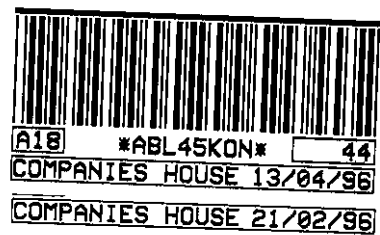


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The Sofa Project Limited

Accounts for the year ending

31st. March 1995



## The Sofa Project Limited

### Management Committee's report

The Management Committee present their annual report and audited accounts for the year ended 31st March 1995

The principal activity of the company was that of the renovation and supply of furniture to people in conditions of need, hardship and distress.

The Management Committee report a surplus for the year of £15,825.

The results for the period and the state of the company's affairs are considered satisfactory, and are as shown in the attached accounts. Changes in fixed assets are as shown in note 2 to the accounts.

The company is limited by guarantee, and does not have share capital. It is also a registered charity.

The Management Committee who served during the year were:

M.A.Davies G.J.Loveday [resigned] S.R.Parsons J.Stephenson K.A.Read [resigned]  
J.Britton [resigned] N.Gough W.Everatt N.Farr.

#### The Management Committee's responsibilities

Company law requires the Management Committee to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period.

In preparing those accounts the Management Committee are required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Follow applicable accounting policies, subject to any material departures disclosed and explained in the accounts;

Prepare accounts on the going concern basis unless it is inappropriate to presume the company will keep operating. ...

The Management Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts 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.

In accordance with s.385 of the Companies Act 1985, a resolution for the re-appointment of Dick Maule as auditor is to be proposed.

In preparing the above report the Management Committee have taken advantage of special exemptions applicable to small companies.

By order of the Management Committee

*M A Davies* *M Davies*

Secretary

Date: 29 September 1995.

(1)

29 September 1995.

### Auditor's Report to the members of The Sofa Project Limited

I have audited the financial statements set out on pages 3 to 6 which have been prepared under the historical cost convention and the accounting policies set out on page 5.

#### **Respective responsibilities of the Management Committee and auditor**

As described on page 1 the Management Committee 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 company'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**

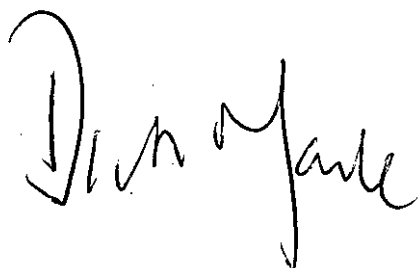
In my opinion the financial statements give a true and fair view of the company's affairs at 31st. March 1995, and of its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985 as applicable to small companies.

**Dick Maule**

Chartered Accountant and Registered Auditor  
36, Falmouth Road  
Bristol 7

29 September  
August 1995

29 September 1995



# **The Sofa Project Ltd.**

Income and expenditure account for the year ended 31st. March 1995

	Notes	£	1995 £	1994 £
Sales of donated furniture	[1]		172,658	144,186
Degassing of fridges			13,982	9,544
Grants and donations			10,683	11,352
Surplus on disposal of fixed assets			484	-
Interest received			32	62
Other income			2,621	2,495
			<u>200,460</u>	<u>167,939</u>
Staff costs			129,378	129,532
Transport costs			26,119	20,883
Premises costs			10,826	7,968
Administrative expenses			18,124	13,014
Interest payable and bank charges			188	394
			<u>184,635</u>	<u>171,791</u>
<b>Surplus/(deficit) for the year</b>			<b>15,825</b>	<b>(3,852)</b>
Reserves at 1st April 1994			<u>(9,064)</u>	<u>(5,212)</u>
Reserves at 31st March 1995			<u>6,761</u>	<u>(9,064)</u>

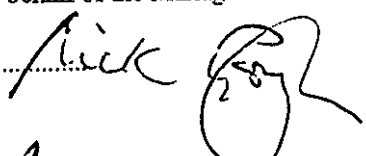
# **The Sofa Project Ltd.**

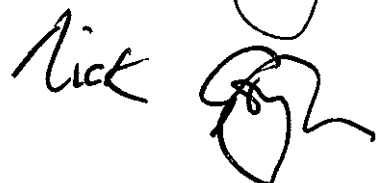
Balance Sheet as at 31st. March 1995.

