

SOUTH SHROPSHIRE FURNITURE SCHEME

(A company limited by guarantee)

CONSOLIDATED DIRECTORS AND TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31ST AUGUST 2011

Company No. 4041051 (England & Wales)
Charity No. 1082068

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Directors & Trustees

William Jones	(Chairman)
William Duley	(Minute Secretary)
Monica Green	(deceased 7 th February 2011)
Phillip Reckless	
Helen Corfield	
Susan McCormack	
Clare Ratcliff	(appointed 29 th June 2011)

Secretary

Jean Jarvis

Chief Executive Officer

Jean Jarvis

Registered Office

The Renaissance Centre
7/8 Tower Street
Ludlow
Shropshire
SY8 1RL

Company Registration Number

4041051

Charity Registration Number

1082068

Bankers

Lloyds TSB
16 Broad Street
Ludlow

Auditors

James Holyoak and Parker
1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

DIRECTORS AND TRUSTEES REPORT **FOR THE YEAR ENDED 31ST AUGUST 2011**

The Directors and Trustees present their financial report for the year ended 31st August 2011.

The Charity was incorporated on 26th July 2000 as a company limited by guarantee. Charitable operations commenced on 1 September 2000 with a transfer of assets worth £34,862 from the South Shropshire Volunteer Exchange.

Directors & Trustees

The Directors and Trustees of the Charity who served during the period are as follows:-

William Jones	(Chairman)
William Duley	(Minute Secretary)
Monica Green	(deceased 7 th February 2011)
Phillip Reckless	
Helen Corfield	
Susan McCormack	
Clare Ratcliff	(appointed 29 th June 2011)

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected on an annual basis, with the officers being elected from the membership of the Management Committee.

The Management Committee seeks to ensure that Trustees are selected from a wide geographical area, to ensure a fair spread of influence for all locations covered by the scheme, and that the Trustees have experience in sectors relevant to the scheme.

When a member of the board from a certain location or with a particular skill is lost the Management Committee will endeavour to replace this member with a person with a similar list of attributes. Currently the committee consists of members from a variety of backgrounds such as teaching, training, accountancy, commerce, the clergy and the local council.

Trustee Induction and Training

Most prospective Trustees will already be familiar with the practical work of the scheme. However, a new Trustee will be given a guided tour of the scheme, an introduction pack covering the work of the scheme, and the latest financial information plus a pack outlining the Trustees legal responsibilities.

Organisational Structure

The Management Committee which consists of up to ten members meets bi monthly and is responsible for the strategic direction and policy of the charity.

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

DIRECTORS AND TRUSTEES REPORT
FOR THE YEAR ENDED 31ST AUGUST 2011 (CONTINUED)

The Chief Executive Officer also sits on the committee but has no voting rights.

There is also a finance sub-committee which meets bi monthly and is responsible for setting budgets within the guidelines set by the Management Committee and for also reporting back to the committee actual performance versus budget.

A scheme of delegation is in place and day to day responsibility for the work of the charity rests with the Chief Executive Officer Jean Jarvis.

Statement of Trustees' Responsibilities

The trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Charity and Group for that period. In preparing those financial statements the trustees are required to:-

- (a) select suitable accounting policies and apply them consistently;
- (b) observe the methods and principles of the Charities SORP;
- (c) make judgements and estimates that are reasonable and prudent;
- (d) state whether the policies adopted are in accordance with the Companies Act 2006 and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements;
- (e) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in business.

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

In so far as the directors are aware:

- there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the Charity's auditors are unaware, and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

DIRECTORS AND TRUSTEES REPORT **FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)**

Objectives of the South Shropshire Furniture Scheme

The Charity's objectives are to relieve poverty and protect or preserve the environment for the public benefit by all or any of the following means:-

- (a) By helping to improve the quality of life of both individuals and families who are in need of essential household equipment as identified by the Charity by statutory and voluntary agencies through collecting donated furniture and household equipment and storing and checking electrical appliances for safety before delivering to those in need.
- (b) By recycling, re-using, renovating and repairing household items that would otherwise have to be disposed of as landfill.
- (c) By providing opportunities for the unemployed, those with special needs and those on Community Service or similar orders, to practise and acquire skills and gain confidence whilst contributing to the welfare of their own communities.
- (d) Through advancing the education of the general public about the benefits to the environment of recycling, re-use and waste management and to promulgate the value of sustainable lifestyles.
- (e) To advance the education of the general public about the importance of recycling, re-use and waste management and to promulgate the value of sustainable life-styles.
- (f) Through the establishment of volunteer training schemes to undertake the repair and/or restoration of donated items or any other aspects of the Charity's work as appropriate.

