

Registered Charity Number  
1117615

Registered Company Number  
5960870

Furnistore In East Surrey Limited  
Report and Accounts  
For The Year Ended  
31 December 2010

**Furnistore In East Surrey Limited**  
**Report and accounts**  
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## **Furnistore In East Surrey Limited**

### **The report of the trustees for the year ended 31 December 2010**

#### **Introduction**

The trustees present their annual report and accounts for the year ended 31st December 2010.

#### **Name, registered office and constitution of the charity**

The full name of the charity is Furnistore in East Surrey Ltd.

The legal registration details are :-

<i>Date of incorporation</i>	9th October 2006
<i>Company Registration Number</i>	5960870
<i>The Registered Office is</i>	46 Holmethorpe Avenue, Redhill, Surrey, RH1 2NL (fr Unit 10 Bridge Indl Estate, Horley, Surrey, RH6 9HU
<i>Charity Registration Number</i>	1117615

#### **Objectives and Activities of the Charity**

##### ***A summary of the objects of the charity as set out in its governing document.***

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

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

##### ***Public benefit that is provided by the charity***

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. In accordance with its mission statement the charity carries out its work in a totally non-discriminatory way.

##### ***The charity's aims including the changes or differences it seeks to make through its activities .***

The charity's aims are:

- 1) 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;
- 2) to re-use goods wherever possible;
- 3) 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.

##### ***An explanation of the charity's main objectives for the year.***

The main objectives 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 stock at a discount to individuals and families with proven need and at full price to the wider public in order to finance the operations. A further objective is to provide training and development opportunities to its volunteers and staff.

## **Furnistore In East Surrey Limited**

### **The report of the trustees for the year ended 31 December 2010**

#### ***An explanation of the charity's strategies for achieving its stated objectives.***

The strategy is to increase the volume of sales to the wider public and to acquire funding in order to support the staff, premises and transport necessary for the work to continue. The trustees also seek to publicise the charity's activities in the local media and to raise funds through local individuals, churches, businesses and grant making organisations.

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

In fulfilling its aim of relieving poverty amongst families and individuals in East Surrey, the charity has delivered in excess of 3,000 items of domestic goods and appliances to 1,200 households during the period covered by these accounts. One hundred and forty free starter packs of essentials including basic non-perishable foodstuffs, household cleaning equipment and agents, pans, crockery, cutlery, utensils and bedding bales were also distributed. This represents approx 75 tonnes put into homes instead of the waste stream. £16,784 in grants have been received and a fund raising dinner organised by volunteers raised approx £8,500 net. Four volunteers have moved on into paid employment during this period and one is now retraining and in part time education.

#### ***The Charity's grant making policies***

The charity does not specifically provide grants but allocates the free supply of £200 worth of basic essentials to service users on proven low income who are setting up home in unfurnished or partially furnished premises or who have a proven need for a specific item. This group are also the recipients of the starter packs.

#### ***The contribution of volunteers***

The charity has a governing board of 6 trustees all of whom are volunteers and utilises the services of up to 40 volunteers over the year, some of whom are on training schemes and some of whom require special support.

#### ***Summary of main activities of the charity in relation to its objects***

To accomplish its main objectives the charity actively promotes a free collection service, but with donations towards costs requested, of items which can be distributed to families and individuals assessed as having a genuine need or sold on to raise funds to help cover the running costs. With regard to the primary objective of the relief of poverty by supplying affordable furniture, appliances and household items to households in need, a 50% discount is applied on basic essentials and an internal allowance of £100 is granted where appropriate. Five hundred and twentysix items of furniture have been delivered to 50 households in receipt of this allowance, a further 620 items have been sold at a discount and approx 75 tonnes diverted from landfill. Around 200 items were PAT tested and sold on and minor repairs carried out on a similar number of pieces of furniture. In-house training has been provided for the volunteers; four volunteers have taken up paid employment with a further volunteer retraining through part time education.

### **Achievements and Performance of the Charity**

#### ***A review of charitable activities undertaken by the charity***

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 12 statutory and support agencies who act for people with social and material needs. Over the year 260 families and individuals have been able to enjoy improvements to their standard of living at no or minimal charge to themselves. In achieving this more than 95 electrical items have been tested and supplied, including 36 white goods items.

The charity continues to provide a collection service for surplus furniture, appliances and household goods to the residents of East Surrey, selling them on to both needy households as described, or to the general public in order to reduce the volume of bulky waste by approx 75 tonnes. The charity works with the local authority to encourage the re-use of white goods and furniture.

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.

