for surplus furniture, appliances and household goods to the residents of East Surrey, passing them on to both needy households as described, or selling to the general public, thereby reducing the volume of bulky waste by more than 89.5 tonnes. The charity works with the local authority to encourage the re-use of white goods and furniture.

In order to meet demand for some basic requirements the charity has not received sufficient donated stock to meet demand and has continued to buy in new beds and also washing machines and cookers. The charity has also undertaken a limited number of house clearances.

FURNISTORE IN EAST SURREY LIMITED

Report of the Trustees for the year ended 31st December 2018

The Trustees worked hard to negotiate rent on part of a local business on the Holmethorpe Estate for storage of surplus stock, and to hold sold items for delivery.

The charity received £200 in local authority grants and £16,205 from the John Beanes Charity for Furnistore to provide free essentials for those in particular hardship. Furnistore is very grateful to Surrey County Council for free rubbish collection and disposal, and to Reigate and Banstead Borough Council for continued zero rating of Council Tax.

Grant Making

The charity does not specifically provide grants but Furnistore provided goods in kind to a value of £32,410 in 2018, to service users on proven low income who are setting up home in unfurnished or partly furnished premises, or who have a proven need for a specific item. This year the Beanes charity covered half the value of £16,205 and Furnistore covered the other 50% through discounts. This group is also the recipient of the free starter packs of donated basic essentials with an approximate value of £1,240. Furnistore matched a further £25,875 of discounted sales with the same amount in 50% assessed discounts.

The contribution of volunteers

The charity relies heavily on its wonderful volunteer workforce, and continues to offer volunteering opportunities and training to the long term unemployed, ex-offenders and people with support needs, as well as volunteers from the wider community. Six volunteers have moved on into paid employment during this period, four full time and two part time.

The charity has a governing board of 6 trustees (all of whom are volunteers) and has benefitted from 7,043 hours of support by a total of 51 volunteers over the year, some of whom are on training schemes, and some of whom require special support. The volunteers have benefitted from in-house training and on-the-job training, with some Job Search and Interview Skills input. Trustees have raised the presence of the charity in local fairs and by leafleting local homes, and on top of their statutory governance work and they have put in extra work of at least 200 hours.

Factors relevant to the achievement of the charity's objectives

At the start of 2018 the trustees were concerned at the low income from sales. The charity continued to be affected significantly by the economic downturn, with people having less money to spend. More people turned to Furnistore for discounted and grant supported provision of goods. The van was proving unreliable and repairs and van hire were proving expensive.

Furnistore agreed to help priority clients in Crawley on referral, as a donation of £30,000 was given by the trustees of FurniAid in Crawley, which had been forced to close down. This enabled Furnistore to pay off most of the mortgage owed, and by returning to the original term for repayment (in order to make further borrowing straightforward should this be needed), the monthly repayment has been reduced by over £1,000. Also from this money the largest debenture holder was refunded £10,000, and a further £2,000 was paid back, thus reducing the interest paid out. These savings mostly offset the low sales and some of the high maintenance costs on the van.

The charity held a Board strategic Refresh day, to revise and update its plans in January 2018. We received a £9,500 grant from the National Lottery to upgrade all our IT equipment, and a trustee made an extraordinarily generous donation of £13,000 to enable the purchase of a replacement van. The latter part of the year saw us sourcing the best replacement, and arranging for it to be fitted out for as early as possible in 2019.

The Charity raised sufficient funds to cover its obligations.

Summary of the main achievements of the charity during the year

The charity has continued to deliver its primary objectives and help 78 individuals, couples and families in acute need free-of-charge and supply many others with discounted sales totalling 49.9 tonnes, provide 124 emergency packs, and give work experience to a good number of volunteers, and we are delighted that 6 went into paid employment. Furnistore works well with local agencies and charities.

