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The SOFA Project Limited

Report and Accounts for the year ending

31st March 1997



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THE SOFA PROJECT

Directors Report

ACTIVITIES AND REVIEW

The SOFA Project is a Company limited by guarantee (Company Registration No. 1697726) and is a Registered Charity (No. 287088) which exists to relieve poverty by renovating and supplying furniture to persons who are in need, hardship and distress. The SOFA Project achieves this objective through the collection of unwanted furniture donated by individual members of the public and other organisations. Such furniture is stored at SOFA's premises at 48 - 54 West Street, Bristol BS2 0BL. Electrical and gas appliances are repaired and safety checked before sale. Furniture and appliances are made available at a modest charge and delivered free of charge. Volunteers are involved as part of SOFA's workforce in the day to day running of the Project.

SERVICE USERS

The SOFA Project's service users can be divided into two categories - donors who supply the Project with furniture and appliances and low income households who are unable to purchase new furniture or second-hand furniture at market prices. The SOFA Project collected from over 9,000 households this year and provided furniture and appliances to over 5,000 households. SOFA's collection and delivery services are free of charge.

SOFA operates as a shop with an open door policy, with service users signing a declaration of eligibility which has been approved by the Charities Commission. A geographical breakdown of SOFA's deliveries shows that the majority of these go to areas within the Bristol and old Avon area which are acknowledged to have a high incidence of households living in poverty.

SOFA has supplied furniture to clients of the following referral agencies: Bristol Municipal Charities, Social Services Departments from the four unitary authorities, North British Housing Association, Richmond Fellowship Trust, South Bristol Youth Housing Association, Priority Youth Housing Association, St Monica Home, Aled Richards Trust, Mayor of Bath's Relief Fund, Barnardo's Family Centre, Solon Housing Association, Southmead Hospital, Bristol Churches Housing Association, the Hotel and Catering Benevolent Fund and SSAFFA.

SOFA has continued to provide furniture and appliances for the Cold Weather Project which has run a direct-access emergency nightshelter in Bristol for the past six years.

SOFA has collected approximately 5,000 fridges on behalf of the four unitary authorities and removed the harmful CFC gases from those which have not been re-usable.

VOLUNTEERS

A total of 13 volunteers have worked with us in the warehouse, office and on the vans. SOFA would like to thank Ian Wintle, Brian Williams, Lisa Hancock, Maria McNiell, Wesley Taynton, Derek Hollier-Day, Ian McHardy, Craig Horseman, Nick Walker, Tom Kyriacou, David Quirk, Leon Chambers and Mike Hardy who have all volunteered with us this year.

SOFA staff continue to supervise people serving Community Service Orders on behalf of the Probation Service. The Probation Service is represented on SOFA's Management Committee by the Nick Gough (Chair) and Barbara Van der Eerden.

STAFF

SOFA said goodbye to Dan Oakley this year, and was temporarily without a Development and Publicity Worker. We would like to acknowledge Dan's hard work and commitment to the Project.

SOFA's staff are:

Wendy Stephenson	Project Manager
Dick Hourigan-Golding	Service Co-ordinator
Ron Taggart	Development and Publicity Worker
Heather Ford	Finance and Administration Worker
Chris Edwards	Sales and Office Assistant
Suzie Channing-Pearce	Sales and Office Assistant
Tristan Pollard	Sales and Office Assistant
John Tythacott	Driver and CFC recovery operative
Julie Trenchard	Driver
Phil Bond	Driver
Jon Teale	Driver
Keith Campbell	Domestic Appliance Engineer
Terry Williams	Domestic Appliance Engineer
Andrew Neathey	Domestic Appliance Engineer (Gas)

All of our staff, volunteers and management committee members are to be congratulated on the contribution that they have made to the development and maintenance of SOFA's valuable and effective service.

- to reuse or recycle all materials handled by the Project through the course of its operations
- to provide flexible training and or work experience opportunities to individuals who are at greatest disadvantage in the community.