Review of the Period

This year I start on a sad note, our Chairman, Monica Green, passed away last February. She has been sadly missed, but not just by SSFS. Monica worked tirelessly for many other charities and local causes. Her loss has had a big impact on us all.

We are thrilled though to have been rated at 43 in the RBS SE 100 index of fastest growing enterprises. A massive achievement for South Shropshire Furniture Scheme amongst national social enterprises with multi million pound turnovers, such as the Eden Project in Cornwall.

Last year I predicted that public services would be delivered by social enterprises. This is now happening, in Shropshire and throughout the UK. In June we took over the running of Rockspring Community Centre on the Sandpits Estate in Ludlow. With assistance from Sam Hine at Communities Can we've carried out a wide range of activities in our mission to re engage the local community and bring the centre back to life. We're currently in talks as to whether we can embark on a similar initiative with Craven Arms Community Centre.

With great optimism and in partnership with Shropshire Housing Alliance we opened Reviive CIC in October 10. One year on we've out-performed our business plan, and reached a turnover of £16,000 per month. Starting with one part-time member of staff, we now employ 7 and have 20 regular volunteers. We'll continue to develop this concept and hope to open more Reviives throughout the UK over the coming years.

Our workforce continues to grow in size and develop its skills and we buy in additional expertise where necessary. We've maintained a volunteer team of over 90 people of all ages and competencies.

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

DIRECTORS AND TRUSTEES REPORT **FOR THE YEAR ENDED 31 AUGUST 2011 (CONTINUED)**

Sales of reuse furniture has increased again this year as people choose more carefully how to spend their limited funds. A sign of these straightened times is the increase this year in the numbers of people requesting our emergency delivery of furniture for £40. We continue to work in partnership with South Shropshire Housing Association to provide this service as swiftly and painlessly as is possible.

2010/11 has been a good year for SSFS and for me personally. I was awarded an MBE in the Queen's New Year's Honours list for Services to Social Enterprise, which I couldn't have achieved without the great team of staff, volunteers and directors that give their all to SSFS.

Finally we would like to take this opportunity to thank our funders, (see note 3) without whom we would not be able to provide our services, and all our staff and volunteers who have worked extremely hard to ensure the success of the charity. The Scheme is only as successful as its people and they have shown in their work and commitment all the best attributes of the South Shropshire community which they represent.

The attached Financial Statements show the financial activity of the charity during the year.

Future Developments

An adequate level of secured funding is in place for 2011/12 which will enable the scheme to continue to support the full range of activities currently offered.

Unrestricted income from activities in furtherance of the charity's objects is expected to grow in line with the continued success of the Weeping Cross Lane warehouse, obtaining further service level agreements from local and national organisations, and the charity's status as a Showcase Social Enterprise.

The scheme is still reliant on the generosity of its funders, but its strong operational foundation and the skill and dedication of the staff and volunteers place it in an ideal position to fully exploit new opportunities and build on current projects.

Investment Policy

The Trustees considered that given the charity's net asset position holding anything other than bank deposit type investments would be inappropriate.

Risk Management

The Trustees actively review the major risks the charity faces on a regular basis, financial and operational, and confirm they have established systems to mitigate the significant risks.

Auditors

A resolution proposing James, Holyoak & Parker Limited to be re-appointed as auditors of the charity will be put to the Annual General Meeting.

Signed for and on behalf of the Board of Directors & Trustees on 7th February 2012.


William Jones
(Chairman)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

We have audited the Group and Charity financial statements of the South Shropshire Furniture Scheme Limited for the year ended 31 August 2011 which comprise the Consolidated Group and Charity Statement of Financial Activities, the Group and Charity Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom generally accepted accounting practice applicable to smaller Entities).

This report is made solely to the charity's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees Responsibilities Statement set out on page 3, the trustees (who are also directors of the South Shropshire Furniture Scheme for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with the applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED (Continued)

Opinion on the financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2011 and of the group's and charitable company's income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- Have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements and the trustees report in accordance with the small companies regime.
- In our opinion the information given in the Trustees Annual Report is consistent with the financial statements.