## **Furnistore In East Surrey Limited**

### **The report of the trustees for the year ended 31 December 2010**

#### ***Fundraising activities***

The largest source of income for the charity is now self generated through sales and donations for collections and deliveries. The John Beanes Charity and local churches and supporters (Friends of Furnistore) provide funds towards the allocations for households in genuine need. Along with zero rating of business rates and free rubbish disposal, the local authorities make a small cash contribution in the form of grants. Grants are also sourced from other fund providers. Support is also provided by fund raising events, including a dinner which raised a net profit of £8,500.

We are delighted that Surrey County Council has funded a new IT stock control system that will help us serve our clients better.

#### ***Factors relevant to the achievement of the charity's objectives***

The primary objective of the charity is the provision of furniture, appliances and household items to those in genuine need in East Surrey. In the current financial climate the need is increasing and is not being met elsewhere. The pressure on grant providers has made it all the more important to work towards increased sustainability through the increase in turnover, which also attracts the support of the local authority who have a significant responsibility to reduce the bulky waste going to landfill. In addition the current high level of unemployment means that some volunteers are coming forward to improve their chances of finding employment.

The charity has functioned with the services of an accountant but no Treasurer. The trustees have been very aware of the need to develop the board and have been seeking additional members and skills.

#### ***Summary of the main achievements of the charity during the year***

The charity was unable to sustain the high rent at its Horley warehouse and a smaller, cheaper outlet was found in Redhill. The move went well thanks to the hard work of all and being back in the heart of our area affords a real opportunity to us. Significant efforts have gone into recruiting trustees and non-executive board advisors and a board development programme has been prepared for early in the new year. The charity has entered into a consortium with other Surrey Re-use providers and who have established the Surrey Re-use Network.

#### ***Significant changes and development plans for the future***

Malcolm Walker stood down at the January 2011 Board Meeting and Ed Baker was elected to this role. A programme of Board development is underway, which will see the development of a strategic plan to move the charity to greater sustainability, while continuing to provide excellent service for the most needy in the community. It is planned to reduce the number of full board meetings to five, plus the AGM, while conducting more business by email and in sub committees. Efforts will be made to appoint the right person to the role of Treasurer and to recruit trustees with the necessary skills and experience.

A new computerised stock control system is in the process of being introduced, using bar codes to track stock and it is planned to develop a system for selling items over the web using PayPal. A card machine is to be hired to facilitate sales in the warehouse.

### **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 a 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 charity law.

## **Furnistore In East Surrey Limited**

### **The report of the trustees for the year ended 31 December 2010**

#### ***The methods adopted for the recruitment and appointment of new trustees***

The board is known to be lacking in skills and strength. Trustees and staff are constantly seeking new trustees through personal contacts, the churches, other agencies and by web advertising. The board is also concerned to attract a volunteer representative and representatives from other agencies. Potential new trustees are invited to a board meeting, fill in application forms and provide references. Subject to satisfactory interview and references, and accepting the responsibilities of charity trustees, the new member is co-opted onto the board, to be ratified at the AGM.

Two trustees have resigned from the board, but two others have been appointed bringing skills in IT and re-use, while another served for 11 months from February 2010 to January 2011.

#### ***The policies and procedures adopted for the induction and training of 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 Surrey Community Action training events. The board is aware that this process is currently rather haphazard and intends to improve.

#### ***The organisational structure of the charity and how decisions are made.***

With real concerns about the viability of the charity while it was committed to the high rent at the Horley warehouse, and during the move, the board met regularly at approximately monthly intervals, with the manager and accountant in attendance, to monitor and facilitate the work of the charity, approve actions and plan for the development of the work. Following the board redevelopment programme some of the work is being carried out by sub-groups and meetings are scheduled bi-monthly.

#### ***Membership of a wider network***

The charity is a member of the Furniture Re-use Network and a founder member of Surrey Re-use Network. It enjoys a good relationship with the local councils, housing agencies and the many agencies working with some of the most needy families and individuals in the East Surrey area. It enjoys continued support by the Churches Together churches, who provide some finance, volunteers and publicity.

#### ***The major risks to which the charity is exposed and reviews and 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 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 failure of supply of sales would expose the charity to the costs of rent over a fixed three year term from December 2010, and the trustees are keen to rebuild reserves severely depleted by the high rent paid at the Horley warehouse.

The trustees are well aware of these risks and are closely monitoring the monthly figures. They are introducing card payment, computerised stock control and web sales in an effort to boost sales. They are also exploring means of taking on additional storage through the "Meanwhile" lease scheme in which charities occupy vacant premises in exchange for taking on business rates, from which the charity is exempt.

## **Financial Review**

### **Policy on Reserves**

The trustees have resolved to establish reserves of £28,000 to provide for a minimum of 3 months salaries and 12 months rent against the possibility of the charity folding. Rent of £36,000 is due over three years but with no rent paid until December 2011. This will give some leeway to build reserves.

