

THE RICHMOND FURNITURE SCHEME

Report and Financial Statements for the Year ended 31 March 2017



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Chair's Foreword

We are currently enjoying a busy and successful year at the Scheme, 2016/17 having proved to be a period of transition towards better times following a downturn in sales in 2015/16. Volumes of furniture donated and sold are finally both on the up! Indeed, at the time of writing we are enjoying our most successful sales numbers ever.

Reflecting on the past year, it was with a degree of sadness in the Spring that we lost Linda, our scheme manager, who after 5 years of commitment understandably felt the time had come for her to move on to a fresh challenge. During the brief interval that followed, staff and volunteers pulled together amazingly well to maintain our collections, sales and delivery routines which continued to run smoothly to the benefit of our many customers. The Trustees were subsequently delighted to appoint a new scheme manager who, since arriving in July, is bringing creative experience and practical ideas for marketing and connecting the charity to the community, building our profile locally and achieving greater business success.

In this context, our annual report is important in helping us get the message out locally that The Richmond Furniture Scheme is here to:

- Help people in need by making unwanted furniture available at minimal cost
- Encourage the reuse and repair of furniture to reduce the amount of good furniture being sent to landfill
- Provide training and work experience to people of all ages who need extra opportunities to make the most of their abilities.

By accepting donations of unwanted good quality furniture, 'upcycling' and making this available to Richmond's residents we assist those struggling with limited budgets to strive for a better quality of life. We make a real difference to people on low incomes setting up home for the first time, or who are newly rehoused, and who can find it particularly difficult to afford new furniture. Our staff and volunteers - and Trustees - take genuine pride in helping to transform lives with low cost, refurbished and upcycled furniture.

While striving for profitability, our prices reflect our charitable mission. And so, as ever, we thank our sponsors for their financial and practical support, including the Hampton Fuel Allotment Charity, Richmond Parish Lands and Richmond Council, which both makes a grant and provides beneficial rental arrangements for the site.

At the time of writing, we have just been promised £1,000 from Teddington and the Hamptons Rotary Club to help us with premises renovations.

With thanks too to all our customers,

Steve Batey

Stephen Batey

Chair

Administrative Details

Status

Richmond Furniture Scheme is registered as a Charity in England and Wales (1133019) and as a UK Registered Company Limited by Guarantee (7001417).

Registered Office and Business Address

1a Fortescue Avenue
Twickenham
Middlesex
TW2 5LS

Contact Details

Telephone 020 8755 4665

Email admin@richmondfurniturescheme.co.uk

Website www.richmondfurniturescheme.co.uk

Trustees/Directors at Year End

Stephen Batey (Chair)

John Hallett (Treasurer and Secretary)

Cllr Annie Hambidge

Carolyn Hallett

Scheme Manager

Sharron Nichols

Accounts Examiner

Hyatt & Co
Onslow Hall
Little Green
Richmond
TW9 1QS

Bankers

Cafbank Ltd, Kings Hill, West Malling, Kent

Insurance

David Edwards Insurance Brokers Ltd

WRS Insurance Brokers Ltd

Ansfar Insurance

DIRECTORS/TRUSTEES' REPORT

Principal Activities

Richmond Furniture Scheme accepts and collects donations of furniture from the general public in the London Borough of Richmond upon Thames. It stores, repairs as necessary, displays and sells it at lower prices to people in need and at higher prices to the general public. The Scheme also provides volunteering opportunities, training and work experience.

Background

Richmond Furniture Exchange was established in 1990 and became a registered charity in 1992, changing its name in 1997 to the Richmond Furniture Scheme. From 1st April 2010 the assets of the Scheme were transferred to Richmond Furniture Scheme, a newly formed company limited by guarantee and registered as a charity.

Objectives

The Scheme's objectives, as specified in its Memorandum of Association and agreed by the Charities Commission are:

- Prevention and relief of poverty by supplying donated furniture and household goods at minimal cost to people in need
- Protection and preservation of the environment by encouraging reuse/recycling of donated furniture and household goods
- Relief of unemployment for the benefit of the public in such ways as may be thought fit, including the provision of training, employment, work experience and volunteering opportunities.

Governance

The governing body of the scheme comprises a Board of Trustees/Directors, none of whom is paid. Those who served throughout 2016/17 were John Hallett, Stephen Batey, Cllr Annie Hambidge and Carolyn Hallett.

