COMPANY REGISTRATION NUMBER: 03886547
CHARITY REGISTRATION NUMBER: 1091602

# Necessary Furniture

## Company Limited by Guarantee

## Unaudited Financial Statements

## 31 March 2025

**PG LEMON LLP**
Chartered Certified Accountants
22-26 Bank Street
Herne Bay
Kent
CT6 5EA

# Necessary Furniture

## Company Limited by Guarantee

## Financial Statements

## Year ended 31 March 2025


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# Necessary Furniture

## Company Limited by Guarantee

## Trustees' Annual Report (Incorporating the Director's Report)

## Year ended 31 March 2025

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2025.

### Reference and administrative details

| | |
|---|---|
| **Registered charity name** | Necessary Furniture |
| **Charity registration number** | 1091602 |
| **Company registration number** | 03886547 |
| **Principal office and registered office** | 22-26 Bank Street<br>Herne Bay<br>CT6 5EA<br>Kent |

**The trustees**

| | |
|---|---|
| C.C Gay MBE | |
| G.A. Glover | |
| S. Edridge | |
| T. Wallace-Sims | |
| W. Rhys-Jones | |
| J. Kennett | (Resigned 27 January 2025) |
| R.D. Meredith | |
| P. Cowell | (Appointed 25 November 2024) |

| | |
|---|---|
| **Independent examiner** | Maxine Gambrill FCCA<br>22-26 Bank Street<br>Herne Bay<br>Kent<br>CT6 5EA |

### Structure, governance and management

The organisation is a charitable company limited by guarantee and registered as a charity. The Directors ( whose liability is limited to £1 ) are also Trustees. The Directors meet regularly as a Management Committee. Management is governed by a Memorandum and Articles of Association in accordance with the Companies Acts.

### Objectives and activities

Necessary Furniture is a charitable organisation set up to provide furniture and household goods for the disadvantaged within the community and to reduce the volume of useable goods going to landfill.

### Achievements and performance

Necessary Furniture (in partnership with the relevant agencies) provides worthwhile jobs and work experience for unemployed people.

### Financial review

Our current priority is closely to monitor income and expenditure to keep the Charity on a sound footing. Recent initiatives agreed include the clearance of redundant stock to make way for attractive display areas and asking donors of furniture, as well as recipients, to make a donation towards running costs.

### Small company provisions

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

The trustees' annual report was approved on 28 July 2025 and signed on behalf of the board of trustees by:

C.C Gay MBE
Trustee

# Necessary Furniture

## Company Limited by Guarantee

## Independent Examiner's Report to the Trustees of Necessary Furniture

## Year ended 31 March 2025

I report to the trustees on my examination of the financial statements of Necessary Furniture ('the charity') for the year ended 31 March 2025.

### Responsibilities and basis of report

As the trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or

2. the financial statements do not accord with those records; or

3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

M. A. Gambrill

Maxine Gambrill FCCA
Independent Examiner

22-26 Bank Street
Herne Bay
Kent
CT6 5EA

28 July 2025

# Necessary Furniture

## Company Limited by Guarantee

## Statement of Financial Activities (including income and expenditure account)

## Year ended 31 March 2025

| | Note | 2025 Unrestricted funds £ | 2025 Total funds £ | 2024 Total funds £ |
|---|---|---|---|---|
| **Income and endowments** | | | | |
| Donations and legacies | 5 | 2,394 | 2,394 | 3,102 |
| Charitable activities | 6 | 377,453 | 377,453 | 405,501 |
| Other trading activities | 7 | 1,463 | 1,463 | 1,934 |
| Investment income | 8 | 6,220 | 6,220 | 3,941 |
| **Total income** | | 387,530 | 387,530 | 414,478 |
| **Expenditure** | | | | |
| Expenditure on raising funds: | | | | |
| Costs of other trading activities | 9 | 27,666 | 27,666 | 21,900 |
| Expenditure on charitable activities | 10 | 383,475 | 383,475 | 366,607 |
| Other expenditure | 11 | 700 | 700 | 589 |
| **Total expenditure** | | 411,841 | 411,841 | 389,096 |
| **Net (expenditure)/income and net movement in funds** | | (24,311) | (24,311) | 25,382 |
| **Reconciliation of funds** | | | | |
| Total funds brought forward | | 206,242 | 206,242 | 180,860 |
| **Total funds carried forward** | | 181,931 | 181,931 | 206,242 |

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

# Necessary Furniture

## Company Limited by Guarantee

## Statement of Financial Position

## 31 March 2025

| | Note | 2025 £ | 2024 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible fixed assets | **16** | 10,344 | 22,489 |
| **Current assets** | | | |
| Debtors | **17** | 15,718 | 14,657 |
| Cash at bank and in hand | | 200,801 | 215,678 |
| | | 216,519 | 230,335 |
| **Creditors: amounts falling due within one year** | **18** | 44,932 | 46,582 |
| **Net current assets** | | 171,587 | 183,753 |
| **Total assets less current liabilities** | | 181,931 | 206,242 |
| **Net assets** | | 181,931 | 206,242 |
| **Funds of the charity** | | | |
| General funds | | 181,931 | 206,242 |
| **Total charity funds** | **20** | 181,931 | 206,242 |

For the year ending 31 March 2025 the charity 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 financial statements 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 financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 28 July 2025, and are signed on behalf of the board by:

C.C Gay MBE
Trustee

## 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 22-26 Bank Street, Herne Bay, CT6 5EA, Kent.

## 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

## 3. Accounting policies

### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

### Going concern

There are no material uncertainties about the charity's ability to continue.