## **Furnistore In East Surrey Limited**

### **The report of the trustees for the year ended 31 December 2010**

#### ***Transactions and Financial position***

The financial statements are set out on pages 9 to 19. The financial statements have been prepared implementing the 2005 Revision of the Statement of Recommended Practice for Accounting and Reporting by Charities issued by the Charity Commission for England and Wales (revised in June 2008) and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). As stated in the introduction to this report, the trustees consider the financial performance by the charity during the year to have been satisfactory.

The Statement of Financial Activities show net outgoing resources for the year of a revenue nature of £8,726 (prior year £16,950) and net realised outgoing resources of a capital nature of £3,275 (prior year £761), making net overall realised outgoing resources of £12,001 (prior year £17,711).

The total reserves at the year end stand at £34,320 (prior year £43,046).

Free unrestricted liquid reserves amounted to £14,102 (prior year £10,951)

#### ***Specific changes in fixed assets***

Changes in fixed assets are shown in detail in the notes to the accounts.

#### ***Share Capital***

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

#### **The members of the Board of Trustees of the Charity during the year ended 31st December 2009 and up to the date of the signing of this report were :-**

E S Baker - Chairman (appointed 25th January 2011)  
M W Walker (resigned 25th January 2011)  
Mrs F Clark  
L A Liles (resigned 23rd June 2010)  
R C Tomlinson  
G Owen  
Mrs P Pinkerton (appointed 3rd February 2010, resigned 25th January 2011)  
C R Green (appointed 18th November 2010)  
J C St A Essex (appointed 18th November 2010)

#### **Bankers**

CAF Bank, 25 Kings Hill Avenue, West Malling, Kent, ME19 4JQ

#### **Solicitors**

Segens, Glade House, 52 Carter Lane, London, EC4V 5EF

#### **Independent Examiner**

Anthony Brown  
Chartered Accountant  
9 Lynton Close  
Knutsford  
Cheshire

## **Furnistore In East Surrey Limited**

### **The report of the trustees for the year ended 31 December 2010**

#### **Statement of Directors' and Trustees' Responsibilities**

The Charities Acts and the Companies Acts 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 charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice have been followed , subject to any material departures disclosed and explained in the financial statements;

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. 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.

The trustees are also responsible for the contents of the trustees' report, and the responsibility of the independent examiner in relation to the trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no inconsistencies with the figures disclosed in the financial statements.

#### **Method of preparation of accounts**

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

This report was approved by the board of trustees on 6 April 2011.

Mrs F Clark  
Director and Trustee

## **Furnistore In East Surrey Limited**

### **Independent Examiner's Report to the trustees of the charity**

#### **Report of the Independent Examiner to the trustees on the accounts of the Charity for the year end 31 December 2010**

I report on the financial statements of the Charity on pages 9 to 19 for the year ended 31st December 2010 which have been prepared in accordance with the Charities Act 1993 and with the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 as modified in May 2008. (The SORP), under the historical cost convention and the accounting policies set out on page 13.

#### **Respective responsibilities of trustees and examiner**

As described on page 6, the Charity's trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements.

The trustees are satisfied that the audit requirement of Section 43(2) of the Charities Act 1993 (the Act) does not apply and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to section 476 of the Companies Act 2006, and that there is no requirement in the governing document or constitution of the Charity for the conducting of an audit. As a consequence, the trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the charity is not subject to audit under company law, or otherwise, and is eligible for independent examination, it is my responsibility to:-

- a) examine the accounts under section 43 of the Act;
- b) to follow the procedures laid down in the General Directions given by the Charity Commission under section 43(7)(b) of the Act; and;
- c) to state whether particular matters have come to my attention.

#### **Basis of opinion and scope of work undertaken**

I conducted my examination in accordance with the General Directions given by the Charity Commissioners for England & Wales setting out the duties of an independent examiner issued by the Charity Commissioners under section 43(7)(b) of the Act) in relation to the conducting of an independent examination, referred to above. An independent examination includes a review of the accounting records kept by the Charity and of the accounting systems employed by the Charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as trustees concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of the Charities legislation and that the financial statements comply with the Statement of Recommended Practice issued by the Charity Commissioners for England & Wales (effective April 2005 as modified in June 2008), on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the trustees in the course of the examination is not subjected to audit tests or enquiries, and consequently I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtain written assurances

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtain written assurances from the trustees of all material matters.