SOFA has been successful in bringing together the support and commitment of Bristol City Council, Bristol Area Community Enterprise Network, Bristol Cyrenians, the Employment Service, North British Housing Association, Pathways, the Probation Service and the Recycling Consortium to develop this Project.

The FRRCP has grown out of the SOFA Project's continuing commitment to the relief of poverty through reuse and recycling and coincides with a range of opportunities from which the concept of the FRRCP was developed.

Local Agenda 21, the sustained interest in, and continued spread of awareness of environmental issues, has put the idea of sustainability and the environment high on both the public and political agenda. This is reflected in the support for innovative environmental projects from both the public and private sectors.

The conceptual framework for the FRRCP was structured in consideration of these issues and the opportunities that spring from them: the alleviation of poverty, urban regeneration, the environment and employment/training are all constituent elements of the FRRCP.

Fund raising for the further development of this Project is currently in progress.

Sales in the Community

Recognising the difficulty experienced in accessing our service by some of our service users, SOFA took its service to the people of Hartcliffe this year when we held a successful Sale in the Community. This was successful in terms of local interest in the event and the publicity generated. Four van loads of furniture were taken to Hartcliffe and the demand from local people was such that supplies had to be replenished half way through the morning. The event was organised in partnership with the Recycling Consortium, Bristol City Council Health and Environmental Services Department and Resourcesaver. The Waste Not Workshop provided entertainment for children.

SOFA would like to repeat this event in other areas, but we are currently limited by our lack of storage space. We anticipate that the development of the Furniture Recycling Resource Centre Project will address our need for more space for the storage and repair of furniture.

TRAINING

There has been an emphasis on training within the Project this year. The following staff have undertaken training courses supported by SOFA.

Andrew Neathey moved from his position as a general assistant and became a CORGI registered gas fitter. Andrew also obtained the City and Guilds Certificate of Competence for Inspection and Testing of Electrical Equipment.

Wendy Stephenson successfully completed an Open University Course in Voluntary Sector Management.

Julie Trenchard obtained her First Aid Certificate.

John Tythacott successfully completed the Construction Industry Training Board Course in Refrigerant Handling.

Terry Williams obtained the City and Guilds Certificate of Competence for Inspection and Testing of Electrical Equipment.

All staff have attended Bristol City Council's Kinetic Lifting and Handling Course.

SOFA continues to make use of Progress, Bristol's voluntary sector training organisation when relevant training opportunities arise.

The staff group, volunteers and management committee got together for a Review Day in September. We considered the past, present and future of our organisation. Sun Life kindly lent us their Social Club for this occasion.

DEVELOPMENT

Furniture Recycling Resource Centre Project

In order to improve the quality, range and supply of donated furniture and to address the need to replace foam filled furniture, SOFA has this year embarked on an ambitious Development Project. This Project continues and takes forward ideas and work started last year with North British Housing Association and Bristol Cyrenians.

The Furniture Recycling Resource Centre Project is an initiative led by the SOFA Project and has three key functions:

- through repair, refurbishment and reuse to enhance the current provision of good quality, low cost furniture to low income households

Building Work

SOFA has this year converted one of its previously uninhabitable shop fronts into a small shop selling smaller household items such as crockery, pots and pans etc. This has provided an additional service for both customers and donors.

Other previously derelict areas of the first floor of the building have been converted into offices. This has made more space in our warehouse area, created a more efficient working environment and provided some comfortable working space for our staff.

We acknowledge that there is still work to be undertaken in order to further improve conditions for staff and service users.

Publicity

The SOFA Project is aware that many of our donors recognise that their donation is not only going to benefit another household, but that it is also being diverted from landfill.

With the support of Bristol City Council, Bath and North East Somerset, North Somerset and South Gloucestershire unitary authorities SOFA was able to distribute 100,000 leaflets using the slogan 'Don't Dump It Donate It' to encourage more people to reuse and recycle.