### Judgements and key sources of estimation uncertainty

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

### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

## 3. Accounting policies *(continued)*

### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

3. **Accounting policies** *(continued)*

**Tangible assets** *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

**Depreciation**

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

| | | |
|---|---|---|
| Fixtures and fittings | - | 25% reducing balance |
| Motor vehicles | - | 25% straight line |

**Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

## 3. Accounting policies *(continued)*

### Financial instruments *(continued)*

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

### Defined contribution plans

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

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

## 4. Limited by guarantee

The company is limited by guarantee of members and does not have a share capital. The liability of members is limited to £1.00.

## 5. Donations and legacies

| | General Funds £ | **Total Funds 2025 £** | General Funds £ | Total Funds 2024 £ |
|---|---|---|---|---|
| **Donations** | | | | |
| Donations | 2,394 | 2,394 | 3,102 | 3,102 |

## 6. Charitable activities

| | General Funds £ | **Total Funds 2025 £** | General Funds £ | Total Funds 2024 £ |
|---|---|---|---|---|
| Sale of goods/services as part of direct charitable activities | 377,453 | 377,453 | 405,501 | 405,501 |

## 7. Other trading activities

| | General Funds £ | **Total Funds 2025 £** | General Funds £ | Total Funds 2024 £ |
|---|---|---|---|---|
| Auction/recycle credits | 1,030 | 1,030 | 250 | 250 |
| Other income | 433 | 433 | 1,684 | 1,684 |
| | 1,463 | 1,463 | 1,934 | 1,934 |

## 8. Investment income

| | General Funds £ | **Total Funds 2025 £** | General Funds £ | Total Funds 2024 £ |
|---|---|---|---|---|
| Bank interest receivable | 6,220 | 6,220 | 3,941 | 3,941 |

## 9. Costs of other trading activities

| | General Funds £ | **Total Funds 2025 £** | General Funds £ | Total Funds 2024 £ |
|---|---|---|---|---|
| Costs of other trading activities - Shop costs | 27,666 | 27,666 | 21,900 | 21,900 |

## 10. Expenditure on charitable activities by fund type

| | General Funds £ | **Total Funds 2025 £** | General Funds £ | Total Funds 2024 £ |
|---|---|---|---|---|
| Wages and overheads | 383,475 | 383,475 | 366,607 | 366,607 |

## 11. Other expenditure

| | General Funds | **Total Funds 2025** | General Funds | Total Funds 2024 |
|---|---|---|---|---|
| | £ | **£** | £ | £ |
| Other expenditure - bank charges | 700 | 700 | 589 | 589 |

## 12. Net (expenditure)/income

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

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Depreciation of tangible fixed assets | 12,146 | 12,207 |

## 13. Independent examination fees

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Fees payable to the independent examiner for: | | |
| Independent examination of the financial statements | 950 | 950 |

## 14. Staff costs

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

| | **2025** | 2024 |
|---|---|---|
| | **£** | £ |
| Wages and salaries | 276,524 | 243,191 |
| Employer contributions to pension plans | 5,497 | 4,748 |
| | 282,021 | 247,939 |

The average head count of employees during the year was 10 (2024: 9). The average number of full-time equivalent employees during the year is analysed as follows:

| | **2025** | 2024 |
|---|---|---|
| | **No.** | No. |
| Number of staff | 10 | 9 |

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

## 15. Trustee remuneration and expenses

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

## 16. Tangible fixed assets

| | Fixtures and fittings £ | Motor vehicles £ | **Total £** |
|---|---|---|---|
| **Cost** | | | |
| **At 1 April 2024 and 31 March 2025** | 5,230 | 47,851 | 53,081 |
| **Depreciation** | | | |
| At 1 April 2024 | 4,497 | 26,094 | 30,591 |
| Charge for the year | 183 | 11,963 | 12,146 |
| **At 31 March 2025** | 4,680 | 38,057 | 42,737 |
| **Carrying amount** | | | |
| **At 31 March 2025** | 550 | 9,794 | 10,344 |
| At 31 March 2024 | 733 | 21,757 | 22,490 |

## 17. Debtors

| | **2025 £** | 2024 £ |
|---|---|---|
| Trade debtors | 1,179 | (731) |
| Prepayments and accrued income | 10,982 | 10,987 |
| Other debtors | 3,557 | 4,401 |
| | 15,718 | 14,657 |

## 18. Creditors: amounts falling due within one year

| | **2025 £** | 2024 £ |
|---|---|---|
| Bank loans and overdrafts | – | 1,829 |
| Trade creditors | 13,464 | 10,576 |
| Accruals and deferred income | 1,140 | 1,140 |
| Social security and other taxes | 9,557 | 6,366 |
| Other creditors | 20,771 | 26,671 |
| | 44,932 | 46,582 |

## 19. Pensions and other post retirement benefits

### Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,497 (2024: £4,748).