Trustees/Directors are recruited by advertisement, networking and personal contact; they are all asked to identify areas of interest and their main responsibility is to ensure the good governance of the scheme by strategic and financial planning, approving and monitoring expenditure, and ensuring sufficient funding is in place. The Trustees usually hold monthly meetings with their appointed Scheme Manager where they receive operational reports and discuss and take decisions on the direction of the Scheme.

Management and Staff

We currently have five paid employees: the Scheme Manager, Sharron Nichols, oversees all aspects of day to day business. Sharron is supported by a Warehouse (Showroom) Manager, Office Administrator, Van Driver and Van Driver's Assistant.

Volunteers

As well as our paid staff, the success of the Scheme relies on the support of the many individuals who volunteer their time and energy. Some attend regularly, assisting upcycling activities, others help in the Warehouse assisting customers; those seeking paid work sometimes attend for short, concentrated periods maintaining and developing their workplace skills, including team working and customer service skills.

Although several volunteers have moved on in the last year, we continue to be successful in attracting new volunteers strengthening our skills base. Typically we have 10 – 12 volunteers attending the Scheme in any week.

Events

Our 25th Anniversary was celebrated on August 13th 2016. The Mayor attended our Open Day and acknowledged the service of our committed volunteers, in particular, Dorothy Saunders and Andy Dill who between them have clocked up a total of 31 years voluntary service to the scheme!

The event raised welcome funds which allowed us to do some repairs to our buildings.

Youth Training

The Scheme has in the past offered carpentry training to young people but has not been in a position to do so in the last two years given the workshop supervision required. We remain ambitious to do so when the new Scheme Manager has capacity to develop our offer.

In the meantime, our upcycling project, Carousel, is up and running again. With a new volunteer joining us in the summer, Carousel is benefiting from reinvigorated creative talent, better marketing and growing sales – restored products are selling very successfully and, as word gets out about the Scheme, we are drawing a wider range of customers.

Marketing

We are taking a number of steps to improve marketing of the Scheme including actively engaging a wide variety of local customer-facing services with a view to widening our customer base. It is hoped that these organisations will steer their own clientele needing to buy or dispose of furniture in our direction. For example, we have approached several universities and colleges in West London encouraging them to alert new students living in shared accommodation about our services. We are more actively marketing ourselves on our website and Facebook page, and have also received excellent coverage in the Richmond Borough Council's newsletter to residents - leading to a noticeable increase in Saturday trade.



One of our volunteer carpenters teaching a young person

Funding

The trustees/directors gratefully acknowledge past and present financial support from external funders without which the Scheme would not be able to operate in the long term. Those who have provided funding support in 2016/17 are:

- The London Borough of Richmond upon Thames, including the Local Assistance Scheme
- Hampton Fuel Allotment Charity
- Richmond Parish Lands

Performance Statistics

Furniture Reuse

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Furniture Donated (Tonnes)	117.8	123.8	102.6	113.7	115.1	94.6
Furniture Sold (Tonnes)	111.8	119.8	106.8	107.4	103.5	83.6

Customer Profile

	2014/15	2015/16	2016/17
Externally referred client	207	226	189
Self-referred clients	587	606	437
Non-referred clients	901	763	779
Total	1695	1595	1405

Income from Furniture Sales

	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
£	79,516	78,490	78,135	82,643	91,643	94,825	104,348	80,026	84,443

The figures above show that in 2016/17 the scheme experienced an increase in revenues. Conversely, there was a drop in the quantity of furniture donated and sold. While the Scheme experienced a marginal increase in the number of non-referred customers there was a significant drop in referrals. The increase in income is due to the increased quality of furniture the Scheme has been accepting resulting in higher re-sale prices. Referred and self-referred customers will always continue to come first, however non-referred (ordinary) customers have been willing to pay more money for better quality furniture.

Operations

Staff and volunteers have made further improvements to the exterior of the premises and, with the Trustees, continue to consider the scope for improvements to the Scheme's customer experience. Promotion of the Scheme has included leafleting activities and an overhaul of the website. Improvements to the Scheme's Facebook page are underway. The possibility of taking on a volunteer with experience in web design and social media skills is being considered. We have been able to reach a wider audience with our extended opening hours as well as more frequently updated pictures of our current range of furniture.



Garden furniture



Our stand at the Fit for Life Fair

Although the Carousel upcycling project has proved a more marginal commercial contributor over the last two years than had been hoped, it is expected that this will improve now that we have dedicated volunteers on the team. A related ambition is to be able to offer a re-upholstery service.