Jonathan Rimmer (Senior Statutory Auditor)
For and on behalf of
James, Holyoak & Parker Limited
Chartered Accountants and Statutory Auditors

1 Knights Court, Archers Way
Battlefield Enterprise Park
Shrewsbury, Shropshire, SY1 3GA

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2011

	Notes	Restricted £	Unrestricted £	Total 2011 £	Total 2010 £
INCOMING RESOURCES					
Donations, Legacies & Similar Incoming Resources	3	227,642	176,569	404,211	382,135
Activities for generating funds					
Tea shop		-	10,106	10,106	11,853
Share of sales by joint venture		-	62,728	62,728	-
Less share of joint venture sales		-	(62,728)	(62,728)	-
Incoming Resources from charitable activities	3a	4,800	307,615	312,415	267,027
Investment Income & Interest		-	18	18	21
Other Incoming Resources		-	500	500	-
Total Incoming Resources		232,442	494,808	727,250	661,036
RESOURCES EXPENDED					
Costs of generating funds	4				
Costs of generating voluntary income		-	25,900	25,900	22,544
Fundraising trading		-	8,047	8,047	7,525
Charitable activities	4	232,380	408,147	640,527	545,484
Governance costs	4	-	12,784	12,784	7,654
Total Resources Expended		232,380	454,878	687,258	583,207
Net Incoming Resources before joint ventures & transfers		62	39,930	39,992	77,829
Share of operating profit of joint venture			1,044	1,044	-
Gross Transfer between funds		-	-	-	-
Net incoming resources before tax		62	40,974	41,036	77,829
Tax on share of joint venture profit		-	325	325	-
Net movement of funds in year		62	40,649	40,711	77,829
Total fund brought forward	8,9	1,623	89,021	90,644	12,815
Total funds carried forward	8,9	1,685	129,670	131,355	90,644

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

CHARITY STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2011

	Notes	Restricted £	Unrestricted £	Total 2011 £	Total 2010 £
INCOMING RESOURCES					
Donations, Legacies & Similar Incoming Resources	3	227,642	176,569	404,211	382,135
Activities for generating funds					
Tea shop		-	10,106	10,106	11,853
Incoming Resources from charitable activities	3a	4,800	307,615	312,415	267,027
Investment Income & Interest		-	18	18	21
Other Incoming Resources		-	500	500	-
Total Incoming Resources		232,442	494,808	727,250	661,036
RESOURCES EXPENDED					
Costs of generating funds	4				
Costs of generating voluntary income		-	25,900	25,900	22,544
Fundraising trading		-	8,047	8,047	7,525
Charitable activities	4	232,380	408,147	640,527	545,484
Governance costs	4	-	12,784	12,784	7,654
Total Resources Expended		232,380	454,878	687,258	583,207
Net Incoming Resources before transfers		62	39,930	39,992	77,829
Gross Transfer between funds		-	-	-	-
Net movement of funds in year		62	39,930	39,992	77,829
Total fund brought forward	8,9	1,623	89,021	90,644	12,815
Total funds carried forward	8,9	1,685	128,951	130,636	90,644

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST AUGUST 2011

	Notes	£	2011 £	£	2010 £
Fixed Assets					
Tangible Assets	6		84,389		84,132
Investments in joint venture	6a				
Share of gross assets		21,218		-	
Share of gross liabilities		(20,498)		-	
Share of net assets			720	-	-
			85,109		84,132
Current Assets					
Debtors & Prepayments		26,728		6,668	
Cash at Bank and in Hand		<u>82,908</u>		<u>43,725</u>	
		109,636		50,393	
Creditors: Amounts falling within one year	7	(63,390)		(43,881)	
Net Current Assets			46,246		6,512
Net Assets			131,355		90,644
Unrestricted Funds	9		129,670		89,021
Restricted Funds	8		1,685		1,623
Total Funds	10		131,355		90,644

These accounts are prepared in accordance with the special provisions relating to companies subject to the small company regime within Part 15 of the Companies Act 2006

Approved by the Board of Trustees & Directors on 7th February 2012 and signed on its behalf by:-



William Jones
(Chairman)

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

CHARITY BALANCE SHEET AS AT 31ST AUGUST 2011

	Notes	£	2011 £	£	2010 £
Fixed Assets					
Tangible Assets	6		84,389		84,132
Investments	6a		1		-
			84,390		84,132
Current Assets					
Debtors & Prepayments		26,728		6,668	
Cash at Bank and in Hand		<u>82,908</u>		<u>43,725</u>	
		109,636		50,393	
Creditors: Amounts falling within one year	7	(63,390)		(43,881)	
Net Current Assets			46,246		6,512
Net Assets			130,636		90,644
Unrestricted Funds	9		128,951		89,021
Restricted Funds	8		1,685		1,623
Total Funds	10		130,636		90,644

These accounts are prepared in accordance with the special provisions relating to companies subject to the small company regime within Part 15 of the Companies Act 2006

Approved by the Board of Trustees & Directors on 7th February 2012 and signed on its behalf by:-



William Jones
 (Chairman)

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011

1. Accounting Policies

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable accounting standards & the Companies Act 2006.