### **Independent Examiner's Statement, report and opinion**

Subject to the limitations upon the scope of my work as detailed above , in connection with my examination , I can confirm that

1) In accordance with Regulation 31 of The Charities (Accounts and Reports) Regulations 2008, the accounts of this incorporated charity are not required to be audited under Part 16 of the Companies Act 2006;

2) this is a report in respect of an examination carried out under section 43 of the Charities Act 1993 and in accordance with any directions given by the Commission under subsection (7)(b) of that section which are applicable;

and that no matter has come to my attention in connection with my examination which gives me reasonable cause to believe that in any material respect the requirements

(i) to keep accounting records in accordance with section 386 of the Companies Act 2006;

(ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and;

(iii) that the financial statements be prepared in accordance with the methods and principles set out in the Statement of Recommended Practice - Accounting and Reporting by Charities

have not been met; or

to which, in my opinion, attention should be drawn in my report in order to enable a proper understanding of the accounts to be reached;

The Examiner's relevant professional qualification or body is:  
Chartered Accountant

Anthony Brown  
9 Lynton Close  
Knutsford  
Cheshire  
WA16 8BH

The date upon which my opinion is expressed is :-  
6 April 2011

**Furnistore In East Surrey Limited**  
**Statement of Financial Activities**  
**for the year ended 31 December 2010**

	Unrestricted Funds	Restricted Funds	Total Funds	Last Year Total Funds
Notes	2010 £	2010 £	2010 £	2009 £
<b>Incoming resources</b>				
<b><i>Incoming resources from generated funds</i></b>				
Voluntary Income	29,387	7,000	36,387	50,234
Activities for generating funds	17,179	-	17,179	6,680
Investment Income	38	-	38	211
<b><i>Incoming resources from charitable activities</i></b>	51,009	-	51,009	61,336
<b>Total incoming resources</b>	<b>97,613</b>	<b>7,000</b>	<b>104,613</b>	<b>118,461</b>
<b><i>Costs of generating funds</i></b>				
Costs of generating voluntary income	1,740	-	1,740	-
<b><i>Costs of charitable activities</i></b>	95,732	9,020	104,752	128,850
<b><i>Governance costs</i></b>	2,576	4,271	6,847	6,561
<b>Total resources expended</b>	100,048	13,291	113,339	135,411
<b>Net outgoing resources before transfers between funds</b>	(2,435)	(6,291)	(8,726)	(16,950)
<b>Gross transfers between funds</b>	-	-	-	-
<b>Net outgoing resources before Other recognised gains and losses</b>	(2,435)	(6,291)	(8,726)	(16,950)
<b>Other recognised gains and losses</b>	-	-	-	-
<b>Net movement in funds</b>	(2,435)	(6,291)	(8,726)	(16,950)
<b>Reconciliation of funds</b>				
<b><i>Total funds brought forward</i></b>	23,594	19,452	43,046	59,996
<b>Total Funds carried forward</b>	<b>21,159</b>	<b>13,161</b>	<b>34,320</b>	<b>43,046</b>

The net movement in funds referred to above is the net incoming resources as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales and is reconciled to the total funds as shown in the Balance Sheet on page 12 as required by the said statement.

**All activities derive from continuing operations**

The notes on pages 13 to 16 form an integral part of these accounts.

**Furnistore In East Surrey Limited**  
**Statement of Financial Activities**  
**for the year ended 31 December 2010**  
**Income and Expenditure Account as required by the Companies Act**  
**for the year ended 31 December 2010**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	104,575	118,250
Direct costs of turnover	106,492	128,850
<b>Gross deficit</b>	<u>(1,917)</u>	<u>(10,600)</u>
Governance costs	6,847	6,561
<b>Operating deficit</b>	<u>(8,764)</u>	<u>(17,161)</u>
Interest receivable	38	211
<b>Deficit on ordinary activities before tax</b>	<u>(8,726)</u>	<u>(16,950)</u>
<b>Deficit for the financial year</b>	<u>(8,726)</u>	<u>(16,950)</u>
<b>Retained deficit for the financial year</b>	<u>(8,726)</u>	<u>(16,950)</u>

**All activities derive from continuing operations**

**The notes on pages 13 to 16 form an integral part of these accounts.**

**Furnistore In East Surrey Limited**  
**Statement of Financial Activities**  
**for the year ended 31 December 2010**

**Statement of Total Recognised Gains and Losses**  
**for the year ended 31 December 2010**

	2010	2009
Excess of Expenditure over income before realisation of assets	(8,726)	(16,950)
Loss per Profit and Loss account	(8,726)	(16,950)
Grants for the acquisition of fixed assets	-	-
<b>Net Movement in funds before taxation</b>	<b>(8,726)</b>	<b>(16,950)</b>

**Movements in revenue and capital funds**  
**for the year ended 31 December 2010**

<b>Revenue accumulated funds</b>	Unrestricted Funds	Restricted Funds	Total Funds	Last year Total Funds
	2010 £	2010 £	2010 £	2009 £
Accumulated funds brought forward	23,594	19,452	43,046	59,996
Recognised gains and losses before transfers	(2,435)	(6,291)	(8,726)	(16,950)
	<u>21,159</u>	<u>13,161</u>	<u>34,320</u>	<u>43,046</u>
<b>Closing revenue accumulated funds</b>	<b>21,159</b>	<b>13,161</b>	<b>34,320</b>	<b>43,046</b>

The notes on pages 13 to 16 form an integral part of these accounts.