Customer Satisfaction

The Scheme encourages customers to comment on the service we provide. People often leave comments on our Facebook page. Our ability to respond to these comments have the advantage of ensuring that potential customers are aware that we take their views seriously.

“Really appreciated your help with my grant”

“Very good, careful, hard-working people”

“Excellent, thank you”

“Very efficient”

“Quality furniture at very reasonable prices”

“Good recycling project for furniture as well as helping vulnerable people in the borough”



Future Plans and Challenges

In order to improve our revenue, we are undertaking marketing and promotion of the Scheme to increase footfall and sales. This will be reviewed on a regular basis to make sure that our strategy is working and aimed in the right directions.

The Scheme’s premises in Fortescue Avenue is still held on a short term extension of earlier leasing arrangements with Richmond Council. It is very important for the future of the Scheme that a long term solution be agreed with the Council.

Financial Reserves Policy

The trustees have determined that the unrestricted liquid reserves of the Scheme should be maintained at a level equivalent to at least ten months of expenditure. They have taken the view that only as a last resort should they be run down to defray day-to-day operating costs and hence our objective is, to try as far as possible, to achieve a break even position with the inclusion of grant income.

Risk and Internal Controls

The Trustees have overall responsibility for ensuring that the Scheme has an appropriate system of controls – financial and otherwise. They are also responsible for safeguarding the assets of the Scheme and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide assurance that:

- Its assets are maintained/safeguarded against unauthorised use or disposition
- proper records are maintained and financial information used within the Scheme or for publication is reliable
- the Scheme complies with the relevant laws and regulations and its assets are safeguarded against unauthorised use or disposition.

As part of the scheme's system of internal control, the trustees/directors keep risks - and measures to mitigate risks - under review, including their likelihood of occurrence and potential impact.

Board of Trustees

November 2017

Independent Examiner's Report to the Trustees of Richmond Furniture Scheme

I report on the accounts of the Richmond Furniture Scheme for the year ended 31st March 2017.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 145(5)(b) of the Charities Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out on accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosure in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

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

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 130 of the Charities Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Charities Act have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Name: *H. A. Ky-It ~ C.*

Relevant professional qualification or body:

FCA.

Address:

*ANLOW HALL
LITTLE GREEN
RICHMOND*

Date:

*JURNEY TH 9 1 4 4
13th October 2017*

Richmond Furniture Scheme
Statement of Financial Activities - April 2016 to March 2017

Incoming Resources

	notes	Unrestricted Funds	Restricted Funds	Total 2016/17	Total 2015/16
	1	£	£		£
Grants					
Barnes Workhouse Fund				-	-
Hampton Fuel Allotment Charity centre for enterprise			15,000	15,000	-
LBRT (Notional Rent)				-	-
Hampton Fuel Allotment Charity Van Fund			15,700	15,700	15,700
Richmond Parish Lands Portacabin Fund				-	-
Barnes Workhouse Portacabin Fund				-	-
Hildon Trust				-	-
Awards For All				-	-
Richmond Parish Lands			5,800	5,800	5,800
Grants Direct				-	3,363
Richmond Parish Lands Carousel				-	-
Garfield Weston Foundation				-	-
Rotary Club of Kew				-	-
Rotary Club of Twickenham upon Thames				-	-
			36,500	36,500	24,863
Income From Charitable Activities					
Sales to Referred Clients		45,600		45,600	45,845
Sales to Non- Referred Clients		38,843		38,843	34,181
Training/Work Experience				-	-
Carousel		2,115		2,115	1,496
Nail the Future				-	-
		86,558	-	86,558	81,521
Other Income					
Bank Interest		738		738	813
Donations incl Gift Aid		3,835		3,835	4,128
Other				-	-
		4,573	-	4,573	4,941
Total Incoming Resources		91,131	36,500	127,631	111,325