FURNISTORE IN EAST SURREY LIMITED

Report of the Trustees for the year ended 31st December 2018

Significant changes and development plans for the future

The last half of the year saw significant changes in the management of the charity. The Volunteer Manager resigned, being replaced with an excellent volunteer, saving some costs. Our Manager of 10+ years retired from Furnistore at the end of November. The then current warehouse manager and financial technician were approached, and were interviewed for the post of Co Managers. They have an excellent working relationship, and cover all aspects of the role between them. Both have the trust of the staff and volunteers. The trustees analysed the proposal in depth, and concluded that it would benefit the charity to trial this arrangement for a 6 month probationary period, and thus far this has proved a good move. Both are keen to have a "hands on" presence in the warehouse, and envision further changes in 2019.

The major risks to which the charity is exposed and review of systems to mitigate risks

Risk factors to the sales-generated income would arise if incoming donations of furniture and household goods of adequate quality and quantity were to greatly reduce, or if the general public were to reduce their willingness to buy second hand items; risk factors to the charitable income from Friends, Churches and the Beanes Charity would arise should there be no more poverty in East Surrey, in which case this income would be withdrawn and the charity would need to reconsider its objectives.

The rise of furniture shops as charity fund-raisers continues to impact on our sales and collections. With our poor location and inadequate parking it has become a matter of priority to trial a high street pop-up shop, and to seek a more convenient secondary store with additional parking for staff.

The Charity by its very nature involves lifting, moving and storing heavy and bulky items. This occurs in the warehouse, loading and unloading the van, and in people's homes. Reducing the risk of accidents and injury is therefore very important. The staff and volunteers are given the appropriate Manual Handling training, and their performance is monitored. The policies and procedures were reviewed last year, and where necessary, advice on employment matters is sourced from a local HR expert or from ACAS.

A lack of quality volunteers and the loss of key staff would pose a significant threat. We are fortunate to have a loyal and committed core staff team, and the day-to-day running could be managed by several of the existing team, as happens during holidays and sickness. However, the loss of the Chairman of the Board or the Managers would both be difficult, as they have the greatest responsibility for developing and delivering the strategy, liaising with partner organisations and overseeing the business. The key retaining strategy that the Trustees can provide is good supervision and support for the Manager, and high-level input and follow-up on actions to support the Chair. The charity has thus far been able to manage the resignation of the Manager by replacing the one person with joint Managers.

The Charity currently has a rental commitment into which we are tied, but with a rolling break clause of 6 months notice and the mortgage and debenture loans would be more than covered by the sale of the warehouse, as the market is buoyant, and the warehouse is in better condition than when we bought it. For this reason, even if we were required to repay the grants for the improvements, the financial risk is low as reserves are currently satisfactory.

Reserve Policy

The trustees retain reserves of £35,000 to provide for a minimum of 3 months salaries and 12 months' mortgage against the possibility of the charity folding. Were the reserves to build significantly, then steps would be taken to repay some of the debenture loans (£94,000). Both sales and the recovery of Gift Aid have kept the reserves at a satisfactory level.

Financial Review

Our main source of income continues to be derived from warehouse sales, which fell by 14% in 2018. We continue to look for opportunities to reverse this situation such as opening "pop up shops" in high street settings in order to create a higher profile for the charity.

Further revenue funding came from donations for collections, Gift Aid and Landfill Tax credits, delivery charges, modest but much appreciated local authority grants and gifts from Friends. Our clients benefit from grants of £16,205 made by the John Beanes Charity, which covers approximately half the cost of the goods that they receive.

The charity has benefitted from the following substantial grants and donations over the year: £30,000 from FurniAid following its closure, £10,000 from the Gatwick Community Fund towards the rent on Suit City, £9,500 from the National Lottery for upgrading the IT systems and £13,000 from a retiring Trustee towards the purchase of a new van.