	Notes	£	1995 £	1994 £
<b>Tangible assets</b>	(2)		2,315	<u>3,840</u>
<b>Current assets</b>				
Debtors and prepayments	(3)	6,960		876
Cash at bank and in hand		<u>9,701</u>		<u>418</u>
		16,661		1,294
<b>Current liabilities</b>				
Creditors: amounts falling due within 12 months	(4)	<u>(9,805)</u>		<u>(10,263)</u>
<b>Net Current assets</b>			<u>6,856</u>	<u>(8,969)</u>
			<u>9,171</u>	<u>(5,129)</u>
<b>Capital and reserves</b>				
Reserves			6,761	(9,064)
Restricted funds			2,410	3,935
			<u>9,171</u>	<u>(5,129)</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.

Signed on behalf of the Management Committee

..... Nick  (4)

Nick 

# **The Sofa Project Ltd.**

## **Notes to the accounts for the year ended 31st. March 1995**

### **(1) Principal Accounting Policies**

#### *Basis of accounting*

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

#### *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.

#### *Value Added Tax*

Turnover is expressed exclusive of V.A.T..

#### *Cash flow statements*

F.R.S. No.1 entitles small companies exemption from producing these statements.

### **(2) Tangible assets**

Fixed assets	Motor Vehicles £	Equipment £	Total £
<i>Cost</i>			
balance brought forward	14,659	10,727	25,386
disposals in the year	(5,495)	-	(5,495)
	<u>9,164</u>	<u>10,727</u>	<u>19,891</u>
<i>Depreciation</i>			
balance brought forward	11,659	6,887	21,546
disposals in the year	(5,495)	-	(5,495)
charge for the year	-	1,525	1,525
	<u>9,164</u>	<u>8,412</u>	<u>17,576</u>
Net book value 31st March 1995	-	2,315	2,315
Net book value 31st March 1994	-	3,840	3,840

## **The Sofa Project Ltd.**

**Notes to the accounts for the year ended 31st. March 1995**

### **(3) Debtors**

	1995	1994
	£	£
Sundry debtors and prepayments	<u>6,960</u>	<u>876</u>

### **(4) Creditors: amounts falling due within 12 months**

Tax and National Insurance	3,635	5,401
Sundry creditors	<u>6,170</u>	<u>4,862</u>
	<u>9,805</u>	<u>10,263</u>

### **(5) Restricted Funds**

Balance brought forward	3,935	3,866
Released to cover depreciation	(1,525)	(4,985)
Capital grants received	<u>2,410</u>	<u>5,054</u>
	<u>4,820</u>	<u>3,935</u>

### **(6) Operating surplus/ deficit**

The operating surplus/ deficit is stated after charging:

Audit fee	<u>225</u>	<u>225</u>
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### **(7) Capital commitments and contingent liabilities**

There are none this year.

### **(8) Status**

The Sofa Project Ltd. is a company limited by guarantee and a registered charity.

**Schedules to the accounts for the year ended 31st. March 1995**

	1995	1994
	£	£
<b>Staff costs</b>		
Wages and national insurance	124,135	127,357
Volunteers' expenses	4,943	2,175
	<u>129,378</u>	<u>129,532</u>
<b>Transport costs</b>		
Fuel	5,779	4,688
Labour costs	4,425	4,074
Van depreciation	-	3,665
Van tax and insurance	4,575	4,910
Van and contract hire, repairs and other costs	<u>11,340</u>	<u>3,546</u>
	<u>26,119</u>	<u>20,883</u>
<b>Premises costs</b>		
Rent and room hire	820	92
Repairs and renewals	3,846	2,645
Electricity and water	2,442	3,184
Cleaning	246	555
Security, health and safety	497	250
Workshop expenses	1,551	831
Other	1,424	411
	<u>10,826</u>	<u>7,968</u>
<b>Administration-</b>		
Telephone	1,047	1,422
Print, post and stationery	6,202	2,696
Advertising	2,424	738
Equipment depreciation	1,525	1,525
Conferences and courses	495	373
Staff travel	527	420
General insurance	4,689	4,513
Refreshments	533	698
Professional fees	232	179
Audit and accountancy	450	450
	<u>18,124</u>	<u>13,014</u>
<b>Bank charges</b>	<u>188</u>	<u>394</u>