<b>Summary of funds</b>	Designated Funds	Unrestricted Funds	Restricted Funds	Total Funds	Last Year Total Funds
	2010	2010	2010	2010	2009
Revenue accumulated funds	-	21,159	13,161	34,320	43,046

**The statement of changes in resources applied for fixed assets for Charity use is shown in the notes to the accounts**

The notes on pages 13 to 16 form an integral part of these accounts.

**Furnistore In East Surrey Limited**

Company Number 5960870

**Balance Sheet**

as at 31 December 2010

**Fixed Assets**

Tangible assets	9	7,051	12,643
<b>Total fixed assets</b>		<u>7,051</u>	<u>12,643</u>

**Current assets**

Debtors	10	7,141	15,203
Cash at bank and in hand		<u>26,238</u>	<u>19,867</u>
<b>Total current assets</b>		<u>33,379</u>	<u>35,070</u>

**Creditors:-**

amounts due within one year	11	(6,110)	(4,667)
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<b>Net current assets</b>		<u>27,269</u>	<u>30,403</u>
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<b>Total assets less current liabilities</b>		<u>34,320</u>	<u>43,046</u>
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<b>Net assets excluding pension asset / liability</b>		<u>34,320</u>	<u>43,046</u>
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<b>Net assets including pension asset / liability</b>		<u>34,320</u>	<u>43,046</u>
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**The funds of the charity :****Unrestricted income funds**

Unrestricted revenue accumulated funds	21,159	23,594
Designated revenue funds	-	-

**Unrestricted capital funds**

Designated fixed asset funds	-	-
<b>Total unrestricted funds</b>	21,159	23,594

**Restricted revenue funds**

Restricted revenue accumulated funds	13,161	19,452
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**Restricted fixed asset funds**

<b>Total restricted funds</b>	13,161	19,452
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<b>Total charity funds</b>	<u>34,320</u>	<u>43,046</u>
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The directors are satisfied that for the year ended on 31st December 2010 the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act. However, in accordance with section 43 of the Charities Act 1993, the accounts have been examined by an Independent Examiner whose report appears on page 7.

The director(s) acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities ( effective April 2008).

E S Baker

Trustee

Approved by the board of trustees on 6 April 2011

The notes on pages 13 to 16 form an integral part of these accounts.

**Furnistore In East Surrey Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

**1 Accounting policies**

***Basis of preparation of the accounts***

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008, and all other applicable accounting standards, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, (revised MAY 2008). The accounts have been drawn up in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 and the Companies Act 2006, and include the results of the charity's operations which are described in the Trustees' Report, all of which are continuing.

Insofar as the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, (revised May 2008) requires compliance with specific Financial Reporting Standards other than the FRSSE then the specific Financial Reporting Standards have been followed where their requirements differ from those of the FRSSE.

The charity has taken advantage of the exemption in the FRSSE from the requirement to produce a cash flow statement.

The particular accounting policies adopted are set out below.

***Accounting convention***

The financial statements are prepared, on a going concern basis, under the historical cost convention.

***Incoming Resources***

Incoming resources are accounted for on a receivable basis.

Except as described under the 'Deferred Income' accounting policy all grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

***Deferred income***

In accordance with the Statement of Recommended Practice for Accounting and Reporting (revised June 2008) issued by the Charity Commissioners for England & Wales grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

***Recognition of liabilities***

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice for Accounting and Reporting (revised May 2008) issued by the Charity Commissioners for England & Wales.

***Resources Expended***

The policy for including items within the relevant activity categories of resources expended, and in particular the policy for including items within the costs of generating funds, charitable activities and governance costs is:

***Costs of generating funds***

The costs of raising and generating funds include labour, property and vehicle expenses.

***Charitable activities***

***Activities in furtherance of the charity's objectives***

The cost of goods and services and ancillary trading costs that have been incurred in charitable activities.

***Support costs of activities***

*Support costs comprise the salary costs of the manager and voluntary organiser*

***Governance costs***

Governance costs include all expenditure directly related to the administration of the charity including expenditure incurred in the management of the charity's assets, organisational administration and compliance with charitable and statutory requirements.