FURNISTORE IN EAST SURREY LIMITED

Report of the Trustees for the year ended 31st December 2018

During the year, the Charity's total expenditure was £141,666 (£148,771 – 2017) representing a decrease of 5%. The decrease is attributed to a reduction in the costs of our charitable activities which reflected the reduction in warehouse sales this year.

Furnistore achieved total income of £198,301 for the year (£137,490 – 2017), which represents a significant increase compared to last year.

Share Capital

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

FURNISTORE IN EAST SURREY LIMITED
Report of the Trustees
for the year ended 31st December 2017

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Charity trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for preparing a trustees annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Recognised Accountancy Practice).

Company and Charity laws require the Board of 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 as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the trustees are required to:-

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK accounting standards have been followed, subject to any natural 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 not continue on that basis.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website.

Chairman – Edward Baker



Date:

25 September 2019

Secretary – Freda Clark



Date:

25 Sept 2019

**Independent Examiner's Report to the Trustees of
FURNISTORE IN EAST SURREY LIMITED**

I report to the trustees on my examination of the accounts of Furnistore in East Surrey Limited for the year ended 31st December 2018.

Responsibilities and basis of report

As the charity trustees of the Branch you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Act)..

I report in respect of my examination of the Branch's accounts as required under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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 Branch as required by section 130 of the Act; or
2. That the accounts do not accord with those records; or
3. That account do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than the requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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.



C E Braidwood

Mrs C E Braidwood FCA
Braidwood and Company
Chartered Accountants
Lowood
The Street
Betchworth
Surrey
RH3 7JE

Dated: 25 September 2019

FURNISTORE IN EAST SURREY LIMITED

**Statement of Financial Activities (Incorporating Income & Expenditure Account)
for the year ended 31st December 2018**

		Unrestricted funds	Restricted funds	2018 Total funds	2017 Total funds
	Notes	£	£	£	£
INCOME					
Grants and Donations	2	53,687	35,000	88,687	27,655
Charitable activities	3				
Warehouse Sales		80,797	-	80,797	94,047
Other trading activities	4	9,339	19,475	28,814	15,770
Investment income	5	<u>3</u>	<u>-</u>	<u>3</u>	<u>18</u>
Total Income		143,826	54,475	198,301	137,490
EXPENDITURE					
Charitable activities					
Warehouse costs		109,691	31,975	141,666	148,771
Transfers between funds		<u>(4,512)</u>	<u>4,512</u>	<u>-</u>	<u>-</u>
Total Expenditure		105,179	36,487	141,666	148,771
NET INCOME/EXPENDITURE AND MOVEMENT IN FUNDS		38,647	17,988	56,635	(11,281)
RECONCILIATION OF FUNDS					
Total funds brought forward		160,323	3,624	163,947	175,228
TOTAL FUNDS CARRIED FORWARD		<u>£198,970</u>	<u>£21,612</u>	<u>£220,582</u>	<u>£163,947</u>

The notes form part of these financial statements

FURNISTORE IN EAST SURREY LIMITED

**Balance Sheet
At 31st December 2018**

	Notes	Unrestricted Funds £	Restricted Funds £	2018 Total Funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	13	232,500	5,505	238,005	237,991
CURRENT ASSETS					
Debtors	14	14,667	-	14,667	11,795
Cash at bank and in hand		<u>59,051</u>	<u>16,107</u>	<u>75,158</u>	<u>54,750</u>
		73,718	16,107	89,825	66,545
CREDITORS					
Amounts falling due within one year	15	(6,081)	-	(6,081)	(21,513)
NET CURRENT ASSETS		<u>67,637</u>	<u>16,107</u>	<u>83,744</u>	<u>45,032</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		300,137	21,612	321,749	283,023
CREDITORS					
Amounts falling due after more than one year	16	(101,167)	-	(101,167)	(119,076)
NET ASSETS		<u>198,970</u>	<u>21,612</u>	<u>220,582</u>	<u>163,947</u>
FUNDS	17				
Unrestricted funds				198,970	160,323
Restricted funds				<u>21,612</u>	<u>3,624</u>
TOTAL CHARITY FUNDS				<u>220,582</u>	<u>163,947</u>