Certain prior year comparatives have been amended to aid better comparison with current year disclosures.

The principal accounting policies adopted in the preparation of the Financial Statements are as follows:-

Basis of consolidation

The consolidated accounts of the Group incorporate the accounts of the Charity and its share in its Joint Venture. The Joint Venture is accounted for using the gross equity method of accounting.

Donations and Grants

Income from donations and grants, including capital grants, is included in income resources when these are received, except as follows:-

- When donors specify that donations and grants given to the Charity must be used in future accounting periods, the income is deferred until those periods
- When donors impose conditions, which have to be fulfilled before the Charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Furniture donated for distribution is recognised as income when distributed, at the trustees' estimate of its second hand market value.

Interest receivable

Interest is included when receivable by the Charity

Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT, which cannot be recovered.

Operating Leases

Rents payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011 (continued)

Tangible Fixed Assets

Tangible Fixed Assets are depreciated on a straight line basis over their estimated useful lives as follows:-

Improvements	- over the term of the lease
Van	- 20%
Office Equipment	- 20%
Equipment & Tools	- 20%

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed. The trustees estimate donated stock with a market value of £17,500 (2010: £24,208) was on hand at the 31 August 2011.

Fund Accounting

Funds held by the Charity are either:

- Unrestricted general funds – these are funds that can be used in accordance with charitable objects at the discretion of the Trustees.
- Restricted funds - these are funds that 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. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011 (continued)

2. The Charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

3. Donations, Legacies and Similar Incoming Expenses

	Restricted			Group & Charity Total 2011 £	Group & Charity Total 2010 £
	Revenue £	Capital £	Unrestricted £		
Donations					
Gifts in Kind	-	-	-	-	6,000
Furniture donated for Distribution	-	-	84,000	84,000	70,424
Client, contribution to cost	-	-	2,240	2,240	2,056
B & P Barrett	-	-	2,500	2,500	-
Other	25	-	2,313	2,338	1,148
Rockspring Transfer	-	-	67,923	67,923	-
	25	-	158,976	159,001	79,628
Grants Received					
Ecominds	56,714	-	-	56,714	32,688
Capacity Builders Mod Fund	-	-	-	-	10,000
Hardship Fund	-	-	-	-	50,841
Millichope Foundation	1,000	-	2,500	3,500	1,000
Shropshire Council Rockspring	-	-	11,730	11,730	-
Shropshire Council	-	-	2,863	2,863	40,000
Lloyds TSB	21,388	-	-	21,388	20,765
HG Trust	5,000	-	-	5,000	5,000
NCVO	-	-	-	-	150
PC Dumbell	-	-	500	500	450
Big Lottery Fund	143,515	-	-	143,515	141,613
	227,617	-	17,593	245,210	302,507
Total	227,642	-	176,569	404,211	382,135

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011 (continued)

3a Incoming Resources from Operating Activities in furtherance of the Charity's objects

	Restricted Capital £	Revenue £	Unrestricted £	Group & Charity Total 2011 £	Group & Charity Total 2010 £
Weeping Cross Lane	-	-	72,766	72,766	54,078
Rockspring	-	-	3,106	3,106	-
Renaissance Centre Income	-	-	49,557	49,557	53,953
Book Shop	-	-	8,035	8,035	-
Church Stretton Centre Income	-	-	-	-	2,972
Diversification Income	-	-	2,920	2,920	15,260
SS District Council	-	-	-	-	-
Veolia	-	-	41,507	41,507	26,062
Recycling	-	-	5,002	5,002	-
KSW	-	-	-	-	-
Training Providers Consortium	-	-	7,310	7,310	1,900
HG Enabling Fund	-	4,800	500	5,300	3,700
West Mercia Probation Service	-	-	5,567	5,567	6,307
SS Domestic Violence Network	-	-	400	400	2,815
SSHA	-	-	10,000	10,000	10,000
SCRL	-	-	10,136	10,136	15,028
Shropshire Council	-	-	8,438	8,438	5,000
Future Jobs Fund	-	-	26,155	26,155	15,385
Community Directory	-	-	17,138	17,138	22,344
Adult & Community Learning	-	-	38,533	38,533	32,223
Action Planning	-	-	545	545	-
Total	-	4,800	307,615	312,415	267,027