**Furnistore In East Surrey Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

**Costs of generating funds**

The costs of raising and generating funds include labour, property and vehicle expenses.

**Charitable activities**

*Activities in furtherance of the charity's objectives*

The cost of goods and services and ancillary trading costs that have been incurred in charitable activities.

*Support costs of activities*

*Support costs comprise the salary costs of the manager and voluntary organiser*

**Governance costs**

Governance costs include all expenditure directly related to the administration of the charity including expenditure incurred in the management of the charity's assets, organisational administration and compliance with charitable and statutory requirements.

**Fixed assets and depreciation**

All tangible fixed assets are stated at cost less depreciation.

Depreciation has been provided at the following rates in order to write off the assets (less their estimated residual value) over their estimated useful economic lives.

Leasehold property	Over the length of the lease
Plant and machinery	20%-33% straight line

**Capital grants**

The board of trustees consider that gifts of tangible fixed assets or grants of a capital nature given for specific purposes and fully utilised in the furtherance of the objects of the charity should be credited to restricted income in the year when receivable. The relevant cost is put to tangible fixed assets and depreciated in accordance with the above fixed assets note. Such depreciation is written off to restricted expenditure in the relevant years.

**Taxation**

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

**Finance and operating leases**

Rentals payable in respect of operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities as incurred.

Finance leases are accounted for in accordance with the requirements of the Financial Reporting Standard for Smaller Entities (FRSSE), effective April 2008.

**Funds structure policy**

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

**2 Winding up or dissolution of the charity**

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

**Furnistore In East Surrey Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

<b>3 Deficit for the financial year</b>	<b>2010</b>	<b>2009</b>
	£	£
<b>Revenue Turnover from ordinary activities</b>	104,575	118,250
<b>and after charging:-</b>		
Depreciation of owned fixed assets	6,297	8,560
Rentals under operating leases	29,415	37,188
Independent Examiner's Fees	550	-

Funds belonging to the charity have not been used for the purchase of insurance to protect the charity from loss arising from the neglect or defaults of its trustees, employees or agents, or to indemnify its trustees, employees or agents, against the consequences of any neglect or default on their part.

**4 Detailed analysis of certain transactions required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (effective April 2005 and revised May 2008)**

Various items of support costs and charitable expenditure which are required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (effective April 2005 and revised in May 2008) to be disclosed in the notes to the accounts are set out in the Detailed Schedule to the Statement of Financial Activities which should be read together with these notes.

<b>6 Investment Income</b>	<b>2010</b>	<b>2009</b>
	£	£
Bank deposit interest received	38	211

<b>7 Staff Costs and Emoluments</b>	<b>2010</b>	<b>2009</b>
	£	£
Gross Salaries	56,435	72,538

<b>Numbers of full time employees or full time equivalents</b>	<b>2010</b>	<b>2009</b>
Engaged on charitable activities	5	5
Engaged on management and administration	1	1
	<u>6</u>	<u>6</u>

There were no fees or other remuneration paid to the trustees  
There were no employees with emoluments in excess of £60,000 per annum

**8 Trustees' remuneration**

Neither the trustees nor any persons connected with them have received any remuneration, either in the current year or the prior year.

**9 Tangible functional fixed assets**

	<b>Leasehold Property £</b>	<b>Plant, Machinery &amp; Vehicles £</b>	<b>Total £</b>
<b>Asset cost, valuation or revalued amount</b>			
At 1 January 2010	2,593	34,417	37,010
Additions	-	3,275	3,275
Disposals	(2,593)	(10,752)	(13,345)
At 31 December 2010	<u>-</u>	<u>26,940</u>	<u>26,940</u>
<b>Accumulated depreciation and impairment provisions</b>			
At 1 January 2010	1,801	22,566	24,367
Eliminated on disposals	(2,593)	(8,182)	(10,775)
Charge for the year	792	5,505	6,297
At 31 December 2010	<u>-</u>	<u>19,889</u>	<u>19,889</u>
<b>Net book value</b>			
At 31 December 2010	<u>-</u>	<u>7,051</u>	<u>7,051</u>
At 31 December 2009	<u>792</u>	<u>11,851</u>	<u>12,643</u>

**Furnistore In East Surrey Limited**  
**Notes to the Accounts**  
**for the year ended 31 December 2010**

<b>10 Debtors</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Other Debtors	3,857	2,936
Prepaid expenses	1,041	10,078
Taxation Recoverable	2,243	2,189
	<u>7,141</u>	<u>15,203</u>
<b>11 Creditors: amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Amounts due to associated or subsidiary undertakings	235	235
Accrued expenses	2,231	918
PAYE and NI	3,644	3,514
	<u>6,110</u>	<u>4,667</u>
<b>14 Analysis of the Net Movement in Funds</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Net movement in funds from Statement of Financial Activities	(8,726)	(16,950)
Net resources applied on functional fixed assets	(3,275)	(761)
<b>Net movement in funds available for future activities</b>	<u>(12,001)</u>	<u>(17,711)</u>