The notes form part of these financial statements

FURNISTORE IN EAST SURREY LIMITED

**Balance Sheet - continued
At 31st December 2018**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2018.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st December 2018 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for


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

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

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



.....
E S Baker – Trustee



.....
D P Wheeler – Treasurer

25 September 2019

The notes form part of these financial statements

FURNISTORE IN EAST SURREY LIMITED

Notes to the financial statements for the year ended 31st December 2018

STATUTORY INFORMATION

The charitable company is registered as a company limited by guarantee in England and Wales. The registered office address is 34 Holmethorpe Avenue, Redhill Surrey and the registration number at Companies House is 5960870. It is registered with the Charity Commission, number 1117615.

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company have been prepared in accordance with the Charities SORP 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in the United Kingdom and Republic of Ireland (effective January 2015) and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

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

Raising funds

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

Charitable activities

The costs of goods and services and ancillary trading costs that have been included in charitable activities. Support costs include the salary costs of the manager and the volunteer organiser.

Governance costs

Costs include costs associated with trustees' meetings, and expenses, independent examination fees, legal and professional fees and fees relating to the management of the charity's assets.

Tangible fixed assets

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

Freehold land	- nil
Freehold property	- 2% on cost
Improvements to freehold	- 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

Taxation

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

The charity is exempt from value added tax on purchases and is partially exempt on sales, and any irrecoverable VAT is included with the individual transactions in income and costs.

FURNISTORE IN EAST SURREY LIMITED

Notes to the Financial Statements - continued for the year ended 31st December 2018

1. ACCOUNTING POLICIES - continued

Fund accounting

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

Designated funds are unrestricted funds that have been designated by the trustees for a particular purpose.

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

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

Deferred income

Grants receivable which relate to a specific time period are recognised evenly over the relevant period.

Other grants receivable are recognised when the charity becomes entitled to the relevant amounts. Such deferrals are shown in the notes to the accounts and are shown as creditors.

Capital Grants

The board of trustees consider that any gifts of tangible fixed assets or grants of a capital nature given for a specific purpose and fully utilised in the furtherance of the objects of the charity should be credited to restricted income in the year received. When the fixed assets are purchased with donor grants, the capital expenditure is charged to the donor fund and transferred to the capital grants fund. The value of the capital grants fund represents the net book value of donor funded assets.

2. GRANTS AND DONATIONS

	2018	2017
	£	£
Donations	49,199	7,677
Grants	22,200	8,500
Gift aid	17,288	11,478
	<u>88,687</u>	<u>27,655</u>

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2018	2017
		£	£
Sales	Warehouse Sales	<u>80,797</u>	<u>94,047</u>

4. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Fundraising events	<u>28,814</u>	<u>15,770</u>

5. INVESTMENT INCOME

	2018	2017
	£	£
Deposit account interest	<u>3</u>	<u>18</u>

FURNISTORE IN EAST SURREY LIMITED

**Notes to the Financial Statements - continued
for the year ended 31st December 2018**

6. NET INCOME / (EXPENDITURE)

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

	2018	2017
	£	£
Depreciation – owned assets	<u>6,112</u>	<u>10,456</u>

7. CHARITABLE ACTIVITIES COSTS

	2018	2017
	£	£
Direct costs	63,080	73,392
Support costs – see below	<u>61,568</u>	<u>57,615</u>
	<u>124,648</u>	<u>131,007</u>

8. SUPPORT COSTS

	2018	2017
	£	£
Wages and salaries	29,610	30,872
Premises costs	17,023	13,488
Other costs	<u>14,935</u>	<u>13,255</u>
	<u>61,568</u>	<u>57,615</u>