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st AUGUST 2010 (continued)

4. Total Resources Expended

	Cost of generating funds	Charitable activities	Governance costs	Group & Charity Total 2011	Group & Charity Total 2010
	£	£	£	£	£
Costs directly allocated to activities					
Furniture Distributed	-	84,000	-	84,000	70,424
Premises	-	60,109	-	60,109	60,690
Staff Costs	-	245,325	-	245,325	178,193
External Contractors	5,000	74,062	4,875	83,937	62,831
Volunteer Expenses	-	6,012	-	6,012	5,691
Van Expenses	-	20,463	-	20,463	20,634
Audit Fee	-	-	2,000	2,000	2,000
Tea Room Purchases	2,047	-	-	2,047	2,525
Bookshop Purchases	-	1,042	-	1,042	-
Workshop Purchases	-	10,979	-	10,979	8,892
Grants Given	-	4,738	-	4,738	2,232
Depreciation	-	24,375	-	24,375	31,698
Legal & Professional	-	7,200	1,000	8,200	13,990
Training Costs	-	7,405	-	7,405	7,087
	7,047	545,710	7,875	560,632	466,887
Support costs allocated to activities					
Premises	6,000	18,195	-	24,195	24,525
Office and Finance Staff	19,500	46,000	2,500	68,000	63,000
Staff Travel	200	7,170	-	7,370	7,575
General Office Costs	1,000	17,806	1,000	19,806	14,518
Publicity Costs	-	1,692	-	1,692	2,629
Sundry Costs	200	3,954	1,409	5,563	4,073
	26,900	94,817	4,909	126,626	116,320
	33,947	640,527	12,784	687,258	583,207

Premises costs were apportioned on the basis of floor area, staff costs on the basis of staff time and all other costs on the basis of usage.

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011 (continued)

4a. Staff Costs and Numbers

	2011	2010
	£	£
Staff costs were as follows:		
Salaries and Wages	291,035	242,150
Social Security costs	22,290	19,043
Less: Costs capitalised	-	(20,000)
Charity Total	313,325	241,193

The average weekly number of Staff employed, calculated as full time equivalents during the year was as follows:-

	No.	No.
Fundraising Activities	1	1
Management & Support	2	2
Workshops	10.5	8
Project Support	1	1
Renaissance Centre	1.5	1.5
Outreach Work	1.5	1.5
Charity Total	17.5	15.0

The share of operating profit of the joint venture in the Consolidated Statement of Financial Activities is stated after charging an amount of £21,910 in respect of the Charity's 50% share in the joint ventures staff costs (2010 : £Nil) and represents two full time equivalent staff members.

5. Taxation

Tax on share of joint venture profit in the Consolidated Statement of Financial Activities, in the amount of £325, represents UK current year corporation tax.

The Charitable Company is exempt from corporation tax on its charitable activities.

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011 (continued)

6. Tangible Fixed Assets

	Leasehold Improvements	Vans	Office Equipment	Equipment & Tools	Group & Charity Total
	£	£	£	£	£
Cost					
As at 1 September 2010	159,589	69,862	13,259	36,441	279,151
Additions	21,302	-	2,623	707	24,632
Disposals	-	22,000	-	-	22,000
As at 31 August 2011	180,891	47,862	15,882	37,148	281,783
Depreciation					
As at 1 September 2010	81,587	67,090	13,258	33,084	195,019
Charge for the year	20,099	2,771	525	980	24,375
Disposals	-	22,000	-	-	22,000
As at 31 August 2011	101,686	47,861	13,783	34,064	197,394
NBV at 31 August 2011	79,205	1	2,099	3,084	84,389
NBV at 31 August 2010	78,002	2,772	1	3,357	84,132

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011 (continued)

6a. Investments

	Group 2011 £	Group 2010 £	Charity 2011 £	Charity 2010 £
Investment in joint venture	720	-	1	-

The charity holds 50% of the ordinary share capital of Reviive CIC a company incorporated in the United Kingdom. The company's other shareholder is the Shropshire Housing Alliance (Charity No. 1124644). Reviive is run as a joint venture between the two charity's, its community interest statement states 'The company's activities will provide benefit to the local people of Shropshire seeking to reuse and recycle household goods and manage their impact on the environment, and to the charities and community projects that will benefit from the trading surpluses generated by the company'.