<b>15 Particulars of Individual Funds and analysis of assets and liabilities representing funds</b>				
<b>At 31 December 2010</b>	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>Funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible Fixed Assets	7,051	-	-	7,051
Current Assets	20,218	-	13,161	33,379
Current Liabilities	(6,110)	-	-	(6,110)
	<u>21,159</u>	<u>-</u>	<u>13,161</u>	<u>34,320</u>
<b>At 1 January 2010</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>funds</b>	<b>Funds</b>
Tangible Fixed Assets	12,643	-	-	12,643
Current Assets	15,618	-	19,452	35,070
Current Liabilities	(4,667)	-	-	(4,667)
	<u>23,594</u>	<u>-</u>	<u>19,452</u>	<u>43,046</u>

The individual funds included above are :-

	<b>Funds at</b>	<b>Movements</b>	<b>Transfers</b>	<b>Funds at</b>
	<b>2009</b>	<b>in</b>	<b>Between</b>	<b>2010</b>
		<b>Funds</b>	<b>funds</b>	
		<b>as below</b>		
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sundry other funds	43,046	(8,726)	-	34,320
	<u>43,046</u>	<u>(8,726)</u>	<u>-</u>	<u>34,320</u>

Analysis of movements in funds as shown in the table above

	<b>Incoming</b>	<b>Outgoing</b>	<b>Gains &amp;</b>	<b>Movement</b>
	<b>Resources</b>	<b>Resources</b>	<b>Losses</b>	<b>in funds</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Sundry other funds	104,613	(113,339)	-	(8,726)
	<u>104,613</u>	<u>(113,339)</u>	<u>-</u>	<u>(8,726)</u>

**17 Share Capital**

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute such amounts not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member. There are 6 members of the company ( 2009 - 5 members).

**Furnistore In East Surrey Limited**  
**Schedule to the Statement of Financial Activities**  
**for the year ended 31 December 2010**  
**Status of this schedule to the Statement of Financial Activities**

This schedule is an intrinsic part of the accounts required to comply with the 2008 Revision of the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, revised June 2008. However, it is not a part of the statutory accounts required under the provisions of the Companies Act 2006 in relation to incorporated charities.

	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total Funds 2010 £	Prior Period Total Funds 2009 £
<b>Incoming Resources</b>				
<b>Incoming Resources from generated funds</b>				
<b>Voluntary Income</b>				
<b>Grants, legacies and donations</b>				
<b>Government and public bodies</b>				
<b>Incoming resources of a revenue nature</b>				
Local Councils	3,284	-	3,284	3,300
<b>Total</b>	<b>3,284</b>	<b>-</b>	<b>3,284</b>	<b>3,300</b>
<b>Non government and non public bodies</b>				
<b>Incoming resources of a revenue nature - grants, donations and legacies</b>				
Gift aid	1,362	-	1,362	1,541
General private donations	20,421	7,000	27,421	39,022
<b>Total</b>	<b>21,783</b>	<b>7,000</b>	<b>28,783</b>	<b>40,563</b>
<b>Total Grants, Legacies &amp; Donations Received</b>	<b>25,067</b>	<b>7,000</b>	<b>32,067</b>	<b>43,863</b>
<b>Other voluntary income</b>				
Donations from collection and deliveries	4,320	-	4,320	6,371
<b>Total other voluntary income</b>	<b>4,320</b>	<b>-</b>	<b>4,320</b>	<b>6,371</b>
<b>Total Voluntary Income</b>	<b>29,387</b>	<b>7,000</b>	<b>36,387</b>	<b>50,234</b>
<b>Activities for generating funds</b>				
Fundraising activities	11,416	-	11,416	-
Temporary letting and licensing of charitable property	5,763	-	5,763	6,680
<b>Total of activities for generating funds</b>	<b>17,179</b>	<b>-</b>	<b>17,179</b>	<b>6,680</b>
<b>Investment Income</b>				
Bank deposit interest received	38	-	38	211
<b>Total Investment Income</b>	<b>38</b>	<b>-</b>	<b>38</b>	<b>211</b>
<b>Incoming resources from charitable activities</b>				
Primary purpose trading	50,679	-	50,679	61,336
<b>Total Incoming resources from charitable activities</b>	<b>51,009</b>	<b>-</b>	<b>51,009</b>	<b>61,336</b>
<b>Total Incoming Resources</b>	<b>97,613</b>	<b>7,000</b>	<b>104,613</b>	<b>118,461</b>