Resources Expended

Collection & Distribution					
Transport Costs		37,052		37,052	35,995
Overhead costs	2				
Employee Costs		36,997	20,800	57,797	60,430
Volunteer Expenses		3,656		3,656	4,198
Rent & Rates (LB of Richmond)		-	15,700	15,700	15,700
Insurance		2,261		2,261	2,230
Utilities		3,975		3,975	3,647
Office equipment/telecoms /computer		3,751		3,751	3,651
Repairs/maintenance/tools/materials		2,303		2,303	3,836
Printing & Publicity & Postage & Stationery		2,625		2,625	2,823
Training/health & safety		83		83	89
Depreciation		2,920		2,920	2,989
Sundry Office Expenses		784		784	1,474
Fees and charges		1,068		1,068	811
Capital Expenditures Funded by Grants					
New Portacabin				-	-
Total Resources Expended		97,474	36,500	133,974	137,874
Net Movement in Funds		(6,343)	-	(6,343)	(26,549)

**Richmond Furniture Scheme
Balance Sheet as at 31st March 2017**

(Company No 7001417)

		2017				2016	
	Notes	£	£	£	£	£	£
<u>Fixed Assets</u>							
Property and Equipment	3			5,340			13,210
<u>Current Assets</u>							
Debtors	4	7,215			8,779		
Cash at Bank		113,455			110,090		
Petty Cash		114			143		
			120,785			119,012	
<u>Current Liabilities</u>							
Suppliers/accruals	5	2,385			2,139		
Received in Advance(HFAC)		4,000	6,385		4,000	6,139	
<u>Net Current Assets</u>				114,400			112,874
TOTAL NET ASSETS				£119,740			£126,083
<u>Representing</u>							
Unrestricted Funds							
Beginning of the year		114,740			125,274		
Surplus/(Deficit) for the year		(6,343)			(10,534)		
End of the year			108,397			114,740	
Restricted Funds							
Beginning of year	1	4,343			20,358		
Surplus/(Deficit) for the year		-			(16,015)		
End of the year			4,343			4,343	
Designated Funds							
Beginning of the year	6	7,000					
Designations released for the year							
End of the year			7,000			7,000	
TOTAL RESERVES				£119,740			£126,083

For the year ending 31st March 2017 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 accounts have been prepared in accordance with the provisions applicable to companies subject to the provisions of the small companies' regime



J W Hallett - Director/Trustee

Approved by the Board of Directors/Trustees on 14th August 2017

Richmond Furniture Scheme

Notes forming part of the financial statements for the year ended 31 March 2017

Basis of preparation

Accounting convention

The financial statements are prepared under the historical cost convention in accordance with the Financial Reporting Standard 102 and Accounting and Reporting by Charities – Statement of Recommended Practice (SORP) and with the Charities Act 2011.

Incoming resources

These are included when the charity becomes entitled to them.

Resources expended

Expenditure is included on an accruals basis.

Tangible fixed assets and depreciation

All assets costing more than £500 are written off on a straight-line basis over a period of 3-5 years.

Note

1. Grants Receivable

Unrestricted grants are those provided to meet the general running costs of the Scheme.

Restricted grants are provided for specific purposes.

All grants received in 2016/17 were restricted,

Restricted Grants	Purpose	Balance b/fwd £	Additions £	Utilised £	Balance c/fwd £
Hampton Fuel Allotment Charity	Employee Costs	0	15,000	15,000	0
LBRT Grants					
Notional Rent	Rent	0	15,700	15,700	0
Grants Direct	Employee Costs	0			0
Pounds 4 Young People	Porta Cabin	0			0
New Workshop	New Workshop	1,843			1,843
Richmond Parish Lands	Employee Costs	0	5,800	5,800	0
Richmond Parish Lands	Carousel	2,500			2,500
Richmond Parish Lands -Van Fund	Van	0			0
		4,343	36,500	36,500	4,343

2. Staff costs and trustees' remuneration

No employees received remuneration amounting to more than £25,000 in the year. Trustees received no remuneration (2015/16 – Nil) and were not reimbursed for any expenses in the year (2015/16 – Nil).

3. Fixed Assets

	£
Cost at 1 st April 2016	62,267
- Additions in year	Nil
Cost at 31 st March 2017	62,267

Depreciation at 1 st April 2016	49,057
- Depreciation for year	7,870
Depreciation at 31 st March 2017	56,927

Net book value at 1 st April 2016	13,210
Net book value at 31 st March 2017	5,340

4. Debtors

Sales:	£ 6,564
VAT:	£ 651

Total: £ 7,215

5. Creditors

Amounts falling due within one year

Suppliers:	£1,785
Accruals:	£ 600

Total: £2,385

Creditors: Amounts falling due after more than one year

There were no such liabilities due.

6. Designated Funds

£7,000 is designated for property refurbishment.