Through monitoring the response of donors, when asked how they had heard about the SOFA Project, it was shown that 55% had used SOFA before, or had SOFA recommended to them. Whilst this indicates to us that current users value our service, we continue to seek alternative sources of donations.

SOFA this year decided to target retail outlets and businesses dealing with furniture and appliances, providing information brochures and business cards for businesses to pass onto their customers.

Press releases and radio appeals provided much free publicity and generated a large number of donations.

New displays were produced and put on show in libraries throughout Bristol and old Avon and at festivals, freshers fairs etc.

NETWORKING

The SOFA Project is represented on the executive committee of the Furniture Recycling Network by Wendy Stephenson. The FRN has a membership of over 100 furniture projects throughout the British Isles and exists to promote good practice and facilitate

information exchange and networking between Projects. Wendy Stephenson, Julie Trenchard and Steve Parsons attended the FRN national conference this year. SOFA is also an active member of the Recycling Consortium which comprises Children's Scrapstore, Resourcesaver, Avon Friends of the Earth and SOFA and promotes reuse and recycling throughout Bristol and old Avon. SOFA is a member of Bristol's Voluntary Organisations Standing Conference on Urban Regeneration and is represented on its policy forum by Wendy Stephenson.

RESERVES

As a result of SOFA's decision to cease collecting foam filled furniture a shortfall in income of £30,000 was anticipated. However, due to more effective publicity and an increased range of donated items, the shortfall has been reduced to £9,000. Restructuring resulting in a stronger management team, the employment of a gas fitter, an additional domestic appliance engineer and more effective use of vehicles has resulted in increased staff costs this year. Building improvements and a new telephone system have also contributed to a reduction in reserves. The SOFA Project expects to continue to improve and enhance its service.

DIRECTORS AND THEIR INTERESTS

Those who served as directors and trustees during the year and up to the date of this report were as follows:

Steve Parsons	Resigned 11 September 1996
Jane Stephenson	
Nick Gough	
Maggie Davies	
William Everatt	
Kate White	
Steve Knight	

No director has any beneficial interest in the Company. All directors are members of the company and guarantee to contribute £1.00 in the event of a winding up. The number of guarantees at 31 March 1997 was 6.

Directors' Responsibilities

Company law requires the directors, who are also the charity trustees, to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors are required to:

select suitable accounting policies and then apply them consistently;

make judgments and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue on that basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Bankers

Lloyds Bank
102 Regent Street
Kingswood
Bristol
BS15 2HT

Auditors

Dick Maule
12 Picton Street
Bristol
BS6 5QA

The auditors have expressed their willingness to be reappointed in accordance with section 384 of the Companies Act 1985.

Approved by the Directors on10 September 97

Nick Ryle 10/9/97 (dated and signed on their behalf by

Chair Management Committee (Name and position - Secretary/Director)

M Hawia 10/9/97 - Secretary.

Auditor's Report to the members of The Sofa Limited

I have audited the financial statements set out on pages 9 to 12 which have been prepared under the accounting policies set out on page 11.

Respective responsibilities of the Management Committee and auditor

The Management Committee, also known as trustees for charity law purposes, are responsible for the preparation of the accounts. It is my responsibility to form an independent opinion, based on my audit, on these accounts and to report my opinion to you.

Basis of opinion

I conducted my audit in accordance with the Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the Management Committee in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

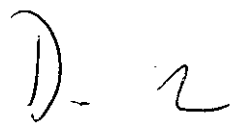
I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In my opinion the financial statements give a true and fair view of the charitable company's affairs at 31st. March 1997, and of its incoming resources and application of resources, including income and expenditure for the year then ended, and have been properly prepared in accordance with the Companies Act 1985 as applicable to small companies.

Dick Maule
Chartered Accountant and Registered Auditor
10 Picton Street
Bristol 6

dated: 17.9.97



The Sofa Project Ltd.