**Furnistore In East Surrey Limited**  
**Schedule to the Statement of Financial Activities**  
**for the year ended 31 December 2010**  
**Status of this schedule to the Statement of Financial Activities**

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	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total Funds 2010 £	Prior Period Total Funds 2009 £
<b>Costs of generating funds</b>				
<b><i>Costs of generating voluntary income</i></b>				
Cost of fundraising activities	1,740	-	1,740	-
	<b>1,740</b>	<b>-</b>	<b>1,740</b>	<b>-</b>
<b>Total costs of generating voluntary income</b>	<b>1,740</b>	<b>-</b>	<b>1,740</b>	<b>-</b>
<b>Charitable expenditure</b>				
<b><i>Costs of activities in furtherance of the charity's objectives</i></b>				
Cost of goods for primary purpose trading	540	-	540	876
	<b>540</b>	<b>-</b>	<b>540</b>	<b>876</b>
<b><i>Support costs of charitable activities</i></b>				
<b><i>Direct support costs</i></b>				
Gross wages and salaries - charitable activities	15,243	-	15,243	30,948
Volunteers' Costs	1,369	-	1,369	1,406
Travel and Subsistence - Charitable Activities	-	-	-	617
	<b>16,612</b>	<b>-</b>	<b>16,612</b>	<b>32,971</b>
<b><i>Management and administration costs</i></b>				
<b><i>in support of charitable activities</i></b>				
<b><i>Staff costs in support of charitable activities</i></b>				
Salaries - Administrative staff	36,557	4,635	41,192	41,590
	<b>36,557</b>	<b>4,635</b>	<b>41,192</b>	<b>41,590</b>
<b><i>Indirect employee costs</i></b>				
Training	30	-	30	848
	<b>30</b>	<b>-</b>	<b>30</b>	<b>848</b>
<b><i>Premises Costs</i></b>				
Rent, rates and service charges	29,415	-	29,415	37,188
Insurance	-	-	-	-
Property and contents insurance	1,381	-	1,381	2,281
Light and heat	1,756	-	1,756	2,895
Cleaning	-	-	-	558
Premises repairs and renewals	2,568	-	2,568	576
	<b>35,120</b>	<b>-</b>	<b>35,120</b>	<b>43,498</b>

**Furnistore In East Surrey Limited**  
**Schedule to the Statement of Financial Activities**  
**for the year ended 31 December 2010**  
**Status of this schedule to the Statement of Financial Activities**

This schedule is an intrinsic part of the accounts required to comply with the 2008 Revision of the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, revised June 2008. However, it is not a part of the statutory accounts required under the provisions of the Companies Act 2006 in relation to incorporated charities.

	Unrestricted Funds 2010 £	Restricted Funds 2010 £	Total Funds 2010 £	Prior Period Total Funds 2009 £
<b>General administrative expenses:</b>				
Telephone and fax	780	-	780	1,168
Stationery and postage	510	-	510	478
Liability insurance (not trustees)	217	-	217	243
Equipment expenses	408	-	408	-
Computer supplies	444	-	444	322
Bad debts	-	-	-	90
Health and safety costs	-	-	-	869
Loss on disposal of fixed assets	945	1,625	2,570	-
Advertising	364	-	364	-
Bank charges	1	-	1	95
Sundry expenses	881	-	881	368
	<b>4,550</b>	<b>1,625</b>	<b>6,175</b>	<b>3,633</b>
<b>Professional fees in support of charitable activities</b>				
Legal fees	341	-	341	-
	<b>341</b>	<b>-</b>	<b>341</b>	<b>-</b>
<b>Other support costs</b>				
Depreciation of assets used for charitable purposes	-	-	-	1,999
Motor expenses	1,982	2,760	4,742	3,435
	<b>1,982</b>	<b>2,760</b>	<b>4,742</b>	<b>5,434</b>
<b>Total Support costs</b>	<b>95,192</b>	<b>9,020</b>	<b>104,212</b>	<b>127,974</b>
<b>Support costs for grants paid</b>				
Costs reallocated from charity support costs	-	-	-	-
<b>Total Expended on Charitable Activities</b>	<b>95,732</b>	<b>9,020</b>	<b>104,752</b>	<b>128,850</b>
<b>Governance costs that are not direct management functions inherent in generating funds, service delivery and programme or project work</b>				
<b>Specific governance costs</b>				
Independent Examiner's Fees	550	-	550	-
Depreciation of fixed assets used for governance	2,026	4,271	6,297	6,561
<b>Total governance costs</b>	<b>2,576</b>	<b>4,271</b>	<b>6,847</b>	<b>6,561</b>