9. GOVERNANCE COSTS

	2018	2017
	£	£
Wages	9,686	8,248
Independent Examiner's fee	650	650
Accountancy fees	600	600
Legal fees	<u>250</u>	<u>1,030</u>
	<u>11,186</u>	<u>10,528</u>

10. FINANCE COSTS

	2018	2017
	£	£
Bank interest and charges	932	2,036
Debenture interest	<u>4,900</u>	<u>5,200</u>
	<u>5,832</u>	<u>7,236</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

Neither of the trustees claimed any expenses during the year (2017: nil)

Fees for the provision of payroll processing service of £600 (2017: £600) were paid to Cheeld Wheeler & Co, a firm in which David Wheeler FCCA is the director and principal.

FURNISTORE IN EAST SURREY LIMITED

Notes to the Financial Statements - continued for the year ended 31st December 2018

12. STAFF COSTS

	2018	2017
	£	£
Wages and salaries	82,340	93,566
Employer's national insurance contributions	2,260	1,431
Other pension costs	1,205	445
	<u>85,805</u>	<u>95,442</u>

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

	2018	2017
Charitable activity	5.0	7.0
Management and administration	1.5	1.8
Governance	0.5	0.2
	<u>7.0</u>	<u>9.0</u>

FURNISTORE IN EAST SURREY LIMITED

**Notes to the Financial Statements - continued
for the year ended 31st December 2018**

13. TANGIBLE FIXED ASSETS

	Freehold land building £	Improvements to freehold building £	Plant and machinery £
COST			
At 1 st January 2018	<u>240,500</u>	<u>18,120</u>	<u>16,839</u>
At 31 st December 2018	<u>240,500</u>	<u>18,120</u>	<u>16,839</u>
DEPRECIATION			
At 1 st January 2018	6,400	14,496	16,839
Charge for year	<u>1,600</u>	<u>3,624</u>	<u>-</u>
At 31 st December 2018	<u>8,000</u>	<u>18,120</u>	<u>16,839</u>
NET BOOK VALUE			
At 31 st December 2018	<u>232,500</u>	<u>-</u>	<u>-</u>
At 31 st December 2017	<u>234,100</u>	<u>3,624</u>	<u>962</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 st January 2018	20,000	805	296,264
Additions	-	6,393	6,393
Disposals	<u>-</u>	<u>(805)</u>	<u>(805)</u>
At 31 st December 2018	<u>20,000</u>	<u>6,393</u>	<u>301,852</u>
DEPRECIATION			
At 1 st January 2018	20,000	538	58,273
Charge for year	-	888	6,112
Eliminated on disposal	<u>-</u>	<u>(538)</u>	<u>(538)</u>
At 31 st December 2018	<u>20,000</u>	<u>888</u>	<u>63,847</u>
NET BOOK VALUE			
At 31 st December 2018	<u>-</u>	<u>5,505</u>	<u>238,005</u>
At 31 st December 2017	<u>-</u>	<u>268</u>	<u>237,991</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade debtors	6,272	3,169
Other debtors	4,720	4,873
Prepayments	<u>3,675</u>	<u>3,753</u>
	<u>14,667</u>	<u>11,795</u>

FURNISTORE IN EAST SURREY LIMITED

Notes to the Financial Statements - continued for the year ended 31st December 2018

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Mortgage	1,021	12,448
Trade creditors	132	1,245
Social security and other taxes	3,188	3,580
Income in advance	-	2,500
Accrued expenses	1,740	1,740
	<u>6,081</u>	<u>21,513</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018	2017
	£	£
Mortgage	9,167	15,076
Other loans more than 5yrs non-inst	92,000	104,000
	<u>101,167</u>	<u>119,076</u>

Amounts falling due in more than five years:

	2018	2017
	£	£
Repayable otherwise than by instalments		
Other loans more than 5yrs non-inst	92,000	104,000