Balance Sheet as at 31st. March 1997

	Notes	1997 £	1996 £
Tangible assets	(5)	1,824	2,114
Current assets			
Debtors and prepayments	(6)	4,865	6,058
Cash at bank and in hand		<u>2,691</u>	<u>31,031</u>
		14,556	37,089
Current liabilities			
Creditors: amounts falling due within 12 months	(7)	<u>(7,794)</u>	<u>(3,947)</u>
Net Current assets		<u>6,762</u>	<u>33,142</u>
		<u>8,586</u>	<u>35,256</u>
Capital and reserves			
Reserves		8,586	33,401
Restricted funds	(4)	-	1,855
		<u>8,586</u>	<u>35,256</u>

The Management Committee have taken advantage of special exemptions conferred by schedule 8 of the Companies Act 1985 applicable to small companies in the preparation of the accounts, and have done so on the grounds that, in their opinion the company is entitled to these exemptions.

These financial statements were approved by the Management Committee on 10 September 97

On behalf of the Management Committee

Nick Gough
10/9/97 dated:
(9) *Magnum* 10/9/97.

The Sofa Project Ltd.

Statement of Financial Activities for the year ended 31st. March 1997

	Notes	Unrestricted Funds 1997 £	Restricted Funds 1997 £	Total Funds 1997 £	1996 £
Income					
<i>Incoming resources</i>					
Sales of donated furniture		207,067	-	207,067	216,560
Degassing of fridges		13,782	-	13,782	11,703
Grants		-	4,099	4,099	6,300
Donations		132	-	132	-
Interest received		791	-	791	433
Other income		163	-	163	888
		<u>221,935</u>	<u>4,099</u>	<u>226,034</u>	<u>235,884</u>
Expenditure					
<i>Resources expended</i>					
Direct charitable expenditure		248,055	4,099	252,154	209,274
Management and administration	[2]	550	-	550	525
<i>Total Resources Expended</i>	[3]	<u>248,605</u>	<u>4,099</u>	<u>252,704</u>	<u>209,799</u>
Net incoming/ outgoing resources before transfers					
		(26,670)	-	(26,670)	26,085
Balance brought forward at 1st. April 1996		33,401	1,855	35,256	9,171
Transfers between reserves		1,855	(1,855)	-	-
Balances carried forward at 31st. March 1997		<u>8,586</u>	<u>-</u>	<u>8,586</u>	<u>35,256</u>

The only recognised gain/ (loss) is the surplus for the year as stated above.

The Sofa Project Ltd.

Notes to the accounts for the year ended 31st. March 1997

(1) Principal Accounting Policies

Basis of accounting

The accounts have been prepared under the historical cost convention, in accordance with applicable accounting standards.

Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor, unrestricted funds are income received and generated by the objects of the charity without further specified purpose and are available as general funds.

Depreciation

Grants received to purchase fixed assets are treated as deferred income and credited to the income and expenditure account over the estimated useful lives of the assets to which they relate.

Fixed assets are written off over the expected useful life of the asset using the straight line basis at 25% per annum.

Statement of Recommended Practice

The accounts have been prepared in accordance with the S.O.R.P. Accounting for Charities

(2) Management and administration of the charity

	Unrestricted Funds 1997 £	Restricted Funds 1997 £	Total Funds 1997 £	1996 £
Audit fees	390	-	390	375
Accountancy fees	160	-	160	150
<i>Total Resources Expended</i>	<u>550</u>	<u>-</u>	<u>550</u>	<u>525</u>

(3) Total Resources Expended

	Staff costs £	Depreciation £	Other £	Total 1997 £	1996 £
Direct charitable expenditure	193,219	3,208	55,727	252,154	209,274
Management and administration	-	-	550	550	525
	<u>193,219</u>	<u>3,208</u>	<u>56,277</u>	<u>252,704</u>	<u>209,799</u>

(4) Restricted Funds

	£
Balance brought forward	1,855
Utilised in year	(1,855)
Capital grants received	<u>-</u>

The Sofa Project Ltd.