Share of net assets in joint venture

	Group 2011 £	Group 2010 £
The Group's 50% share of :		
Fixed assets	4,421	-
Current assets	16,797	-
Gross assets	21,218	-
Creditors due under one year	(6,909)	-
Creditors due after one year	(13,589)	-
Gross liabilities	(20,498)	-
Share of net assets	720	-

Share of net result of joint venture

The Group's 50% share of :

Total income	62,728	-
Profit on ordinary activities before tax	1,044	-
Tax	(325)	-
Retained funds for the year	719	-

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011(continued)

7. Creditors: amounts falling due within one year

	Group & Charity 2011 £	Group & Charity 2010 £
Bank overdraft	-	-
Social Security & Other taxes	1,835	1,770
Other Creditors & Accruals	61,555	37,111
Loan	-	5,000
	63,390	43,881

8. Movement in Restricted Funds

	1 Sept 2010 £	Income Resources £	Outgoing Resources £	Transfer Between funds £	31 Aug 2011 £
Core Work	-	83,102	(83,102)	-	-
Big Lottery Fund	-	143,515	(143,515)	-	-
Monica Green Fund	-	1,025	(1,025)	-	-
Grant Fund	1,623	4,800	(4,738)	-	1,685
Group & Charity Total	1,623	232,442	(232,380)	-	1,685

The Core Work Fund represents grants and donations received to finance the administration, collection and distribution of furniture to people in need in the South Shropshire Area.

The Big Lottery Fund represents grants received from the Big Lottery to finance the SSFS as a showcase social enterprise financing advice and training programs delivered to other social enterprises.

The Monica Green Fund represents donations received to help young people into employment through the SSFS.

The Grant Fund represents funds invested in the SSFS to distribute as grants in accordance with agreed service level agreements.

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011 (continued)

9. Movements in Unrestricted Fund

	Group £	Charity £
Funds at 1 September 2010	89,021	89,021
Income Resources	494,808	494,808
Outgoing Resources	(454,878)	(454,878)
Transfer between funds	-	-
Net income from joint venture	719	-
Funds at 31 August 2011	129,670	128,951

The General Fund represents free funds of the Charity which are not designated for particular purposes.

The transfer between funds represents fixed assets transferred from the restricted fund to the unrestricted fund.

10. Analysis of Net Assets between Funds

a) Group	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible Fixed Assets	-	85,109	85,109
Current Assets	1,685	107,951	109,636
Current Liabilities	-	(63,390)	(63,390)
Net Assets at 31 August 2011	1,685	129,670	131,355

b) Charity	Restricted Funds £	Unrestricted Funds £	Total Funds £
Tangible Fixed Assets	-	84,390	84,390
Current Assets	1,685	107,951	109,636
Current Liabilities	-	(63,390)	(63,390)
Net Assets at 31 August 2011	1,685	128,951	130,636

SOUTH SHROPSHIRE FURNITURE SCHEME LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR TO 31ST AUGUST 2011 (continued)

11. Financial Commitments

At 31 August 2011 the Group and Charity had annual commitments under non cancellable leases as follows:-

	Group Land & Buildings £	Group Other £	Charity Land & Buildings £	Charity Other £
Expiry date				
Within one year	-	-	-	-
Within one to two years	13,000	-	13,000	-
Two to five years	50,832	6,432	38,000	6,432
	63,832	6,432	51,000	6,432

The Group total shows the Charity's 50 % share of its joint venture's commitments.

12. Reserves Policy

The trustees believe reserves are needed:

- to cover the administration, fund raising and support costs without which the charity could not function.
- to meet unforeseen expenses associated with the administration and designated projects of the charity.

The trustees consider it prudent that the reserves should be sufficient:-

- to avoid the necessity of realising fixed assets held for the charity's use.
- to cover 3 months administration fund raising and support costs estimated at £42,500 at current activity levels.
- to provide a circa £10,000 buffer against unforeseen expenses.

At the year end the Group and Charity has free net current asset reserves of £46,246 leaving a shortfall of £6,254. The Trustee's are aware of the situation and continue to build reserves by developing unrestricted income streams.

13. Related Parties - Charity

The Charity provided a guarantee during the year on a £40,000 bank loan taken out by its joint venture investment Reviive CIC.