17. MOVEMENT IN FUNDS

	At 1.1.18	Net movement	Transfers	At 31.12.18
	£	In funds	between funds	£
		£	£	
Unrestricted funds				
General fund	121,889	37,852	4,512	164,253
Designated funds				
• Debenture interest fund	5,200	(300)	-	4,900
• Debenture repayment fund	20,000	-	-	20,000
• Mortgage interest fund	6,920	-	-	6,920
• Gold fund	6,314	(3,417)	-	2,897
Total designated funds	<u>38,434</u>	<u>(3,717)</u>	<u>4,512</u>	<u>34,717</u>
	160,323	34,135	4,512	198,970
Restricted funds				
Restricted funds				
• J Beanes	-	-	-	-
• Building improvement	3,624	-	(3,624)	-
• Information technology	-	9,500	(888)	8,612
• New van	-	13,000	-	13,000
Total restricted funds	<u>3,624</u>	<u>22,500</u>	<u>(4,512)</u>	<u>21,612</u>
TOTAL FUNDS	<u>163,947</u>	<u>56,635</u>	<u>-</u>	<u>220,582</u>

FURNISTORE IN EAST SURREY LIMITED

Notes to the Financial Statements - continued for the year ended 31st December 2018

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Income	Expenditure	Transfers	Net movement
	£	£	£	£
Unrestricted funds				
General fund	142,823	(105,271)	4,512	42,064
Designated funds				
• Mortgage interest	-	-	-	-
• Gold Fund	1,003	(4,420)	-	(3,417)
Total designated funds	<u>1,003</u>	<u>(4,420)</u>	<u>-</u>	<u>(3,417)</u>
Total unrestricted funds	143,826	(109,691)	4,512	38,647
Restricted funds				
Restricted funds				
• J Beanes	16,205	(16,205)	-	-
• Land fill tax credits	3,270	(3,270)	-	-
• Building improvement	-	-	(3,624)	(3,624)
• Warehouse rent	12,500	(12,500)	-	-
• Information technology	9,500	-	(888)	8,612
• New van	13,000	-	-	13,000
Total restricted funds	<u>54,475</u>	<u>(31,975)</u>	<u>4,512</u>	<u>17,988</u>
TOTAL FUNDS	<u>198,301</u>	<u>(141,666)</u>	<u>-</u>	<u>56,635</u>

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2018, other than the payments made in connection with payroll services referred to in note 11.

19. FINANCIAL COMMITMENTS

The charitable company is committed to annual rental payments totalling £12,000, until March 2022.

FURNISTORE IN EAST SURREY LIMITED

**Detailed Statement of Financial Activities
for the year ended 31st December 2018**

	2018	2017
	£	£
INCOME		
Donations		
Grants	22,200	8,500
Donations	49,199	7,677
Gift aid	<u>17,288</u>	<u>11,478</u>
	88,687	27,655
Charitable activities		
Warehouse sales	80,797	94,047
Other trading activities		
Fundraising events	28,814	15,770
Investment income		
Deposit account interest	<u>3</u>	<u>18</u>
Total income	<u>198,301</u>	<u>137,490</u>
EXPENDITURE		
Charitable activities	<u>63,080</u>	<u>73,392</u>
Support costs		
Management		
Wages and salaries	29,610	30,872
Premises costs	17,023	13,488
Other costs	<u>14,935</u>	<u>13,255</u>
	61,568	57,615
Finance		
Bank interest and charges	932	2,036
Debenture interest	<u>4,900</u>	<u>5,200</u>
	5,832	7,236
Governance costs		
Wages	9,686	8,248
Independent examiner's fees	650	650
Accountancy fees	600	600
Legal fees	<u>250</u>	<u>1,030</u>
	11,186	10,528
Total expenditure	<u>141,666</u>	<u>148,771</u>
Net income/(expenditure)	<u>56,635</u>	<u>(11,281)</u>

This page does not form part of the statutory financial statements