Notes to the accounts for the year ended 31st. March 1997

(5) Tangible assets Fixed assets	Motor Vehicles Equipment		Total
	£	£	£
<i>Cost</i>			
balance brought forward	9,164	16,068	25,232
additions in the year		1,393	1,393
	<u>9,164</u>	<u>17,461</u>	<u>26,625</u>
<i>Depreciation</i>			
balance brought forward	9,164	13,954	23,118
charge for the year	-	1,683	1,683
	<u>9,164</u>	<u>15,637</u>	<u>24,801</u>
Net book value 31st March 1997	-	1,824	1,824
Net book value 31st March 1996	-	2,114	2,114

(6) Debtors

	1997	1996
	£	£
Sundry debtors and prepayments	<u>4,865</u>	<u>6,058</u>

(7) Creditors: amounts falling due within 12 months

Tax and National Insurance	-	-
Sundry creditors	<u>7,794</u>	<u>3,947</u>
	<u>7,794</u>	<u>3,947</u>

(8) Capital commitments and contingent liabilities

There are none this year.

(9) Trustees expenses

Expenses paid to trustees for attending meetings	<u>331</u>	<u>400</u>
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(10) Employee information

The average number of workers were	<u>14</u>	<u>12</u>
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The Sofa Project Ltd.

Income and expenditure account for the year ended 31st. March 1997

	1997	1996
	£	£
Sales of donated furniture	207,067	216,560
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Grants	4,099	6,300
Donations	132	-
Interest received	791	433
Other income	163	888
	<u>226,034</u>	<u>235,884</u>
Direct costs	5,281	3,318
Staff costs	193,219	155,033
Transport costs	17,546	14,984
Premises costs	10,370	8,435
Administrative expenses	25,033	27,528
Interest payable and bank charges	1,255	501
	<u>252,704</u>	<u>209,799</u>
Surplus for the year	(26,670)	26,085
Transfer to restricted fund re restricted transactions included above	1,855	555
Reserves at 1st April 1996	<u>33,401</u>	<u>6,761</u>
Reserves at 31st March 1997	<u>8,586</u>	<u>33,401</u>

This page does not form part of the published accounts

The Sofa Project Ltd.**Income and expenditure account for the year ended 31st. March 1997**

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	£	£
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The Sofa Project Ltd.**Schedules to the accounts for the year ended 31st. March 1997**

	1997 £	1996 £
Staff costs		
Wages and national insurance	191,656	152,255
Volunteers' expenses	1,563	2,777
	<u>193,219</u>	<u>155,033</u>
Transport costs		
Fuel	6,457	5,046
Sundry costs	242	-
Van depreciation	-	-
Van tax and insurance	4,226	4,100
Van and contract hire, repairs and other costs	<u>6,620</u>	<u>5,838</u>
	<u>17,546</u>	<u>14,984</u>
Premises costs		
Rent and room hire	169	125
Repairs and renewals	5,445	3,836
Electricity and water	2,805	2,296
Cleaning	310	997
Security, health and safety	885	493
Other	756	688
	<u>10,370</u>	<u>8,435</u>
Administration		
Telephone	1,729	1,017
Print, post and stationery	2,553	2,438
Advertising and publicity	8,244	8,405
Equipment depreciation	1,683	5,542
Conferences and courses	1,767	2,589
Staff travel	949	553
General insurance	5,940	4,950
Refreshments	1,083	1,217
Professional fees	535	292
Audit and accountancy	550	525
	<u>25,033</u>	<u>27,528</u>
Bank charges	<u>1,255</u>	<u>501</u>
Direct costs		
Workshop expenses and equipment maintenance	<u>5,281</u>	<u>3,318</u>

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