## 20. Analysis of charitable funds

### General funds

| | At 1 April 2024 | Income | Expenditure | At 31 March 2025 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| General funds | 206,242 | 387,530 | (411,841) | 181,931 |

| | At 1 April 2023 | Income | Expenditure | At 31 March 2024 |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| General funds | 180,860 | 414,478 | (389,096) | 206,242 |

## 21. Analysis of net assets between funds

| | General Funds | Total Funds 2025 |
|---|---|---|
| | £ | £ |
| Tangible fixed assets | 10,344 | 10,344 |
| Current assets | 216,519 | 216,519 |
| Creditors less than 1 year | (44,932) | (44,932) |
| **Net assets** | 181,931 | 181,931 |

| | General Funds | Total Funds 2024 |
|---|---|---|
| | £ | £ |
| Tangible fixed assets | 22,489 | 22,489 |
| Current assets | 230,334 | 230,334 |
| Creditors less than 1 year | (46,581) | (46,581) |
| **Net assets** | 206,242 | 206,242 |

The following pages do not form part of the financial statements.

# Necessary Furniture

## Company Limited by Guarantee

## Detailed Statement of Financial Activities

## Year ended 31 March 2025

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| **Income and endowments** | | |
| **Donations and legacies** | | |
| Donations | 2,394 | 3,102 |
| **Charitable activities** | | |
| Sale of goods/services as part of direct charitable activities | 377,453 | 405,501 |
| **Other trading activities** | | |
| Auction/recycle credits | 1,030 | 250 |
| Other income | 433 | 1,684 |
| | 1,463 | 1,934 |
| **Investment income** | | |
| Bank interest receivable | 6,220 | 3,941 |
| **Total income** | 387,530 | 414,478 |

# Necessary Furniture

## Company Limited by Guarantee

## Detailed Statement of Financial Activities *(continued)*

## Year ended 31 March 2025

| | 2025 £ | 2024 £ |
|---|---|---|
| **Expenditure** | | |
| **Costs of other trading activities** | | |
| Light and heat | 11,814 | 7,648 |
| Other motor/travel costs | 503 | 460 |
| Legal and professional fees | 11,767 | 8,800 |
| Telephone | 1,287 | 1,469 |
| Other office costs | 2,295 | 3,523 |
| | 27,666 | 21,900 |
| **Expenditure on charitable activities** | | |
| Wages and salaries | 276,524 | 243,191 |
| Pension costs | 5,497 | 4,748 |
| Rent | 47,895 | 47,835 |
| Rates and water | 3,245 | 2,173 |
| Repairs and maintenance | 5,640 | 20,215 |
| Insurance | 5,914 | 5,696 |
| Other establishment | 171 | 389 |
| Motor vehicle expenses | 23,758 | 24,302 |
| Vehicle leasing/hire | 251 | 251 |
| Legal and professional fees | 1,084 | 950 |
| Other office costs | 1,351 | 4,651 |
| Depreciation | 12,145 | 12,206 |
| | 383,475 | 366,607 |
| **Other expenditure** | | |
| Other expenditure - bank charges | 700 | 589 |
| **Total expenditure** | 411,841 | 389,096 |
| **Net (expenditure)/income** | (24,311) | 25,382 |

# Necessary Furniture

## Company Limited by Guarantee

## Notes to the Detailed Statement of Financial Activities

## Year ended 31 March 2025

| | 2025 £ | 2024 £ |
|---|---|---|
| **Costs of other trading activities** | | |
| **Costs of other trading activities - Shop costs** | | |
| Shop costs - light & heat | 11,814 | 7,648 |
| Shop costs - other motor/travel costs | 503 | 460 |
| Shop costs - legal and professional fees | 11,767 | 8,800 |
| Shop costs - postage, telephone and fax | 1,287 | 1,469 |
| Shop costs - other office costs | 2,295 | 3,523 |
| | 27,666 | 21,900 |
| **Costs of other trading activities** | 27,666 | 21,900 |
| **Expenditure on charitable activities** | | |
| **Wages and overheads** | | |
| ***Activities undertaken directly*** | | |
| Wages/salaries | 276,524 | 243,191 |
| Pension costs | 5,497 | 4,748 |
| Rent | 47,895 | 47,835 |
| Rates & water | 3,245 | 2,173 |
| Repairs & maintenance | 5,640 | 20,215 |
| Insurance | 5,914 | 5,696 |
| Direct charitable activity 1 - other establishment | 171 | 389 |
| Motor vehicle expenses | 23,758 | 24,302 |
| Vehicle leasing | 251 | 251 |
| Legal and professional fees | 1,084 | 950 |
| Direct charitable activity 1 - advertising & marketing | 1,351 | 4,651 |
| Depreciation | 12,145 | 12,206 |
| | 383,475 | 366,607 |
| **Expenditure on charitable activities** | 383,475 | 366,607 |